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- H. [Request Approval of the Method of Bond/Note Sale Recommendation from Florida Housing's Independent Registered Municipal Advisor](#)
- I. [Request Approval to Execute Acknowledgement Resolutions](#)

**V. MULTIFAMILY PROGRAMS**

- A. [Request Approval of Credit Underwriting Report for Village of Valor \(RFA 2024-205 / 2025-280SA / 2024-533C\)](#)
- B. [Request Approval of Credit Underwriting Report for Riverside Park Apartments \(RFA 2024-204 / 2025-288SH / 2024-546C\)](#)
- C. [Request Approval for Loan Closing Deadline Extension for Yaeger Plaza \(RFA 2023-205 / 2024-102SN / 2023-528C\)](#)
- D. [Request Approval of Credit Underwriting Report for Ekos Pembroke Park \(RFA 2023-213 / 2024-248S / 2023-510C\)](#)
- E. [Request Approval of Credit Underwriting Report for Oakhurst Trace \(RFA 2023-213 / 2024-255S / 2023-533C\)](#)
- F. [Request Approval of Credit Underwriting Report for Cedar Cove \(RFA 2024-103 / 2024-291CSN\)](#)
- G. [Request Approval for Firm Loan Commitment Issuance Deadline Extension for Vincentian Villas \(RFA 2024-102 / 2024-312SA\)](#)
- H. [Request Approval for Firm Loan Commitment Issuance Deadline Extension for The Franklin \(RFA 2024-106 / 2024-305CSN\)](#)
- I. [Request Approval of Credit Underwriting Report for Village of Pine Hills \(RFA 2024-103 / 2024-293CSN\)](#)
- J. [Request Approval for Firm Loan Commitment Issuance Deadline Extension for The Point \(RFA 2024-102 / 2024-310SA\)](#)
- K. [Request Approval of Credit Underwriting Report for Calusa Pointe II \(RFA 2024-205 / 2025-211SA / 2024-526C\)](#)
- L. [Request Approval of RFA Waiver for Credit Underwriting Report Deadline for Pollywog Creek Mews \(RFA 2021-206 / 2022-242H & RFA 2023-211 / 2023-238V\)](#)

**VI. PREDEVELOPMENT LOAN PROGRAM**

- A. [Request Approval of Loan Maturity Extension for Neighbors and Neighbors Association, Inc. a not-for-profit entity, for NANA City Homes \(PLP 2021-015P-09\)](#)
- B. [Request Approval of PLP Loan for Pinellas County Urban League, Inc. a not-for-profit entity, for PCUL HQ Redevelopment \(PLP 2024-013P-09\)](#)
- C. [Request Approval of Revised Development Plan for Great Blue LLLP, a not-for-profit entity, for Blue Heron Apartments \(PLP 2024-014P-09\)](#)
- D. [Request Approval of Loan Maturity Extension for 2901 Wynwood, LLC a not-for-profit entity, for View 29 \(PLP 2020-009P-09\)](#)



**VII. SPECIAL ASSESTS**

- A. [Request Approval of the Transfer of the Restrictive Agreement for Temple Court Partners, Ltd. for Temple Court \(HC 2003-118C\)](#)

## HOME RENTAL

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#### I. HOME RENTAL

##### A. Request Approval of Credit Underwriting Report for Apollo Gardens (RFA 2022-210 / 2022-271CAN)

<b>Development:</b>	Apollo Gardens	<b>Location:</b>	Brevard County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Carrfour Supportive Housing, Inc.	
<b>Type:</b>	Garden Apartments (1-3 Stories)	<b>Principal:</b>	Carrfour Supportive Housing, Inc / Stephanie Berman	
<b>Demographic:</b>	Homeless, Disabled	<b>Owner:</b>	Apollo Gardens, LLLP	
		<b>Parent Owner:</b>	Apollo Gardens, LLLP	
<b>Total Units: 84</b>	34 Units @ 60% AMI (9% HC) 17 Units @ 30% AMI (HOME-ARP) 67 Units @ 60% AMI (HOME-ARP) 4 Units @ 30% AMI (NHTF)	<b>Funding Requests:</b>	9% HC HOME-ARP NHTF	\$1,848,000 \$7,200,000 \$1,780,200

#### 1. **Background:**

- a) On June 7, 2022, Florida Housing Finance Corporation issued 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 Health Systems.
- b) On August 5, 2022, the Board approved the final scores and recommendation 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 which was accepted on August 22, 2022. The one-year deadline to complete credit underwriting was August 22, 2023.
- d) On September 8, 2023, the Board approved a six-month firm loan commitment deadline extension from August 22, 2023, through February 22, 2024, due to neighborhood opposition of the Development which affected final approval of its site plan.
- e) On February 2, 2024, the Board approved the Applicant's second request for a firm loan commitment deadline extension from February 22, 2024, through October 31, 2024, to allow time to complete the requirements outlined in the December 29, 2023, extension request.
- f) On December 13, 2024, the Board approved the Applicant's third request for a firm loan commitment deadline extension from October 31, 2024, through April 30, 2025, to allow additional time to complete the requirements outlined in the October 22, 2024, extension request.

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- g) On May 9, 2025, the Board approved the Applicant's fourth request for a firm loan commitment deadline extension from April 30, 2025, through October 30, 2025, to allow for the completion of the credit underwriting report and to begin loan closing activities.

### **2. Present Situation:**

- a) On May 30, 2025, 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 RFA.

### **3. Recommendation:**

- a) Approve the final credit underwriting report and direct staff to proceed with issuance of a firm commitment and loan closing activities.

## HOME RENTAL

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#### **B. Request Approval of Credit Underwriting Report for Phoenix Crossings (RFA 2022-206 / 2023-164H)**

<b>Development:</b>	Phoenix Crossings	<b>Location:</b>	Flagler County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Rural Neighborhoods, Inc.	
<b>Type:</b>	Garden Apartments (1-3 Stories)	<b>Principal:</b>	Rural Neighborhoods, Inc. / Steven Kirk	
<b>Demographic:</b>	Family	<b>Owner:</b>	Phoenix Crossings, LLC	
		<b>Parent Owner:</b>	Phoenix Crossings, LLC	
<b>Total Units: 28</b>	6 Units @ 50% AMI 22 Units @ 60% AMI	<b>Funding Requests:</b>	HOME	\$6,250,000.00

#### **1. Background:**

- a) On December 15, 2022, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2022-206 for HOME Financing to be Used for Rental Developments in Certain Hurricane Ian Impacted Counties.
- b) On March 10, 2023, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 15, 2023, a Notice of Protest was filed delaying the issuance of the invitation to enter credit underwriting.
- d) On May 24, 2023, the Applicant was invited to enter credit underwriting activities which was accepted on May 25, 2023. The one-year deadline to complete credit underwriting was May 25, 2024.
- e) On June 28, 2024, the Board approved a six-month firm loan commitment deadline extension from May 25, 2024, through November 25, 2024, due to various factors including finding a qualified general contractor, establishing a budget due to cost increases and unanticipated environmental conditions requiring mitigation.
- f) On October 22, 2024, the Board approved the Applicant's second request for a firm loan commitment deadline extension from November 25, 2024, through May 25, 2025, due to needed changes in the site plan because of unanticipated environmental conditions on the property and architectural changes of the development to help produce cost savings.

#### **2. Present Situation:**

- a) On May 30, 2025, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit B](#)). 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 loan closing activities.

## HOUSING CREDITS

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## II. HOUSING CREDITS

### A. Request Approval to Waive the RFA Requirement for the Final Cost Certification Application Package (FCCAP) to Contain a General Contractor Cost Certification (GCCC) and CPA Opinion Letter and Audit Report for Amelia Village (RFA 2019-115 / 2020-157C / 2021-329C)

<b>Development:</b>	Amelia Village	<b>Location:</b>	Indian River County	
<b>Category:</b>	Acquisition and Preservation	<b>Developer(s):</b>	Amelia Village Developer, LLC	
<b>Type:</b>	Quadrplexes	<b>Principal:</b>	Robert K. Trent	
<b>Demographic:</b>	Elderly, non-ALF	<b>Owner:</b>	Amelia Village, L.P.	
		<b>Parent Owner:</b>	First Cumberland Properties	
<b>Total Units: 50</b>	10 Units @ 35% (HC-9%) 40 Units @ 60% (HC-9%)	<b>Funding Requests:</b>	HC-9%	\$447,000

#### 1. Background/Present Situation:

- a) Amelia Village, L.P. ("Applicant") applied for and was awarded funding from Request for Applications (RFA) 2019-115 for Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments. The funds are being utilized to finance the construction of a 50-unit Elderly, non-ALF development in Indian River County. On February 5, 2020, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a Carryover Allocation Agreement on August 21, 2020. On July 30, 2021, the Board granted a credit exchange and subsequently executed a new Carryover Allocation Agreement that was executed on August 6, 2021. Staff received a final credit underwriting report on September 2, 2022.
- b) A final construction site inspection was completed on September 15, 2023, with the final Certificate of Completion issued by Indian River County on September 7, 2023. The Applicant has submitted a draft Development Final Cost Certification.
- c) On April 22, 2025, Florida Housing received a letter from the Applicant requesting to waive the requirement found in RFA 2019-115 that the FCCAP contains a General Contractor Cost Certification (GCCC) and accompanying CPA opinion letter and unqualified audit report for the GCCC. The request letter is provided as [Exhibit A](#).
- d) Sherwood Construction, Inc. was hired as the General Contractor (GC) under a Guaranteed Maximum Price contract in December 2020. After delays due to an internal reorganization of the USDA and the COVID pandemic, the building permit was issued in January 2022 and construction commenced in early February 2022. Upon completion of the renovation, Certificates of Substantial Completion were issued by the architect on August 25, 2023, and the Applicant hired an independent CPA firm to evaluate the GC's cost certification schedule and subcontractor invoices to satisfy the testing requirement outlined in the FCCAP. Over the course of the next 12 months, the CPA made several attempts to get the required information from the GC. Very little information was received by the GC until June 2024 when communication stopped. Around the same time, the GC abandoned another affordable development site, Cherry Village, and was terminated. The Applicant and GC have unsuccessfully engaged in mediation over the GC's termination on that site.

## HOUSING CREDITS

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- e) In December 2024 the Applicant reached out to staff to discuss the GC's refusal to provide the necessary information to prepare the GCCC. Staff discussed accepting an Agreed Upon Procedures (AUP) in lieu of the GCCC. After further discussion it became apparent that the Applicant did not have and was unable to obtain enough information to provide an AUP and therefore, according to the Applicant, a request for waiver is the only remaining viable option.
- f) Per the RFA and in accordance with Rule 67-48.023, F.A.C., the Final Cost Certification Application Package (Form FCCAP), Rev. April 2019, shall be used by an Applicant to itemize all expenses incurred in association with construction or Rehabilitation of a Housing Credit Development, including Developer and General Contractor fees as described in Rule 67- 48.0072, F.A.C., and shall be submitted to the Corporation by the earlier of the following two dates:
  - (1) The date that is 90 Calendar Days after all the buildings in the Development have been placed in service, or
  - (2) The date that is 30 Calendar Days before the end of the calendar year for which the Final Housing Credit Allocation is requested.

The Corporation may grant extensions for good cause upon written request.

The FCCAP shall be completed, executed and submitted to the Corporation in both hard copy format and electronic files of the Microsoft Excel spreadsheets for the HC Development Final Cost Certification (DFCC) and the General Contractor Cost Certification (GCCC) included in the form package, along with the executed Extended Use Agreement and appropriate recording fees, IRS Tax Information Authorization Form 8821 for all Financial Beneficiaries natural person Principals (if requested by the Corporation), a copy of the syndication agreement disclosing the rate and all terms, the required certified public accountant opinion letter for both the DFCC and GCCC, an unqualified audit report prepared by an independent certified public accountant for both the DFCC and GCCC, photographs of the completed Development, the monitoring fee, and documentation of the placed-in-service date as specified in the Form FCCAP instructions. The Final Housing Credit Allocation will not be issued until such time as all required items are received and processed by the Corporation.

Form FCCAP, Rev. May 2018, is available on the RFA Website.

- g) Staff reviewed this request and finds that the development meets all other requirements of the RFA.

## **2. Recommendation:**

- a) Approve the request to Waive the RFA Requirement for the Final Cost Certification Application Package (FCCAP) to Contain a General Contractor Cost Certification (GCCC) and CPA Opinion Letter and Audit Report with the following condition:

No Developer Fee may be taken on costs incurred by the GC (Total Actual Construction Cost).

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### III. LEGAL

**A. In Re: Pine Grove VOA Affordable Housing, LP**  
**FHFC Case No. 2025-022VW**

<b>Development:</b>	Pine Grove Apartments	<b>Location:</b>	Alachua County	
<b>Category:</b>	Acquisition/Rehabilitation	<b>Developer(s):</b>	Volunteers of America National Services Corporation	
<b>Type:</b>	Garden Apartments	<b>Principal:</b>	Kimberly King	
<b>Demographic:</b>	Elderly - Non-ALF	<b>Owner:</b>	Pine Grove VOA Affordable Housing, LP	
		<b>Parent Owner:</b>	Volunteers of America National Services Corporation	
<b>Total Units: 97</b>	20 Units @ 50% (HC-4%) 77 Units @ 60% (HC-4%)	<b>Funding Requests:</b>	HC-4%	\$584,058

**1. Background:**

- a) Pine Grove VOA Affordable Housing, LP ("Petitioner") successfully applied for Non-Competitive Housing Credits to assist in the acquisition and rehabilitation of Pine Grove Apartments, a 97-unit development located in Alachua County, Florida (the "Development"). On May 21, 2025, Florida Housing received a Petition for Waiver of Rule 67-21.026(10), F.A.C. (2023) (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 A](#).

**2. Present Situation:**

- a) Rule 67-21.026(10), F.A.C. (2023), 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 CNA for rehabilitation units and review the Development's costs.

- b) Petitioner seeks a waiver of the above rule only to the extent necessary to permit roofing costs outside of the guaranteed maximum price ("GMP") contract. After substantial completion of the GMP contract, Petitioner contracted directly with a roofing company to remove and replace the roof, recognizing a cost savings by avoiding General Contractor ("GC") mark ups and not having to keep the GC on the project while waiting for the roof approval. Petitioner states oversight by the GC was not required because the roof work was inspected by the Alachua County Department of Growth Management.
- c) Petitioner states the original scope of the GMP was limited to primarily interior work, with minor exterior work and some roof work on an auxiliary building. After realizing savings on the GMP, Petitioner proceeded with roof replacement



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of the main building. The GC finished its work in March 2023. Petitioner contracted with Worthman LLC ("Worthman") for the roof work on June 26, 2023, and the work began in July 2023. Worthman's work totaled \$127,518, which comprised approximately 3.9% of the total construction costs.

- d) The Notice of Petition was published on May 23, 2025, in the Florida Administrative Register, Volume 51, Number 101. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), F.S. provides in pertinent part:

Variance 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, F.S.), 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), F.A.C. (2023), to permit payment for the de minimis scope of work performed by Worthman LLC to be paid outside of the GMP contract, without further analysis or conditions.

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**B. In Re: Pollywog Creek Mews, LLC**  
**FHFC Case No. 2025-023VW**

<b>Development:</b>	Pollywog Creek Mews	<b>Location:</b>	Hendry County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Odyssey Development Group, LLC	
<b>Type:</b>	Garden Apartments	<b>Principal:</b>	Steven Kirk	
<b>Demographic:</b>	Family	<b>Owner:</b>	Pollywog Creek Mews, LLC	
		<b>Parent Owner:</b>	Rural Neighborhoods, Inc.	
<b>Total Units: 28</b>	6 Units @ 50% (HOME) 22 Units @ 60% (HOME)	<b>Funding Requests:</b>	HOME Viability	\$5,690,000 \$3,475,000

**1. Background:**

- a) Pollywog Creek Mews, LLC ("Petitioner") successfully applied for funding to assist in the construction of Pollywog Creek Mews, a 28-unit development located in Hendry County, Florida (the "Development"). Petitioner accepted its invitation to credit underwriting on April 4, 2022, and its initial firm loan commitment deadline was April 4, 2023. FHFC previously granted a six-month extension under Rule 67-48.0072(21)(b), F.A.C. (2021), extending the firm loan commitment deadline to October 4, 2023. Subsequently, Petitioner was granted three waivers of the rule to extend its firm loan commitment deadline further to June 4, 2024; then to December 4, 2024; and most recently to June 4, 2025.
- b) On May 23, 2025, Florida Housing received a Petition for Waiver of Rule 67-48.0072(21)(b) ("the Petition") for an extension to Petitioner's firm loan commitment deadline. A copy of the Petition is attached as [Exhibit B](#).

**2. Present Situation:**

- a) Petitioner now requests an additional six-month extension. Rule 67-48.0072(21)(b), Fla. Admin. Code (2021), provides in relevant part:

(21) Information required by the Credit Underwriter shall be provided as follows:

(b) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant's acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve credit underwriting report approval and issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge

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a nonrefundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial twelve (12) month deadline is approved. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

- b) Petitioner requests a waiver of the above rule for an extension to Petitioner's firm loan commitment deadline. As the basis for this request, the Petitioner states that substantial progress has been made toward closing on financing and commencing construction of the proposed Development. According to the Petition, initial steps completed include securing a prior financial commitment for first mortgage construction and permanent financing, finalizing building and civil engineering plans, and obtaining necessary permits. The Petitioner attributes delays in the project to a series of interest rate increases, which it asserts reduced the available first mortgage loan amount and necessitated the pursuit of additional financing. The Petition also cites cost inflation and challenges associated with the Development's rural location as contributing factors, noting that initial contractor bids exceeded the project's budget. To address these issues, the Petitioner reports having secured a \$2,475,000 Viability Award from the Florida Housing Finance Corporation and a \$750,000 award from the Federal Home Loan Bank of Atlanta. The Petition further states that the project has completed various pre-development milestones, including site control, environmental clearance, engineering and architectural plans, and municipal approvals for utility connections. Following a redesign, the Petitioner reports that a new general contractor has been selected at a revised price that, according to the Petition, renders the project economically feasible and positions it to proceed with credit underwriting.
- c) On May 28, 2025, the Notice of Petition was published in the Florida Administrative Register in Volume 51, Number 103. To date, Florida Housing has received no comments concerning the Petition.
- d) Section 120.542(2), F.S. provides in pertinent part:
  - (1) 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 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, F.S.), would still be achieved if the waiver is granted.

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3. **Recommendation:**

- a) Staff recommends the Board GRANT the requested waiver of Rule 67-48.0072(21)(b), F.A.C. (2021), to extend Petitioner's firm loan commitment deadline to December 4, 2025.

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#### C. In Re: Southward Village Phase 2, L.P.

FHFC Case No. 2025-033VW

<b>Development:</b>	Southward Village CNI Phase 2	<b>Location:</b>	Lee County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Fort Myers Developer, LLC; Southwest Florida Affordable Development, LLC	
<b>Type:</b>	Garden	<b>Principal:</b>	Vincent Bennett	
<b>Demographic:</b>	Family	<b>Owner:</b>	Southward Village Phase 2, LP	
		<b>Parent Owner:</b>	McCormack Baron Salazar, Inc.	
<b>Total Units:</b> 151	57 Units @ 50% AMI 41 Units @ 60% AMI 4 Units @ 80% AMI 49 Units @ Market Rate	<b>Funding Requests:</b>	MMRB HC-4%	\$36,000,000 \$2,760,462

#### 1. Background:

- a) Southward Village Phase 2, L.P. ("Petitioner") successfully applied for funding to assist in the construction of Southward Village CNI Phase 2, a 151-unit development located in Lee County, Florida (the "Development"). On May 28, 2025, Florida Housing received a Petition for Variance from Rule 67-21.003(8)(i), F.A.C. (2023) (the "Petition"). Petitioner seeks a variance from the referenced rule to reduce the Total Set-Aside Percentage as stated in the Southward 2 Non-Competitive Application for MMRB and Non-Competitive ("4%") Housing Credits for the Development. A copy of the Petition is attached as [Exhibit C](#).

#### 2. Present Situation:

- a) Rule 67-21.003(8)(i) of the F.A.C. (2023) states in relevant part:

(8) Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected, or supplemented after the Application is deemed complete. Those items are as follows:

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(i) The Total Set-Aside Percentage as stated in the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application; notwithstanding the foregoing, the Total Set-Aside Percentage may be increased after the Applicant has been invited to enter Credit Underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant's request, in evaluating whether the changes made are prejudicial to the Development or to the market to be served by the Development.

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- b) Petitioner seeks a rule variance to increase the number of market rate units and decrease the number of affordable units in the Development. The Development application was funded as a Non-Competitive application. It gained no advantage over other applicants by its original Set-Aside Commitment, and it would gain no advantage over other applicants by modifying that commitment. The three phases of the overall Southward Village CNI development that have already been awarded funding by the Corporation currently account for 386 total units: 317 units for Low Income Families (including 8 units at 80% AMI) and 69 market rate units. The remaining 81 units under the CNI designation would consist of 52 affordable units and 29 market rate units, making Phase 3 approximately 64% affordable and 36% market rate, a unit mix that would not align with competitive RFA expectations. Allowing the Non-Competitively funded Phase 2 application to be restructured to consist of 98 affordable units (plus 4 80% AMI units) and 49 market rate units would leave 65 affordable units and 16 market rate units (an 80/20 split) for a Phase 3 application.
- c) On May 29, 2025, the Notice of Petition was published in the Florida Administrative Register in Volume 51, Number 104. To date, Florida Housing has received no comments concerning the Petition.
- d) Section 120.542(2), F.S. 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 variance 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 Rule 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, F.S.), would still be achieved if the waiver is granted.

### 3. **Recommendation:**

- a) Staff recommends the Board GRANT the requested variance from Rule 67-21.003(8)(i), F.A.C. (2023), allowing Petitioner to decrease the total percentage of Set-Aside Units in the Development.

## LEGAL

### Consent

#### D. In Re: Morris Manor, LLLP

FHFC Case No. 2025-031VW

<b>Development:</b>	Morris Manor	<b>Location:</b>	Duval County	
<b>Category:</b>	Acquisition/Preservation	<b>Developer(s):</b>	SHAG Morris Manor Developer, LLC	
<b>Type:</b>	Garden	<b>Principal:</b>	Darren J. Smith	
<b>Demographic:</b>	Elderly - Non-ALF	<b>Owner:</b>	Morris Manor, LLLP	
		<b>Parent Owner:</b>	SHAG Development, LLC	
<b>Total Units:</b> 168	34 Units @ 30% AMI 134 Units @ 60% AMI	<b>Funding Requests:</b>	HC-9%	\$1,868,000

#### 1. Background:

- a) Morris Manor, LLLP (“Petitioner”) successfully applied for funding to assist in the construction of Morris Manor, a 168-unit development located in Duval County, Florida (the “Development”). On May 28, 2025, Florida Housing received a Petition for Waiver of Rules 67-48.0072(12) and 67-48.0072(17)(h), F.A.C. (2020) (the “Petition”). The Petition seeks a waiver of the referenced rule requiring a singular Guaranteed Maximum Price ("GMP") construction contract. The Petition also seeks a waiver of the 20% limitation rule for rehabilitation developments. A copy of the Petition is attached as [Exhibit D](#).

#### 2. Present Situation:

- a) Rule 67-48.0072(12) of the F.A.C. (2020) 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 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 CNA for rehabilitation units and review the Development’s costs. If an EHCL Development has a General Contractor, the preceding requirement will also apply to the EHCL Development.

- b) Rule 67-48.0072(17)(h), F.A.C. (2020) states in relevant part:

(h) For Developments with a Development category of Rehabilitation or Substantial Rehabilitation, unless otherwise approved by the Board for a specific Development, ensure that no more than 20 percent of the construction cost, not to include the General Contractor fee or pass-through fees paid by the General Contractor, is subcontracted to any one entity or any group of entities that have common ownership or are Affiliates of any other subcontractor, with the exception of a subcontractor (or any group of entities that have common ownership or are Affiliates of any other subcontractor) contracted to perform work on both the HVAC and electrical components of a building of at least seven (7) stories which may not have more than 31 percent of the construction cost in the subcontract, unless otherwise approved by the Board for a



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### *Consent*

specific Development. For purposes of this paragraph, "Affiliate" has the meaning given in subsection 67-48.002(5), F.A.C., except that the term "Applicant" therein shall mean "subcontractor"; and (i) 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."

- c) Petitioner requests a waiver of the referenced rules, asserting that a singular GMP construction contract is impractical for the Development. Petitioner and the General Contractor ("GC") executed a GMP construction contract in the amount of \$15,275,900 (consisting of an original amount of 14,194,949 plus change orders totaling \$1,080,951, collectively, (the "GMP Contract"). The GMP Contract was fully executed and in effect prior to the commencement of construction and remained in effect through completion of the Development, which received its final certificate of completion on July 18, 2023. Petitioner completed additional construction work outside the GMP Contract, including repairs to the lift station, replacement of several rooftop HVAC units, and associated electrical gear and site work repairs (the "Outside Contractual Work"). The Outside Contractual Work was removed from the GMP Contract via change order and documented separately in a Short Form Construction Contract to address supply chain delays and prevent disruption. The combined construction amount of \$15,275,900 consists of (i) \$14,917,358 paid under the GMP Contract, as modified by the change order, and (ii) \$358,542 paid under the Short Form Construction Contract. In order to finalize the Cost Certification, Petitioner seeks to include the costs incurred for the Outside Contractual Work in total eligible construction costs.
- d) Petitioner also requests a waiver of the 20% subcontractor limitation applicable to rehabilitation developments. Petitioner states that the cost of electrical work exceeded the 20% threshold by \$266,497, or approximately 2% of the total construction cost. The overage resulted from the scope and complexity of rehabilitating a high-rise originally built in 1980. Petitioner asserts that utilizing a single electrical subcontractor provided consistency, coordination, and efficiency, and that dividing the scope between unaffiliated subcontractors would have jeopardized quality and schedule. The electrical subcontractor is not related to, and is not an affiliate of the GC, Petitioner, the developer, or any other subcontractor under or pursuant to the GMP Contract.
- e) On May 29, 2025, the Notice of Petition was published in the Florida Administrative Register in Volume 51, Number 104. To date, Florida Housing has received no comments concerning the Petition.
- f) Section 120.542(2), F.S. 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.

## LEGAL

### *Consent*

- g) 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, F.S.), would still be achieved if the waiver is granted.

### 3. **Recommendation:**

- a) Staff recommends the Board GRANT the requested waiver of Rule 67-48.0072(12), F.A.C. (2020), requiring a singular guaranteed maximum price construction contract with no further analysis or conditions based on the de minimis amount of the Short Form Construction Contract. Staff further recommends the Board GRANT the requested waiver of Rule 67-48.0072(17)(h), F.A.C. (2020) imposing the 20% limitation rule for rehabilitation developments upon receipt of a positive recommendation from the credit underwriter.

## LEGAL

### Consent

**E. In Re: Grove Manor Apartments, LLLP**  
**FHFC Case No. 2025-025VW**

<b>Development:</b>	The Hudson at Grove Manor	<b>Location:</b>	Polk County	
<b>Category:</b>	Acquisition/Preservation/New Construction	<b>Developer(s):</b>	Winter Haven Housing Developers II, Inc. SHAG Grove Manor Apartments, LLC	
<b>Type:</b>	Garden	<b>Principal:</b>	Darren J. Smith	
<b>Demographic:</b>	Elderly - Non-ALF	<b>Owner:</b>	Grove Manor Apartments, LLLP	
		<b>Parent Owner:</b>	Winter Haven Housing Authority	
<b>Total Units: 84</b>	17 Units @ 40% AMI 67 Units @ 60% AMI	<b>Funding Requests:</b>	HC-9%	\$1,560,000

**1. Background:**

- a) Grove Manor Apartments, LLLP (“Petitioner”) successfully applied for funding to assist in the construction of The Hudson at Grove Manor, an 84-unit development located in Polk County, Florida (the “Development”). On May 28, 2025, Florida Housing received a Petition for Waiver of Rule 67-48.0072(12), F.A.C. (2020) (the “Petition”). The Petition seeks a waiver of the referenced rule requiring a singular Guaranteed Maximum Price (“GMP”) construction contract. A copy of the Petition is attached as [Exhibit E](#).

**2. Present Situation:**

- a) Rule 67-48.0072(12) of the F.A.C. (2020) 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 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 CNA for rehabilitation units and review the Development’s costs. If an EHCL Development has a General Contractor, the preceding requirement will also apply to the EHCL Development.
- b) Petitioner requests a waiver of the rule, asserting that a singular GMP construction contract is impractical for the Development. Petitioner and the General Contractor (“GC”) executed a GMP construction contract in the fixed amount of \$13,405,493 (the “GMP Contract”). The Development received its final certificate of occupancy on January 17, 2025. Petitioner completed additional construction work outside the GMP Contract totaling \$59,028, including installation of a porte-cochere (the “Outside Contractual Work”). This work was removed from the GMP Contract via change order and documented in a separate Short Form Construction Contract. In order to finalize the Cost Certification, Petitioner seeks to include the \$59,028 in total eligible construction costs.

## LEGAL

### *Consent*

- c) On May 29, 2025, the Notice of Petition was published in the Florida Administrative Register in Volume 51, Number 104. To date, Florida Housing has received no comments concerning the Petition.
- d) Section 120.542(2), F.S. 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 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, F.S.), would still be achieved if the waiver is granted.

### 3. **Recommendation:**

- a) Staff recommends the Board GRANT the requested waiver of Rule 67-48.0072(12), F.A.C. (2020), requiring a singular guaranteed maximum price construction contract with no further analysis or conditions based on the de minimis amount of the Short Form Construction Contract.

## LEGAL

### Consent

**F. In Re: Lofts on Lemon Development Partners, LLC**  
**FHFC Case No. 2025-024VW**

<b>Development:</b>	Lofts on Lemon	<b>Location:</b>	Sarasota County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	SHA Affordable Development, LLC	
<b>Type:</b>	Mid-Rise (5-6 stories)	<b>Principal:</b>	Darren J. Smith	
<b>Demographic:</b>	Family	<b>Owner:</b>	Lofts on Lemon Development Partners, LLC	
		<b>Parent Owner:</b>	Smith & Henzy Affordable Group, Inc.	
<b>Total Units:</b> 128	20 Units @ 30% AMI 16 Units @ 60% AMI 20 Units @ 70% AMI 20 Units @ 80% AMI	<b>Funding Requests:</b>	HC-9%	\$1,510,000

**1. Background:**

- a) Lofts on Lemon Development Partners, LLC (“Petitioner”) successfully applied for funding to assist in the construction of Lofts on Lemon, a 128-unit development in Sarasota County, Florida (the “Development”). On May 28, 2025, Florida Housing received a Petition for Waiver of Rule 67-48.0072(12), F.A.C. (2017) (the “Petition”), which seeks a waiver of the rule requirement for a singular Guaranteed Maximum Price ("GMP") construction contract. A copy of the Petition is attached as [Exhibit F](#).

**2. Present Situation:**

- a) Rule 67-48.0072(12), F.A.C. (2017) 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 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 physical needs assessment for rehabilitation units and review the Development’s costs. If an EHCL Development has a General Contractor, the preceding requirement will also apply to the EHCL Development.

- b) Petitioner requests a waiver of the rule asserting that a singular GMP construction contract is impractical for the Development. Petitioner and the General Contractor ("GC") executed a GMP construction contract in the fixed amount of \$21,966,137 (the "GMP Contract"). The Development received its certificate of occupancy on November 16, 2022, and has been placed-in-service. Petitioner has initiated the Cost Certification process with Florida Housing. Petitioner also completed additional construction work outside the scope of the GMP Contract totaling \$124,849, including installation of a playground, landscaping, and other amenities (the “Outside Contractual Work”). The Outside Contractual Work could be interpreted as a second GMP construction contract. In order to finalize the Cost Certification process, Petitioner seeks to include the \$124,849 in the total eligible construction costs.

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### *Consent*

- c) On May 29, 2025, the Notice of Petition was published in the Florida Administrative Register in Volume 51, Number 104. To date, Florida Housing has received no comments concerning the Petition.
- d) Section 120.542(2), F.S. 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 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, F.S.), would still be achieved if the waiver is granted.

### 3. **Recommendation:**

- a) Staff recommends the Board GRANT the requested waiver of Rule 67-48.0072(12), F.A.C. (2017), requiring a singular guaranteed maximum price construction contract with no further analysis or conditions due to the de minimis amount of the Outside Contractual Work.

## LEGAL

### Consent

**G. In Re: Island Cove, LLC**  
**FHFC Case No. 2025-026VW**

<b>Development:</b>	Island Cove Apartments	<b>Location:</b>	Palm Beach County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	SHAG Island Cove, LLC Delray Housing Group	
<b>Type:</b>	Garden	<b>Principal:</b>	Darren J. Smith	
<b>Demographic:</b>	Family	<b>Owner:</b>	Island Cove, LLC	
		<b>Parent Owner:</b>	Smith & Henzy Affordable Group, Inc.	
<b>Total Units: 60</b>	25 Units @ 30% AMI (ELI) 17 Units @ 70% AMI (SAIL) 18 Units @ 80% (SAIL) 9 Units @ 30% (HC-4%) 33 Units @ 60% (HC-4%) 9 Units @ 70% (HC-4%) 9 Units @ 80% (HC-4%)	<b>Funding Requests:</b>	ELI SAIL HC-4%	\$600,000 \$3,000,000 \$1,262,769

**1. Background:**

- a) Island Cove, LLC (“Petitioner”) successfully applied for funding to assist in the construction of Island Cove Apartments, a 60-unit development located in Palm Beach County, Florida (the “Development”). On May 28, 2025, Florida Housing received a Petition for Waiver of Rules 67-48.0072(12) and 67-21.026(10), F.A.C. (2020) (the “Petition”). The Petition seeks a waiver of the referenced rules requiring a singular Guaranteed Maximum Price ("GMP") construction contract. A copy of the Petition is attached as [Exhibit G](#).

**2. Present Situation:**

- a) Rule 67-48.0072(12), F.A.C. (2020) 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 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 CNA for rehabilitation units and review the Development’s costs. If an EHCL Development has a General Contractor, the preceding requirement will also apply to the EHCL Development.

- b) Rule 67-21.026(10), F.A.C. (2020) 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 CNA for rehabilitation units and review the Development’s costs.



## LEGAL

### *Consent*

- c) Petitioner requests a waiver of the rules, asserting that a singular GMP construction contract was impractical for the Development. Petitioner and the General Contractor ("GC") executed a GMP construction contract in the fixed amount of \$17,357,731 (the "GMP Contract"). The Development received its final certificate of occupancy on November 17, 2023, and has been placed-in-service. Petitioner has initiated the Cost Certification process with Florida Housing. In addition, to the GMP contract, Petitioner completed \$105,915 in construction work outside the scope of the GMP contract, including installation of low-voltage cabling and installation of a required bus shelter and crosswalk (the "Outside Contractual Work"). The Outside Contractual Work could be interpreted as a second GMP construction contract. In order to finalize the Cost Certification process, Petitioner seeks to include the \$105,915 in the total eligible construction costs.
- d) On May 29, 2025, the Notice of Petition was published in the Florida Administrative Register in Volume 51, Number 104. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), F.S. 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, F.S.), would still be achieved if the waiver is granted.

### **3. Recommendation:**

- a) Staff recommends the Board GRANT the requested waiver of Rules 67-48.0072(12) and 67-21.026(10), F.A.C. (2020), requiring a singular guaranteed maximum price construction contract with no further analysis or conditions based on the de minimis amount of the Outside Contractual Work.

## MULTIFAMILY BONDS

### *Consent*

#### IV. MULTIFAMILY BONDS

##### A. Request Approval of the Credit Underwriting Report and Authorizing Resolutions for Arbours at Emerald Springs (RFA 2023-205 / 2024-020BSN / 2023-516C)

<b>Development:</b>	Arbours at Emerald Springs	<b>Location:</b>	Walton County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Arbour Valley Development, LLC	
<b>Type:</b>	Garden Apartments	<b>Principal:</b>	Samuel T. Johnston	
<b>Demographic:</b>	Family	<b>Owner:</b>	Arbours at Emerald Springs, LLC	
		<b>Parent Owner:</b>	Arbour Valley Communities, LLC	
<b>Total Units: 84</b>	3 Units @ 22% AMI (NHTF) 9 Units @ 40% AMI (ELI & HC-4%) 75 Units @ 60% AMI (SAIL & HC-4%) 34 Units @ 60% AMI (MMRB)	<b>Funding Requests:</b>	MMRB SAIL ELI NHTF HC-4%	\$16,000,000 \$7,980,000 \$629,400 \$780,000 \$1,414,439

##### 1. Background:

- a) On July 5, 2023, Florida Housing issued a Request for Applications (RFA) 2023-205 SAIL Financing of Affordable Multifamily Housing Developments to Be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits.
- b) On September 8, 2023, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 15, 2023, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting on December 20, 2023. The acceptance was acknowledged on December 21, 2023.
- d) On January 24, 2024, the Board approved a firm loan commitment issuance deadline extension from December 20, 2024, to June 20, 2025.

##### 2. Present Situation:

- a) On June 2, 2025, 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 RFA.
- b) Staff reviewed the authorizing resolutions ([Exhibit B](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Bonds to finance this affordable housing Development within the State of Florida. Staff requests approval for execution of the resolutions.

## MULTIFAMILY BONDS

### *Consent*

3. **Recommendation:**

- a) Approve the final credit underwriting report and authorizing resolutions and direct staff to proceed with the 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

### Consent

#### B. Request Approval of the Credit Underwriting Report and Authorizing Resolutions for Liberty Square Elderly (RFA 2023-213 / 2024-241BS / 2023-554C)

<b>Development:</b>	Liberty Square Elderly	<b>Location:</b>	Miami-Dade County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Liberty Square Elderly Developer, LLC	
<b>Type:</b>	High-Rise	<b>Principal:</b>	Alberto Milo, Jr.	
<b>Demographic:</b>	Elderly, non-ALF	<b>Owner:</b>	Liberty Square Elderly, LLC	
		<b>Parent Owner:</b>	Related Group of Florida	
<b>Total Units: 132</b>	65 Units @ 30% AMI (LL ELI & HC-4%) 14 Units @ 60% AMI (LL SAIL & HC-4%) 53 Units @ 80% AMI (LL SAIL & HC-4%) 53 Units @ 60% AMI (MMRB)	<b>Funding Requests:</b>	MMRB SAIL HC-4%	\$39,000,000 \$2,500,000 \$2,781,397

#### 1. **Background:**

- a) On November 20, 2023, Florida Housing issued a Request for Applications (RFA) 2023-213 SAIL Funding for Live Local Mixed Income, Mixed-Use, And Urban Infill Developments.
- b) On February 2, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 10, 2024, the Board approved the Final Order resolving all pending litigation pertaining to the RFA.
- d) Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on May 16, 2024. The acceptance was acknowledged on May 17, 2024.

#### 2. **Present Situation:**

- a) On May 31, 2025, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit C](#)). Staff has reviewed this report and finds that it meets all requirements of the RFA.
- b) Staff reviewed the authorizing resolutions ([Exhibit D](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Bonds to finance this affordable housing Development within the State of Florida. Staff requests approval for execution of the resolutions.

#### 3. **Recommendation:**

- a) Approve the final credit underwriting report and authorizing resolutions and direct staff to proceed with the 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

### *Consent*

**C. Request Approval of the Credit Underwriting Report, Authorizing Resolutions, and Change to the Organizational Structure of the Applicant Entity for Ninth Street Apartments (RFA 2023-213 / 2024-253BS / 2023-522C)**

<b>Development:</b>	Ninth Street Apartments	<b>Location:</b>	Manatee County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	ECG Florida 2023 Developer, LLC	
<b>Type:</b>	Mid-Rise, 4-stories	<b>Principal:</b>	C. Hunter Nelson	
<b>Demographic:</b>	Family	<b>Owner:</b>	ECG Florida 2023, LP	
		<b>Parent Owner:</b>	Elmington Capital Group, LLC	
<b>Total Units: 134</b>	14 Units @ 30% AMI (LL ELI & HC-4%) 66 Units @ 50% AMI (LL SAIL & HC-4%) 54 Units @ 80% AMI (LL SAIL & HC-4%) 54 Units @ 60% AMI (MMRB)	<b>Funding Requests:</b>	MMRB SAIL HC-4%	\$30,000,000 \$9,500,000 \$2,387,118

**1. Background:**

- a) On November 20, 2023, Florida Housing issued a Request for Applications (RFA) 2023-213 SAIL Funding for Live Local Mixed Income, Mixed-Use, And Urban Infill Developments.
- b) On February 2, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 10, 2024, the Board approved the Final Order resolving all pending litigation pertaining to the RFA.
- d) Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on May 16, 2024. The acceptance was acknowledged on May 20, 2024.

**2. Present Situation:**

- a) Staff received a request dated February 10, 2025, to change the organizational structure of the Applicant Entity ([Exhibit E](#)). The Applicant requests to remove Elmington Affordable LLC, as 14.4900% Member of the General Partner, ECG Florida 2023 GP, LLC. This request would adjust the ownership percentages between the other Members of the General Partner. Per the RFA, prior to loan closing, 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. Staff has reviewed this request and finds that the Development meets all other requirements of the RFA.
- b) On June 2, 2025, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit F](#)). Staff has reviewed this report and finds that it meets all other requirements of the RFA.

## MULTIFAMILY BONDS

### *Consent*

- c) Staff reviewed the authorizing resolutions ([Exhibit G](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Bonds to finance this affordable housing Development within the State of Florida. Staff requests approval for execution of the resolutions.

### **3. Recommendation:**

- a) Approve the final credit underwriting report, authorizing resolutions, and change to the organizational structure of the Applicant Entity and direct staff to proceed with the 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

### *Consent*

#### **D. Request Approval of the Credit Underwriting Report and Authorizing Resolutions for Southward Village CNI Phase 2 (2023-103B / 2023-546C)**

<b>Development:</b>	Southward Village CNI Phase 2	<b>Location:</b>	Lee County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Fort Myers Developer, LLC; Southwest Florida Affordable Development, LLC	
<b>Type:</b>	Garden Apartments	<b>Principal:</b>	Vincent Bennett	
<b>Demographic:</b>	Family	<b>Owner:</b>	Southward Village Phase 2, LP	
		<b>Parent Owner:</b>	McCormack Baron Salazar, Inc.	
<b>Total Units: 151</b>	57 Units @ 50% AMI (MMRB & HC-4%) 41 Units @ 60% AMI (MMRB & HC-4%)	<b>Funding Requests:</b>	MMRB HC-4%	\$36,000,000 \$2,302,984

#### **1. Background:**

- a) The Applicant submitted a 2023 Non-Competitive Application package requesting Tax-Exempt MMRB in the amount of \$39,000,000 and Non-Competitive Housing Credits in the amount of \$2,760,462. The MMRB amount was subsequently reduced in credit underwriting.
- b) On May 28, 2024, staff issued an invitation to enter credit underwriting to the Applicant. The acceptance was acknowledged on May 28, 2024.

#### **2. Present Situation:**

- a) On May 28, 2025, the Applicant submitted a Rule Waiver to allow the reduction of the total set-aside percentage in conjunction with submitting a request to change the federal set-aside commitment from Average Income Test to 40% @ 60% AMI. With this change, the total number of set-aside units is reduced from 115 units to 98 units. The Rule Waiver is being presented simultaneously with the credit underwriting report.
- b) On May 30, 2025, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit H](#)). Staff has reviewed this report and finds that the Development meets all requirements of the Non-Competitive Application.
- c) Staff reviewed the authorizing resolutions ([Exhibit I](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Bonds to finance this affordable housing Development within the State of Florida. Staff requests approval for execution of the resolutions.

#### **3. 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, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.



## MULTIFAMILY BONDS

### *Consent*

#### E. Request Approval of the Credit Underwriting Update Letter and Amended Authorizing Resolutions for Hawthorne Heights (RFA 2023-205 / 2024-001BSN / 2023-520C)

<b>Development:</b>	Hawthorne Heights	<b>Location:</b>	Alachua County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	CORE Hawthorne Heights Developer LLC	
<b>Type:</b>	Mid-Rise (5-6 stories)	<b>Principal:</b>	Michael Ruane	
<b>Demographic:</b>	Elderly, Non-ALF	<b>Owner:</b>	CORE Hawthorne Heights LLLP	
		<b>Parent Owner:</b>	National Community Renaissance of Florida, Inc.	
<b>Total Units: 86</b>	3 Units @ 22% AMI (NHTF) 9 Units @ 40% AMI (ELI & HC-4%) 77 Units @ 60% AMI (SAIL & HC-4%) 35 Units @ 60% AMI (MMRN)	<b>Funding Requests:</b>	MMRN SAIL ELI NHTF HC-4%	\$14,000,000 \$7,225,000 \$569,600 \$870,000 \$1,199,107

#### 1. **Background:**

- a) On July 5, 2023, Florida Housing issued a Request for Applications (RFA) 2023-205 SAIL Financing of Affordable Multifamily Housing Development to Be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits.
- b) On September 8, 2023, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 15, 2023, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on December 20, 2023. The acceptance was acknowledged on December 20, 2023.
- d) On January 24, 2025, the Board approved the final credit underwriting report and directed staff to proceed with closing activities.

#### 2. **Present Situation:**

- a) On May 30, 2025, staff received a final credit underwriting update letter with a positive recommendation to increase the MMRN permanent first mortgage from \$5,550,000 to \$6,540,000 ([Exhibit J](#)). Per Rule Chapter 67-48.010(15), after accepting a preliminary commitment, the Applicant shall not refinance, increase the permanent amount, or alter any terms or conditions of any mortgage superior or inferior to the SAIL mortgage without prior approval of the Corporation. Staff has reviewed this report and find that it meets all requirements of the RFA apart from the request herein.

## MULTIFAMILY BONDS

### *Consent*

- b) Staff reviewed the amended authorizing resolutions ([Exhibit K](#)) 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.

### **3. Recommendation:**

- a) Approve the final credit underwriting update letter and amended 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

### *Consent*

**F. Request approval of the Credit Underwriting Update Letter and Amended Authorizing Resolutions for Reserve at Indian Hill (RFA 2023-204 / 2024-219BS / 2023-536C)**

<b>Development:</b>	Reserve at Indian Hill	<b>Location:</b>	Orange County	
<b>Category:</b>	Rehabilitation and Preservation	<b>Developer(s):</b>	National Church Residences	
<b>Type:</b>	Garden Apartments	<b>Principal:</b>	Matthew D. Rule	
<b>Demographic:</b>	Elderly, Non-ALF	<b>Owner:</b>	Indian Hill Senior Housing Limited Partnership	
		<b>Parent Owner:</b>	National Church Residences Corporation	
<b>Total Units: 70</b>	7 Units @ 40% AMI (ELI & HC-4%) 63 Units @ 60% AMI (SAIL & HC-4%) 28 Units @ 60% AMI (MMRB)	<b>Funding Requests:</b>	MMRB	\$10,490,000
			SAIL	\$1,848,612
			ELI	\$440,300
			HC-4%	\$822,771

**1. Background:**

- a) On November 21, 2023, Florida Housing issued a Request for Applications (RFA) 2023-204 SAIL Financing for The Preservation of Elderly Developments.
- b) On February 2, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on February 12, 2024. The acceptance was acknowledged on February 13, 2024.
- d) On January 24, 2025, the Board approved the final credit underwriting report and directed staff to proceed with closing activities.

**2. Present Situation:**

- a) On April 25, 2025, staff received a final credit underwriting update letter with a positive recommendation to increase the MMRB permanent first mortgage from \$3,965,000 to \$4,075,000 and change the terms of the MMRB, SAIL Base Loan and ELI loan ([Exhibit L](#)). Per Rule Chapter 67-48.010(15), after accepting a preliminary commitment, the Applicant shall not refinance, increase the permanent amount, or alter any terms or conditions of any mortgage superior or inferior to the SAIL mortgage without prior approval of the Corporation. Staff has reviewed this report and find that it meets all requirements of the RFA apart from the request herein.
- b) Staff reviewed the amended authorizing resolutions ([Exhibit M](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Bonds to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

## MULTIFAMILY BONDS

### *Consent*

3. **Recommendation:**

- a) Approve the final credit underwriting update letter and amended authorizing resolutions and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

#### G. Request Approval of the Credit Underwriting Update Letter and Amended Authorizing Resolutions for Catchlight Crossings (RFA 2024-216 / 2025-157BS / 2021-562C)

<b>Development:</b>	Catchlight Crossings	<b>Location:</b>	Orange County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	WHFT Affordable II Developer, LLC	
<b>Type:</b>	Mid-Rise (5-6 Stories)	<b>Principal:</b>	Jonathan Wolf	
<b>Demographic:</b>	Family	<b>Owner:</b>	WHFT Affordable II, Ltd.	
		<b>Parent Owner:</b>	Wendover Housing Partners	
<b>Total Units: 300</b>	46 Units @ 30% AMI (LL SAIL & HC-4%) 30 Units @ 50% AMI (LL SAIL & HC-4%) 140 Units @ 60% AMI (LL SAIL & HC-4%) 84 Units @ 80% AMI (LL SAIL & HC-4%) 120 Units @ 60% AMI (MMRN)	<b>Funding Requests:</b>	MMRN SAIL HC-4%	\$70,000,000 \$25,000,000 \$6,546,219

#### 1. **Background:**

- a) On July 15, 2024, Florida Housing issued a Request for Applications (RFA) 2024-216 Live Local SAIL Financing for The Construction of Large-Scale Developments of Significant Regional Impact.
- b) On August 23, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On September 5, 2024, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant. The acceptance was acknowledged on September 10, 2024.
- d) On December 13, 2024, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with closing activities.
- e) On March 28, 2025, the Board approved the final credit underwriting update letter to change the MMRN financing structure and the change in site control from a ground lease to a condo structure.

#### 2. **Present Situation:**

- a) On May 30, 2025, staff received a final credit underwriting update letter with a positive recommendation to increase the MMRN permanent first mortgage from \$32,740,400 to \$37,000,000 and change the terms of the MMRN, Live Local SAIL, and other subordinate debt ([Exhibit N](#)). Per Rule Chapter 67-48.010(15), after accepting a preliminary commitment, the Applicant shall not refinance, increase the permanent amount, or alter any terms or conditions of any mortgage superior or inferior to the SAIL mortgage without prior approval of the Corporation. Staff has reviewed this report and find that it meets all requirements of the RFA apart from the request herein.

## MULTIFAMILY BONDS

### *Consent*

- b) Staff reviewed the amended authorizing resolutions ([Exhibit O](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Note to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

### **3. Recommendation:**

- a) Approve the final credit underwriting update letter and amended authorizing resolutions and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, and appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

#### **H. Request Approval of the Method of Bond/Note Sale Recommendation from Florida Housing's Independent Registered Municipal Advisor**

##### **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 approval of the recommended methods of sale. A brief description of the Developments is detailed below, along with staff's recommendation.
- 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 P through S.

##### **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 Independent Registered Municipal Advisor's recommendation for the methods of bond/note sale, as shown in the chart below, for the proposed Developments.

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>	<b>Exhibit</b>
Arbours at Emerald Springs	Walton County	84	Public Offering	<a href="#">Exhibit P</a>
Liberty Square Elderly	Miami-Dade County	132	Public Offering	<a href="#">Exhibit Q</a>
Ninth Street Apartments	Manatee County	134	Public Offering	<a href="#">Exhibit R</a>
Southward Village CNI Phase 2	Lee County	151	Public Offering	<a href="#">Exhibit S</a>

## MULTIFAMILY BONDS

### *Consent*

#### **I. Request Approval to Execute Acknowledgement Resolutions**

##### **1. Background:**

- 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).

##### **2. Present Situation:**

- a) Staff requests the execution of the Acknowledgement Resolution for the proposed Developments referenced below intending to finance the acquisition, construction and/or rehabilitation of the Development. Brief descriptions of the Developments are detailed below. The resolutions being presented to the Board for approval are attached as Exhibits T and U.

##### **3. Recommendation:**

- a) Approve the execution of an Acknowledgement Resolution for the proposed Developments, as shown in the chart below.

<b>Development Name</b>	<b>Name of Applicant</b>	<b>County</b>	<b>Number of Units</b>	<b>RFA / Applicable Application</b>	<b>Exhibit</b>
Wave at Chana	OHG FL Lee 2 Chana LP	Lee County	378	Non-Competitive / 2025-562BC	<a href="#">Exhibit T</a>
Wave at Colonial	OHG FL Lee III Colonial LP	Lee County	358	Non-Competitive / 2024-563BC	<a href="#">Exhibit U</a>



## MULTIFAMILY PROGRAMS

### *Consent*

#### V. MULTIFAMILY PROGRAMS

##### A. Request Approval of Credit Underwriting Report for Village of Valor (RFA 2024-205 / 2025-280SA / 2024-533C)

<b>Development:</b>	Village of Valor	<b>Location:</b>	Palm Beach County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Development Partners, Inc. Delray Housing Group, Inc.	
<b>Type:</b>	Mid-Rise (4 Stories)	<b>Principal:</b>	Kathy Makino	
<b>Demographic:</b>	Family	<b>Owner:</b>	Village of Valor, LTD	
		<b>Parent Owner:</b>	Faith Hope Love Charity, Inc.	
<b>Total Units: 54</b>	5 Units @ 22% (HOME-ARP) 12 Units @ 30% (ELI & HC-4%) 6 Units @ 50% (SAIL & HC-4%) 15 Units @ 60% (SAIL & HC-4%) 21 Units @ 80% (SAIL & HC-4%)	<b>Funding Requests:</b>	SAIL ELI HOME-ARP HC-4%	\$2,000,000 \$776,100 \$1,458,500 \$1,380,739

#### 1. **Background:**

- a) On August 20, 2024, Florida Housing issued Request for Applications (RFA) 2024-205 SAIL Financing of Affordable Multifamily Housing Developments to Be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On October 22, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On November 18, 2024, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of November 18, 2025.

#### 2. **Present Situation:**

- a) On May 31, 2025, 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 RFA.

#### 3. **Recommendation:**

- a) Approve the final credit underwriting report and direct staff to proceed with issuance of a firm commitment and closing activities.

## MULTIFAMILY PROGRAMS

### *Consent*

**B. Request Approval of Credit Underwriting Report for Riverside Park Apartments (RFA 2024-204 / 2025-288SH / 2024-546C)**

<b>Development:</b>	Riverside Park Apartments	<b>Location:</b>	Duval County	
<b>Category:</b>	Acquisition and Rehabilitation	<b>Developer(s):</b>	SHAG Riverside Developer, LLC	
<b>Type:</b>	High-Rise	<b>Principal:</b>	Darren Smith	
<b>Demographic:</b>	Elderly	<b>Owner:</b>	Riverside Park Apartments, LLLP	
		<b>Parent Owner:</b>	Smith & Henzy Affordable Group Inc.	
<b>Total Units: 90</b>	14 Units @ 30% (ELI & HC-4%) 55 Units @ 60% (SAIL & HC-4%) 21 Units @ 80% (SAIL & HC-4%)	<b>Funding Requests:</b>	SAIL HC-4%	\$3,675,000 \$1,220,771

**1. Background:**

- a) On November 14, 2024, Florida Housing issued Request for Applications (RFA) 2024-204 SAIL Financing for the Preservation of Elderly Developments.
- b) On January 24, 2025, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On January 31, 2025, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of January 31, 2026.

**2. Present Situation:**

- a) On May 21, 2025, the Applicant submitted a RFA waiver request to substitute one of the required Green Building Features related to Air Conditioning ([Exhibit B](#)). Per the RFA, Air-Source Heat Pumps – Energy Star certified or Central Air Conditioners – Energy Star certified is required. In their request, the Applicant proposes to install Water-Source Heat Pumps in place of the Air-Source Heat Pumps, asserting that this alternative exceeds the current efficiency requirements outlined in the RFA. GLE Associates, Inc. (GLE), the Capital Needs Assessment provider, has reviewed the proposed substitution and supports the request. According to GLE, Water-Source Heat Pumps offer greater energy efficiency than Air-Source Heat Pumps, largely due to their ability to maintain consistent operating temperatures. GLE concludes that the proposed Water-Source Heat Pumps not only meet but surpass the performance standards required by the RFA.
- b) On June 1, 2025, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit C](#)). Staff has reviewed this report and finds that the Development meets all requirements of the RFA.

## MULTIFAMILY PROGRAMS

### *Consent*

3. **Recommendation:**

- a) Approve the final credit underwriting report and direct staff to proceed with issuance of a firm commitment and closing activities.

## MULTIFAMILY PROGRAMS

### *Consent*

**C. Request Approval for Loan Closing Deadline Extension for Yaeger Plaza (RFA 2023-205 / 2024-012SN / 2023-528C)**

<b>Development:</b>	Yaeger Plaza	<b>Location:</b>	Miami-Dade County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Integral Florida, LLC	
<b>Type:</b>	High-Rise	<b>Principal:</b>	Kareem T. Brantley	
<b>Demographic:</b>	Family	<b>Owner:</b>	Yaeger Plaza Partners, LLC	
		<b>Parent Owner:</b>	The Integral Group, LLC	
<b>Total Units: 135</b>	5 Units @ 22% (NHTF) 22 Units @ 30% (ELI & HC-4%) 80 Units @ 60% (SAIL & HC-4%) 33 Units @ 80% (SAIL & HC-4%)	<b>Funding Requests:</b>	SAIL ELI NHTF HC-4%	\$3,000,000 \$750,000 \$1,850,000 \$2,647,145

**1. Background:**

- a) On July 5, 2023, Florida Housing issued Request for Applications (RFA) 2023-205 for SAIL Financing of Affordable Housing Developments to Be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On September 8, 2023, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all the necessary credit underwriting activities.
- c) On December 15, 2023, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. On December 20, 2023, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of December 20, 2024.
- d) On December 13, 2024, the Board approved the final credit underwriting report and Applicant Entity change and directed staff to proceed with the issuance of a firm commitment and closing activities. On December 16, 2024, staff issued a firm commitment to the Applicant giving them a loan closing deadline of June 14, 2025. 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.

**2. Present Situation:**

- a) On May 16, 2025, the Borrower requested an extension to the loan closing deadline from June 14, 2025, to September 12, 2025 ([Exhibit D](#)) due to delays in the permitting process related to required foundation design changes. Staff has reviewed this request and finds that the Development meets all other requirements of the RFA.

**3. Recommendation:**

- a) Approve the request for a loan closing deadline extension from June 14, 2025, to September 12, 2025, subject to payment of the required non-refundable extension fee of one percent of each loan amount, pursuant to the requirements of the RFA.

## MULTIFAMILY PROGRAMS

### *Consent*

#### D. Request Approval of Credit Underwriting Report for Ekos Pembroke Park (RFA 2023-213 / 2024-248S / 2023-510C)

<b>Development:</b>	Ekos Pembroke Park	<b>Location:</b>	Broward County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Magellan Housing, LLC MHP Broward I Developer, LLC MJHS Broward I Developer, LLC	
<b>Type:</b>	High Rise	<b>Principal:</b>	Christopher Shear	
<b>Demographic:</b>	Elderly	<b>Owner:</b>	MHP Broward I, LTD	
		<b>Parent Owner:</b>	McDowell Housing Partners LLC	
<b>Total Units: 150</b>	23 Units @ 30% (LL ELI & HC-4%) 51 Units @ 50% (LL SAIL & HC-4%) 16 Units @ 60% (LL SAIL & HC-4%) 60 Units @ 80% (LL SAIL & HC-4%)	<b>Funding Requests:</b>	LL SAIL HC-4%	\$9,995,000 \$2,856,692

#### 1. Background:

- a) On November 20, 2023, Florida Housing issued Request for Applications (RFA) 2023-213 SAIL Funding for Live Local Mixed Income, Mixed-Use, and Urban Infill Developments.
- b) On February 2, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all the necessary credit underwriting activities.
- c) The Application was not affected by litigation, and on March 7, 2024, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of March 7, 2025.
- d) On May 10, 2024, the Board approved the Final Order resolving all pending litigation pertaining to the RFA.
- e) Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment and on March 28, 2025, the Board approved a request to extend the firm loan issuance commitment deadline from March 7, 2025, to September 7, 2025.

#### 2. Present Situation:

- a) On June 2, 2025, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit E](#)). 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.

## MULTIFAMILY PROGRAMS

### *Consent*

#### E. Request Approval of Credit Underwriting Report for Oakhurst Trace (RFA 2023-213 / 2024-255S / 2023-533C)

<b>Development:</b>	Oakhurst Trace	<b>Location:</b>	Pinellas County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Southport Development, Inc.; Woda Southport Developer Inc.	
<b>Type:</b>	Mid-Rise (4 Stories)	<b>Principal:</b>	J. David Page	
<b>Demographic:</b>	Family	<b>Owner:</b>	SP Pinellas III LLC	
		<b>Parent Owner:</b>	Southport Development, Inc.	
<b>Total Units: 225</b>	23 Units @ 30% (LL ELI & HC-4%) 22 Units @ 40% (LL SAIL & HC-4%) 68 Units @ 50% (LL SAIL & HC-4%) 22 Units @ 60% (LL SAIL & HC-4%) 90 Units @ 80% (LL SAIL & HC-4%)	<b>Funding Requests:</b>	LL SAIL HC-4%	11,200,000 \$4,060,397

#### 1. **Background:**

- a) On November 20, 2023, Florida Housing issued Request for Applications (RFA) 2023-213 for SAIL Funding for Live Local Mixed Income, Mixed-Use and Urban Infill Developments.
- b) On February 2, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all the necessary credit underwriting activities.
- c) On May 10, 2024, the Board approved the Final Order resolving all pending litigation pertaining to the RFA.
- d) On May 16, 2024, staff issued an invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of May 16, 2025.

#### 2. **Present Situation:**

- a) On June 2, 2025, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit F](#)). 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.

## MULTIFAMILY PROGRAMS

### *Consent*

#### F. Request Approval of Credit Underwriting Report for Cedar Cove (RFA 2024-103 / 2024-291CSN)

<b>Development:</b>	Cedar Cove	<b>Location:</b>	Manatee County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Blue CC Developer, LLC; CASL Developer, LLC	
<b>Type:</b>	Mid-Rise (4 Stories)	<b>Principal:</b>	Julian S. Eller	
<b>Demographic:</b>	Homeless	<b>Owner:</b>	Blue CASL Manatee, LLC	
		<b>Parent Owner:</b>	Community Assisted and Supported Living, Inc.	
<b>Total Units: 80</b>	8 Units @ 22% (NHTF) 12 Units @ 35% (ELI & HC-9%) 68 Units @ 60% (SAIL & HC-9%)	<b>Funding Requests:</b>	SAIL ELI NHTF HC-9%	\$7,300,000 \$382,300 \$1,992,000 \$2,142,000

#### 1. **Background:**

- a) On November 7, 2023, Florida Housing issued Request for Applications (RFA) 2024-103 Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On March 27, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 10, 2024, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. On May 16, 2024, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of May 16, 2025.

#### 2. **Present Situation:**

- a) On June 2, 2025, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit G](#)). 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.

## MULTIFAMILY PROGRAMS

### *Consent*

#### **G. Request Approval for Firm Loan Commitment Issuance Deadline Extension for Vincentian Villas (RFA 2024-102 / 2024-312SA)**

<b>Development:</b>	Vincentian Villas	<b>Location:</b>	Charlotte County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Society of St. Vincent de Paul South Pinellas Inc.	
<b>Type:</b>	Garden Apartments	<b>Principal:</b>	Michael Raposa	
<b>Demographic:</b>	Persons With Special Needs	<b>Owner:</b>	Society of St. Vincent de Paul South Pinellas Inc.	
		<b>Parent Owner:</b>	Society of St. Vincent de Paul South Pinellas Inc.	
<b>Total Units: 15</b>	3 Units @ 22% (HOME-ARP) 7 Units @ 30% (HOME-ARP) 15 Units @ 60% (SAIL)	<b>Funding Requests:</b>	SAIL HOME-ARP	\$4,065,411 \$1,781,700

#### **1. Background:**

- a) On December 7, 2023, Florida Housing issued Request for Applications (RFA) 2024-102 SAIL and HOME-ARP Financing for Smaller Developments for Persons with Special Needs.
- b) On May 13, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 17, 2024, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of May 17, 2025. Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.

#### **2. Present Situation:**

- a) On April 28, 2025, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from May 17, 2025, to November 17, 2025 ([Exhibit H](#)). The development team is awaiting preliminary site plan approval and a final site plan from Charlotte County to acquire a building permit. Staff has reviewed this request and finds that it meets all other requirements of the RFA.

#### **3. Recommendation:**

- a) Approve the request for a firm loan commitment issuance deadline extension from May 17, 2025, to November 17, 2025, subject to payment of the required non-refundable extension fee of one percent of each loan amount, pursuant to the requirements of the RFA.



## MULTIFAMILY PROGRAMS

### *Consent*

#### H. Request Approval for Firm Loan Commitment Issuance Deadline Extension for The Franklin (RFA 2024-106 / 2024-305CSN)

<b>Development:</b>	The Franklin	<b>Location:</b>	Hillsborough County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	DDA Development, LLC	
<b>Type:</b>	Mid-Rise (4 Stories)	<b>Principal:</b>	Bowen Arnold	
<b>Demographic:</b>	Persons with Disabling Condition	<b>Owner:</b>	MC Affordable, LLC	
		<b>Parent Owner:</b>	Mental Health Care, Inc.	
<b>Total Units: 80</b>	8 Units @ 22% (NHTF) 12 Units @ 40% (ELI & HC-9%) 68 Units @ 60% (SAIL & HC-9%)	<b>Funding Requests:</b>	SAIL ELI NHTF HC-9%	\$5,740,100 \$259,900 \$1,893,600 \$2,500,000

#### 1. **Background:**

- a) On November 9, 2023, Florida Housing issued Request for Applications (RFA) 2024-106 Financing for the Development of Housing for Persons with A Disabling Condition or Developmental Disabilities.
- b) On March 27, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 17, 2024, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of May 17, 2025. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.

#### 2. **Present Situation:**

- a) On May 19, 2025, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from May 17, 2025, to November 17, 2025 ([Exhibit I](#)) due to the city of Tampa's new ordinance which changed their building permit process to require the site plan approval process to proceed before submission of the building permit request. Staff has reviewed this request and finds that it meets all other requirements of the RFA.

#### 3. **Recommendation:**

- a) Approve the request for a firm loan commitment issuance deadline extension from May 17, 2025, to November 17, 2025, subject to payment of the required non-refundable extension fee of one percent of each loan amount, pursuant to the requirements of the RFA.

## MULTIFAMILY PROGRAMS

### *Consent*

#### **I. Request Approval of Credit Underwriting Report for Village of Pine Hills (RFA 2024-103 / 2024-293CSN)**

<b>Development:</b>	Village of Pine Hills	<b>Location:</b>	Orange County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Ability Pine Hills Dev, LLC	
<b>Type:</b>	Garden Apartments	<b>Principal:</b>	Shannon Nazworth	
<b>Demographic:</b>	Homeless/Persons with Special Needs	<b>Owner:</b>	Ability Pine Hills, LLC	
		<b>Parent Owner:</b>	Ability Housing, Inc.	
<b>Total Units: 96</b>	4 Units @ 22% (NHTF) 20 Units @ 30% (ELI & HC-9%) 4 Units @ 40% (SAIL & HC-9%) 72 Units @ 60% (SAIL & HC-9%)	<b>Funding Requests:</b>	SAIL ELI NHTF HC-9%	\$7,352,800 \$347,200 \$956,000 \$2,700,000

#### **1. Background:**

- a) On November 7, 2023, Florida Housing issued Request for Applications (RFA) 2024-103 Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On March 27, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 10, 2024, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. On May 16, 2024, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of May 16, 2025.

#### **2. Present Situation:**

- a) On June 2, 2025, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit J](#)). Staff has reviewed this report and finds that the Development meets all other 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.

## MULTIFAMILY PROGRAMS

### *Consent*

#### **J. Request Approval for Firm Loan Commitment Issuance Deadline Extension for The Point (RFA 2024-102 / 2024-310SA)**

<b>Development:</b>	The Point	<b>Location:</b>	Pinellas County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Pinellas Affordable Living, Inc. Boley Centers, Inc.	
<b>Type:</b>	Garden Apartments	<b>Principal:</b>	Jack D. Humburg	
<b>Demographic:</b>	Persons with Special Needs	<b>Owner:</b>	Pinellas Affordable Living, Inc.	
		<b>Parent Owner:</b>	Pinellas Affordable Living, Inc.	
<b>Total Units: 17</b>	4 Units @ 22% (HOME-ARP) 6 Units @ 30% (HOME-ARP) 17 Units @ 60% (SAIL)	<b>Funding Requests:</b>	SAIL HOME-ARP	\$4,065,411 \$2,067,000

#### **1. Background:**

- a) On December 7, 2023, Florida Housing issued Request for Applications (RFA) 2024-102 SAIL and HOME-ARP Financing for Smaller Developments for Persons with Special Needs.
- b) On May 13, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 17, 2024, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of May 17, 2025. Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.

#### **2. Present Situation:**

- a) On April 15, 2025, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from May 17, 2025, to November 17, 2025 ([Exhibit K](#)). There is a delay for the necessary HUD approval for the project-based vouchers and final approval of the Subsidy Layering Review. In addition, two major hurricanes striking Pinellas County in 2024 have resulted in delays obtaining building permits. Staff has reviewed this request and finds that it meets all requirements of the RFA.

#### **3. Recommendation:**

- a) Approve the request for a firm loan commitment issuance deadline extension from May 17, 2025, to November 17, 2025, subject to payment of the required non-refundable extension fee of one percent of each loan amount, pursuant to the requirements of the RFA.

## MULTIFAMILY PROGRAMS

### *Consent*

#### K. Request Approval of Credit Underwriting Report for Calusa Pointe II (RFA 2024-205 / 2025-211SA / 2024-526C)

<b>Development:</b>	Calusa Pointe II	<b>Location:</b>	Palm Beach County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Southport Development, Inc.	
<b>Type:</b>	Garden Apartments	<b>Principal:</b>	J. David Page	
<b>Demographic:</b>	Family	<b>Owner:</b>	SP Field LLC	
		<b>Parent Owner:</b>	Southport Financial Services, Inc.	
<b>Total Units: 168</b>	5 Units @ 22% (HOME-ARP) 26 Units @ 30% (ELI & HC-4%) 16 Units @ 50% (SAIL & HC-4%) 34 Units @ 60% (SAIL & HC-4%) 92 Units @ 70% (SAIL & HC-4%)	<b>Funding Requests:</b>	SAIL HOME-ARP HC-4%	\$250,000 \$1,458,500 \$3,011,691

#### 1. **Background:**

- a) On August 20, 2024, Florida Housing issued Request for Applications (RFA) 2024-205 SAIL Financing of Affordable Multifamily Housing Developments to Be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On October 22, 2024, the Board approved final scores and recommendations for the RFA and directed staff to proceed with all the necessary credit underwriting activities.
- c) On November 18, 2024, staff issued an invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of November 18, 2025.

#### 2. **Present Situation:**

- a) On May 31, 2025, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit L](#)). 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.

## MULTIFAMILY PROGRAMS

### *Consent*

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

<b>Development:</b>	Pollywog Creek Mews	<b>Location:</b>	Hendry County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Odyssey Development Group, LLC; Rural Neighborhoods, Inc.	
<b>Type:</b>	Garden Apartments	<b>Principal:</b>	Steven Kirk	
<b>Demographic:</b>	Family	<b>Owner:</b>	Pollywog Creek Mews, LLC	
		<b>Parent Owner:</b>	Rural Neighborhoods, Inc.	
<b>Total Units: 28</b>	6 Units @ 50% (HOME)	<b>Funding Requests:</b>	HOME	\$5,690,000
	22 Units @ 60% (HOME)		Viability	\$2,475,000

#### 1. Background/Present Situation

- a) On December 15, 2021, Florida Housing Finance Corporation issued 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 for HOME 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 from October 4, 2023, 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 26, 2024, the Board approved the RFA waiver request for a Viability Loan CUR Deadline extension from March 31, 2024, to June 28, 2024.
- e) On June 28, 2024, the Board approved an additional RFA waiver request for a Viability Loan CUR Deadline extension from June 28, 2024, to October 22, 2024, and an additional Rule waiver extending the firm loan commitment issuance deadline for HOME from June 4, 2024, to December 4, 2024.

## MULTIFAMILY PROGRAMS

### *Consent*

- f) On October 22, 2024, the Board approved an additional RFA waiver request for a Viability Loan CUR Deadline extension from October 22, 2024, to June 4, 2025, and an additional Rule waiver extending the firm loan commitment issuance deadline for HOME from December 4, 2024, to June 4, 2025.
- g) On May 16, 2025, staff received a request from the Applicant for an additional RFA waiver to extend the CUR deadline from June 4, 2025, to December 4, 2025 ([Exhibit M](#)). Due to increased construction costs, the residential buildings were redesigned to meet various contractor value engineering suggestions. The Applicant had difficulty identifying General Contractors willing to build in the rural Hendry County market and it took additional time to solicit bids. As a result, a GC was able to be identified and selected for the Development with an executed contract on March 1, 2025. In addition, the Applicant obtained \$750,000 in direct subsidy from the Federal Home Loan Bank to enhance the project's financial strength and will submit an additional \$500,000 request to the Affordable Housing Program on May 21, 2025. The Developer also has pledged Developer equity towards sewage lift station and off-site drainage to improve feasibility. Therefore, an additional RFA waiver is required.
- h) Simultaneous to this request, the Applicant has filed a Rule Waiver to extend the HOME funds firm loan commitment issuance deadline of June 4, 2025, to December 4, 2025, for funding awarded to the Development under RFA 2021-206.

### 2. **Recommendation**

- a) Approve an RFA waiver request for a credit underwriting report deadline extension from June 4, 2025, to December 4, 2025.

## PREDEVELOPMENT LOAN PROGRAM (PLP)

### *Consent*

#### VI. PREDEVELOPMENT LOAN PROGRAM (PLP)

- A. Request Approval of Loan Maturity Extension for Neighbors and Neighbors Association, Inc. a not-for-profit entity, for NANA City Homes (PLP 2021--015P-09).

<b>Development:</b>	NANA City Homes	<b>Location:</b>	Miami-Dade County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Neighbors and Neighbors Association, Inc.	
<b>Type:</b>	Homeownership	<b>Principal:</b>		
<b>Demographic:</b>	Family	<b>Owner:</b>		
		<b>Parent Owner:</b>		
<b>Total Units: 33</b>	17 Units @ 80% AMI and 16 @ 120% AMI	<b>Funding Amount:</b>	PLP	\$500,000

1. **Background:**

- a) On January 21, 2022, the Board approved a PLP Loan for NANA City Homes in the amount of \$500,000.
- b) On August 1, 2022, the developer closed on the loan. To date, \$249,547.71 has been drawn on the loan.

2. **Present Situation:**

- a) On May 21, 2025, staff received a recommendation ([Exhibit A](#)) from the assigned technical assistance provider for approval of a one-year extension to the maturity date of the PLP loan. The new maturity date would be August 1, 2026.
- b) Staff has reviewed the recommendation and accepts the request as necessary to allow the developer to complete the development.

3. **Recommendation:**

- a) Approve the one-year maturity extension for NANA City Homes to Neighbors and Neighbors Association, Inc. and allow staff to commence with the loan amendment process.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**B. Request Approval of PLP Loan for Pinellas County Urban League, Inc. a not-for-profit entity, for PCUL HQ Redevelopment (PLP 2024--013P-09).**

<b>Development:</b>	PCUL HQ Redevelopment	<b>Location:</b>	Pinellas County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Pinellas County Urban League Inc.	
<b>Type:</b>	Rental Rehabilitation	<b>Principal:</b>		
<b>Demographic:</b>	Family	<b>Owner:</b>		
		<b>Parent Owner:</b>		
<b>Total Units: 18</b>	4 Units @ 50% AMI	<b>Funding Requests:</b>	PLP	\$500,000

**1. Background:**

- a) On November 12, 2024, the Applicant submitted a PLP Loan Application for PCUL HQ Redevelopment.

**2. Present Situation:**

- a) On May 21, 2025, staff received a development plan and recommendation ([Exhibit B](#)) from the assigned technical assistance provider recommending approval of the PLP loan in the amount of \$500,000.
- b) Staff has reviewed the recommendation and accepts the recommendation of the assigned technical assistance provider.

**3. Recommendation:**

- a) Approve the PLP loan for PCUL Redevelopment to Pinellas County Urban League, Inc. and allow staff to commence with the loan closing process.



**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**C. Request Approval of Revised Development Plan for Great Blue LLLP, a not-for-profit entity, for Blue Heron Apartments (PLP 2024--014P-09).**

<b>Development:</b>	Blue Heron Apartments	<b>Location:</b>	Palm Beach County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	Great Blue LLLP	
<b>Type:</b>	Rental	<b>Principal:</b>		
<b>Demographic:</b>	Elderly	<b>Owner:</b>		
		<b>Parent Owner:</b>		
<b>Total Units: 140</b>	28 Units @ 50% AMI	<b>Funding Amount:</b>	PLP	\$500,000

**1. Background:**

- a) On December 13, 2024, the Board approved a PLP Loan for Blue Heron Apartments in the amount of \$500,000.

**2. Present Situation:**

- a) On May 21, 2025, staff received a recommendation ([Exhibit C](#)) and a revised development plan from the assigned technical assistance provider. The specific revision is a change in the proposed security of the PLP loan from a letter of credit to a mortgage on a property owned by the applicant.
- b) Staff has reviewed the recommendation and accepts the request as necessary to allow the developer to complete the development.

**3. Recommendation:**

- a) Approve the revised development plan for Blue Heron Apartments to Great Blue LLLP. and allow staff to commence with the loan amendment process.

## PREDEVELOPMENT LOAN PROGRAM (PLP)

### *Consent*

**D. Request Approval of Loan Maturity Extension for 2901 Wynwood, LLC a not-for-profit entity, for View 29 (PLP 2020--009P-09).**

<b>Development:</b>	View 29	<b>Location:</b>	Miami-Dade County	
<b>Category:</b>	New Construction	<b>Developer(s):</b>	2901 Wynwood, LLC	
<b>Type:</b>	Rental	<b>Principal:</b>		
<b>Demographic:</b>	Family	<b>Owner:</b>		
		<b>Parent Owner:</b>		
<b>Total Units: 116</b>	24 Units @ 50% AMI	<b>Funding Amount:</b>	PLP	\$500,000

**1. Background:**

- a) On October 16, 2020, the Board approved a PLP Loan for View 29 in the amount of \$500,000.
- b) On August 27, 2021, the developer closed on the loan. To date, \$500,000 has been drawn on the loan. The maturity date for the loan was established as August 27, 2024.
- c) On June 28, 2024, the Board approved a one-year extension to the maturity date for the loan. The new maturity date was August 27, 2025.

**2. Present Situation:**

- a) On May 21, 2025, staff received a recommendation ([Exhibit D](#)) from the assigned technical assistance provider for approval of a one-year extension to the maturity date of the PLP loan. The new maturity date would be August 27, 2026.
- b) Staff has reviewed the recommendation and accepts the request as necessary to allow the developer to complete the development.

**3. Recommendation:**

- a) Approve the one-year maturity extension for View 29 to 2901 Wynwood LLC. and allow staff to commence with the loan amendment process.

## SPECIAL ASSETS

### *Consent*

## VII. SPECIAL ASSETS

### A. Request Approval of the Transfer of the Restrictive Agreement for Temple Court Partners, Ltd. for Temple Court (HC 2003-118C)

<b>Development:</b>	Temple Court	<b>Location:</b>	Miami-Dade County	
<b>Category:</b>	Acquisition and Rehabilitation	<b>Developer(s):</b>	Regency Development Associates, Inc.	
<b>Type:</b>	Mid-Rise (4 stories)	<b>Principal:</b>	Garchik, Sydne	
<b>Demographic:</b>	Elderly	<b>Owner:</b>	Temple Court Venture LP	
		<b>Parent Owner:</b>	MRK Partners, Inc.	
<b>Total Units: 61</b>	8 Units @ 30% (HC-9%) 53 Units @ 60% (HC-9%)	<b>Funding Requests:</b>	HC-9%	\$411,991

#### 1. Background:

- a) During the 2003 funding cycle, Florida Housing Finance Corporation ("Florida Housing") allocated to Temple Court Partners, Ltd., a Florida limited partnership ("Original Owner") low-income housing tax credits in the amount of \$4,119,910, for the development of a 61-unit property in Miami-Dade County, Florida.

#### 2. Present Situation:

- a) In June 2024, a fire caused substantial damage to the Development. The City of Miami deemed the structure unsafe and ordered its demolition. All residents were successfully relocated.
- b) As the original Development was destroyed and is no longer capable of fulfilling its affordable housing obligations in its prior form, the Owner is requesting approval to transfer the Extended Low Income Housing Agreement ("ELIHA") to another Development that can meet the affordable housing requirements of the ELIHA.
- c) The proposed new property, located in Fort Lauderdale (Broward County), consists of 88 units and will preserve the affordability restrictions while increasing the total number of affordable housing units by 27.
- d) To maintain compliance with the ELIHA, the Owner would like to proceed as quickly as possible and requests the Board approve the transfer to the new property. Florida Housing staff will request the credit underwriter to review the proposed new property to confirm it meets applicable Florida Housing requirements. The Internal Revenue Code does not expressly authorize the release of the Extended Low-Income Housing Agreement (ELIHA) in this circumstance; however, the Board has, on a limited number of occasions, previously approved similar transfers of ELIHAs in the exercise of its reasonable administrative discretion in administering the Housing Credit program.

## SPECIAL ASSETS

### *Consent*

3. **Recommendation:**

- a) Staff recommends approval of the transfer of the ELIHA restrictions to the proposed new property, subject to the review by the credit underwriter and issuance of their report that the new property meets applicable Florida Housing requirements, including any conditions to be satisfied prior to closing, further review, approvals and verifications by the credit underwriter, counsel, and appropriate Florida Housing staff, and direct staff to proceed with document modification activities, as needed.

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**Florida Housing Finance Corporation**

*Credit Underwriting Report (“CUR”)*

**Apollo Gardens**

**RFA 2022-210 (2022-271CAN/2024-313CAN)**

**HOME-American Rescue Plan (“ARP”), National Housing Trust Fund (“NHTF”) Program, and Competitive 9% Housing Credits (“HC”)**

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

**Section A: Report Summary**

**Section B: HOME-ARP and NHTF Loans Special and General Conditions and HC Allocation Recommendation and Contingencies**

**Section C: Supporting Information and Schedules**

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**Prepared by**

**AmeriNat®**

***Final Report***

**June 2, 2025**

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**Apollo Gardens**

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**Section A**  
**Report Summary**

HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT

## Recommendation

AmeriNat® ("AmeriNat") recommends Florida Housing Finance Corporation ("FHFC" or "Florida Housing") issue a HOME-American Rescue Plan ("HOME- ARP") Loan of \$7,200,000 and a National Housing Trust Fund ("NHTF") Loan of \$1,780,200 and an annual Housing Credit ("HC") allocation of \$1,848,000 to Apollo Gardens, LLLP ("Applicant") for the construction and permanent phase financing of Apollo Gardens (the proposed "Development"). This recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:	<u>Apollo Gardens</u>		
RFA/Program Numbers:	<u>RFA 2022-210</u> / <u>2022-271CAN</u> <u>2024-313CAN</u>		
Address:	<u>2727 Demaret Drive</u>		
City:	<u>Titusville</u>	Zip Code:	<u>32780</u> County: <u>Brevard</u> County Size: <u>Medium</u>
Development Category:	<u>New Construction</u>	Development Type:	<u>Garden Apartments</u>
Construction Type:	<u>Masonry</u>	Number of Stories:	<u>3</u>
Demographic Commitment:			
Primary:	<u>Homeless</u>	for	<u>25%</u> of the Units
Secondary:	<u>Persons with Special Needs</u>	for	<u>25%</u> of the Units
Unit Composition:			
# of ELI Units:	<u>9</u>	ELI Units Are Restricted to	<u>30%</u> AMI, or less. Min % of Units @ ELI: <u>10%</u>
# of Link Units:	<u>0</u>	# of Preference units:	<u>0</u> IRS Minimum Set-Aside Commitment: <u>40/60</u>
# of NHTF Units:	<u>9</u>	# of units w/ PBRA?	<u>0</u> TSP Approval Date: <u>11/02/2022</u>
Buildings:	Residential - <u>1</u>	Non-Residential -	<u>0</u>
Parking:	Parking Spaces - <u>98</u>	Accessible Spaces -	<u>8</u>
There are a total of 106 parking spaces, of which 98 are standard parking spaces and eight are accessible spaces.			
DDA:	<u>No</u>	SADDA:	<u>No</u> QCT: <u>No</u> Multi-Phase Boost: <u>No</u> QAP Boost: <u>Yes</u> QAP Type: <u>Demo</u>
Site Acreage:	<u>6.90</u>	Density:	<u>12.17</u> Flood Zone Designation: <u>X</u>
Zoning:	<u>R-3, Multi-family High Density</u>		Flood Insurance Required?: <u>No</u>
Credit Underwriter:	<u>AmeriNat Loan Services</u>		Date of Application: <u>07/12/2022</u>
Date of Final CUR:	<u>06/02/2025</u>	Minimum 1st Mortgage per Rule:	<u>\$2,122,955.01</u>
TDC PU Limitation at Application:	<u>\$441,520.47</u>	TDC PU Limitation at Credit Underwriting:	<u>\$468,011.70</u>
Actual TDC PU for Limitation:	<u>\$289,272.49</u>	Amount Dev. Fee Reduced for TDC Limit:	

Prepared by



Matthew Smiley  
Multifamily Credit Underwriter

Reviewed by



Kyle Kuenn  
Multifamily Chief Credit Underwriter



**HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT**

**Brevard County (Palm Bay-Melbourne-Titusville 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	9	700	30%	886		562	57	505		505	505	505	54,540
1	1.0	9	700	30%			562	57	505		505	505	505	54,540
1	1.0	18	700	50%	886		937	57	880		880	526	526	113,616
1	1.0	8	700	60%			1,125	57	1,068		1,068	1,068	1,068	102,528
1	1.0	11	700	60%		1,133	1,125	57	1,068		1,068	1,068	1,068	140,976
1	1.0	29	700	60%			1,125	57	1,068		1,068	1,068	1,068	371,664
		84	58,800											837,864

When calculating an average market rental rate based on the unit mix and annualized rent concessions, the rent advantage for all of the units at the Development is in excess of 110% of the applicable maximum Housing Credit rental rate.

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 (17 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 as 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 the Pilot Period and certain reporting requirements are met, the pilot 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 tenant 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 Local Homeless Assistance 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 Qualifying Populations Demographic Commitment: Based on the RFA, 45% of the total units (38 units) will be considered HOME-ARP, for a minimum of 15 years. At least 70% of the HOME-ARP Units (27 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 (11 units) may be set aside to serve persons up to 80% Area Median Income ("AMI") and High-HOME rents are utilized.

Termination of the HOME-ARP Demographic Commitment: At the end of Year 15 of the Compliance Period, 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:

1. 25% of the total units (21 units) must serve Persons with Special Needs
2. 25% of the total units (21 units) must serve Homeless Households (this percentage includes the original 10 percent set-aside (9 units) for Homeless Households required starting in Year 1)
3. The remaining units may serve any demographic group, including families and elders

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 (38 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 requirements at the end of Year 15, 25% of the total units (21 units) must serve Persons with Special Needs. The Applicant has committed to service 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:

1. 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 and 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 unit sizes and Development types and must be dispersed throughout the Development (not located in the same area, or on a single floor).
2. 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. This one unit will be included as part of the 2% requirement for audio/visual units per Section 504. 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

**HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT**

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 Housing Stability Services Coordination Plan was approved by FHFC on June 29, 2023. FHFC approval of the Resident Community-Based Service Coordination Plan is a condition precedent to the loan closing.

NHTF Set-Aside Commitment: The proposed Development must set aside nine (9) units as NHTF units. These units are required to be at or below 30% AMI (9 units) and are in addition to the requirement for ELI set aside units. After 30 years, all of the NHTF 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 unit Amounts: Brevard

Nine (9) units at \$197,800 = \$1,780,200

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
HC-9%	10.00%	9	30%	50
HC-9%	90.00%	75	60%	50
HOME	30.00%	27	50%	15
HOME	70.00%	11	65%	15
NHTF	10.00%	9	30%	50

HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT

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15 Year Operating Pro Forma

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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		\$837,864	\$9,975	\$854,621	\$871,714	\$889,148	\$906,931	\$925,070	\$943,571	\$962,442	\$981,691	\$1,001,325	\$1,021,352	\$1,041,779	\$1,062,614	\$1,083,866	\$1,105,544
	Other Income: (3.01%)																	
	Miscellaneous		\$25,200	\$300	\$25,704	\$26,218	\$26,742	\$27,277	\$27,823	\$28,379	\$28,947	\$29,526	\$30,116	\$30,719	\$31,333	\$31,960	\$32,599	\$33,251
	Gross Potential Income		\$863,064	\$10,275	\$880,325	\$897,932	\$915,890	\$934,208	\$952,892	\$971,950	\$991,389	\$1,011,217	\$1,031,441	\$1,052,070	\$1,073,112	\$1,094,574	\$1,116,465	\$1,138,795
	Less:																	
	Physical Vac. Loss      Percentage:    4.00%		\$34,523	\$411	\$35,213	\$35,917	\$36,636	\$37,368	\$38,116	\$38,878	\$39,656	\$40,449	\$41,258	\$42,083	\$42,924	\$43,783	\$44,659	\$45,552
	Collection Loss      Percentage:    1.00%		\$8,631	\$103	\$8,803	\$8,979	\$9,159	\$9,342	\$9,529	\$9,720	\$9,914	\$10,112	\$10,314	\$10,521	\$10,731	\$10,946	\$11,165	\$11,388
	Total Effective Gross Income		\$819,911	\$9,761	\$836,309	\$853,035	\$870,096	\$887,498	\$905,248	\$923,353	\$941,820	\$960,656	\$979,869	\$999,467	\$1,019,456	\$1,039,845	\$1,060,642	\$1,081,855
	Annual Escalation Rate (Income):    2.00%																	
EXPENSES:	Fixed:																	
	Real Estate Taxes		\$65,266	\$777	\$67,224	\$69,241	\$71,318	\$73,457	\$75,661	\$77,931	\$80,269	\$82,677	\$85,157	\$87,712	\$90,343	\$93,054	\$95,845	\$98,721
	Insurance		\$117,600	\$1,400	\$121,128	\$124,762	\$128,505	\$132,360	\$136,331	\$140,421	\$144,633	\$148,972	\$153,441	\$158,045	\$162,786	\$167,669	\$172,700	\$177,881
	Variable:																	
	Management Fee      Percentage:    6.00%		\$49,195	\$586	\$50,179	\$51,182	\$52,206	\$53,250	\$54,315	\$55,401	\$56,509	\$57,639	\$58,792	\$59,968	\$61,167	\$62,391	\$63,639	\$64,911
	General and Administrative		\$42,000	\$500	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800	\$56,444	\$58,138	\$59,882	\$61,678	\$63,529
	Payroll Expenses		\$121,800	\$1,450	\$125,454	\$129,218	\$133,094	\$137,087	\$141,200	\$145,436	\$149,799	\$154,293	\$158,921	\$163,689	\$168,600	\$173,658	\$178,867	\$184,233
	Utilities		\$65,100	\$775	\$67,053	\$69,065	\$71,137	\$73,271	\$75,469	\$77,733	\$80,065	\$82,467	\$84,941	\$87,489	\$90,114	\$92,817	\$95,602	\$98,470
	Marketing and Advertising		\$2,100	\$25	\$2,163	\$2,228	\$2,295	\$2,364	\$2,434	\$2,508	\$2,583	\$2,660	\$2,740	\$2,822	\$2,907	\$2,994	\$3,084	\$3,176
	Maintenance and Repairs/Pest Control		\$37,800	\$450	\$38,934	\$40,102	\$41,305	\$42,544	\$43,821	\$45,135	\$46,489	\$47,884	\$49,320	\$50,800	\$52,324	\$53,894	\$55,511	\$57,176
	Grounds Maintenance and Landscaping		\$16,800	\$200	\$17,304	\$17,823	\$18,358	\$18,909	\$19,476	\$20,060	\$20,662	\$21,282	\$21,920	\$22,578	\$23,255	\$23,953	\$24,671	\$25,412
	Contract Services		\$6,300	\$75	\$6,489	\$6,684	\$6,884	\$7,091	\$7,303	\$7,523	\$7,748	\$7,981	\$8,220	\$8,467	\$8,721	\$8,982	\$9,252	\$9,529
	Reserve for Replacements		\$25,200	\$300	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$33,867	\$34,883	\$35,929	\$37,007	\$38,117
	Total Expenses		\$549,161	\$6,538	\$564,388	\$580,061	\$596,195	\$612,803	\$629,899	\$647,497	\$665,611	\$684,259	\$703,454	\$731,880	\$753,237	\$775,223	\$797,855	\$821,155
	Annual Escalation Rate (Expenses):    3.00%																	
Net Operating Income		\$270,750	\$3,223	\$271,921	\$272,974	\$273,901	\$274,695	\$275,349	\$275,856	\$276,208	\$276,397	\$276,415	\$267,586	\$266,219	\$264,622	\$262,787	\$260,700	
Debt Service Payments																		
First Mortgage - FHFC HOME-ARP		\$0	\$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	\$0	
Third Mortgage - FCLF		\$38,597	\$459	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	
First Mortgage Fees - FHFC HOME-ARP		\$12,962	\$154	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	
Second Mortgage Fees - FHFC NHTF		\$5,533	\$66	\$5,533	\$5,533	\$5,533	\$5,533	\$5,533	\$5,533	\$5,533	\$5,533	\$5,533	\$5,533	\$5,533	\$5,533	\$5,533	\$5,533	
Third Mortgage Fees - FCLF		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Debt Service Payments		\$57,091	\$680	\$57,091	\$57,091	\$57,091	\$57,091	\$57,091	\$57,091	\$57,091	\$57,091	\$57,091	\$57,091	\$57,091	\$57,091	\$57,091	\$57,091	
Cash Flow after Debt Service		\$213,659	\$2,544	\$214,830	\$215,883	\$216,809	\$217,603	\$218,258	\$218,765	\$219,117	\$219,306	\$219,324	\$210,495	\$209,128	\$207,531	\$205,695	\$203,609	
Debt Service Coverage Ratios																		
DSC - First Mortgage plus Fees		20.89x		20.98x	21.06x	21.13x	21.19x	21.24x	21.28x	21.31x	21.32x	21.33x	20.64x	20.54x	20.42x	20.27x	20.11x	
DSC - Second Mortgage plus Fees		14.64x		14.70x	14.76x	14.81x	14.85x	14.89x	14.92x	14.93x	14.94x	14.95x	14.47x	14.39x	14.31x	14.21x	14.10x	
DSC - Third Mortgage plus Fees		4.74x		4.76x	4.78x	4.80x	4.81x	4.82x	4.83x	4.84x	4.84x	4.84x	4.69x	4.66x	4.64x	4.60x	4.57x	
DSC - All Mortgages and Fees		4.74x		4.76x	4.78x	4.80x	4.81x	4.82x	4.83x	4.84x	4.84x	4.84x	4.69x	4.66x	4.64x	4.60x	4.57x	
Financial Ratios																		
Operating Expense Ratio		66.98%		67.49%	68.00%	68.52%	69.05%	69.58%	70.12%	70.67%	71.23%	71.79%	73.23%	73.89%	74.55%	75.22%	75.90%	
Break-even Econ Occup Ratio (all debt)		70.54%		70.90%	71.26%	71.63%	72.01%	72.40%	72.79%	73.20%	73.61%	74.04%	75.29%	75.81%	76.34%	76.88%	77.42%	

*Notes to the Operating Pro forma and Ratios:*

1. The Development will be utilizing Housing Credits in conjunction with HOME-ARP and NHTF which will impose rent restrictions. Rents are based on the 2024 HOME program rents (as the 2025 HOME rents have not yet been released) and the 2025 maximum LIHTC rents published on FHFC's website for Brevard County, less the applicable utility allowance. The underwritten rents are based on the achievable rents reflected in the appraisal less the applicable utility allowances. Utility allowances were derived from a Utility Allowance Study prepared by Energy Consulting, Inc. and approved by FHFC staff on April 22, 2025.
2. A 5.00% total economic vacancy rate and collection loss was concluded by the appraisal and was relied upon by AmeriNat for underwriting purposes.
3. Miscellaneous Income is comprised of income related to multifamily operations in the form of vending income, late charges, pet deposits, forfeited security deposits, etc.
4. AmeriNat utilized a real estate tax expense of \$777 per unit based upon the current millage rate for the municipality and an estimated assessment of \$56,071 per unit presented by the appraiser inclusive of personal property taxes and 4% early payment discount. The estimate also took into account the income restrictions of the Development.
5. AmeriNat utilized an estimate of \$1,400 per unit for insurance, which is consistent with the appraisal. with the appraisal. The figure is within the range of the expense comparables presented by the appraiser, which ranged from \$881 to \$1,811 per unit. The Development will be located in flood zone "X". Zone "X" is an area outside of the 100-year flood plain which does not require flood insurance.
6. The Applicant submitted an executed Management Agreement dated March 25, 2025 between the Applicant and Crossroads Management, LLC ("Crossroads"). Per the Management Agreement, Crossroads shall receive 6.00% of the Effective Gross Potential Gross Revenue or \$35 per unit per month, whichever is greater. The term of the Agreement shall be in effect for an initial period of one year and shall automatically renew for additional one-year terms thereafter. AmeriNat utilized the 6.00% rate, which is slightly higher than the appraisal rate of 5.50%.
7. 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 20.89x 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. The Development meets these requirements as the Development has deep subsidy in the form of 17 ELI units which serve tenants whose income is 30% or less of area median income, exceeding the maximum threshold is permitted.
8. Replacement Reserves are budgeted at \$300 per unit per year, which is consistent with RFA and Rule Chapter 67-48 minimum requirement.

## Financing Overview

CONSTRUCTION FINANCING INFORMATION								
Lien Position	First	Second	Third	Fourth	NA	NA	NA	Totals
Source	Reg. Mtg Lender	FHFC - HOME	FHFC - NHTF	Reg. Mtg Lender	FHFC - HC 9%	Op. Deficit Res.	Def. Dev. Fee	
Lender/Grantor	FCLF	FHFC	FHFC	FCLF	RJAH	Developer	Developer	
Construction Amount	\$11,000,000	\$7,200,000	\$1,780,200	\$1,000,000	\$2,272,813	\$1,004,086	\$1,241,790	\$25,498,889
All In Interest Rate	7.375%	0.00%	0.00%					
Debt Service During Construction	\$838,008							

### Proposed Construction Mortgage Loan:

The Applicant provided a draft Letter of Intent ("LOI") dated May 5, 2025 from Florida Community Loan Fund ("FCLF") for a construction loan in an amount up to \$11,000,000. The interest-only loan will have a rate 7.125% as of the date of the LOI. AmeriNat has added an underwriting cushion of 0.25% to account for rate volatility for an all-in interest rate of 7.375%. The loan will have a term of 24 months, with one optional 6-month extension and will be repaid from equity proceeds once various benchmarks have been achieved at stabilization. There is an origination fee equal to 0.25% of the total commitment amount.

### Deferred ODR as subset of Developer Fee:

An amount equal to the difference which is 5% between the Developer Fee of 21% and an amount equal to 16% of Development Cost, estimated by AmeriNat to be \$1,004,086, must be placed in an operating subsidy reserve account to be held by FHFC or its Servicer. It is customary for the ODR to be funded upon lien-free construction completion; as such, it is being shown as a deferred source of funding during the construction period.

HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT

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PERMANENT FINANCING INFORMATION						
Lien Position	First	Second	Third	NA	NA	Totals
Source	FHFC - HOME	FHFC - NHTF	Reg. Mtg Lender	FHFC - HC 9%	Def. Dev. Fee	
Lender/Grantor	FHFC	FHFC	FCLF	RJAH	Developer	
Permanent Amount	\$7,200,000	\$1,780,200	\$1,000,000	\$15,152,085	\$366,604	\$25,498,889
Permanent Funding Per Unit	\$85,714	\$21,193	\$11,905	\$180,382	\$4,364	\$303,558
% of Permanent Funding	28.2%	7.0%	3.9%	59.4%	1.4%	100.0%
Underwritten Interest Rate	0.00%	0.00%	1.00%			
All In Interest Rate	0.00%	0.00%	1.00%			
Loan Term	30	30	30			
Amortization	0	0	30			
Must Pay or Cash Flow Dependent	Cash Flow	Cash Flow	Cash Flow			
Permanent Debt Service, No Fees	\$0	\$0	\$38,597			\$38,597
Permanent Debt Service, with Fees	\$12,962	\$5,533	\$38,597			\$57,091
Debt Service Coverage, with Fees	20.89x	14.64x	4.74x			
Operating Deficit & Debt Service Reserves	\$1,004,086					
# of Months covered by the Reserves	19.9					
Market Rate/Market Financing LTV	56%	70%	78%			
Restricted Market Financing LTV	144%	180%	200%			
Loan to Cost - Cumulative	28%	35%	39%			

Proposed First Mortgage Loan – HOME-ARP:

Applicant 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 an interest rate of 0% per annum over the life of the loan with the principal forgivable at maturity provided the units for which the HOME-ARP loan amount is awarded are targeted as HOME-ARP units for the 15 year Compliance Period. The HOME-ARP Loan will have a total term of 32.5 years, of which 2.5 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 \$990 per month, subject to a minimum of \$250 per month and the Compliance Monitoring Fee is based on an annual multiple program fee of \$1,082.

Proposed Second Mortgage Loan – NHTF:

Applicant applied to FHFC under RFA 2022-210 for NHTF funds in the amount of \$1,780,000. The NHTF Loan is non-amortizing with an interest rate of 0% per annum over the life of the loan with the principal 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. The NHTF Loan will have a total term of 32.5 years, of which 2.5 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 \$990 per month, subject to a minimum of \$250 per month and the Compliance Monitoring Fee is based on an annual multiple program fee of \$1,082.

Proposed Third Mortgage Loan – FCLF:

An executed Promissory Note dated January 31, 2023 between FCLF and the Applicant was provided by the Applicant for construction/permanent financing in the amount of \$1,000,000. Commencing on the last day of the month following the Loan closing date, monthly payments of interest only for the first five (5) years after January 31, 2023, followed by thirty (30) years of monthly payments of principal and interest with the interest rate of 1.0% (based on a 30 year amortization), until the Maturity Date of January 31, 2058, at which time any outstanding principal balance, together with all accrued and unpaid interest and any other outstanding debt, including fees or costs, will be due and payable in full; provided, however, payments of principal and interest (during the thirty (30) year period) shall be payable from 75% of Cash Flow remaining after payment of superior debt service, annual asset management fee to Borrower's investor limited partner and deferred developer fee.

The Note is initially secured by a second lien priority Mortgage and Security Agreement; however, the loan must be subordinate to the FHFC HOME-ARP and NHTF Loans. As such, the Loan is reflected as a permanent third mortgage loan.



HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT

Additional Permanent Sources of Funds:

**Syndication Contributions:**

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$2,272,813	15.00%	Paid prior to or simultaneous with the closing of construction financing
2nd Installment	\$3,788,021	25.00%	Paid at 98% completion
3rd Installment	\$9,091,251	60.00%	Paid at Stabilization and upon receipt of 8609s
Total	\$15,152,085	100.00%	

Syndicator Name Raymond James Affordable Housing Investments, Inc. ("RJAHI")

Date of LOI 5/4/2025

Total Credits Per Syndication Agreement: \$18,480,000

Annual Credits Per Syndication Agreement: \$1,848,000

Calculated HC Exchange Rate: \$0.82

Limited Partner Ownership Percentage: 99.99%

Proceeds Available During Construction: \$6,060,834

Annual Credits - Qualified in CUR: \$1,772,888

\*The 2<sup>nd</sup> installment was excluded as a construction source in this recommendation as RJAHI typically requires receipt of a Certificate of Occupancy prior to funding the 98% capital contribution.

Deferred Developer Fee:

The Applicant will be required to permanently defer \$366,604 or 8.69% of the total Developer Fee after stabilization subject to the terms outlined in Section B of this report.

**HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT**

**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?	Y	
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?	Y	
Is the Development feasible with all amenities/features listed in the Application?	Y	
Do the site plans/architectural drawings account for all amenities/features listed in the Application?	Y	
Does the applicant have site control at or above the level indicated in the Application?	Y	
Does the applicant have adequate zoning as indicated in the Application?	Y	
Has the Development been evaluated for feasibility using the total length of set-aside committed to in the Application?	Y	
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?	Y	
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?	Y	
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	N/A
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?		1
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. Since the time of Application, FCLF has replaced Citibank, N.A. as the first mortgage construction lender. The first mortgage construction loan amount has decreased from \$13,000,000 as illustrated in the Application to an amount up to \$11,000,000 per the FCLF LOI dated May 5, 2025.

Since the time of Application, FCLF provided a construction/permanent loan in the amount of \$1,000,000 which closed on January 31, 2023.

Since the time of Application, RJAHI has replaced Enterprise Housing Credit Investments, LLC as the HC syndicator and the amount of HC equity decreased from \$16,816,800 to \$15,152,085. The syndication rate has decreased from \$0.91 to \$0.82.

2. Total Development Costs have decreased from \$27,119,507 to \$25,498,889 for a difference of \$1,620,618 since the Application due to decreases in Construction Costs, General Development Costs, Financial Costs, and Developer Fee.
3. See Waiver Requests section below regarding the change of the General Contractor and not meeting the requirements of the RFA.
4. The Applicant submitted a request dated April 23, 2025 to reduce the number of ELI units from 17 at the time of Application to nine. The Applicant inadvertently selected 17 ELI units believing that the number included the required NHTF units. FHFC staff approval of the request is a condition precedent to the loan closing.
5. On February 22, 2024, FHFC received a Petition for Waiver of Rule 67-48.002(96), F.A.C. (5/18/21) and the 2022 QAP, the Petition, and on March 4, 2024 an Amended Petition from the Applicant to allow

**HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT**

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the immediate return of its 2023 Housing Credit Allocation, and an immediate allocation of new Housing Credits for 2024 or later. The request was approved at the March 26, 2024 FHFC Board meeting.

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

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

According to the FHFC Asset Management Noncompliance Report dated April 18, 2025, various noncompliance items exist for Carrfour Supportive Housing Inc. ("Carrfour") on four developments as follows:

- Coalition Lift – failure to meet Uniform Physical Condition Standards for Units
- Dr. Alice Moore – failure to meet Uniform Physical Condition Standards for Units
- Harvard House – improperly computed utility allowance, failure to provide a required unit feature, failure to meet Uniform Physical Condition Standards for Units and failure to meet Uniform Physical Condition Standards for Site.
- Little Haiti Gateway – failure to meet Uniform Physical Condition Standards for Buildings and failure to meet Uniform Physical Condition Standards for Site.

According to the FHFC Past Due Report dated April 18, 2025, there are no past due items for the Development Team.

This recommendation is subject to satisfactory resolution of any outstanding noncompliance items and/or past due items prior to or at the time of loan closing and the issuance of the Annual HC allocation recommended herein.

Strengths:

1. The Development Team has demonstrated the ability to successfully develop and operate affordable multifamily rental communities using a variety of different subsidies.
2. A Market Study performed by Meridian Appraisal Group, Inc. ("Meridian") dated March 3, 2023, concludes that the Development should benefit from the rental rate advantage it will have over market rents. Based on the proposed rents, the Development will have a 104% rental rate advantage compared to the average achievable market rents for the area.
3. The Market Study identified six properties with a total of 898 units as comparable to the Development that are located in the Competitive Market Area ("CMA"). The comparable properties have a weighted average occupancy rate of 97%.

Other Considerations:

1. In accordance with RFA, FHFC limits the Total Development Cost ("TDC") per unit for all Developments categorized by the construction type of the units as indicated by the Applicant in the RFA. The

maximum TDC per unit for the construction specified by the Applicant (Garden ESS Construction) (New Construction), inclusive of a \$7,500/unit add-on for Federal Programs Boost, plus the 90% Homeless and 95% High Utilizer Demographic Multipliers, and a 6.00% escalation rate applied to the base \$370,000 per unit, is \$468,011.70 per unit. With a total of 84 units, the maximum TDC for the Development is therefore \$39,312,982.80. The TDC as underwritten equals \$289,272.49. As such, the Development does not exceed the per unit maximum TDC and is eligible for funding as a result.

2. To the underwriter's knowledge, no construction cost exceeding 20% 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:

None.

Waiver Requests:

1. The Applicant submitted a request dated April 7, 2025 to change the General Contractor from Strickland Green Mills Construction, LLC to M.H. Williams Construction Group, Inc. ("MHW"). MHW provided the General Contractor prior experience chart and certification form. MHW has Davis Bacon experience; however, MHW does not have experience with a development that meets the requirements of the RFA. MHW has Davis Bacon experience with a development that consisted of 30 units, but not with a development that has at least 50% of the proposed number of units in the Development (42 units). Therefore, a RFA waiver is required.

Additional Information:

None.

## Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$11,623,500	\$15,342,930	\$11,687,611	\$139,138	\$0
Site Work	\$2,450,000	\$0	\$1,642,573	\$19,554	\$246,386
Furniture, Fixture, & Equipment	\$0	\$0	\$234,222	\$2,788	\$0
Constr. Contr. Costs subject to GC Fee	\$14,073,500	\$15,342,930	\$13,564,406	\$161,481	\$246,386
General Conditions (3.5%)	\$0	\$0	\$481,040	\$5,727	\$0
Overhead (2.1%)	\$0	\$0	\$286,784	\$3,414	\$0
Profit (5.3%)	\$1,970,290	\$0	\$716,961	\$8,535	\$0
General Liability Insurance	\$0	\$0	\$117,874	\$1,403	\$0
Payment and Performance Bonds	\$0	\$0	\$175,866	\$2,094	\$0
Total Construction Contract/Costs	\$16,043,790	\$15,342,930	\$15,342,930	\$182,654	\$246,386
Hard Cost Contingency (4.9%)	\$802,189	\$767,147	\$767,146	\$9,133	\$0
FF&E paid outside Constr. Contr.	\$200,000	\$365,000	\$365,000	\$4,345	\$0
<b>Total Construction Costs:</b>	<b>\$17,045,979</b>	<b>\$16,475,077</b>	<b>\$16,475,076</b>	<b>\$196,132</b>	<b>\$246,386</b>

### Notes to Actual Construction Costs:

1. A 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 \$15,342,930 (the "Construction Contract") has been provided. The executed Construction Contract dated May 20, 2025 is between the Applicant and M.H. Williams Construction Group, Inc. ("General Contractor"). It indicates construction completion within 390 calendar days from the date of commencement. The Construction Contract indicates retainage of ten percent (10%) will be withheld until 50% of the work is complete based on the Schedule of Values, at which point the retainage of 5% will be withheld, provided that the General Contractor is not in default. There are no allowances defined within the Construction Contract or Schedule of Values.
2. The General Contractor will secure a Payment and Performance Bond to secure the Construction Contract and an estimate of its cost is included in the Schedule of Values of the Construction Contract.
3. FF&E paid outside of the Construction Contract consists of office furniture, common area furniture, signage, low voltage system and equipment not already included in the Construction Contract.

**HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT**

<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accounting Fees	\$30,000	\$20,000	\$20,000	\$238	\$20,000
Appraisal	\$10,000	\$10,000	\$12,900	\$154	\$0
Architect's Fees	\$525,000	\$476,000	\$426,700	\$5,080	\$0
Builder's Risk Insurance	\$140,735	\$38,500	\$38,500	\$458	\$0
Building Permits	\$147,500	\$70,000	\$70,000	\$833	\$0
Engineering Fees	\$75,000	\$70,000	\$61,690	\$734	\$0
Environmental Report	\$15,000	\$15,000	\$15,000	\$179	\$0
FHFC Administrative Fees	\$101,640	\$101,640	\$101,640	\$1,210	\$101,640
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$36	\$3,000
FHFC Compliance Fee	\$24,179	\$243,000	\$239,645	\$2,853	\$239,645
FHFC Credit Underwriting Fee	\$217,000	\$27,000	\$26,913	\$320	\$26,913
FHFC Other Processing Fee(s)	\$0	\$46,000	\$45,500	\$542	\$45,500
Green Building Cert. (LEED, FGBC, NAHB)	\$20,000	\$25,000	\$22,320	\$266	\$0
Impact Fee	\$519,370	\$275,000	\$256,967	\$3,059	\$0
Insurance	\$107,800	\$77,000	\$77,000	\$917	\$0
Legal Fees - Organizational Costs	\$230,000	\$430,000	\$440,000	\$5,238	\$25,000
Lender Inspection Fees / Const Admin	\$70,000	\$125,000	\$125,000	\$1,488	\$0
Market Study	\$7,500	\$10,000	\$6,700	\$80	\$6,700
Marketing and Advertising	\$75,000	\$84,000	\$84,000	\$1,000	\$84,000
Plan and Cost Review Analysis	\$5,000	\$0	\$5,850	\$70	\$0
Property Taxes	\$50,000	\$10,000	\$10,000	\$119	\$0
Soil Test	\$20,000	\$16,000	\$16,000	\$190	\$0
Survey	\$30,000	\$50,000	\$50,000	\$595	\$0
Title Insurance and Recording Fees	\$173,966	\$184,762	\$184,762	\$2,200	\$46,191
Traffic Study	\$5,000	\$0	\$0	\$0	\$0
Utility Connection Fees	\$92,500	\$25,000	\$25,000	\$298	\$0
Soft Cost Contingency (5.0%)	\$132,510	\$125,824	\$118,254	\$1,408	\$0
<b>Total General Development Costs:</b>	<b>\$2,827,700</b>	<b>\$2,557,726</b>	<b>\$2,483,341</b>	<b>\$29,564</b>	<b>\$598,589</b>

*Notes to the General Development Costs:*

1. AmeriNat reflects the costs associated with the Architect's and Engineer's fees as stated in the agreements between the Applicant and the Architect. Engineering Fees are included in the Architect Agreement.
2. The FHFC Administrative Fee is based on 5.5% of the recommended annual Housing Credit allocation.
3. FHFC Compliance Fee is based on the compliance fee calculator spreadsheet provided by FHFC.
4. The FHFC Credit Underwriting Fee includes a HOME-ARP, NHTF, 9% HC, and PRL underwriting fee of \$26,613 and a credit report fee of \$300.
5. FHFC Other Processing Fee(s) include the Notice of Commencement extension fee (\$10,000), CUR extension fee (\$5,000), tax credit partnership extension fee (\$10,000), 10% Test extension fee (\$5,000), tax credit swap fee (\$15,000) and a quarterly progress report late fee (\$500).
6. Impact Fees were estimated by the Applicant.
7. The Applicant provided an executed agreement for NGBS National Green Building Standard Certification ("NGBS") between the Applicant and Community Development Reimagined, LLC.
8. The remaining general development costs appear reasonable.

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<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Application Fee	\$0	\$0	\$25,000	\$298	\$0
Construction Loan Closing Costs	\$0	\$30,000	\$30,000	\$357	\$0
Construction Loan Commitment Fee	\$156,000	\$27,500	\$27,500	\$327	\$0
Construction Loan Interest	\$1,377,002	\$751,945	\$838,008	\$9,976	\$463,122
NHTF Closing Costs	\$0	\$0	\$20,000	\$238	\$20,000
Legal Fees - Financing Costs	\$0	\$75,000	\$50,000	\$595	\$0
Other: Syndicator Fees	\$0	\$50,000	\$50,000	\$595	\$50,000
Other: Other Loan Closing Costs	\$14,400	\$10,000	\$0	\$0	\$0
Other: Predevelopment Financing Cost	\$0	\$65,000	\$65,000	\$774	\$0
Other: FHFC NHTF Extension Fee	\$0	\$17,802	\$17,802	\$212	\$17,802
<b>Total Financial Costs:</b>	<b>\$1,547,402</b>	<b>\$1,027,247</b>	<b>\$1,123,310</b>	<b>\$13,373</b>	<b>\$550,924</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$21,421,081</b>	<b>\$20,060,050</b>	<b>\$20,081,727</b>	<b>\$239,068</b>	<b>\$1,395,898</b>

*Notes to the Financial Costs*

1. An interest reserve for the Construction Loans is supported by the Construction Loan terms illustrated in the LOI provided by the construction lender, 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.
2. NHTF Closing Costs are \$20,000 for FHFC legal counsel fees.
3. Syndicator Fees represent the cost for legal fees and other closing costs associated with the tax credit equity provided by RJAHI.
4. FHFC NHTF Extension Fee consists of a firm commitment issuance deadline extension fee based on 1% of the NHTF loan.
5. The remaining Financial Costs appear reasonable.

<b>DEVELOPER FEE ON NON-ACQUISITION COSTS</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Developer Fee - Unapportioned	\$3,427,372	\$3,221,091	\$3,213,076	\$38,251	\$0
DF to fund Operating Debt Reserve	\$1,071,054	\$1,006,591	\$1,004,086	\$11,953	\$0
<b>Total Dev. Fee on Non-Acq. Costs (21.0%):</b>	<b>\$4,498,426</b>	<b>\$4,227,682</b>	<b>\$4,217,162</b>	<b>\$50,204</b>	<b>\$0</b>

*Notes to the Developer Fee on Non-Acquisition Costs:*

1. Five percent (5%) of the Developer Fee must be placed in an operating subsidy reserve account to be held by FHFC or its Servicer.

<b>LAND ACQUISITION COSTS</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Land	\$1,200,000	\$1,200,000	\$1,200,000	\$14,286	\$1,200,000
<b>Total Acquisition Costs:</b>	<b>\$1,200,000</b>	<b>\$1,200,000</b>	<b>\$1,200,000</b>	<b>\$14,286</b>	<b>\$1,200,000</b>

*Notes to Land Acquisition Costs:*

1. AmeriNat received an Agreement of Purchase and Sale ("PSA") dated December 20, 2022, between Rilaca Re Developers, LLC ("Seller") and Carrfour that illustrates the terms in which the Seller will convey the property to Carrfour for the purchase price of \$1,200,000. Per the PSA, closing must occur on or before January 30, 2023 with an optional 6-month extension.
2. AmeriNat received an Addendum to the PSA in which the land was assigned from Carrfour to the Applicant.
3. The Purchase price is supported by the appraisal.

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TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	\$27,119,507	\$25,487,732	\$25,498,889	\$303,558	\$2,595,898

Notes to Total Development Costs:

None.

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	10.95%	\$1,899,017	\$1,484,784
Hard Cost Contingency	5.00%	5.00%	\$767,147	\$767,146
Soft Cost Contingency	5.00%	5.00%	\$118,254	\$118,254
Developer Fee	21.00%	21.00%	\$4,217,162	\$4,217,162



**Section B**

**HOME-ARP and NHTF Loans Special and General Conditions and HC Allocation  
Recommendation and Contingencies**

### **Special Conditions**

This recommendation is contingent upon receipt of the following item by Florida Housing **at least two weeks prior to real estate loan closing**. Failure to submit this item within this time frame may result in postponement of the loan closing date.

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 and 24 CFR Part 75).
3. FHFC approval of the Resident Community-Based Service Coordination Plan.
4. Satisfactory receipt of the Affirmative Fair Housing Marketing Plan.
5. Receipt of a final Plan and Cost Review.
6. FHFC Board approval of the General Contractor RFA waiver.
7. FHFC staff approval of the change in the set-aside units.
8. 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 AmeriNat 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

**HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT**

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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 a Partnership/Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Partnership/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 Applicant 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 Partnership/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.

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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 Applicant and of any partnership or limited liability company that is the general partner of the Applicant (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 Applicant 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 Applicant'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 Applicant is a party or to which the Development is subject to the Applicant'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 Applicant, 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 \$25,200 (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. Moran Consultants, LLC or other construction inspector acceptable for Florida Housing is to act as Florida Housing's inspector during the construction period.
12. 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 lien free completion of construction and issuance of all certificates of occupancy. Under terms of the construction contract, a minimum of 10% retainage holdback on all construction draws until the

**HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT**

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Development is 50% complete and 5% retainage thereafter is required. This meets the RFA and Rule 67-48 minimum requirement.

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. Housing Credits - Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
18. Any other reasonable requirements of the Servicer, Florida Housing or its Legal Counsel.

## **Section C**

### **Supporting Information & Schedules**



HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT

## Additional Development & Third-Party Information

### Appraisal Summary:

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Meridian Appraisal Group, Inc.	
Date of Report	5/2/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	95.0%	
Occupancy at Stabilization: Physical (%)	96.0%	
Value: As Is market value of the land	\$1,260,000	
As of date and type of interest (as if vacant land)	4/20/25; Fee Simple	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$12,760,000	
As of date and type of interest (unrestricted rents)	4/20/25; Leased Fee	
Value: "As Complete and Stabilized", subject to restricted rents	\$5,000,000	
As of date and type of interest (restricted rents)	4/20/25; Leased Fee	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

### Market Study:

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Meridian Appraisal Group, Inc.	
Date of Report	3/3/2023	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	6	
Short Term and Long Term Impact to existing like-kind developments	Short Term: Moderate Long Term: Weak	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	97.0%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 10 mile radius:		
Level of Effort (%)	70.6%	
Capture Rate (%)	4.3%	
Remaining Potential Demand	332	
Metrics for 5 mile radius:		
Level of Effort (%)	104.6%	
Capture Rate (%)	6.3%	
Remaining Potential Demand	-35	
Metrics for 3 mile radius:		
Level of Effort (%)	130.5%	
Capture Rate (%)	7.9%	
Remaining Potential Demand	-186	
Absorption Rate	20 units per month	
Will the development achieve maximum allowable HC Rents? (Y/N)	N	1.
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

1. The Appraiser applied a cost burden ratio of 45% to the Low HOME-ARP units. Therefore, the Low HOME-ARP units will not achieve the maximum allowable HC rents.

**HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT**

**Environmental Report Summary:**

<b>Environmental Report Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Preparer Firm Name	Hydrologic Associates U.S.A., Inc.	
Date of Report	8/16/2022	
Type of Report	Phase I	
Confirm certified and prepared for FHFC (Y/N)	N	1.
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	N	
Is any further investigation required? (Y/N)	N	

1. Receipt of an acceptable updated Environmental Audit Report, together with a reliance letter to Florida Housing, prepared within 90 days of the HOME-ARP and NHTF loan closing is a condition precedent to the loan closing.

**Soils Test Report Summary:**

<b>Soils Test Report Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Preparer Firm Name	GHD Services Inc.	
Date of Report	8/10/2022	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

**Plan & Cost Review Summary:**

<b>Property Conditions Report (PCR) Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Preparer Firm Name	Moran Consultants, LLC	
Date of Report	4/25/2025	
Confirm certified and prepared for FHFC (Y/N)	N	1.
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	Y	
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$15,342,930	
Cost per Unit	\$182,653.93	
Costs for Similar Type Developments (Include Range)	\$189,870.92-\$227,737.97	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	390 days	
Is the development timeline considered feasible? (Y/N)	TBD	1.
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	

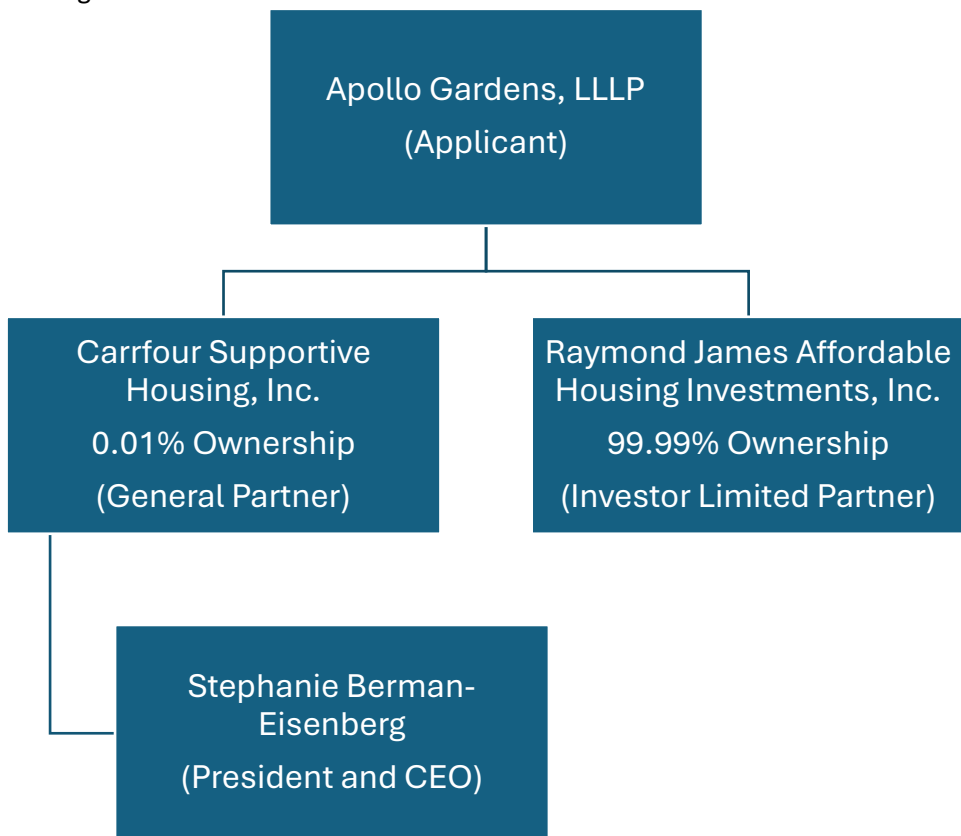
1. Receipt of a final PCR and Moran approval of an updated Construction Milestone Schedule from the General Contractor is a condition precedent to the loan closing. The final PCR must state that the report was prepared for AmeriNat, as agent for FHFC.

**Site Inspection Summary:**

<b>Site Visit Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Name of Inspector	AmeriNat	
Date of Inspection	3/5/2023	
Were the observation(s) of the inspector in line with the Market Study? (Y/N)	Y	

## Applicant & Related Party Information:

Borrower Org Chart:



Developer Org Chart:



HOME-ARP, NHTF, & HC CREDIT UNDERWRITING REPORT

AMERINAT

	Apollo Gardens, LLLP	Carrfour Supportive Housing, Inc.	Raymond James Affordable Housing Investments, Inc.	M.H. Williams Construction Group, Inc.	Crossroads Management, LLC	Note
Relationship Type	Guarantor	Guarantor	Syndicator	General Contractor	Management Company	
Contact Person Name & Title	Stephanie Berman President and CEO	N/A	Sean Jones VP - Director of Acquisitions	Cindy Bargo Controller	Stephanie Berman President and CEO	
Contact Information	sberman@carrfour.org (305) 371-8300	N/A	sean.jones@raymondjames.com (800) 438-8088	cbargo@mhwiliams.com (321) 757-5750	sberman@carrfour.org (305) 371-8300	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	N/A	N/A	N/A	
Does entity have the necessary experience?	Y	Y	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	Y	Y	N/A	Y	N/A	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	Y	N/A	Y	N/A	
Have all financial statements been reviewed and are they adequate?	N/A	Y	Y	Y	N/A	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	N/A	N/A	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	N/A	N/A	Closing condition	N/A	
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	N/A	N/A	Y	
a.Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	N/A	N/A	N	1.
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	Y	Y	

*Note: FHFC reserves the right to request additional information.*

1. The selection of Crossroads to manage the Development must be approved by FHFC's Asset Management Department prior to lease-up activity pursuant to Rule Chapter 67-53 F.A.C. As the Development is proposed to be constructed, said approval is not required at closing. Continued approval is subject to ongoing satisfactory performance.

**APOLLO GARDENS**  
**RFA 2022-210 (2022-271CAN / 2024-313CAN)**  
**DESCRIPTION OF FEATURES AND AMENITIES**

The Development will consist of:

84 apartment units located in 1 garden style residential building.

Unit Mix:

Eighty-four (84) one bedroom/one bath units.

84 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.

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 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:
    - 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  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  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:
    - $\geq 8.5$  HSPF/  $\geq 15$  SEER/  $\geq 12.5$  EER for split systems
    - $\geq 8.2$  HSPF  $\geq 15$  SEER/  $\geq 12$  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);

\_\_\_\_\_ Florida Green Building Coalition (FGBC);

\_\_\_\_\_ Enterprise Green Communities; or

  X   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 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.

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.

## HOUSE CREDIT ALLOCATION CALCULATION

### Qualified Basis Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$25,498,889
Less: Land Cost	(\$1,200,000)
Less: Other Ineligible Cost	(\$1,395,898)
Total Eligible Basis	\$22,902,991
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$29,773,888
Housing Credit Percentage	9.00%
Annual Housing Credit Allocation	\$2,679,650

Notes to the Eligible Basis Calculation:

1. "Other Ineligible Costs" include, but are not limited to, a portion of site work, accounting fees, Florida Housing administrative, application, underwriting and other processing fees, market study, marketing/advertising fees, a portion of title insurance and recording fees, a portion of construction loan interest, various fees associated with the HOME-ARP and NHTF funding, and syndicator fees.
2. The Development is 100% set-aside; therefore, the applicable fraction is 100%.
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.

**GAP Calculation**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$25,498,889
Less: Mortgages	(\$9,980,200)
Equity Gap	\$15,518,689
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.820
HC Required to Meet Gap	\$18,927,123
Annual HC Required	\$1,892,712

Notes to the Gap Calculation:

1. Mortgages include first and second mortgages to be provided by FHFC as well as the third mortgage to be provided by FCLF.
2. The HC Syndication Pricing and Percentage to the Investment Partnership are based upon the LOI from RJAHI dated May 4, 2025.

**Summary**

<b>Section III: Summary</b>	
HC per Applicant Request	\$1,848,000
HC per Qualified Basis	\$2,679,650
HC per Gap Calculation	\$1,892,712
Annual HC Recommended	\$1,848,000

Syndication Proceeds Based on HC Recommended	\$15,152,085
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Notes to Summary:

1. The Annual HC recommended is based upon the lesser of the Applicant's Request, Qualified Basis or Gap Calculation; therefore, the Applicant's Request amount applies.
2. FHFC reserves the right to resize the Housing Credits preliminarily awarded to the Applicant. The next opportunity for a feasibility review of this transaction will be during final cost certification. If the final cost certification indicates a need to resize the HC allocation, FHFC will do so at that time.

## Minimum Qualifying First Mortgage

<b>Rule Chapter 67-48.0072(28)(g)</b>	
<b>Determination of the minimum first mortgage for use in the Housing Credit gap calculation</b>	
<b>Input Variables</b>	
Annual rate of increase for revenues	2.00%
Annual rate of increase for operating expenses	3.00%
Vacancy & Collection Factor in CUR	5.00%
Minimum Vacancy & Collection Factor	7.00%
Which Rule was applicable at time of Application?	Post 7/11/2019
Minimum DSCR Year 15	1.25x
Minimum DSCR Year 1	1.50x
Minimum NCF after DS Year 1	\$1,000.00
Minimum qualifying 1st mortgage	\$500,000.00
Number of units in the proposed Development	84
Potential Gross Income Year 1	\$863,064.00
Vacancy & Collection Loss (7.00%)	\$60,414.48
Effective Gross Income Year 1	\$802,649.52
Operating Expenses Year 1	\$549,160.65
<b>(i) Actual Debt of Development</b>	<b>\$7,200,000.00</b>
Actual interest rate	0.00%
Actual term of debt amortization	0.00 Yrs
DS Interest Rate floor	7.00%
Application deadline	07/12/22
10-Year Treasury Rate as of App deadline	2.991%
Spread over 10-yr Treasury	325 bps
10-yr Treasury plus the stated spread	6.24%
Greater of interest rate floor or spread over Treasury	7.00%
Maximum Rate	8.00%
<b>Interest Rate to be used for qualifying debt</b>	<b>7.00%</b>
Minimum stated term of debt amortization per RFA	30.00 Yrs
<b>Term of debt amortization to be used for qualifying debt</b>	<b>30.00 Yrs</b>
Resulting Mortgage Constant to be used for qualifying debt	7.98363%
<b>Minimum Debt Service</b>	
NOI Year 15	\$228,424.24
DSCR DS limitation	\$182,739.39
<b>(a) Resulting Debt, Year 15 limitation</b>	<b>\$2,288,926.16</b>
NOI Year 1	\$253,488.87
(b)(i) DSCR DS limitation	\$168,992.58
(b)(i) DSCR Debt Sizing	\$2,116,738.66
(b)(ii) NCF DS limitation	\$169,488.87
(b)(ii) NCF Debt Sizing	\$2,122,955.01
<b>(b) Greater of (i) DSCR debt or (ii) NCF debt, Year 1 limitation</b>	<b>\$2,122,955.01</b>
<b>(ii) Minimum qualifying first mortgage (lesser of (a) or (b))</b>	<b>\$2,122,955.01</b>
<b>Greater of Actual or Minimum</b>	<b>\$7,200,000.00</b>

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**Florida Housing Finance Corporation**

*Credit Underwriting Report (“CUR”)*

**Phoenix Crossings**

**RFA 2022-206 (2023 – 164H)**

**HOME FINANCING TO BE USED FOR RENTAL DEVELOPMENTS IN CERTAIN  
HURRICANE IAN IMPACTED COUNTIES**

**Section A: Report Summary**

**Section B: HOME Loan Special and General Loan Closing Conditions**

**Section C: Supporting Information and Schedules**

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**Prepared by**

**AmeriNat®**

***Final Report***

**June 2, 2025**

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## Phoenix Crossings

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## Section A

### Report Summary

**HOME CREDIT UNDERWRITING REPORT**

**Recommendation**

AmeriNat® (“AmeriNat”) recommends Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) provide HOME Loan in the amount of \$6,250,000 to Phoenix Crossings, LLC (“Applicant” or “Borrower”) for the construction and permanent phase financing of Phoenix Crossings (the proposed “Development”). This recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:		Phoenix Crossings	
RFA/Program Numbers:		RFA 2022-206 / 2023-164H	
Address:		N. Intersection HWY 100 and N. Bay Street	
City:	Bunnell	Zip Code:	32100
County:	Flagler	County Size:	Medium
Development Category:	New Construction	Development Type:	Garden Apartments
Construction Type:	Masonry	Number of Stories:	2
Demographic Commitment:			
Primary:	Family	for	100% of the Units
Unit Composition:			
# of ELI Units:	0	ELI Units Are Restricted to	AMI, or less.
# of Link Units:	0	# of Preference units:	0
# of NHTF Units:	0	# of units w/ PBRA:	28
Min % of Units @ ELI:	N/A	IRS Minimum Set-Aside Commitment:	N/A
TSP Approval Date:			
Buildings:	Residential -	2	Non-Residential -
Parking:	Parking Spaces -	42	Accessible Spaces -
		0	2
DDA:	No	SADDA:	No
QCT:	No	Multi-Phase Boost:	No
QAP Boost:	N/A	QAP Type:	
Site Acreage:	7.64	Density:	3.6649
Flood Zone Designation:	X	Flood Insurance Required?:	No
Zoning:	R-3B and Mixed Use Special Exception		
Credit Underwriter:	AmeriNat Loan Services	Date of Application:	01/24/2023
Date of Final CUR:		Minimum 1st Mortgage per Rule:	
TDC PU Limitation at Application:	\$377,500	TDC PU Limitation at Credit Underwriting:	\$400,150
Actual TDC PU for Limitation:		Amount Dev. Fee Reduced for TDC Limit:	

Prepared by Kyle Kuenn, Multifamily Chief Credit Underwriter

Reviewed by George Repity, Sr. Credit Underwriter



**HOME CREDIT UNDERWRITING REPORT**

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
HOME	20.0%	6	50%	50
HOME	80.0%	22	60%	50

HOME Subsidy Limits: \_\_\_\_\_

12 Two Bedroom units at \$200,424 = \$2,405,088

16 Three Bedroom units at \$259,284 = \$4,148,544

28 Total HOME Units for a maximum subsidy of: \$6,553,632

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

MSA (County): Flagler-Volusia-Brevard (Flagler)

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	1.0	3	822	50%	977			89	888	1,181	888	888	1,181	42,516
2	1.0	9	822	60%		1,249		89	1,160	1,181	1,160	1,160	1,181	127,548
3	2.0	3	1,125	50%	1,130			106	1,024	1,564	1,024	1,024	1,564	56,304
3	2.0	13	1,125	60%		1,435		106	1,329	1,564	1,329	1,329	1,564	243,984
		28	27,864											470,352

HOME CREDIT UNDERWRITING REPORT

15 Year Operating Pro Forma

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
<b>INCOME:</b>	Gross Potential Rental Income	\$470,352	\$16,798	\$479,759	\$489,354	\$499,141	\$509,124	\$519,307	\$529,693	\$540,287	\$551,092	\$562,114	\$573,356	\$584,824	\$596,520	\$608,450	\$620,619
	Other Income: (1.43%)																
	Miscellaneous	\$6,720	\$240	\$6,854	\$6,991	\$7,131	\$7,274	\$7,419	\$7,568	\$7,719	\$7,874	\$8,031	\$8,192	\$8,355	\$8,523	\$8,693	\$8,867
	Gross Potential Income	\$477,072	\$17,038	\$486,613	\$496,346	\$506,273	\$516,398	\$526,726	\$537,261	\$548,006	\$558,966	\$570,145	\$581,548	\$593,179	\$605,043	\$617,144	\$629,486
	Less:																
	Physical Vac. Loss Percentage: 5.00%	\$23,854	\$852	\$24,331	\$24,817	\$25,314	\$25,820	\$26,336	\$26,863	\$27,400	\$27,948	\$28,507	\$29,077	\$29,659	\$30,252	\$30,857	\$31,474
	Collection Loss Percentage: 1.00%	\$4,771	\$170	\$4,866	\$4,963	\$5,063	\$5,164	\$5,267	\$5,373	\$5,480	\$5,590	\$5,701	\$5,815	\$5,932	\$6,050	\$6,171	\$6,295
<b>Total Effective Gross Income</b>		\$448,448	\$16,016	\$457,417	\$466,565	\$475,896	\$485,514	\$495,122	\$505,025	\$515,125	\$525,428	\$535,936	\$546,655	\$557,588	\$568,740	\$580,115	\$591,717
Annual Escalation Rate (Income): 2.00%																	
<b>EXPENSES:</b>	Fixed:																
	Real Estate Taxes	\$1,332	\$48	\$1,372	\$1,413	\$1,456	\$1,499	\$1,544	\$1,590	\$1,638	\$1,687	\$1,738	\$1,790	\$1,844	\$1,899	\$1,956	\$2,015
	Insurance	\$34,636	\$1,237	\$35,675	\$36,745	\$37,848	\$38,983	\$40,153	\$41,357	\$42,598	\$43,876	\$45,192	\$46,548	\$47,944	\$49,383	\$50,864	\$52,390
	Variable:																
	Management Fee Percentage: 5.00%	\$22,422	\$801	\$22,871	\$23,328	\$23,795	\$24,271	\$24,756	\$25,251	\$25,756	\$26,271	\$26,797	\$27,333	\$27,879	\$28,437	\$29,006	\$29,586
	General and Administrative	\$11,200	\$400	\$11,536	\$11,882	\$12,239	\$12,606	\$12,984	\$13,373	\$13,775	\$14,188	\$14,613	\$15,052	\$15,503	\$15,969	\$16,448	\$16,941
	Payroll Expenses	\$39,200	\$1,400	\$40,376	\$41,587	\$42,835	\$44,120	\$45,444	\$46,807	\$48,211	\$49,657	\$51,147	\$52,682	\$54,262	\$55,890	\$57,567	\$59,294
	Utilities	\$22,400	\$800	\$23,072	\$23,764	\$24,477	\$25,211	\$25,968	\$26,747	\$27,549	\$28,376	\$29,227	\$30,104	\$31,007	\$31,937	\$32,895	\$33,882
	Marketing and Advertising	\$1,400	\$50	\$1,442	\$1,485	\$1,530	\$1,576	\$1,623	\$1,672	\$1,722	\$1,773	\$1,827	\$1,881	\$1,938	\$1,996	\$2,056	\$2,118
	Maintenance and Repairs/Pest Control	\$14,000	\$500	\$14,420	\$14,853	\$15,298	\$15,757	\$16,230	\$16,717	\$17,218	\$17,735	\$18,267	\$18,815	\$19,379	\$19,961	\$20,559	\$21,176
	Grounds Maintenance and Landscaping	\$11,200	\$400	\$11,536	\$11,882	\$12,239	\$12,606	\$12,984	\$13,373	\$13,775	\$14,188	\$14,613	\$15,052	\$15,503	\$15,969	\$16,448	\$16,941
	Contract Services	\$3,500	\$125	\$3,605	\$3,713	\$3,825	\$3,939	\$4,057	\$4,179	\$4,305	\$4,434	\$4,567	\$4,704	\$4,845	\$4,990	\$5,140	\$5,294
	Reserve for Replacements	\$8,400	\$300	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,652	\$8,912	\$9,179	\$9,454	\$9,738
<b>Total Expenses</b>		\$169,690	\$6,060	\$174,305	\$179,053	\$183,940	\$188,968	\$194,142	\$199,467	\$204,946	\$210,585	\$216,388	\$222,612	\$229,017	\$235,608	\$242,392	\$249,374
Annual Escalation Rate (Expenses): 3.00%																	
<b>Net Operating Income</b>		\$278,757	\$9,956	\$283,112	\$287,512	\$291,957	\$296,446	\$300,980	\$305,558	\$310,179	\$314,843	\$319,548	\$324,043	\$328,572	\$333,132	\$337,723	\$342,343
<b>Debt Service Payments</b>																	
First Mortgage - FCLF (A)		\$159,044	\$5,680	\$159,044	\$159,044	\$159,044	\$159,044	\$159,044	\$159,044	\$159,044	\$159,044	\$159,044	\$159,044	\$159,044	\$159,044	\$159,044	\$159,044
Second Mortgage - FCLF (B)		\$38,597	\$1,378	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597	\$38,597
Third Mortgage - FHFC HOME		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
First Mortgage Fees -FCLF (A)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Fees -FCLF (B)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Mortgage Fees -FHFC HOME		\$15,516	\$554	\$15,625	\$15,737	\$15,853	\$15,972	\$16,095	\$16,222	\$16,352	\$16,486	\$16,624	\$16,766	\$16,913	\$17,064	\$17,220	\$17,380
Total Debt Service Payments		\$213,156	\$7,613	\$213,265	\$213,378	\$213,493	\$213,613	\$213,735	\$213,862	\$213,992	\$214,126	\$214,264	\$214,407	\$214,553	\$214,704	\$214,860	\$215,020
Cash Flow after Debt Service		\$65,601	\$2,343	\$69,846	\$74,134	\$78,463	\$82,834	\$87,245	\$91,696	\$96,187	\$100,716	\$105,284	\$109,637	\$114,018	\$118,427	\$122,863	\$127,323
<b>Debt Service Coverage Ratios</b>																	
DSC - First Mortgage plus Fees		1.75x		1.78x	1.81x	1.84x	1.86x	1.89x	1.92x	1.95x	1.98x	2.01x	2.04x	2.07x	2.09x	2.12x	2.15x
DSC - Second Mortgage plus Fees		1.41x		1.43x	1.45x	1.48x	1.50x	1.52x	1.55x	1.57x	1.59x	1.62x	1.64x	1.66x	1.69x	1.71x	1.73x
DSC - Third Mortgage plus Fees		1.31x		1.33x	1.35x	1.37x	1.39x	1.41x	1.43x	1.45x	1.47x	1.49x	1.51x	1.53x	1.55x	1.57x	1.59x
DSC - All Mortgages and Fees		1.31x		1.33x	1.35x	1.37x	1.39x	1.41x	1.43x	1.45x	1.47x	1.49x	1.51x	1.53x	1.55x	1.57x	1.59x
<b>Financial Ratios</b>																	
Operating Expense Ratio		37.84%		38.11%	38.38%	38.65%	38.93%	39.21%	39.50%	39.79%	40.08%	40.38%	40.72%	41.07%	41.43%	41.78%	42.14%
Break-even Econ Occup Ratio (all debt)		80.55%		79.95%	79.36%	78.80%	78.26%	77.74%	77.23%	76.75%	76.28%	75.83%	75.45%	75.08%	74.73%	74.39%	74.07%
Break-even Econ Occup Ratio (must pay debt)		77.30%															

*Notes to the Operating Pro forma and Ratios:*

1. The Development will be utilizing HOME funds that will impose rent restrictions. The Development will also benefit from Project Based Vouchers ("PBV") for all 28 units from the Flagler County Housing Authority ("FCHA") which will provide rents higher than the HOME rents. Receipt of an Agreement to Enter into a Housing Assistance Payments Contract with FCHA for the PBV is a condition precedent to loan closing. The utility allowances are based on the HUD UA schedule.
2. A 6.00% total economic vacancy rate a (5.00% physical and 1.00% collection loss) was applied for underwriting purposes based on the appraisal's comparables properties.
3. Miscellaneous Income is comprised of income related to multifamily operations in the form of vending income, late charges, pet deposits, forfeited security deposits, etc.
4. The Borrower is owned by a religious institution, and the property will be capable of attaining an exemption from ad valorem real estate taxes but will be responsible for personal property taxes. The Underwriter estimated personal property taxes of \$48 per unit based upon an estimate provided by the appraiser.
5. AmeriNat utilized an estimate of \$1,237 per unit for insurance, which is supported with the average unit cost of the appraisal's expense comparable properties. The restricted rent comparables presented by the appraiser ranged from \$881 to \$1,525 per unit, with an average of \$1,237 per unit. IREM indicated insurance expense of \$254 per unit.
6. The Applicant submitted an executed Management Agreement, dated March 1, 2025, between the Applicant and Everglades Housing Group, Incorporated ("EHG"). Per the Management Agreement, EHG shall receive 5.00% of the gross rental collections received during the preceding month. The term of the Agreement shall be for five years from the date of the agreement. It may be terminated with or without cause by either party with 30 days' written notice. AmeriNat utilized the 5.00% rate, which is slightly higher than the appraisal rate of 4.0%.
7. Replacement Reserves are budgeted at \$300 per unit per year, which meets the minimum requirement of the RFA and Rule 67-48.

## Financing Overview

CONSTRUCTION FINANCING INFORMATION							
Lien Position	First	First	Second	Third	Fourth		Totals
Source	Reg. Mtg Lender	Reg. Mtg Lender	FHFC - HOME	Non-FHFC Grant	SHIP	Def. Dev. Fee	
Lender/Grantor	FCLF	FCLF	FHFC	FHLB Atlanta	Flagler County	Developer	
Construction Amount	\$1,850,000	\$1,000,000	\$6,250,000	\$750,000	\$500,000	\$736,091	\$11,086,091
All In Interest Rate	7.50%	1.00%	0.00%	0.00%			
Debt Service During Construction	\$138,750	\$18,500	\$0	\$0	\$0		

### First Mortgage Loan

Per the Loan Commitment letter from Florida Community Loan Fund ("FCLF"), dated February 28, 2025, FCLF will provide a construction to permanent loan. The FCLF loan will have two notes (collectively, the "Notes"). Note A will be in the form of traditional FCLF financing in an amount not to exceed \$1,850,000 ("Note A") and Note B will be in the form of a Capital Magnet Fund ("CMF") award in the amount of \$1,000,000 ("Note B").

Per a recent Servicer's meeting, the Development will need to show it can support the debt while amortizing in Year 1.

Note A will have a fixed rate of interest in the amount of 7.50% for the first five years, followed by a fixed rate of interest in the amount of 7.75% for the remainder of the loan's term. Note B will have a fixed rate of interest in the amount of 1% for the entire loan term. For the first five years of the loan term, repayment will be interest only for both Notes. Both Notes will convert to monthly principal and interest payments based on a 30-year amortization at 7.75% for Note A and 1% for Note B. Conversion requires completion of construction and the loan not to be in default. The total loan term will be 12 years for both Notes. The loan commitment fee is 0.25% of the total loan amount.

**HOME CREDIT UNDERWRITING REPORT**

PERMANENT FINANCING INFORMATION							
Lien Position	First	Second	Third	Third	Fourth	NA	Totals
Source	Reg. Mtg Lender	Reg. Mtg Lender	FHFC - HOME	Non-FHFC Grant	SHIP	Def. Dev. Fee	
Lender/Grantor	FCLF	FCLF	FHFC - HOME	FHLB Atlanta	Flagler County	Developer	
Permanent Amount	\$1,850,000	\$1,000,000	\$6,250,000	\$750,000	\$500,000	\$736,091	\$11,086,091
Permanent Funding Per Unit	\$66,071	\$35,714	\$223,214	\$26,786	\$17,857	\$26,289	\$395,932
% of Permanent Funding	16.7%	9.0%	56.4%	6.8%	4.5%	6.6%	100.0%
Underwritten Interest Rate	7.75%	1.00%	0.00%				
All In Interest Rate	7.75%	1.00%	0.00%				
Loan Term	12	12	20				
Amortization	30	30	0				
Must Pay or Cash Flow	Must-Pay	Must-Pay	Cash Flow				
Permanent Debt Service, No Fees	\$159,044	\$38,597	\$0				\$197,640
Permanent Debt Service, with Fees	\$159,044	\$38,597	\$15,516				\$213,156
Debt Service Coverage, with Fees	1.75x	1.41x	1.31x				
Operating Deficit & Debt Service Reserves	\$253,000						
# of Months covered by the Reserves	7.9						
Market Rate/Market Financing LTV	32.46%	50.00%	159.65%	172.81%	181.58%		
Restricted Market Financing LTV	35.10%	54.08%	172.68%	186.91%	196.39%		
Restricted Favorable Financing	43.84%	67.54%	215.64%	233.41%	245.26%		
Loan to Cost - Cumulative	16.69%	25.71%	82.08%	88.85%	93.36%		

**Proposed First Mortgage Loan:**

The FCLF Loan Commitment letter indicates that following the five-year interest-only period, monthly payments of principal and interest will be required for both Notes based upon a 30-year amortization and a fixed rate equal to 7.75% for Note A in an amount not to exceed \$1,850,000 and a fixed rate equal to 1.00% for Note B in the amount of \$1,000,000. At maturity, any remaining unpaid principal and interest on both Notes will be due and payable in full.

**FHFC HOME**

The Applicant applied to Florida Housing for a \$6,250,000 HOME Program loan under RFA 2022-206. The HOME loan shall be non-amortizing with an interest rate of 0.00% per annum over the life of the loan for a total term of 22 years, of which 2 years is for the construction/stabilization period and 20 years is for the permanent period. The principal will be due at maturity.

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 \$990 per month, subject to a minimum of \$250 per month and an annual Compliance Monitoring Program Fee equal to a monthly base of \$193 plus a fee per set-aside unit of \$11.89 per unit, subject to a monthly minimum fee of \$303, and subject to an annual increase of no more than 3% of the prior year's fee.

**FHLB Atlanta**

The Borrower provided an unexecuted Affordable Housing Program Agreement ("AHPA"), dated October 2nd, 2023. Per the AHPA, a grant in an amount of \$750,000 (the "Grant") from Federal Home Loan Bank of Atlanta ("FHLB") will be processed through a FHLB member bank, South State Bank, NA. As noted in the AHPA, Rural Neighborhoods, Incorporated and Abundant Life Ministries-Hope House, Incorporated, are the Project Sponsor and shall be jointly and severally liable for all Project Sponsor obligations. As a

grant, these funds will not be required to be repaid unless the Applicant it in default of the grant documents.

Flagler County

The Borrower provided an executed SHIP Rental Development Agreement (“Agreement”) between Flagler County and Abundant Life Ministries – Hope House, Incorporated, effective November 25, 2024, for the building of the Development. The Agreement is for a total of \$500,000, with a portion of the funds provided by the County’s Coronavirus State and Local Fiscal Recovery Funds (\$170,000) and a portion is the County SHIP funds (\$330,000), for a total of \$500,000. The Agreement requires an affordability period of 30 years. As long as the Development is properly maintained and continuously occupied exclusively by Low-Income Persons who are Persons Who Have Special Housing Needs, the loan will be forgiven on the 30th anniversary of the loan’s note.

Deferred Developer Fee:

In order to balance the sources and uses of funds after all loan proceeds have been received, the Applicant will be required to permanently defer \$736,091 or 49% of the total Developer Fee.

**HOME CREDIT UNDERWRITING REPORT**

**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?	x	
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?	N/A	
Is the Development in all other material respects the same as presented in the Application?		3

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

1. Since the time of Application, the FHLB grant in the amount of \$750,000 and a Flagler County SHIP loan in the amount of \$500,000 has been added as additional financing.
2. Total Development Costs have increased by \$884,219 from \$10,201,872 to \$11,086,091 since the time of Application mostly due to increases in Financial Costs, Developer Fee and the inclusion of an Operating Deficit Reserve.
3. Since the time of Application, Park & Eleazor Construction, LLC has replaced Marmer Construction as the General Contractor. Park & Eleazor Construction, LLC has provided the General Contractor prior experience chart and certification form.

These changes have no substantial material impact to the HOME recommendation for the Development.

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

According to the April 18, 2025, FHFC Asset Management Noncompliance Report, the Development has the following noncompliance items:

- Casa Amigos (Rural Neighborhoods, Inc / Steven Kirk) – Failure to meet the farmworker categorical requirement.  
According to the Borrower, resolution is in process with a proposed change in classification from unaccompanied farmworker to farmworker (family). The item will be fully resolved upon execution of an Amendment to the Land Use Restriction Agreement, which is pending review, approval, and execution.

**HOME CREDIT UNDERWRITING REPORT**

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According to the April 18, 2025, FHFC Past Due Report, the Development Team has no past due items.

This recommendation is subject to satisfactory resolution of any outstanding noncompliance items and/or past due items prior to or at the time of loan closing.

Strengths:

1. The Developer has demonstrated the ability to successfully develop and operate affordable multifamily rental communities using a variety of subsidies.
2. The Market Study identified six properties with a total of 576 units as comparable to the Development that are located in the Primary Market Area ("PMA"). The comparable properties have a weighted average occupancy rate of 98.9%.

Other Considerations:

1. In accordance with RFA, FHFC limits the Total Development Cost ("TDC") per unit for all Developments categorized by the construction type of the units as indicated by the Applicant in the RFA. The maximum TDC per unit for the construction specified by the Applicant (Garden ESS Construction) (New Construction), inclusive of a \$7,500/unit for a PHA Add-On, and an 6.00% escalation rate applied to the base \$370,000 per unit, is \$400,150.00 per unit. With a total of 28 units, the maximum TDC for the Development is therefore \$11,204,200.00. The TDC as underwritten equals \$11,086,091 . As such, the Development does not exceed the per unit maximum TDC and is eligible for funding as a result.
2. The Borrower is required to pay off the FHFC PLP loan (PLP 2019-005P-09) in the amount of \$464,500 at closing of the HOME loan.
3. To the underwriter's knowledge, no construction cost exceeding 20% is subcontracted to any one entity.
4. 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:

None

Waiver Requests / Special Conditions:

None

Additional Information:

None



**HOME CREDIT UNDERWRITING REPORT**

**Uses of Funds**

<b>CONSTRUCTION COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HOME Ineligible Costs - CUR</b>
New Rental Units	\$5,350,000	\$6,726,394	\$4,307,624	\$153,844	
Site Work	\$1,500,000		\$2,046,645	\$73,094	
Constr. Contr. Costs subject to GC Fee	\$6,850,000	\$6,726,394	\$6,354,269	\$226,938	\$0
General Conditions (7.3%)		\$466,562	\$466,562	\$16,663	
Overhead (2.0%)		\$127,085	\$127,085	\$4,539	
Profit (6.0%)	\$525,000	\$381,255	\$381,255	\$13,616	
General Liability Insurance			\$47,746	\$1,705	
Payment and Performance Bonds		\$65,581	\$65,581	\$2,342	
Total Construction Contract/Costs	\$7,375,000	\$7,766,877	\$7,442,498	\$265,804	\$0
Hard Cost Contingency (5.0%)	\$300,000		\$372,124	\$13,290	
FF&E paid outside Constr. Contr.		\$50,000	\$50,000	\$1,786	
<b>Total Construction Costs:</b>	<b>\$7,675,000</b>	<b>\$7,816,877</b>	<b>\$7,864,622</b>	<b>\$280,879</b>	<b>\$0</b>

**Allowances:**

Dewatering	\$50,000
Geogrid / Demucking / Fill for Demucking	\$125,000
Total	\$175,000

***Notes to Actual Construction Costs:***

1. A 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 \$7,442,498.00 (the "Construction Contract") has been provided. The Construction Contract was entered into as of February 17, 2025 and is executed by the Applicant and Park & Eleazer Construction, LLC ("General Contractor"). It indicates construction completion within 436 calendar days from the date of commencement. The Construction Contract indicates retainage of ten percent (10%) will be withheld until 50% of the work is complete based on the Schedule of Values, at which point the retainage will be reduced to 0%. Retainage will not apply to the costs of the Payment and Performance Bonds and General Liability Insurance Premium.
2. The General Contractor will secure a Payment and Performance Bond to secure the Construction Contract and an estimate of its cost is included in the Schedule of Values of the Construction Contract.
3. FF&E Paid outside of the Construction Contract consists of office furniture, common area furniture, and equipment not already included in the Construction Contract.
4. New Rental Units include washers and dryers at no cost to the tenants.
5. The allowances included in the GC Contract are approximately 2.35% of the GMP. Moran Consultants, LLC finds the allowances within its maximum tolerance.
6. The General Conditions need to be reduced by \$85,305 to keep the total General Contractor Fee (GC Profit, Overhead and General Conditions) from exceeding the maximum 14% allowed by the RFA which currently exceeds the maximum at 15.24% (refer to the RFA Limits chart on page A-12). Receipt of a revised Construction Contract is a condition precedent to the loan closing.

**HOME CREDIT UNDERWRITING REPORT**

<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HOME Ineligible Costs - CUR</b>
Accounting Fees	\$10,000	\$8,000	\$8,000	\$286	
Appraisal	\$3,500	\$5,500	\$5,500	\$196	
Architect's Fees	\$225,375	\$225,375	\$224,419	\$8,015	
Builder's Risk Insurance	\$20,000			\$0	
Building Permits	\$20,000	\$60,000	\$60,000	\$2,143	
Engineering Fees	\$150,000	\$200,000	\$200,000	\$7,143	
Environmental Report	\$2,500	\$110,000	\$110,000	\$3,929	
FHFC Application Fee	\$3,000		\$3,000	\$107	
FHFC Credit Underwriting Fee	\$20,000		\$15,735	\$562	
FHFC Other Processing Fee(s)				\$0	
Green Building Cert. (LEED, FGBC, NAHB)	\$10,000		\$14,220	\$508	
Insurance	\$20,000	\$217,746	\$217,746	\$7,777	
Lender Inspection Fees / Const Admin	\$10,000		\$10,000	\$357	
Market Study	\$10,000	\$6,500	\$5,500	\$196	
Marketing and Advertising	\$17,500			\$0	
Plan and Cost Review Analysis			\$7,100	\$254	
Soil Test	\$20,000			\$0	
Survey	\$10,000	\$30,000	\$30,000	\$1,071	
Title Insurance and Recording Fees	\$30,000	\$45,000	\$45,000	\$1,607	
Soft Cost Contingency (5.0%)	\$32,843	\$89,961	\$47,811	\$1,708	
<b>Total General Development Costs:</b>	<b>\$614,718</b>	<b>\$998,082</b>	<b>\$1,004,031</b>	<b>\$35,858</b>	<b>\$0</b>

*Notes to the General Development Costs:*

1. AmeriNat reflects the costs associated with the Architect's and Engineer's fees as stated in agreements between the Applicant and the professionals which were reviewed by AmeriNat.
2. FHFC Credit Underwriting Fee includes the HOME Credit Underwriting Fee (\$15,360), and a \$375 credit reporting fee.
3. The Applicant provided an executed agreement for NGBS National Green Building Standard Certification ("NGBS") between the Applicant and Two Trails, Inc.
4. The remaining general development costs appear reasonable.

<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HOME Ineligible Costs - CUR</b>
Construction Loan Commitment Fee	\$60,000	\$50,000	\$18,125	\$647	
Construction Loan Interest	\$270,000	\$180,000	\$180,000	\$6,429	
Permanent Loan Commitment Fee	\$100,000	\$25,814	\$0	\$0	
Bridge Loan Commitment Fee		\$5,500	\$5,500	\$196	
Bridge Loan Interest		\$15,000	\$15,000	\$536	
Legal Fees - Financing Costs	\$75,000	\$110,000	\$110,000	\$3,929	
Other: Other		\$50,000	\$34,265	\$1,224	
Other: Wetlands mitigation		\$85,777	\$85,777	\$3,063	
<b>Total Financial Costs:</b>	<b>\$505,000</b>	<b>\$522,091</b>	<b>\$448,667</b>	<b>\$16,024</b>	<b>\$0</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$8,794,718</b>	<b>\$9,337,050</b>	<b>\$9,317,320</b>	<b>\$332,761</b>	<b>\$0</b>

*Notes to the Financial Costs*

1. An interest reserve for the Construction Loans is supported by the Construction Loan terms illustrated in the FCLF Loan Commitment Letter, 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.
2. The remaining Financial Costs appear reasonable.

**HOME CREDIT UNDERWRITING REPORT**

DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HOME Ineligible Costs - CUR
Developer Fee - Unapportioned	\$1,407,154	\$1,400,000	\$1,490,771	\$53,242	
<b>Total Dev. Fee on Non-Acq. Costs (16.0%):</b>	\$1,407,154	\$1,400,000	\$1,490,771	\$53,242	\$0

*Notes to the Developer Fee on Non-Acquisition Costs:*

1. None

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HOME Ineligible Costs - CUR
Land	\$0	\$0	\$0	\$0	
<b>Total Acquisition Costs:</b>	\$0	\$0	\$0	\$0	\$0

*Notes to Land Acquisition Costs:*

1. The land is being contributed at no cost by Abundant Life Ministries - Hope House, Incorporated.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HOME Ineligible Costs - CUR
Operating Deficit Reserves	\$0	\$253,000	\$253,000	\$9,036	
Reserves - Start-Up/Lease-up Expenses		\$25,000	\$25,000	\$893	
<b>Total Reserve Accounts:</b>	\$0	\$278,000	\$278,000	\$9,929	\$0

*Notes to Reserve Accounts*

1. The Operating Deficit Reserve is required by FCLF.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HOME Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	\$10,201,872	\$11,015,050	\$11,086,091	\$395,932	\$0

*Notes to Total Development Costs:*

1. None.

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	15.34%	\$889,598	\$974,902
Hard Cost Contingency	5.00%	5.00%	\$372,125	\$372,124
Soft Cost Contingency	5.00%	5.00%	\$47,811	\$47,811
Developer Fee	16.00%	16.00%	\$1,490,771	\$1,490,771

**Section B**  
**HOME Loan Special and General Loan Closing Conditions**

### **Special Conditions**

This recommendation is contingent upon receipt of the following item by Florida Housing **at least two weeks prior to loan closing**. Failure to submit this item within this time frame may result in postponement of the loan closing date.

1. Receipt of an assignment or other documentation that evidences the Borrower will receive the funds from the Flagler County SHIP loan at terms noted herein.
2. Receipt and satisfactory review of updated financial statements and bank statements for Guarantors dated within 90 days of closing.
3. Receipt of FHFC's approval of the Tenant Selection Plan ("TSP") submitted by the Applicant.
4. Receipt and review of the final PCR, inclusive of a review of the final plans.
5. Receipt of a revised Construction Contract where the General Conditions are reduced by \$85,305 to keep the total General Contractor Fee from exceeding the maximum allowed of 14% by the RFA.
6. Receipt of an Agreement to Enter into a Housing Assistance Payments Contract with FCHA for the PBV.
7. The receipt of a Quitclaim Deed to confirm the transfer of the land to the Borrower.
8. Completion of the Davis-Bacon Federal Labor Standards and HUD Section 3 pre-construction conference.
9. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 75).
10. Receipt of an Environmental Review verifying the Development is in compliance with the Property Standards provided in 24 CFR Part 92 and 24 CFR Part 58.
11. Receipt of the Affirmative Fair Housing Marketing Plan.
12. 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 AmeriNat 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. Applicant 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 Loan Proceeds shall be disbursed in an amount per Draw that does not exceed the ratio of the HOME Loan to the Total Development Cost 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 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.
10. Architect, Construction Consultant, and Applicant 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. Satisfactory resolution of any outstanding past due and/or noncompliance items.
12. 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 Chapter 67-48.0075 (5) F.A.C., of an Applicant or a Developer).

HOME CREDIT UNDERWRITING REPORT

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13. 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 Applicant 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.
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 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 Applicant, the general partner/member(s)/principal(s)/manager(s) of the Applicant, the guarantors, and any limited partners/members of the Applicant.
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 Loan closing, unless otherwise approved by Florida Housing, and Legal Counsel, based upon the particular circumstances of the transaction. Applicant 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 Loan 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 Partnership/Operating Agreement or other applicable agreement. Florida Housing shall be satisfied in its sole discretion that all legal and program requirements for the HOME Loan 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.

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7. Receipt of a legal opinion from the Applicant's Legal Counsel acceptable to Florida Housing addressing the following matters:
  - a. The legal existence and good standing of the Applicant and of any partnership or limited liability company that is the general partner of the Applicant (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 Applicant 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 Applicant'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 Applicant is a party or to which the Development is subject to the Applicant'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 Applicant, 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.

This recommendation is also contingent upon the following additional conditions:

1. Compliance with all provisions of Sections 420.507, 420.5087, and 420.509, Florida Statutes, Rule Chapters 67-48, 67-53, and 67-60, F.A.C., RFA 2022-206, Section 42 I.R.C., and any other State and Federal requirements.
2. Acceptance by the Applicant and execution of all documents evidencing and securing the HOME 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 Loan 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 permanent First Mortgage 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 Certified Public Accountant ("CPA") and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by FHFC or the



**HOME CREDIT UNDERWRITING REPORT**

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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 Guaranty of Recourse Obligations.
7. A mortgagee title insurance lender's policy naming Florida Housing as the insured 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.
8. 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.
9. 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 and Rule Chapter 67-48, in the amount of \$24,000 (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 years 1 and 2, followed by \$300 per unit 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.
10. 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. Moran Consultants, LLC or other construction inspector acceptable for Florida Housing is to act as Florida Housing's inspector during the construction period.
12. 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 lien free completion of construction and issuance of all certificates of occupancy. Under terms of the construction contract, a minimum of 10% retainage holdback on all construction draws until the Development is 50% complete and 5% retainage thereafter is required. This meets the RFA and Rule Chapter 67-48 minimum requirement.
13. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or its Servicer, if applicable.
14. HOME 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 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.

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15. Closing of all funding sources prior to or simultaneous with the closing of the HOME Loan.
16. Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
17. Any other reasonable requirements of the Servicer, Florida Housing or its Legal Counsel.

## **Section C**

### **Supporting Information & Schedules**

HOME CREDIT UNDERWRITING REPORT

## Additional Development & Third-Party Information

### Appraisal Summary:

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Meridian Appraisal Group, Inc.	
Date of Report	8/5/2024	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2024	
Occupancy at Stabilization: Economic (%)	94.0%	
Occupancy at Stabilization: Physical (%)	95.0%	
Value: As Is market value of the land	\$195,000	
Value: As Is restricted value of the land	\$195,000	
As of date and type of interest (as if vacant land)	7/15/24 (Fee Simple)	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$5,700,000	
As of date and type of interest (unrestricted rents)	7/15/24 (Leased Fee)	
Value: "As Complete and Stabilized", subject to restricted rents	\$5,270,000	
As of date and type of interest (restricted rents)	7/15/24 (Leased Fee)	
Value: "As Complete and Stabilized", subject to favorable financing	\$4,220,000	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

1. None.

### Market Study:

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Meridian Appraisal Group, Inc.	
Date of Report	7/26/2024	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	6 developments with 576 units	
Short Term and Long Term Impact to existing like-kind developments	Weak	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	98.9%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 10 mile radius:		
Level of Effort (%)	19.5%	
Capture Rate (%)	0.6%	
Remaining Potential Demand	2819	
Metrics for 5 mile radius:		
Level of Effort (%)	52.7%	
Capture Rate (%)	2.0%	
Remaining Potential Demand	518	
Metrics for 3 mile radius:		
Level of Effort (%)	20.1%	
Capture Rate (%)	6.6%	
Remaining Potential Demand	266	
Absorption Rate	5	
Will the development achieve maximum allowable HC Rents? (Y/N)	Y	1.
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
Does market exist to support both the demographic and income restriction set-asides-committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

1. The rents are limited to HOME levels.

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**Environmental Report Summary:**

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	Matanzas Geosciences, Inc.	
Date of Report	9/1/2022	
Type of Report	Phase I Environmental Site Assessment	
Confirm certified and prepared for FHFC (Y/N)	N	1.
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	N	
Is any further investigation required? (Y/N)	N	

1. Receipt of an acceptable updated Environmental Audit Report, together with a reliance letter to Florida Housing, prepared within 90 days of the HOME loan closing is a condition precedent to loan closing.

**Soils Test Report Summary:**

Soils Test Report Summary Questions	Responses	Note
Preparer Firm Name	UES	
Date of Report	4/12/2024	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Partially	1.
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

1. UES did not provide pavement and slab recommendations. These recommendations are required to be included in the final plans, as a condition precedent to loan closing, and will be verified by Moran.

**HOME CREDIT UNDERWRITING REPORT**

**Plan & Cost Review Summary:**

<b>Property Conditions Report (PCR) Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Preparer Firm Name	Moran Consultants, LLC	
Date of Report	3/26/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	Y	
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$7,442,498	
Cost per Unit	\$265,804	
Costs for Similar Type Developments (Include Range)	\$235,014 - \$286,074	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	436	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	

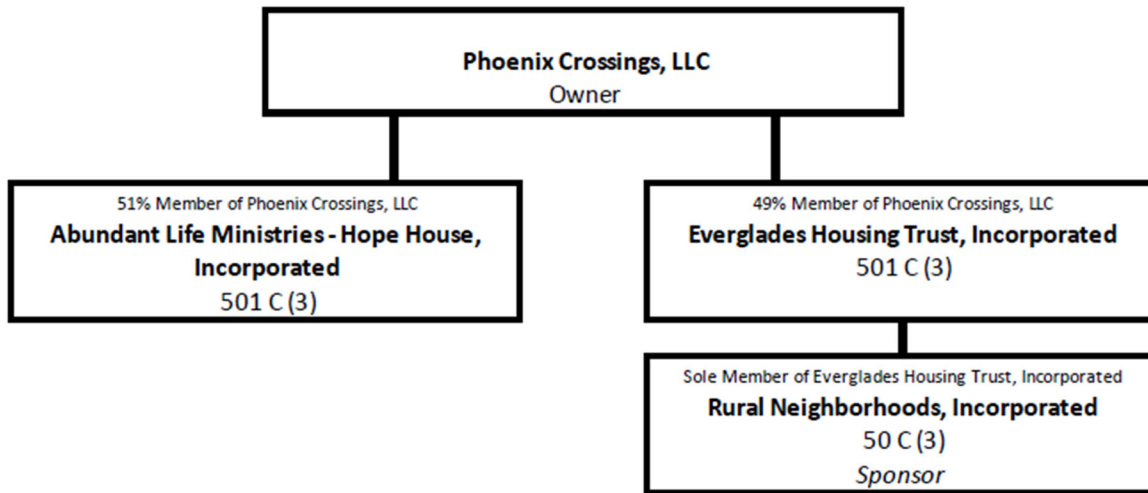
1. The PCR was completed with the 75% complete review set. Receipt of the final PCR, inclusive of a review of the final plans, is a condition precedent to loan closing.

**Site Inspection Summary:**

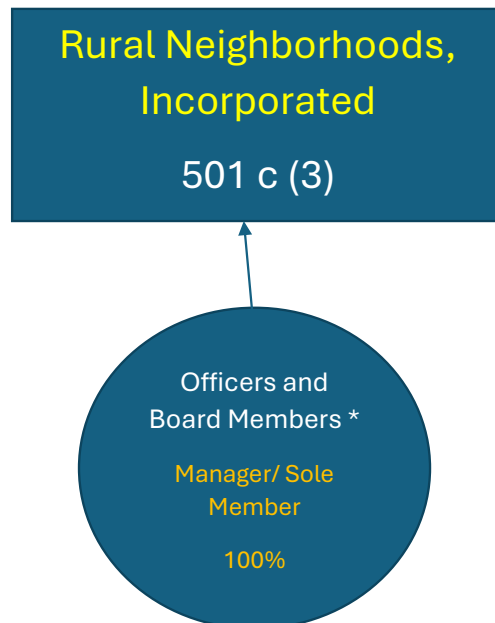
<b>Site Visit Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Name of Inspector	Tom Louloudes	
Date of Inspection	7/26/2024	
Were the observation(s) of the inspector in line with the Market Study? (Y/N)	Y	

**Applicant & Related Party Information:**

Borrower Org Chart:



Developer Org Chart:



\*Board members: Steven Kirk, Executive Director

Officer / Director: Arturo Lopez, Diana Gonzalez, Al Townsel, Fabiola Vidales, Susan Rubio-Rivera, Matthew Polak, Yurianna Mikolay, Pinita Alegre, Katrinna Wright, Peter McDougal and Carlos Salgados.

**HOME CREDIT UNDERWRITING REPORT**

	<b>Phoenix Crossings, LLC</b>	<b>Abundant Life Ministries - Hope House, Incorporated</b>	<b>Everglades Housing Trust, Incorporated</b>	<b>Rural Neighborhoods, Incorporated</b>	<b>Park &amp; Elezaer, LLC</b>	<b>Everglades Housing Group, Incorporated</b>	<b>Note</b>
Relationship Type	Guarantor	Guarantor	Guarantor	Guarantor	General Contractor	Property Management Company	
Contact Person Name & Title	Sandra Shank Director	Sandra Shank Director	Steve Kirk President	Steve Kirk President	Forrest Eleazer Managing Director	Steve Kirk President	
Contact Information	1108 S. State St., Suite 107, Bunnell, FL 32100 almhhi@almhhi.omnicrosft.com 386-313-6381	1108 S. State St., Suite 107, Bunnell, FL 32100 almhhi@almhhi.omnicrosft.com 386-313-6381	19308 SW 380 Street, Florida City, FL 33034 stevekirk@ruralneighborhoods.org 305-242-2142	19308 SW 380 Street, Florida City, FL 33034 stevekirk@ruralneighborhoods.org 305-242-2142	2363 Gulf to Bay Blvd. Suite 200, Clearwater, FL 33765 forrest@parkeleazer.com 727-235-2509	19308 SW 380 Street, Florida City, FL 33034 stevekirk@ruralneighborhoods.org 305-242-2142	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y			
Does entity have the necessary experience?	Y	Y	Y	Y	Y		
Has a credit evaluation been completed and is it satisfactory?	Y	Y	Y	Y	Y		
Have bank statements and/or trade references been received and reviewed and are they adequate?	N	N	N	N	Y		1.
Have all financial statements been reviewed and are they adequate?	N	N	N	N	Y		
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y			
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?					Closing Condition		
Have the Management Agreement and Plans been received, dated, and executed?						Y	
a.Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?						N	2.
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	Y		Y	

1. Receipt and satisfactory review of updated financial statements and bank statements for Guarantors dated within 90 days of loan closing is a condition precedent to loan closing.
2. The selection of Everglades Housing Group, Incorporated to manage the Development, must be approved by FHFC's Asset Management Department prior to lease-up activity pursuant to Rule Chapter 67-53 F.A.C. As the Development is proposed to be constructed, said approval is not required at closing. Continued approval is subject to ongoing satisfactory performance.



**Phoenix Crossings**  
**RFA 2022-206 (2023-164H)**  
**DESCRIPTION OF FEATURES AND AMENITIES**

**A.** The Development will consist of:

28 Garden Apartments located in 2 residential buildings

Unit Mix:

Twelve (12) two bedroom / one bath units

Sixteen (16) three bedroom / two bath units

**28 Total Units**

- B.** The Development is to be 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, 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, incorporating the most recent amendments, regulations and rules. 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.

\*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 for persons with hearing or visual impairments.

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.

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

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.

**C. The Development must provide the following General Features:**

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in accessibility in each unit;
2. Termite prevention and pest control throughout the entire Compliance Period;
3. Window covering for each window and glass door inside each unit;
4. 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;
5. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
  - There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site 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;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.
6. At least two full bathrooms in all 3 bedroom or larger units;
7. Bathtub with shower in at least one bathroom in at least 90 percent of the non-Elderly units;
8. A full-size range and oven in all units.
  - a. The Development must provide the following Accessibility, Universal Design and Visitability Features in all units:
    1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
    2. All door handles on primary entrance door and interior doors must have lever handles;

3. Lever handles on all bathroom faucets and kitchen sink faucets;
  4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
  5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.
- D.** In addition to the 5 percent mobility requirement outlined above, all Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

**E.** Green Building Features required in all Developments:

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

1. Low or No-VOC paint for all interior walls (50 grams per liter or less for flat; 150 grams per liter or less for non-flat paint);
2. Low-flow water fixtures in bathrooms—WaterSense labeled products or the following specifications:
  - Toilets: 1.28 gallons/flush or less,
  - Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - Showerheads: 2.0 gallons/minute or less at 80 psi flow rate,
  - Urinals: 0.5 gallons/flush,
3. Energy Star certified refrigerator;
4. Energy Star certified dishwasher;
5. Energy Star certified ventilation fan in all bathrooms;
6. Water heater minimum efficiency specifications:
  - Residential Electric:

- Up to 55 gallons = .95 EF or .92 UEF; or
- More than 55 gallons = Energy Star certified; or
- Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a 77° rise or 0.87 UEF

and GPM of  $\geq 2.9$  over a 67° rise;

- Residential Gas (storage or tankless/instantaneous): Energy Star certified,
  - Commercial Gas Water Heater: Energy Star certified;
7. Energy Star certified ceiling fans with lighting fixtures in bedrooms;
8. Air Conditioning (in-unit or commercial):
- Air-Source Heat Pumps – Energy Star certified:
    - $\geq 8.5$  HSPF/  $\geq 15$  SEER/  $\geq 12.5$  EER for split systems
    - $\geq 8.2$  HSPF  $\geq 15$  SEER/  $\geq 12$  EER for single package equipment including gas/electric package units
  - Central Air Conditioners – Energy Star certified:
    - $\geq 15$  SEER/  $\geq 12.5$  EER\* for split systems
    - $\geq 15$  SEER/  $\geq 12$  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.

In addition to the required Green Building features outlined in above, proposed Developments must achieve one of the following Green Building Certification programs: Leadership in Energy and Environmental Design (LEED); Florida Green Building Coalition (FGBC); or **ICC 700 National Green Building Standard (NGBS)**.

**F. The Development will provide the following Resident Services:**

1. Adult Literacy – The Applicant or its Management Company must make available, at no cost to the resident, literacy tutor(s) who will provide weekly literacy lessons to residents in private space on-site. Various literacy programming can be offered that strengthens participants' reading, writing skills, and comprehension, but at a minimum, these must include English proficiency and basic reading education. Training must be held between the hours of 8:00 a.m. and 7:00 p.m. and 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.

2. Financial Management Program – The Applicant or its Management Company shall provide a series of classes to provide residents training in various aspects of personal financial management. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. If the Development consists of Scattered Sites, the Resident Program must be held on the Scattered Site with the most units. Residents residing at the other sites of a Scattered Site Development must be offered transportation, at no cost to them, to the classes. The topic areas must include, but not be limited to:

- Financial budgeting and bill-paying including training in the use of technologies and web-based applications;
- Tax preparation including do's and don'ts, common tips, and how and where to file, including electronically;
- Fraud prevention including how to prevent credit card and banking fraud, identity theft, computer hacking and avoiding common consumer scams;
- Retirement planning & savings options including preparing a will and estate planning; and
- Homebuyer education including how to prepare to buy a home, and how to access to first-time homebuyer programs in the county in which the development is located.

Different topic areas must be selected for each session, and no topic area may be repeated consecutively.

**Maureen McCarthy Daughton, LLC**  
**MMD LAW**

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May 21, 2025

Lisa Nickerson  
Florida Housing Finance Corporation  
227 N. Bronough Street, Ste 5000  
Tallahassee, Florida 32301  
[Lisa.Nickerson@floridahousing.org](mailto:Lisa.Nickerson@floridahousing.org)

Re: *Amelia Village, RFA 2019-115; Applications No. 2020-157 and 2021-329C*  
*Request to Waive General Contractor Final Cost Certification Requirements*

Dear Ms. Nickerson,

Amelia Village, LP (“Amelia Village”) seeks a waiver of the General Contractor Cost Certification (“GCCC”) requirements. In support of Amelia Village states:

**Background**

Amelia Village submitted Application No. 2020-157 in response to Request for Applications No. 2019-115, *Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Development* (the “RFA”). Amelia Village proposed to acquire and preserve a fifty (50) unit quadraplex named Amelia Village in Indian River County, Florida (the “Development”). The Development serves low-income elderly, non-ALF, demographic. On January 23, 2020, Amelia Village was preliminarily selected for funding by Florida Housing and invited into credit underwriting on February 5, 2020. Amelia Village also received funding under the United States Department of Agriculture RD 515 Program.

Sherwood Construction, Inc. (hereinafter “Sherwood” or “GC”) was hired as the General Contractor.<sup>1</sup> The Construction contract between Amelia Village and Sherwood was a “Guaranteed Maximum Price” contract, in the amount of \$2,270,000 (the “Amelia Contract”), that was executed in December 2020. The Architect for the proposed Development was SD Collaborative, Inc.

Amelia Village entered into a Carryover Agreement with Florida Housing on August 21, 2020, which required the Development to be placed in service by December 31, 2022. Due to delays caused by COVID and the internal reorganization of the United States Department of Agriculture (“USDA”), Amelia Village filed a *Petition for Waiver of the Qualified Allocation Plan’s Requirement for Returning Housing Credit Allocations and Rule 67-48.002(96), FAC (2019)* on June 23, 2021. The Waiver was granted by Order dated July 31, 2021. The Order allowed Amelia Village to exchange its 2020 housing credits for an allocation of 2021 housing credits and thereby extend the associated deadlines.

The building permit for the renovation of Amelia Village was issued in early January 2022, and the Notice of Commencement was issued on February 11, 2022. During the construction, *On Solid Ground (hereinafter “OSG”)*, Construction & Property Condition Consulting Service, was hired by Synovus to monitor the progress of the construction. OSG visited the construction site monthly to observe progress, prepare Inspection Reports and if warranted approve the *Contractors’ Applications for Payment*.<sup>2</sup> During construction residents were able to reoccupy their units upon completion of the interior renovation.

As a result of an approved Change Order, the Amelia Contract price was increased by \$101,500.00<sup>3</sup>. All payments under the contract have been made to GC by Amelia Village. The Certificate of Substantial Completion was issued by SD Collaborative Inc., on August 25, 2023. The Extended Low-Income Housing Agreement was fully executed by Florida Housing Finance Corporation and Amelia Village, LP on December 13, 2023, and filed on December 14, 2023.

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<sup>1</sup> The same Development team that developed Amelia Village also developed Austin Commons in Lake County and is in the process of finishing the rehabilitation of Cherry Village, a 147-unit development in Homestead, Florida serving an elderly demographic. Sherwood was also initially hired as the General Contractor on all three (3) proposed developments.

<sup>2</sup> Petitioner will provide all Inspection Reports, upon request.

<sup>3</sup> This Change Order No. 3 is reflected in Inspection Report 14 and is for screen porch design changes due to existing conditions, pandemic related labor, and materials shortages as well as Hurricane Ian related shortages.

Amelia Village hired Carter & Company, CPA, LLC (C&C), an independent CPA firm, to evaluate the GC's cost certification schedule and subcontractor invoices to satisfy the testing requirement. The following is a summarized timeline of the contacts between the GC and C&C before the GC became unresponsive in the summer of 2024,

11/6/2023- C&C contacted the GC to obtain GCCC forms and a list of subcontractors.

11/16/2023- C&C received draft forms from GC, C&C selected eight sub-contractors and requested contact information/signed confirmations to be sent out. Also requested copies of invoices, checks and/or supporting data for the subcontractor's balances.

12/1/2023- C&C attempted to follow up with GC on requested information.

12/6/2023- GC sent contact information and confirmations were sent to subcontractors;<sup>4</sup>

12/19/2023, 1/22/2024, 2/12/2024- C&C attempted to follow up with GC on requested information.

2/15/2024- GC sent C&C a separate ledger with Home Depot invoices to make additional selections. The balance shown was inconsistent with the balance provided on the draft forms submitted in November. GC also sent invoices for two other sub-contractors.

2/23/2024- C&C sent the GC additional invoice selections for Home Depot.

6/4/2024- C&C sent a list of confirmations received to GC for follow up.

6/19/2024- The GC submitted a new GCCC which changed some numbers and the subcontractors to test. C&C made selections, and as a result additional information was requested from the GC.

7/1/2024- C&C The original confirms were resent;<sup>5</sup>

7/5/2024- C&C attempted to follow up with the GC for assistance with reconciling invoices and to address Florida Housing comments.

8/2/2024- C&C attempted to follow up with the GC.

The last information received from the GC was in June 2024. C&C was unable to complete the GCCC or verify the scant information provided in the draft GCCCs. C&C continues to have questions about classification of costs and vendor identities but without the assistance of the GC those questions will remain unanswered. The last email from C&C to the GC was sent in August

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<sup>4</sup> Of the eight subcontractors, only two responded. One of which only confirmed half of the amount on the initial GCCC and the other only provided information by phone which was not confirmed in writing and therefore unusable for this purpose.

<sup>5</sup> No information was received on the new selections.



of 2024 and included the need for answers to outstanding questions as well as confirmation that no profit or additional markups had been included in the cost of work. The GC never responded.

At about this same time, early summer of 2024, the GC abandoned the Cherry Village worksite in Homestead, Florida. As a result, the GC was replaced at Cherry Village with JWR Construction Services, Inc.<sup>6</sup>

In early December 2024 Amelia Village representatives reached out to Florida Housing staff to discuss the GC's refusal to provide the necessary information to prepare the GCCC. A meeting was held after the at the Florida Housing workshop in Orlando in December 2024. After this meeting Florida Housing offered to accept an Agreed Upon Procedure (AUP), which included eight items, in lieu of the GCCC due to the unique circumstances presented by the GC's refusal to provide necessary information. After consulting with C&C, Amelia Village affirmatively stated that it could provide three of the items on Florida Housings AUP, including the following.

- Calculate the percentage of costs to GC costs and Fees to confirm it is at or below 14%
- Agree the total construction cost in the contract schedule to the original contract plus approved Change orders
- Test all payments made by the owner to the contractor

Unfortunately, the remaining items on Florida Housing's AUP list could not be completed due to the lack of information and cooperation by the GC. By way of example, C & C was not able to confirm or verify that the total costs were at least 40% of the total construction costs.

Amelia Village did offer to provide the following, as an alternative to the other items on the initial AUP list,<sup>7</sup>

- Issue the Developer Construction Cost Certification
- Provide copies of all the pay applications submitted by the general contractor
- Provide evidence of the transfer of funds to the general contractor consistent with the pay applications

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<sup>6</sup> Cherry Village subsequently terminated Sherwood Construction's contract for cause.

<sup>7</sup> The other items on Florida Housings initial AUP list, are as follows,

- Obtain written confirmation of construction amounts from as many subcontractors as possible and report the amount and compare to the cost schedule;
- Obtain other documentation of construction amounts for any remaining subcontractors not confirmed and compare those amounts to the cost schedule;
- Identify the three largest dollar amount subcontractors based on amounts and confirm those amounts and if they cannot be confirmed, identify how the costs were verified;
- Confirm that the total costs confirmed/verified were at least 40% of the total construction costs;
- Through this confirmation, report how many reported an identity of interest between the subcontractor and the contractor.

-Provide the Architect third party sign off consistently with the pay applications.

Florida Housing did not agree to the alternatives to the AUP proposed by Amelia Village and thus this Petition for Waiver of the RFA requirements for the GCCC was filed.

Most recently, Amelia Village and the GC have unsuccessfully engaged in mediation over the GC's termination for cause on the Cherry Village Development.

This request will not result in delays to construction since construction is complete, and the Development is fully leased.

#### **Section of RFA 2019-115 for which Waiver is Sought**

As part of the Final Cost Certification Process, RFA 2019-115 requires that.

In accordance with Rule 67-48.023, F.A.C., the Final Cost Certification Application Package (Form FCCAP), Rev. April 2019, shall be used by an Applicant to itemize all expenses incurred in association with construction or Rehabilitation of a Housing Credit Development, including Developer and General Contractor fees as described in Rule 67 48.0072, F.A.C., and shall be submitted to the Corporation by the earlier of the following two dates:

- (1) (2) The date that is 90 Calendar Days after all the buildings in the Development have been placed in service, or
- (2) The date is 30 Calendar Days before the end of the calendar year for which the Final Housing Credit Allocation is requested.

The Corporation may grant extensions for good cause upon written request.

The FCCAP shall be completed, executed and submitted to the Corporation in both hard copy format and electronic files of the Microsoft Excel spreadsheets for the HC Development Final Cost Certification (DFCC) and the General Contractor Cost Certification (GCCC) included in the form package, along with the executed Extended Use Agreement and appropriate recording fees, IRS Tax Information Authorization Form 8821 for all Financial Beneficiaries natural person Principals (if requested by the Corporation), a copy of the syndication agreement disclosing the rate and all terms, **the required certified public accountant opinion letter for both the DFCC and GCCC, an unqualified audit report prepared by an independent certified public accountant for both the DFCC and GCCC**, photographs of the completed Development, the monitoring fee, and documentation of the placed-in-service date as specified in the Form FCCAP instructions. The Final Housing Credit Allocation will not be issued until such time as all required items are received and processed by the Corporation.

Emphasis supplied.

**Justification for the Requested Waiver**

Amelia Village has no new or ongoing business with GC. Moreover, the GC has failed to provide the requested documentation and the information necessary to satisfy all the requirements for FCCAP. Receipt by Amelia Village of the remaining portion of the tax credit investor's capital contribution are dependent upon the issuance of Form 8609. The Corporation cannot issue Form 8609s until it has received the FCCAP.

The entire contracted amount, including the additional money required by Change Order #3 have been paid to the GC as of August 2024. Additionally, there are no outstanding liens.

C&C cannot issue an audit opinion since the audit requires more than just simply verifying numbers. Without the records of and cooperation of the GC, tasks such as testing internal controls and obtaining the necessary representations cannot be done. An audit report under these circumstances would violate professional standards and the level of detail needed to complete the GCCC forms has, after multiple requests, not been provided. However, the information available will be presented in the Development Final Cost Certification (DFCC) format.

Based on the foregoing information Amelia Village requests a waiver of the requirements found in RFA 2019-115 that the FCCAP contains a GCCC and/or CPA opinion letter and audit report for the GCCC. The requested waiver will not adversely impact this Development or Florida Housing and will provide needed renovation to units for the elderly population in Indian River County.

Under Section 120.542(1), Florida Statutes, Florida Housing has the authority to grant waivers to its rule requirements when strict application of these rules would lead to unreasonable, unfair and unintended results. 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<sup>8</sup> or violate principles of fairness<sup>9</sup>, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. §120.542(2), Florida Statute. Strict adherence to the RFA provision would create a substantial economic hardship for Amelia Village. Granting the requested relief

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<sup>8</sup> For purposes of the statute, "Substantial hardship" means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver.

<sup>9</sup> "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.

would allow Petitioner to finalize the cost certification process and pursue issuance of the housing credits.

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

The Corporation has jurisdiction to grant a waiver of these requirements and Amelia Village has met the standard for a waiver. Petitioner is unable, through no fault of its own, to obtain the necessary information to complete the FCCAP (i.e., Amelia Village cannot provide all of the information required by the GCCC nor obtain a CPA opinion letter without qualification) much less the GC's execution of the GCCC. Absent the Corporation granting the Petition, the Corporation cannot issue Form 8609's to Amelia Village.

We stand ready to answer any questions that you may have and appreciate your thoughtful consideration of this request.

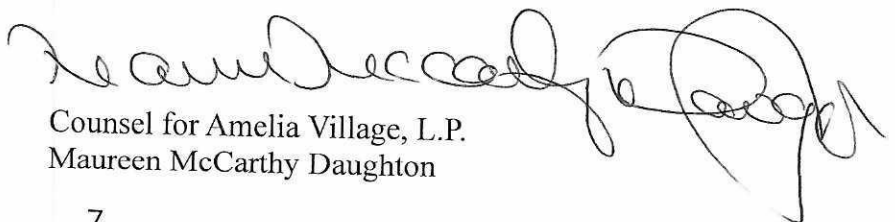
**Type of Waiver Requested**

The waiver being requested is permanent in nature.

**Action Requested**

Petitioner respectfully requests that the Corporation: grant a waiver of the GCCC requirements in the preparation of the Final Cost Certification Application Package as set forth in RFA 2019-115, including the certified public accountant opinion letter and the unqualified audit report for the GCCC.

Respectfully Submitted,

  
Counsel for Amelia Village, L.P.  
Maureen McCarthy Daughton

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STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION

PINE GROVE VOA AFFORDABLE  
HOUSING, LP, a Florida limited partnership,

Petitioner,

FHFC CASE NO. 2025-022VW  
Application No. 2023-513C

FLORIDA HOUSING FINANCE  
CORPORATION,

Respondent.

\_\_\_\_\_ /

FLORIDA HOUSING  
FINANCE CORPORATION

**PETITION FOR WAIVER OF RULE 67-21.026(10), F.A.C. (6/28/23)**

Pine Grove VOA Affordable Housing, LP, a Florida limited partnership (“Petitioner”), by and through its undersigned counsel, hereby respectfully petitions Respondent, Florida Housing Finance Corporation (the “Florida Housing”) pursuant to Section 120.542, Florida Statutes, and Chapter 28-104, Florida Administrative Code (“F.A.C.”), for a waiver of Rule 67-21.026(10), F.A.C. (6/28/23) (the “Rule”), which requires that all construction costs are included in the guaranteed maximum price construction contract (“GMP Contract”). The waiver is sought to permit roofing costs to be excluded from the GMP Contract. After the work identified in the GMP Contract was substantially complete, and the General Contractor (“GC”) was winding down to move on to another project, Petitioner engaged a roofing company to remove and replace the roof. By contracting directly with the roofing company, Petitioner recognized significant cost-savings in the form of avoiding GC mark ups (no additional markup or fees were included in the roofing contract – Petitioner paid the amount quoted for labor and material). Oversight by a separate GC was not required because the roof work was inspected (and approved) by the Alachua County Department of Growth Management. Petitioner therefore respectfully requests a Rule waiver and states as follows in support:

**A. THE PETITIONER**

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

Dejernette Beaty<sup>1</sup>  
Volunteers of America National Services  
1660 Duke Street  
Alexandria, VA 22314  
Phone: (703)341-5081  
Fax: N/A  
E-mail: DBeaty@voa.org

2. The address, telephone and facsimile number and e-mail address of Petitioner's counsel are:

Brian J. McDonough, Esq.  
Stearns Weaver Miller Weissler Alhadeff &  
Sitterson, P.A.  
150 West Flagler Street  
Suite 2200  
Miami, Florida 33130  
Telephone: 305-789-3350  
Fax: 305-789-3395  
Email: Bmcdonough@stearnsweaver.com

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

**B. DEVELOPMENT BACKGROUND**

3. The following information pertains to the development underlying Petitioner's application:

- Development Name: Pine Grove Apartments
- Development Address: 1901 NE 2nd Street, Gainesville, FL 32609
- County: Alachua

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<sup>1</sup> Kimberly King was identified as the authorized principal representative in the Application. Petitioner submitted a formal request on May 20, 2025, to change the authorized principal representative for the Development to Dejernette Beaty.



- Developer: Volunteers of America National Services
- Number of Units: 97 units (acquisition/rehabilitation)
- Type: Garden-style apartments
- Set Asides: 20% at or below 50% AMI and 80% at or below 60% AMI
- Demographics: Elderly Non-ALF
- Funding: \$584,058 Non-Competitive (4%) HC (annual amount)

**C. WAIVER IS PERMANENT**

4. The waiver being sought is permanent in nature.

**D. THE RULE FROM WHICH WAIVER IS REQUESTED**

5. Petitioner requests a waiver of Rule 67-21.026(10), F.A.C., entitled “HC Credit

Underwriting Procedures,” effective June 28, 2023, which provides in pertinent part:

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.

**E. STATUTE IMPLEMENTED BY THE RULE.**

6. The Rule implements Section 420.5099 (Allocation of the low-income housing tax credit) of the Florida Housing Finance Corporation Act (the “Act”).<sup>2</sup> The Act designates Florida Housing 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, Florida Housing is responsible for, and is authorized to establish procedures for, the allocation and distribution of low-income housing tax credits (“Allocation Procedures”). *See* § 420.5099(1) and (2), Fla. Stat.

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<sup>2</sup> The Act is set forth in Sections 420.50 through 420.55 of the Florida Statutes.

Accordingly, the, Rule implements, among other sections of the Act, the statutory authorization for Florida Housing's establishment of Allocation Procedures for the HC Program. *Id.*

**F. JUSTIFICATION FOR GRANTING WAIVER OF THE RULE.**

7. Petitioner submitted its non-competitive application package on or about November 7, 2023 and was invited to enter credit underwriting on February 28, 2024.

8. The Development's rehabilitation primarily involved interior work. The budget for the Development from the sources available at closing was therefore consumed by the interior work, minor exterior work, and some roof work on an auxiliary building. Accordingly, the scope of the original statement of work and the GMP were limited to these items. It was only after Petitioner had sufficient realized savings on the GMP that it decided to evaluate and undertake roof work (*i.e.*, shingle roof replacement) for the main building.

9. At that point, the rehab was substantially complete and the GC was winding down its work at the Development and moving on to a new project. Because the main building roof work was not initially contemplated, no permits had yet been applied for. Since Petitioner knew the permitting for the roof work would take a lot of time, Petitioner could not hold the GC in place after its work was complete.<sup>3</sup> First, although idle, having the GC remain on site for an additional four months would have caused Petitioner to incur costs that would have eaten through the remaining funds needed to perform the roof work. Second, the additional General Conditions would have exceeded the permissible limit.

10. Petitioner determined it would be faster and more cost-effective to complete the roof work for the main building directly through Worthmann LLC ("Worthmann"). The new roof work was beyond the scope of the original GMP and not work traditionally overseen by a

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<sup>3</sup> The GC finished its work and discontinued its presence at the Development in approximately March 2023 and the roofing work did not begin until July 2023.



separate GC. Accordingly, Petitioner entered into an agreement directly with Worthmann on June 26, 2023 to remove and replace the existing roof. There were no additional markups or fees added to the labor and material quote. In all, Worthmann completed work valued at \$127,518.38<sup>4</sup> outside of the GMP, which comprised 3.9% of the total construction cost.<sup>5</sup>

11. Excluding the roof cost from the GC Contract saved money by avoiding a markup by the GC. Petitioner also avoided additional General Conditions costs by not holding the GC in place after the GC's work was complete.

12. No separate oversight from the GC was required because the roof work was inspected (and approved) by the Alachua County permitting office (*i.e.*, the Department of Growth Management).

13. Forcing Petitioner to include the roof work costs in the GC Contract at this late stage would cause substantial hardship to Petitioner as the work has already been completed and paid. If this Petition is denied, Petitioner would lose those credits assigned to the contract amount, and a portion of the sources they anticipated in closing the project, thereby negatively impacting the financial feasibility of the Development. This could have a cascading effect on the ability of Petitioner's non-profit sponsor to provide additional affordable housing projects in Florida.

14. Petitioner respectfully requests a Rule waiver to allow the roof costs to be paid outside of the GMP Contract.

15. Under Section 120.542(1), *Fla. Stat.*, and Chapter 28-104, F.A.C., Florida Housing has the authority to grant waivers to its rule requirements when strict application of the

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<sup>4</sup> \$114, 858.84 via invoice dated July 30, 2023 plus a \$12,659.54 deposit via invoice dated June 29, 2023. The work commenced on or about July 5, 2023 and was completed within a month.

<sup>5</sup> The total construction cost was \$3,196,117.

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 the application of the rule would: (1) create a substantial hardship or, violate principles of fairness,<sup>6</sup> and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. *See* § 120.542(2), Fla. Stat.

16. In this instance, Petitioner meets the standards for a waiver of the Rule. The requested waiver will not adversely impact the Development or Florida Housing and will ensure that 97 affordable housing units will be made available for the target population in Alachua County, Florida. The requested waiver will serve the purposes of the Statute 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. Moreover, the Statute was enacted, in part, to encourage private and public investment in facilities for persons of low-income. By granting this waiver, and further ensuring the rehabilitation of 97 affordable housing units in Alachua County, Florida Housing would recognize the goal of increasing the supply of affordable housing through private investment in persons of low-income, and recognizing the economic realities and principles of fundamental fairness in developing affordable housing. *See* § 420.5099(2), Fla. Stat.

17. The foregoing demonstrates the hardship and other circumstances justifying this Petition.

18. Should Florida Housing require additional information, Petitioner is available to answer questions and to provide all information necessary for consideration of this Petition.

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<sup>6</sup> "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. *See* § 120.542(2), Fla. Stat.

**G. ACTION REQUESTED**

19. For the reasons set forth herein, Petitioner respectfully requests Florida Housing:

(i) grant the requested waiver to permit the roof costs to be excluded from the guaranteed maximum price construction contract; (ii) grant this Petition and all of the relief requested herein; and (iii) grant such further relief as it may deem appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER  
ALHADEFF & SITTERSON, P.A.  
150 West Flagler Street, 22<sup>nd</sup> 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 a copy served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 21st day of May, 2025.

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

RECEIVED

STATE OF FLORIDA

FLORIDA HOUSING FINANCE CORPORATION

MAY 23 2025 2:43 PM

POLLYWOG CREEK MEWS, LLC

Petitioner,

v.

FLORIDA HOUSING FINANCE  
CORPORATION,

Respondent.

FHFC Case # 2025-023VW  
APPLICATION NO. 2022-242H/2023-  
238V

FLORIDA HOUSING  
FINANCE CORPORATION

**PETITION FOR WAIVER OF RULE 67-48.0072(21)(B)**

Petitioner, Pollywog Creek Mews, LLC, a Florida limited liability company (the "Petitioner") submits its petition to Respondent, Florida Housing Finance Corporation (the "Corporation"), for a waiver of Rule 67-48.0072(21)(b), F.A.C. (May 18, 2021) (the "Rule") in effect at the time Petitioner submitted its application in response to the Corporation's Request for Applications 2021-206 (the "RFA"), to allow Petitioner to extend the Firm Loan Commitment deadline for HOME Funding allocated to Petitioner pursuant to the RFA. In support of this petition (the "Petition"), Petitioner states as follows:

**A. Petitioner and the Development.**

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

Pollywog Creek Mews, LLC  
c/o Rural Neighborhoods, Inc.  
19308 SW 380<sup>th</sup> Street  
Florida City, FL 33034  
(305) 242-2142  
[SteveKirk@ruralneighborhoods.org](mailto:SteveKirk@ruralneighborhoods.org)

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  
Telephone: (305) 347-7308  
Facsimile: (305) 347-7808  
Email: [gcohen@shutts.com](mailto:gcohen@shutts.com)

2. Pursuant to the RFA, Petitioner timely submitted its application for HOME funding. See Application No. 2022-242H (the "Application"). Petitioner was preliminarily awarded Five Million Six Hundred Ninety Thousand Dollars (\$5,690,000.00) in HOME funding under the RFA (the "HOME Award"). Pursuant to the Rule, Applicant was required to complete credit underwriting and execute a HOME firm commitment within twelve (12) months of the date of the invitation to enter into credit underwriting. The invitation to credit underwriting was accepted on April 4, 2022, and, as such, the original firm commitment deadline was April 4, 2023.

3. On February 15, 2023, Petitioner requested approval of extension of the firm commitment deadline until October 4, 2023, which request was approved at the Corporation's March 10, 2023 Board meeting. Petitioner paid a one (1%) percent extension fee in connection with approval of the foregoing extension. On September 29, 2023, Petitioner submitted a Petition for Rule Waiver seeking a further extension of said deadline to June 4, 2024, which request was approved at the Corporation's October 27, 2023 Board meeting. On June 7, 2024, Petitioner submitted a Petition for Rule Waiver seeking a further extension of said deadline to December 4, 2024, which request was approved at the Corporation's June 28, 2024 Board meeting. On October 3, 2024, Petitioner submitted a Petition for Rule Waiver seeking a further extension of said deadline to June 4, 2025, which request was approved at the Corporation's October 22, 2024 Board meeting. For the reasons explained more fully below, the HOME Award Firm Loan

Commitment will not be issued by the June 4, 2025 deadline. Petitioner is requesting an extension of the Firm Loan Commitment issuance deadline until December 4, 2025.

4. On May 15, 2023, Petitioner timely submitted its application for Construction Inflation Response Viability Funding pursuant to RFA 2023-2011 (“Viability RFA”). See application No. 2023-238V. Petitioner was preliminarily awarded \$2,475,000.00 of funding under the Viability RFA (“Viability Award”) on June 9, 2023.

5. The HOME Award is a critical part of the financing for the new construction of affordable family housing to be known as Pollywog Creek Mews, serving income qualifying persons (the “Development”). The development is located in Hendry County.

**B. Rules from Which the Waiver is Sought.**

6. The relevant portions of the Rules in effect at the time the HOME funds were awarded for which this waiver is sought, provide as follows:

(b) Rule 67-48.0072 provides that “(21) Information required by the Credit Underwriter shall be provided as follows:

\*\*\*

(b) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant’s acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve credit underwriting report approval and issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant’s request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial twelve (12) month deadline

is approved. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.” Rule 67-48.0072(21)(b), F.A.C. (2021).

**C. Statute Implemented.**

7. The Rule for which a waiver is requested is implementing, among other sections of the Florida Housing Finance Corporation Act (the “Act”), the statute that created the HOME program. See § 420.5089, Florida Statutes (2021).

8. Pursuant to Chapter 120.542(1), Florida Statutes, “strict application of uniformly applicable rule requirements can lead to unreasonable, unfair, and unintended results in particular instances. The Legislature finds that it is appropriate in such cases to adopt a procedure for agencies to provide relief to persons subject to regulation.” Therefore, under Section 120.542(1), Florida Statutes and Chapter 28-104, F.A.C., the Corporation has the authority to grant waivers to its requirements when strict application of these 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.” Section 120.542(2), Florida Statutes.

9. In this instance, Petitioner meets the standards for a waiver.

**D. Justification for Petitioner’s Requested Waiver**

10. Petitioner was previously granted an extension to secure a firm loan commitment of the HOME Award to June 4, 2025. Petitioner is requesting an extension of the deadline to



secure a Firm Loan Commitment for the HOME Award until December 4, 2025. This extension may not be granted without a waiver of the Rule. The reasons for this request are as set forth below.

11. Petitioner has made substantial progress towards closing of financing and commencement of construction of the Development. Previously, Petitioner had obtained a financial commitment for first mortgage construction and permanent financing, had completed building and civil engineering plans and had obtained permit approvals to construct the Development. Notwithstanding the foregoing, the Development stalled due to a series of interest rate increases to its construction and permanent loans that reduced the amount of available first mortgage financing, which in turn required Petitioner to seek additional financing sources.

12. In addition, initial negotiations with multiple general contractors resulted in a determination that budgeted construction costs were insufficient to meet construction labor and materials cost inflation. This situation was further exacerbated by the fact that the Development's rural location negatively impacted the availability of general contractors and subcontractors.

13. In response to these difficulties, Petitioner submitted its application under the Viability RFA and received Board approval of a Viability Award of \$2,475,000 on June 9, 2023. In addition, Petitioner applied to Federal Home Loan Bank of Atlanta under the Affordable Housing Program and received an award of \$750,000 on August 15, 2023. The Petitioner's architect completed value engineered architectural plans and competitive bids were solicited from additional contractors resulting in the selection of a new general contractor at a price which rendered the Development economically feasible. Petitioner entered into a construction contract with the selected contractor in March 21, 2025.



14. In recent weeks, negotiations between Petitioner and general contractor on costs related to tariff impact have slowed credit underwriting progress. To remediate potential tariff associated cost increases, Petitioner has newly agreed to infuse developer equity to help meet sewage lift station and off-site drainage costs. Petitioner has also requested \$500,000 of additional funds from the Federal Home Loan Bank of Atlanta on May 21, 2025. Building permits for the revised architecture plans are underway.

15. Currently, Petitioner has completed the following tasks with respect to the Development: site control, environmental assessment and clearance, geotechnical report, architectural and civil engineering plans, municipal approval for project tie-ins of water distribution and sewer collection systems by the Development's civil engineer. Substantial credit underwriting tasks have been completed.

16. The requested waiver will ensure the availability of HOME funding which will otherwise be lost as a consequence of the failure to obtain the executed HOME firm commitment by the prescribed date.

**E. Conclusion**

17. The facts set forth in Sections 10 through 15 of this Petition demonstrate the hardship and other circumstances which justify Petitioner's request for a Rule waiver. A denial of the Petition would (a) result in substantial economic hardship to Petitioner, as it has incurred substantial costs to date insuring that the Development proceeds to completion; (b) deprive Hendry County and the City of LaBelle of the provision of much needed affordable housing; and (c) violate principles of fairness. Section 120.52(2), Florida Statutes. As discussed above, the above-described delays have been caused by circumstances outside Petitioner's control, and make it impossible to meet the June 4, 2025 deadline for issuance of a Firm Loan Commitment.

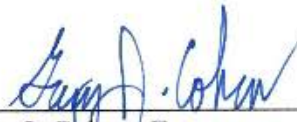
18. As demonstrated above, the requested waiver serves the purposes of Section 420.5089, Florida Statutes, and the Act, as a whole, because one of their primary goals is to facilitate the availability of decent, safe, and sanitary housing in the State of Florida to low income persons and households. Further, by granting the requested waiver, the Corporation would recognize principles of fundamental fairness in the development of affordable rental housing.

19. The waiver being sought is permanent in nature. Should the Corporation require additional information, a representative of Petitioner is available to answer questions and to provide all information necessary for consideration of this Petition.

WHEREFORE, Petitioner respectfully requests that the Corporation:

- A. Grant this Petition and all the relief requested therein;
- B. Grant a waiver of the Rule to extend the deadline to secure a Firm Loan Commitment from June 4, 2025 to December 4, 2025, and not require that an additional extension fee be imposed;
- C. Award such further relief as may be deemed appropriate.

Respectfully submitted,



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Gary J. Cohen, Esq.  
Shutts & Bowen LLP  
Counsel for Pollywog Creek Mews, LLC  
200 S. Biscayne Blvd., Ste. 4100  
Miami, FL 33131  
Telephone: (305) 347-7308  
Fax: (305) 347-7808  
E-Mail: [gcohen@shutts.com](mailto:gcohen@shutts.com)

#### **CERTIFICATE OF SERVICE**

The original Petition is being served by overnight delivery, with a copy served by electronic transmission for filing with the Corporation Clerk for the Florida Housing Finance Corporation,

227 North Bronough Street, Tallahassee, Florida 32301, with copies served by overnight delivery on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 23<sup>rd</sup> day of May, 2025.



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Gary J. Cohen, Esq.  
Shutts & Bowen LLP  
Counsel for Pollywog Creek Mews, LLC  
200 S. Biscayne Blvd., Ste. 4100  
Miami, FL 33131  
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MAY 28 2025 11:53 AM

STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION

FLORIDA HOUSING  
FINANCE CORPORATION

In re: Southward Village Phase 2, L.P.

FHFC File Nos: 2023-103B/2023-546C  
FHFC Case # 2025-033VW

Petitioner.

**PETITION FOR VARIANCE FROM RULE 67-21.003(8)(i) TO  
REDUCE THE TOTAL SET-ASIDE PERCENTAGE**

Petitioner, Southward Village Phase 2, L.P. (“Petitioner” or “Southward 2”), a Florida limited partnership, hereby submits this Petition to the Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) for a variance from FHFC Rule 67-21.003(8)(i), Fla. Admin. Code in order to allow Petitioner to reduce the Total Set-Aside Percentage as stated in the Southward 2 Non-Competitive Application for MMRB and Non-Competitive (“4%”) Housing Credits for the proposed Development Southward Village CNI Phase 2.

**A. NATURE OF REQUEST**

1. Pursuant to Section 120.542, Fla. Stat. (2024), and Rules 28-104.001 through 28-104.006, Fla. Admin. Code, Petitioner requests a waiver of provisions of Rule 67-21.003(8)(i), Fla. Admin. Code. Rule 67-21.003(8)(i) prohibits an Applicant from reducing the Total Set-Aside Percentage as stated in the total set-aside breakdown chart for the programs applied for. The rule allows an Applicant to request an increase in the set-aside percentage after being invited into credit underwriting, but does not allow a decrease in the percentage.

2. The original Southward 2 Application relied on the Average Income Test, and proposed 115 Total Set-Aside Units (68 at 50% AMI and 43 at 60% AMI, plus 4 units at 80% AMI), and 36 unrestricted market rate units, for a total of 151 units. Southward 2 seeks to revise its Set-Aside Percentage to instead rely on the Federal set-aside commitment of 40% of the units at 60% AMI instead of Average Income Test, and the total 151 total units would consist of 57 units

(37.5% of the total) at 50% AMI, 41 units (27%) at 60% AMI, 4 units at 80% AMI, and 49 unrestricted market rate units. The percentage of units occupied by Families which are defined as “Low Income” by Rule 67-21.002(69) (i.e., whose adjusted income does not exceed 80% of AMI) would change from 76.2% (115 of the total 151 units) to 67.5% (102 of 151 units). However, because Petitioner would no longer rely on the Average Income Test, the four 80% AMI units will presumably not be considered Set-Aside Units for FHFC’s purposes, and the Total Set-Aside Percentage would be 64.5% (57 units at 50% AMI, and 41 units at 60% AMI for a total of 98 of 151 units). This change in the Total Set-Aside Percentage requires a waiver of the rule.

3. On March 21, 2025, Petitioner submitted a letter to Florida Housing requesting to change the Set-Aside Commitment basis from Average Income Test to 40% of units at 60% AMI. Petitioner proposed 57 units at 50% AMI, which equals 37.75% of the total 151 units; Petitioner erroneously rounded up the 50% AMI unit commitment to 38%. Petitioner submitted a revised letter to Florida Housing on May 28 still committing to 57 units at 50% AMI, but correcting the description of the percentage of units that will be at that 50% AMI level to 37.5% of total units. A copy of this letter is attached hereto as Exhibit A. This Petition seeks a rule waiver to reduce the Total Set-Aside Percentage to 64.5% and to match the complement of units set forth in that letter: 57 units at 50% AMI, 41 units at 60% AMI; 4 units at 80% AMI; and 49 unrestricted market rate units.

## **B. THE PETITIONER**

4. Southward 2 was the recipient of \$39 million in MMRB and \$2,760,462 in annual non-competitive Housing Credits from FHFC for a new construction development in Lee County through Florida Housing’s Non-Competitive application process. The development will also receive construction and permanent loan financing from the Housing Authority of the City of Fort



Myers in the amount of \$26,305,428. For purposes of this petition, Petitioner's address is that of its undersigned attorney, M. Christopher Bryant, Oertel, Fernandez, Bryant & Atkinson, P.A., 2060 Delta Way, Tallahassee, Florida 32303 (telephone (850) 521-0700, fax (850) 521-0720, E-mail: [cbryant@ohfc.com](mailto:cbryant@ohfc.com)).

5. The Applicant Entity for Southward 2 is Southward Village Phase 2, LP, a Florida limited partnership. Its general partners are Fort Myers Redevelopment Manager, LLC, which is an Affiliate of McCormack Baron Salazar, Inc; and SWV Phase 2 A, LLC, which is an instrumentality of the Housing Authority of the City of Fort Myers.

6. The two Co-Developers of Southward 2 are Fort Myers Developer, LLC, which is an Affiliate of McCormack Baron Salazar Inc; and Southwest Florida Affordable Development, LLC, which is an instrumentality of the Housing Authority of the City of Fort Myers.

### **C. THE SOUTHWARD VILLAGE DEVELOPMENT**

7. The Southward Village development is a development in four phases that will consist of 467 units. The Housing Authority of the City of Fort Myers ("HACFM") and the City of Fort Myers sought and were awarded substantial funding through HUD's Choice Neighborhood Initiatives (CNI) program for Southward Village, one of only three CNI designees in Florida. A condition of the HUD CNI designation for Southward Village is that over 20% of the units across all phases must be market rate units. As approved and recently modified by HUD, the complement of units across all four phases of Southward Village will be 369 Low-Income units, 361 of which will be financed in part with Housing Credits (including 191 of the Project Based Voucher units) and 8 of which will be 80% AMI Project Based Voucher units; and 98 market rate units.

8. Phase 1 of Southward Village, applying as a development to be known as 3611/3621 Cleveland Avenue, was already awarded funding by Florida Housing in RFA 2023-

205, for 92 units, consisting of 83 Set-Aside Units (ranging from 22% to 60% AMI) and 9 market rate units. As noted above, Southward 2, through its Non-Competitive Application, was awarded MMRB and 4% Housing Credits for 115 Set-Aside Units and 36 market rate units. Of the 243 units already funded as Phases 1 and 2, 198 (including 4 units at 80% AMI) are currently designated as affordable, and 45 are market rate.

9. Subsequent to the submission of the Southward 2 Application, Phase 4 of Southward Village was awarded funding in RFA 2024-214, Live Local SAIL for Developing and Reconstructing Affordable Multifamily Housing. That Application, Number 2025-123BS/2025-504C, will consist of 143 units, originally planned to consist of 119 Set-Aside Units under the Average Income Test (including 4 units at 80% AMI) and 24 market rate units. In late 2024 Florida Housing approved the Applicant's request to change Southward Village CNI Phase 4 from the Average Income Test to 40% of the units at 60% AMI. In the course of preparing this rule waiver petition, the Principals of the Southward 2 Applicant and Developer realize that the request for modification of the affiliated Southward Phase 4 development contained an error. Specifically, Southward Phase 4 inadvertently omitted from its modification request the intent to retain market rate and 80% AMI units that had been initially approved in the Southward Phase 4 competitive application.

10. Southward Phase 4 will submit a rule waiver petition for consideration at a later Board meeting to correct the inadvertent error. The intended allocation would still have the original 115 affordable units, of which 20% (22 units) would be at 40% AMI and 80% (93 units) would be at 60% AMI or below. Southward Phase 4 will retain the four 80% AMI units and 24 Market Rate units from its initial application. For purposes of this Southward 2 rule waiver petition, the Southward Phase 4 allocation of units will be considered as if the corrected change is made to 115

affordable units, four (4) 80% AMI units, and 24 market rate units.

11. The correction of the allocation of units in Phase 4 will result in the funding of 317 Low-Income Units (311 “Set-Aside” and eight 80% AMI units) and 69 market rate units across three Southward Village phases (Phases 1, 2, and 4). The remaining 81 units in the HUD CNI designation for Phase 3 would consist of 52 Set-Aside Units and 29 market rate units. As explained in this Petition, the allocation of affordable and market rate units to all four phases of Southward Village is significant to the Southward 2 rule waiver request because of the HUD CNI designation and funding, that is based on a specific market rate unit and affordable unit allocation by phase and as a unified development.

12. HACFM and the City of Fort Myers recently received approval from HUD to change the total number of units to 467, and to change the allocation of affordable and market rate units among the four phases in Southward Village, in order to accommodate site layout, building, and unit design, and financing issues. HUD approved the changes by letter dated April 17, 2025, copy attached hereto as Exhibit B. The request to HUD was submitted in anticipation of a decrease in the number of Set-Aside Units and an increase in the number of market rate units in Phase 2, as requested in this Petition, and it relied upon the intended allocation of Phase 4 units. If the correct Phase 2 rule waiver and future Phase 4 rule waiver are approved by Florida Housing, the allocation of units would be as follows:

<b><u>Phase</u></b>	<b><u>Set-Aside Units</u> <u>(&lt; 40%, 50%, or 60% AMI)</u></b>	<b><u>80% AMI</u> <u>Units</u></b>	<b><u>Market</u></b>	<b><u>Total</u></b>
Phase 1	83	0	9	<b>92</b>
Phase 2	98	4	49	<b>151</b>
Phase 3	65	0	16	<b>81</b>
Phase 4	115	4	24	<b>143</b>
<b>Total</b>	<b>361</b>	<b>8</b>	<b>98</b>	<b>467</b>

13. A waiver is necessary for Southward Village to satisfy Florida Housing’s



requirements and to maintain compliance with the HUD grant on unit mix between affordable and market rate units, for both the three phases already funded by Florida Housing and the final phase 3 when it applies to Florida Housing for funding.

**D. RULE PROVISIONS**

14. The Non-Competitive MMRB and Housing Credit Application process is governed in part by portions of Rule Chapter 67-21, Fla. Admin. Code. Of relevance to this request is Rule 67-21.003(8), Fla. Admin. Code, which reads, in pertinent part:

**67-21.003 Application and Selection Process for Developments**

(8) Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application is deemed complete. Those items are as follows:

\*\*\*

(i) The Total Set-Aside Percentage as stated in the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application; notwithstanding the foregoing, the Total Set-Aside Percentage may be increased after the Applicant has been invited to enter Credit Underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant's request, in evaluating whether the changes made are prejudicial to the Development or to the market to be served by the Development;

15. Petitioner seeks a rule waiver in order to increase the number of market rate units and decrease the number of affordable units in Phase 2 of Southward Village, as explained in paragraph 2 above. Because the Southward 2 application was funded as a Non-Competitive application, it gained no advantage over other applicants by its original Set-Aside Commitment, and it would gain no advantage over other applicants by modifying that commitment now.

**E. JUSTIFICATION FOR REQUESTED VARIANCE**

16. The three phases of the overall Southward Village CNI development that have already been awarded funding by Florida Housing currently account for 386 units: 317 for Low-Income Families (including 8 units at 80% AMI) and 69 market rate. The remaining 81 units under the CNI designation would consist of 52 affordable units and 29 market rate units, making Phase 3 approximately 64% affordable and 36% market rate, which is not a desirable unit mix and would not be competitive in a Florida Housing RFA. Allowing the Non-Competitively funded Phase 2 application to be restructured to consist of 98 affordable units (plus 4 80% AMI units) and 49 market rate would leave 65 affordable units and 16 market rate units (an 80/20 split) for a Phase 3 application.

**F. RELIEF REQUESTED**

17. Southward 2 seeks to have a variance from Rule 67-21.003(8)(i) to allow it to decrease the total number and total percentage of Set-Aside Units. As explained above, the Total Set-Aside Percentage for Southward 2 will decrease from 76.2% to 64.5%, and the number of market rate units will increase from 36 units to 49 units. Southward 2 seeks both the waiver from the rule and the approval of the resulting number of set aside units.

18. Because Southward 2 was funded as a Non-Competitive Application, granting the requested variance would not adversely affect any preferences or points considered by Florida Housing in the scoring of the application, and would not alter the evaluation of the application by Florida Housing. The change would also not provide Southward 2 with an unfair competitive advantage over any other applicants.

19. The requested Rule variance will not adversely impact the development or the interests of Florida Housing, future residents, or the public; and will serve the statutory purposes

of the Florida Housing process. A denial of this Petition, however, would result in substantial economic hardship to Southward Village.

#### **G. STATUTORY PURPOSE SERVED**

20. Sections 420.5099 and 420.509(1), Fla. Stat., and assigns Florida Housing the responsibility to allocate and distribute Multifamily Mortgage Revenue Bonds low-income housing tax credits. The statute also instructs Florida Housing to adopt procedures to ensure the maximum use of housing credits to encourage the development of low-income housing.

21. In furtherance of these statutory purposes, Florida Housing established the Non-Competitive Request for Application process to allocate MMRB to assist with development of affordable housing.

22. Section 420.509(1) authorizes Florida Housing to issue revenue bonds “to provide sufficient funds to achieve the purposes of” Part V of Chapter 420, Fla. Stat.

23. Section 420.508(3)(a) and (b) authorize Florida Housing to make and participate in making mortgage loans for the purpose of financing development costs of projects, and in so doing to make determinations as to the ability of “low-income, moderate-income, or middle-income persons” to find adequate, safe and sanitary housing.

24. Approval of Petitioner’s change in its Total Set-Aside Percentage would serve Florida Housing’s statutory purpose of promoting the development of housing for low-income and moderate income persons. It would also leverage other funding sources, most notably HUD CNI grant funds awarded to HACFM and CDBG-DR funds awarded to Lee County, to bring new and replacement rental housing stock to Fort Myers.

#### **H. SUBSTANTIAL ECONOMIC HARDSHIP**

25. The rule at issue has an apparent purpose in the competitive application process to

prevent an applicant from relying on a particular number of affordable units in the competitive application selection process, and then later seeking to change that number after it has been selected for funding. Such actions would open the door to manipulation of a competitive application process. With the Non-Competitive application, there was no competitive advantage gained by Petitioner's original Set-Aside designations, and no advantage would be gained by altering the number and mix of Set-Aside Units.

26. Petitioner and its Principals would suffer substantial economic hardship if it could not modify the Phase 2 Set-Aside Percentages and number of Set-Aside Units. If the number of Phase 2 Set-Aside Units are not decreased, and the number of Phase 2 market rate units are not increased, would render it difficult if not impossible to submit a reasonably competitive and acceptable application for Phase 3 that serves the remaining number of affordable and market rate units approved by HUD as part of the CNI grant.

27. The waiver and variance being sought are permanent in nature, in that the total number of Set-Aside Units within Southward 2 will be operated as affordable housing and market rate housing for the duration of the affordability periods set forth in the application.

28. If Florida Housing has questions or requires additional information, Petitioner is available to provide any information necessary for consideration of this Petition.

**WHEREFORE**, Petitioner Southward Village Phase 2, L.P. respectfully requests that the Florida Housing Finance Corporation provide the following relief:

- A. Grant the Petition for Variance and all the relief requested herein;
- B. Enter an order granting a variance of Rule 67-21.003(8)(i), to allow Southward 2 to decrease the total number of affordable units and Total Set-Aside Percentage in the Southward 2 development;

- C. Approve the decrease in the Total Set-Aside Percentage; and
- D. Approve the decrease in the total number of affordable units in Southward 2 from 115 units to 98 units, consisting of 57 units at 50% or less Area Median Income and 41 units at 60% or less AMI; maintain the 4 units at 80% or less AMI; and increase the number of market rate units from 36 to 49.

**RESPECTFULLY SUBMITTED** this 28th day of May, 2025.

*/s/ M. Christopher Bryant* \_\_\_\_\_

M. Christopher Bryant

Fla. Bar Number 434450

OERTEL, FERNANDEZ,

BRYANT & ATKINSON, P.A.

P.O. Box 1110

Tallahassee, Florida 32302

Telephone: (850) 521-0700

Facsimile: (850) 521-0720

[cbryant@ohfc.com](mailto:cbryant@ohfc.com)

Secondary: [bpetty@ohfc.com](mailto:bpetty@ohfc.com)

Counsel for *Southward Village Phase 2, L.P.*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that the foregoing Petition for Variance is being filed by electronic filing with the Corporation Clerk for the Florida Housing Finance Corporation, 227 North Bronough Street, Fifth Floor, Tallahassee, Florida 32301, [CorporationClerk@floridahousing.org](mailto:CorporationClerk@floridahousing.org), and the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, [Joint.admin.procedures@leg.state.fl.us](mailto:Joint.admin.procedures@leg.state.fl.us), and by electronic transmission to Ethan Katz, Assistant General Counsel, Florida Housing Finance Corporation, 227 North Bronough Street, Fifth Floor, Tallahassee, Florida 32301, [Ethan.Katz@floridahousing.org](mailto:Ethan.Katz@floridahousing.org), this 28th day of May, 2025.

/s/ M. Christopher Bryant  
Attorney



May 28, 2025

Melissa Levy  
Florida Housing Finance Corporation  
227 N Bronough Street #5000  
Tallahassee, FL 32301

RE: Southward Village CNI Phase 2 (2023-103B)

Dear Ms. Levy,

This letter is to request approval from the Florida Housing Finance Corporation (FHFC) to change the Minimum Set-Aside Commitment and revise the Unit Mix Affordability for Southward Village CNI Phase 2.

Southward Village CNI Phase 2 is currently progressing towards a summer financial closing and to remain on this path toward closing and continue the other phases of the Southward Village CNI site, we are requesting to change the Set-Aside commitment from originally selected “Average Income Test” to a “40/60” Set-Aside Commitment. This request is to accommodate the changes in the unit mix and ensure the project remains in compliance with funding requirements.

Additionally, Southward Village CNI Phase 2 is requesting to adjust the unit mix affordability for Phase 2. While the total number of units in Phase 2 remains 151, Southward Village CNI Phase 2 requests that FHFC allow a change in the unit-mix to include 60 1-BR, 58 2-BR, 28 3-BR, and 5 4-BR units. Of the 151 total units, fifty-seven of the units will be PBV/LIHTC units at 50% AMI or below, four of the units will be PBV/non-LIHTC units at 80% AMI or below, 41 units will be 60% AMI LIHTC-only (non-PBV), and the remaining 49 units will be unrestricted/market rate units.

In the current application, Section 10.b.(2), Southward Village CNI Phase 2 selected the Average Income Test, as indicated here:

Number of Residential Units	Percentage of Units	AMI Level, at or below:	
0	0.000%	20%	
0	0.000%	30%	
0	0.000%	40%	
68	59.130%	50%	
43	37.391%	60%	
0	0.000%	70%	
4	3.478%	80%	
36		Market Rate	
115			Total Qualifying HC Units
36			Total Market Rate Units
151			Total Units
		54.783%	Average AMI of the Qualifying HC Units**

Southward Village CNI Phase 2 requests approval to change the commitment to 40/60, shown here:

Percentage of Residential Units			
Commitment for MMRB	Commitment for Non-Competitive HC		AMI Level
		%	At or below 20%
		%	At or below 30%
		%	At or below 40%
37.5 %	38%	%	At or below 50%
27 %	27%	%	At or below 60%
64.5 %	65%	%	Total Set-Aside

The commitment for MMRB and Non-Competitive HC is 37.5% at or below 50% AMI and 27% at or below 60% AMI for 64.5% Total Set-Aside. The table above for the commitment for Non-Competitive HC is incorrectly rounding to 38%.

The Unit Mix and Total Units remain the same, reflected here:

Number of Bedrooms/Bathrooms per Unit	Number of Units per Bedroom/Bathroom Type
0 Bedroom/1 bathroom	
1 Bedroom/1 bathroom	60
2 Bedrooms/1	58
2 Bedrooms/1.5	
2 Bedrooms/2	
3 Bedrooms/1	
3 Bedrooms/1.5	
3 Bedrooms/2	2
3 Bedrooms/2.5	26
3 Bedrooms/3	
4 Bedrooms/1	
4 Bedrooms/1.5	
4 Bedrooms/2	
4 Bedrooms/2.5	5
4 Bedrooms/3	
4 Bedrooms/3.5	
4 Bedrooms/4	
<b>Total Units</b>	<b>151</b>

We appreciate your consideration of this request. Please feel free to contact me if you require any further information or clarification.

Sincerely,



Vincent R. Bennett  
Authorized Principal Representative  
Southward Village Phase 2, LP





U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

April 17, 2025

Ms. Marcia Davis  
Executive Director  
Housing Authority of the City of Fort Myers  
4224 Renaissance Preserve Way  
Fort Myers, FL 33916

Mr. Marty Lawing  
City Manager  
City of Fort Myers  
2200 Second Street  
Fort Myers, FL 33901

SUBJECT: Housing Plan Revision #3 Approval  
Southward Village Choice Neighborhoods Implementation Grant  
Grant Number: FL4D047CNG120

Dear Ms. Davis and Mr. Lawing:

The Housing Authority of the City of Fort Myers (HACFM) and City of Fort Myers (City) have submitted a request to the Department of Housing and Urban Development (HUD) to revise the Housing Plan for the Southward Village Choice Neighborhoods Implementation Grant by modifying the overall unit mix of the housing plan. Pursuant to Article 5 of the Implementation Grant Agreement, HUD approval is required for substantive changes to the Housing Plan. HUD hereby approves the requested revisions, as identified below.

**Current Housing Plan**

The Current Housing Plan includes 470 units to be developed in four phases as shown in Chart #2, Current Overall Mix, below.

Chart #2: Revision #2 Overall Mix

Phase	PBV CNI	Affordable	Market	Total
Phase 1	50	33	9	92
Phase 2	73	31	43	147
Phase 3	24	56	0	80
Phase 4	57	48	46	151
Total	204	168	98	470

### **Requested Revision #3**

Revision #3 will make the following changes to the Housing Plan, as reflected on Chart #3, below. Overall, the percentage of market rate units remains at 21%. There is an increase of 2 affordable units and a reduction of 5 replacement units that returns the total number of replacement units to the same as in the application.

**Phase 1:**

- increase the number of replacement units by 3
- decrease the number of affordable units by 3

**Phase 2:**

- decrease the number of replacement units by 12
- increase the number of affordable units by 10
- increase the number of unrestricted units by 6
- increase the total number of units by 4

**Phase 3:**

- decrease the number of affordable units by 15
- increase the number of unrestricted units by 16
- increase the total number of units by 1

**Phase 4:**

- increase the number of replacement units by 4
- increase the number of affordable units by 10
- decrease the number of unrestricted units by 22
- decrease the total number of units by 8

**Chart #3: Revision #3 Overall Mix**

Phase	PBV CNI Replacement	Affordable	Market	Total
Phase 1	53	30	9	92
Phase 2	61	41	49	151
Phase 3	24	41	16	81
Phase 4	61	58	24	143
Total	199	170	98	467

### **Justification**

The changes in Revision #3 have been requested because of a necessary modification to the site layout, building, and unit design, along with consideration of other financing issues, which warrant a modest change in the composition of the housing plan.

### **Approval**

Based on the above, HUD hereby approves Revision #3 to the Housing Plan, as reflected on Chart #3, above, and on the enclosed Housing Plan Revision #3 workbook. This approved change must be reflected in the CN Inform System as soon as possible. Please coordinate with your HUD Team Coordinator, along with your ICF contact, to ensure that changes are appropriately made.

Should you have any questions, please contact your Team Coordinator, Nathan Mishler, at [nathan.e.mishler@hud.gov](mailto:nathan.e.mishler@hud.gov).

Sincerely,

A handwritten signature in blue ink that reads "Luci Ann Blackburn". The signature is written in a cursive, flowing style.

Luci Blackburn  
Director, Choice Neighborhoods Program  
Office of Public Housing Investments

Enclosure

RECEIVED

MAY 28 2025 11:52 AM

**STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION**

MORRIS MANOR, LLLP,  
a Florida limited liability limited partnership,

Petitioner,

CASE NO. 2025-031VW

vs.

Application No. 2021-037C

FLORIDA HOUSING FINANCE  
CORPORATION,

RFA 2020-204

Respondent.

\_\_\_\_\_ /

**PETITION FOR WAIVER OF RULES  
67-48.0072(12) AND 67-48.0072(17)(h) , F.A.C. (06/23/2020)**

The petitioner, Morris Manor, LLLP, a Florida limited liability limited partnership (the “Petitioner”), hereby petitions the Florida Housing Finance Corporation (the “Corporation”) for a waiver of (i) Rule 67-48.0072(12) of the Florida Administrative Code (effective June 23, 2020) pertaining to the requirement that there be a singular guaranteed maximum price construction contract governing the construction of the Development (the “Singular GMP Rule”); and (ii) Rule 67-48.0072(17)(h) of the Florida Administrative Code (effective June 23, 2020) pertaining to the requirement that no more than twenty percent (20%) of the aggregate construction costs for the Development (excluding only the General Contractor fee and any pass-through fees paid by the General Contractor) are not subcontracted to any one entity or group of related or affiliated entities (the “20% Limitation Rule”). Accordingly, pursuant to Section 120.542 of the Florida Statutes (2020) and Rules 28-104.001 through 28-104.006 of the Florida Administrative Code (2020), the Petitioner hereby requests a waiver of (i) the Singular GMP Rule to allow for certain construction work, in connection with the Development, to be performed and completed (and for the related construction costs accruing in connection with such certain construction work to be paid) outside the singular guaranteed maximum price construction contract governing the construction of the Development, and (ii) the 20% Limitation Rule to allow for Miles Electrical Contracting, Inc., a Florida corporation (the “Subcontractor”), to exceed the twenty percent (20%) construction costs

limitation in connection with certain electrical work for the Development, as detailed within this Petition.

In support of this Petition, the Petitioner states the following:

**A. THE PETITIONER**

1. The name, mailing address, telephone number and email address for the Petitioner and its qualified representative are:

Morris Manor, LLLP  
Attention: Darren Smith  
1100 N.W. 4<sup>th</sup> Avenue  
Delray Beach, Florida 33444  
Telephone: (561) 859-8520  
E-mail: dsmith@smithhenzy.com

2. For purposes of this Petition, the name, mailing address, telephone number and email address of the Petitioner's attorney are:

Bilzin Sumberg Baena Price & Axelrod LLP  
Attention: Terry M. Lovell, Esquire  
1450 Brickell Avenue, 23<sup>rd</sup> Floor  
Miami, Florida 33131  
Telephone: (305) 350-2428  
E-mail: tlovell@bilzin.com

**B. THE DEVELOPMENT**

3. The Petitioner timely submitted its Application No. 2021-037C (the "Application") on October 22, 2020 in response to the Corporation's RFA 2020-204 (Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments) issued on September 3, 2020 (the "RFA") for the development named Morris Manor (the "Development").

4. The Application was submitted by the Petitioner for competitive Housing Credits under the Corporation's Housing Credit Program (the "Housing Credits").

5. Equity raised from the Housing Credits were (and will continue to be) used by the Petitioner for the development, construction and operation of the Development.

6. The following information pertains to the Development:

- Development Name: Morris Manor
- Development Location: City of Jacksonville, Duval County, State of Florida
- Type of Construction: Acquisition/Preservation

- Number of Total Units: 168
- Number of Residential Buildings: 2
- Development Type: Garden Style (1 – 3 Stories)
- Demographics: Elderly
- Set-Asides: 20% (34 units) at or below 30% AMI, and 80% (134 units) at or below 60% AMI; plus 25% of ELI Units (9 units) for Persons with Special Needs
- Funding: 9% Housing Credits at an annual amount of \$1,868,000

7. The Application was preliminarily selected for funding by the Corporation, the Petitioner was invited by the Corporation to enter into credit underwriting for the Development, the Petitioner accepted the invitation for credit underwriting, and the final Credit Underwriting Report for the Development was issued by AmeriNat Loan Services on July 20, 2022.

8. On December 9, 2021, the Petitioner engaged Auld & White Constructors, LLC to serve as the general contractor for the Development (the “General Contractor”). The Petitioner and the General Contractor executed a guaranteed maximum price construction contract governing the construction of the Development in the fixed amount of \$15,275,900.69 (which includes the original contractual amount of 14,194,949.43, plus change orders that increased the original contractual amount by \$1,080,951.26, collectively, the “GMP Contract”).

9. The General Contractor engaged the Subcontractor to perform and complete the Electrical Work.

10. The Petitioner commenced construction of the Development on December 22, 2021.

11. The “Electrical Work” consists of replacing (i) lightning protection for the rooftop equipment of the Development; (ii) all electrical fixtures, in kind, within the residential units of the Development; (iii) rewiring and modernization of fire alarm system for all buildings within the Development; (iv) installation of whole building emergency generator; (v) electrical switchgear for the lift station; and (vi) three main switchgears within the Development.

12. Under the 20% Limitation Rule, the Electrical Work (performed and completed by the Subcontractor) cannot exceed twenty percent (20%) of the aggregate construction costs for the Development (excluding only the General Contractor fee and any pass-through fees paid by the General Contractor).

13. The Development required the Electrical Work in connection with the rehabilitation process, so the General Contractor engaged the Subcontractor to perform and complete the Electrical Work, as the Subcontractor has extensive experience performing and completing electrical work for affordable housing developments.

14. The total costs of the Electrical Work equal \$2,899,695 (the “Electrical Work Costs Amount”), which amount is the equivalent of approximately 22.00% of the GMP Contract. Therefore, the Petitioner is requesting a waiver of the 20% Limitation Rule, in connection with the Development, in order (i) to remove the prohibition of the Subcontractor performing and completing the Electrical Work for the Electrical Work Costs Amount, and (ii) for the aggregate costs of the Electrical Work to be fully accounted for under the GMP Contract.

15. The endmost building within the Development achieved substantial completion on April 13, 2023. The Development received its last certificate of completion on July 18, 2023.

16. As of the date hereof, the Petitioner seeks and desires to complete and finalize the cost certification for the Development (the “Cost Certification”).

17. Under the Singular GMP Rule, the construction work for the Development is required to be performed and completed (and the related construction costs accruing in connection with such construction work for the Development are required to be paid) under and pursuant to the GMP Contract.

18. The Petitioner had to perform and complete some construction work, in connection with the Development, outside the GMP Contract, including work related to repair of the lift station, replacement of several rooftop HVAC units, and associated electrical gear and site work repairs (the “Outside Contractual Work”) in order to accommodate supply chain uncertainties and avoid delays; and therefore, the Petitioner is requesting a waiver of the Singular GMP Rule, in connection with the Development, in order for the related construction costs, accruing in connection with the Outside Contractual Work, to be paid outside the GMP Contract.

19. In order to complete and finalize the Cost Certification, the Petitioner needs to calculate and finalize the aggregate construction costs associated with, and arising from, the construction work completed for the Development, including those certain construction costs incurred and paid by the Petitioner for the Outside Contractual Work. The Corporation advised the Petitioner that the Outside Contractual Work was a violation of the Singular GMP Rule. As



such, the Corporation has invited the Petitioner to file this Petition with the Corporation in connection with the completion and finalization of the Cost Certification.

20. The requested waiver and relief set forth in this Petition will not adversely affect the Development or the Corporation because the Development has already achieved substantial completion and is occupied by residential tenants. However, a denial of this Petition: (i) would result in substantial hardship to the Petitioner,<sup>1</sup> (ii) would prevent or hinder the implementation of the Corporation's Housing Credit Program, and (iii) would violate principles of fairness.<sup>2</sup>

**C. RULES FROM WHICH WAIVER IS REQUESTED**

21. The Petitioner hereby requests a waiver from the 20% Limitation Rule.

22. Rule 67-48.0072(17(h) of the Florida Administrative Code (effective as of June 23, 2020) provides for the following:

The General Contractor must meet the following conditions: [ . . . ] (h) For Developments with a Development category of Rehabilitation or Substantial Rehabilitation, unless otherwise approved by the Board for a specific Development, ensure that not more than 20 percent of the construction cost, not to include the General Contractor fee or pass-through fees paid by the General Contractor, is subcontracted to any one entity or any group of entities that have common ownership or are Affiliates of any other subcontractor, with the exception of a subcontractor (or any group of entities that have common ownership or are Affiliates of any other subcontractor) contracted to perform work on both the HVAC and electrical components of a building of at least seven (7) stories which may not have more than 31 percent of the construction cost in a subcontract, unless otherwise approved by the Board for a specific Development. For purposes of this paragraph, "Affiliate" has the meaning given in subsection 67-48.002(5), F.A.C., except that the term "Applicant" therein shall mean "subcontractor"; and, (i) 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."

23. The Petitioner hereby requests a waiver from the Singular GMP Rule.

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<sup>1</sup> "Substantial hardship" means a demonstrated economic, technological, legal or other type of hardship to the person requesting the variance or waiver. *See* Section 120.542(2) of the Florida Statutes (2020).

<sup>2</sup> "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. *See* Section 120.542(2) of the Florida Statutes (2020).



24. Rule 67-48.0072(12) of the Florida Administrative Code (effective June 23, 2020) provides for the following:

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 CNA for rehabilitation units and review the Development's costs. If an EHCL Development has a General Contractor, the preceding requirement will also apply to the EHCL Development.

**D. STATUTES IMPLEMENTED BY THE RULES**

25. The Singular GMP Rule and the 20% Limitation Rule are implementing the Florida Housing Finance Corporation Act (the "Act"),<sup>3</sup> the statute that designates the Corporation as the administrator of the Housing Credit Program for the purposes of providing equity financing to sponsors (including the Petitioner) to promote and support affordable housing to low-income persons throughout the State of Florida. Accordingly, the Corporation is responsible for, and is authorized by statutory law to establish and implement, the practices and procedures for the Housing Credit Program.

**E. JUSTIFICATION FOR GRANTING THE REQUESTED WAIVER**

26. Under Section 120.542(1) of the Florida Statutes (2020) and Chapter 28-104 of the Florida Administrative Code (2020), the Corporation has the power and authority to grant waivers to its rule requirements when strict application of such rules or requirements would lead to unreasonable, unfair and unintended consequences in particular instances. Pursuant to Section 120.542(2) of the Florida Statutes (2020), a waiver shall be granted when: (i) the person subjected to the rule demonstrates that application of the rule would either create a substantial hardship or violate principles of fairness; and (ii) the purpose of the underlying statute has been, or otherwise will be, achieved by other means by the person.

27. Prior to today's date, the Petitioner has caused the Development to achieve substantial completion, receive its certificates of occupancy, and be placed-in-service. Thus, the Petitioner has commenced the Cost Certification process with the Corporation.

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<sup>3</sup> The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.55 of the Florida Statutes (2020).

28. The Electrical Work Costs Amount marginally exceeds the twenty percent (20%) limitation threshold (exceeding by approximately 2.00%, signifying that the Electrical Work Costs Amount exceeds the twenty percent (20%) limitation threshold by approximately \$266,497.00). The rationale for the Electrical Work Costs Amount exceeding twenty percent (20%) of the aggregate construction costs for the Development (excluding only the General Contractor fee and any pass-through fees paid by the General Contractor) is due to the fact that the rehabilitation of a high-rise building (which was originally constructed in 1980) is significant and expansive, and there is consistency and efficiency when having one electrical subcontractor (such as the Subcontractor) to perform and complete all of the Electrical Work for the Development rather than divide such Electrical Work between two unrelated and unaffiliated subcontractors in order to comply with the 20% Limitation Rule.

29. Additionally, the Subcontractor is not related to, and is not an affiliate of, the General Contractor, the Petitioner (which is the Applicant), the Developer of SHAG Morris Manor Developer, LLC, a Florida limited liability company, or any other subcontractor performing work for the Development under or pursuant to the GMP Contract.

30. Pursuant to the 20% Limitation Rule, the Electrical Work is to be performed and completed (and the related costs in connection with such Electrical Work are to be paid) under and pursuant to the GMP Contract, provided that such costs of such Electrical Work do not exceed twenty percent (20%) of the aggregate construction costs for the Development (excluding only the General Contractor fee and any pass-through fees paid by the General Contractor). Consequently, because the Electrical Work Costs Amount marginally exceeds the twenty percent (20%) limitation threshold, as detailed within this Petition, the Petitioner requests from the Corporation the relief set forth in this Petition.

31. As of today's date, the Petitioner has completed the rehabilitation process for the Development; and as such, in connection with completing the rehabilitation process for the Development, the Petitioner has paid the Electrical Work Costs Amount, in connection with the Electrical Work, to the Subcontractor (through the General Contractor) under and pursuant to the GMP Contract, and the Petitioner is asking the Corporation's approval for such payment of the Electrical Work Costs Amount given that the twenty percent (20%) limitation threshold has been exceeded by approximately 2.00%.

32. Pursuant to the Singular GMP Rule, the construction work for the Development is to be performed and completed (and the related construction costs in connection with such construction work for the Development are to be paid) under and pursuant to the GMP Contract. Consequently, construction costs paid by the Petitioner in connection with construction work for the Development which are paid outside the GMP Contract are not (and cannot) be included within the Cost Certification, unless the Petitioner's relief and requests set forth in this Petition are granted by the Corporation.

33. In order to accommodate supply chain uncertainties and avoid delays (such as a delay in the placement-in-service of the Development and occupancy of the Development by residential tenants), the Petitioner and the General Contractor agreed to employ a change order in the amount of \$358,542.60 under the GMP Contract (the "Change Order").

34. The Petitioner and the General Contractor agreed that the construction work covered by the Change Order (representing the Outside Contractual Work) would then be memorialized by a short form construction contract executed between the Petitioner and the General Contractor (the "Short Form Construction Contract"). The Outside Contractual Work had to be placed into a Short Form Construction Contract because the Outside Contractual Work had to be completely removed from the GMP Contract in order for the local governmental authority to issue the certificates of occupancy for the Development and to permit occupancy of the Development by residential tenants.<sup>4</sup>

35. As such, the General Contractor continued to remain responsible for performance and completion of the Outside Contractual Work by the General Contractor engaging and hiring subcontractors to perform and complete the Outside Contractual Work. The Short Form Construction Contract reflects a change to form of the General Contractor's obligations with respect to the Development, but the Short Form Construction Contract does not reflect a change to substance of the General Contractor's obligations with respect to the Development (given that the General Contractor remained responsible for performance and completion of the Outside

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<sup>4</sup> The City of Jacksonville refused to issue any certificate of occupancy, with respect to the Development, until all items within the GMP Contract were fully performed and completed. As such, certain items not required or necessary for tenant occupancy were removed from the GMP Contract (via the Change Order) and placed into the Short Form Construction Contract. Consequently, by placing certain items not required or necessary for tenant occupancy in a separate contract, outside the GMP Contract, the certificates of occupancy for the Development were issued by the City of Jacksonville and the Petitioner was able to begin occupancy of the Development by residential tenants without delay.

Contractual Work by the General Contractor engaging and hiring subcontractors to perform and complete the Outside Contractual Work). As of the date hereof, the General Contractor has fully performed and completed all of the construction work covered by the GMP Contract and the Short Form Construction Contract; and in connection therewith, the Petitioner incurred and paid all amounts due and owed to the General Contractor under and pursuant to the GMP Contract (as modified for the Change Order) and the Short Form Construction Contract.

36. To be more specific, the fixed amount of the GMP Contract (\$15,275,900.69) equals (i) the amounts paid by the Petitioner to the General Contractor under and pursuant to the GMP Contract (as modified for the Change Order) (\$14,917,358.09), plus (ii) the amounts paid by the Petitioner to the General Contractor under and pursuant to the Short Form Construction Contract (\$358,542.60).

37. As outlined above, the Outside Contractual Work was removed from the GMP Contract (via the Change Order), and memorialized separately by the Short Form Construction Contract, in order to accommodate supply chain uncertainties and avoid delays to construction completion for, and occupancy of, the Development (such delays would have caused material economic losses to the Petitioner).

38. As of today's date, the Petitioner continues to progress through the Cost Certification process with the Corporation. Due to the fact that the Short Form Construction Contract could be considered a second guaranteed maximum price construction contract governing the construction of the Development, the Petitioner respectfully requests a waiver of the Singular GMP Rule so that the Petitioner is able to proceed with the Cost Certification process with the Corporation and include the construction costs incurred and paid by the Petitioner to the General Contractor, under and pursuant to the Short Form Construction Contract, within the Cost Certification.

39. As demonstrated above, the Petitioner meets the standards for a waiver of the Singular GMP Rule and the 20% Limitation Rule because the Petitioner has demonstrated hardships and other circumstances which justify the Petitioner's relief and requests set forth in this Petition. The granting of this Petition will not adversely impact the Development or the Corporation; and rather, the granting of this Petition will ensure that much needed affordable housing units remain available and preserved for low-income persons within the City of Jacksonville, Duval County.

40. If this Petition is not granted, then the Petitioner and the Development will suffer substantial and irrevocable hardship because the Petitioner will have incurred and paid \$358,542.60 for certain construction work for the Development under and pursuant to the Short Form Construction Contract, yet such related construction costs will not be included within the Cost Certification (causing an economic loss to the Petitioner). Consequently, granting this Petition will (i) promote principles of fundamental fairness in the development of affordable housing, (ii) support the availability and preservation of affordable housing units via the Development, (iii) enable the Petitioner to properly account for the construction costs, incurred and paid through the current date, in connection with the Development during the Cost Certification process, (iv) allow the Petitioner to complete and finalize the Cost Certification in connection with the Development, and (v) promote the goal of increasing the supply of affordable housing through private investment through the Corporation's Housing Credit Program. As such, the granting of this Petition would serve the purposes of the Act and the RFA.<sup>5</sup>

41. Should the Corporation require any additional information, a representative of the Petitioner is available to answer questions and to provide information necessary for the Corporation's review and consideration of this Petition.

**F. PERMANENCY OF WAIVER**

42. The waiver being sought is permanent in nature.

**G. ACTIONS REQUESTED**

For the reasons set forth in this Petition, the Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all of the relief requested herein;
- b. Grant the waiver of the 20% Limitation Rule to remove the prohibition of the Subcontractor performing and completing the Electrical Work for the Electrical Work Costs Amount;

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<sup>5</sup> One of the primary goals of the Act is to facilitate the availability of decent, safe and sanitary housing in the State of Florida to low-income individuals 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 to completion of the project in the calendar year for which the credit is sought." See Section 420.5099(2) of the Florida Statutes (2020).

- c. Grant the waiver of the 20% Limitation Rule such that the Petitioner is permitted to pay the Electrical Work Costs Amount to the Subcontractor (through the General Contractor), under and pursuant to the GMP Contract, in connection with the Electrical Work;
- d. Grant the waiver of the Singular GMP Rule such that the Petitioner is permitted to include \$358,542.60 within the Cost Certification, representing certain construction costs incurred and paid by the Petitioner, under and pursuant to the Short Form Construction Contract, in connection with the Development; and
- e. Award or grant such further relief as may be deemed appropriate.

Respectfully submitted,

Bilzin Sumberg Baena Price & Axelrod LLP  
1450 Brickell Avenue, 23<sup>rd</sup> Floor  
Miami, Florida 33131  
Tel: (305) 350-2428  
Fax: (305) 351-2126  
E-mail: [tlovell@bilzin.com](mailto:tlovell@bilzin.com)

/s/ Terry M. Lovell

**CERTIFICATE OF SERVICE**

This Petition is being served via electronic transmission for filing with the Corporation Clerk for the Florida Housing Finance Corporation (CorporationClerk@FloridaHousing.org), with a copy being served by U.S. Mail on the Joint Administrative Procedures Committee, Pepper Building, Room 680, 111 West Madison Street, Tallahassee, Florida 32399-1400, as of this 28<sup>th</sup> day of May, 2025.

/s/ Terry M. Lovell

12460780.8



STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION

GROVE MANOR APARTMENTS, LLLP,  
a Florida limited liability limited partnership,

Petitioner,

CASE NO. 2025-025VW

vs.

Application No. 2021-038C

FLORIDA HOUSING FINANCE  
CORPORATION,

RFA 2020-204

Respondent.

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FLORIDA HOUSING  
FINANCE CORPORATION

PETITION FOR WAIVER OF RULE  
67-48.0072(12), F.A.C. (06/23/2020)

The petitioner, Grove Manor Apartments, LLLP, a Florida limited liability limited partnership (the “Petitioner”), hereby petitions the Florida Housing Finance Corporation (the “Corporation”) for a waiver of Rule 67-48.0072(12) of the Florida Administrative Code (effective June 23, 2020) pertaining to the requirement that there be a singular guaranteed maximum price construction contract governing the construction of the Development (the “Singular GMP Rule”). Accordingly, pursuant to Section 120.542 of the Florida Statutes (2020) and Rules 28-104.001 through 28-104.006 of the Florida Administrative Code (2020), the Petitioner hereby requests a waiver of the Singular GMP Rule to allow for certain construction work, in connection with the Development, to be performed and completed (and for the related construction costs accruing in connection with such certain construction work to be paid) outside the singular guaranteed maximum price construction contract governing the construction of the Development.

In support of this Petition, the Petitioner states the following:

**A. THE PETITIONER**

1. The name, mailing address, telephone number and email address for the Petitioner and its qualified representative are:



Grove Manor Apartments, LLLP  
Attention: Darren Smith  
1100 N.W. 4<sup>th</sup> Avenue  
Delray Beach, Florida 33444  
Telephone: (561) 859-8520  
E-mail: dsmith@smithhenzy.com

2. For purposes of this Petition, the name, mailing address, telephone number and email address of the Petitioner's attorney are:

Bilzin Sumberg Baena Price & Axelrod LLP  
Attention: Terry M. Lovell, Esquire  
1450 Brickell Avenue, 23<sup>rd</sup> Floor  
Miami, Florida 33131  
Telephone: (305) 350-2428  
E-mail: tlovell@bilzin.com

**B. THE DEVELOPMENT**

3. The Petitioner timely submitted its Application No. 2021-038C (the "Application") on October 22, 2020 in response to the Corporation's RFA 2020-204 (Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments) issued on September 3, 2020 (the "RFA") for the development named Grove Manor Apartments d/b/a The Hudson at Grove Manor (the "Development").

4. The Application was submitted by the Petitioner for competitive Housing Credits under the Corporation's Housing Credit Program (the "Housing Credits").

5. Equity raised from the Housing Credits were (and will continue to be) used by the Petitioner for the development, construction and operation of the Development.

6. The following information pertains to the Development:

- Development Name: Grove Manor Apartments d/b/a The Hudson at Grove Manor
- Development Location: City of Winter Haven, Polk County, State of Florida
- Type of Construction: Acquisition/Preservation/New Construction
- Number of Total Units: 84
- Number of Residential Buildings: 14
- Development Type: Garden Style (1 – 3 Stories)
- Demographics: Elderly

- Set-Asides: 20% (17 units) at or below 40% AMI, and 80% (67 units) at or below 60% AMI; plus 25% of ELI Units (5 units) for Persons with Special Needs
- Funding: 9% Housing Credits at an annual amount of \$1,560,000

7. The Application was preliminarily selected for funding by the Corporation, the Petitioner was invited by the Corporation to enter into credit underwriting for the Development, the Petitioner accepted the invitation for credit underwriting, and the final Credit Underwriting Report for the Development was issued by AmeriNat Loan Services on December 12, 2022.

8. On November 7, 2022, the Petitioner engaged Marmer Construction, Inc. to serve as the General Contractor for the Development (the “GC”). The Petitioner and the GC executed a guaranteed maximum price construction contract governing the construction of the Development in the fixed amount of \$13,405,493.00 (the “GMP Contract”).

9. The Petitioner commenced construction of the Development on June 29, 2023. The endmost building within the Development achieved substantial completion on December 16, 2024. The Development received its last certificate of occupancy on January 17, 2025.

10. As of the date hereof, the Petitioner seeks and desires to complete and finalize the cost certification for the Development (the “Cost Certification”).

11. Under the Singular GMP Rule, the construction work for the Development is required to be performed and completed (and the related construction costs accruing in connection with such construction work for the Development are required to be paid) under and pursuant to the GMP Contract.

12. The Petitioner had to perform and complete some construction work, in connection with the Development, outside the GMP Contract, including work related to the installation of a porte-cochere (the “Outside Contractual Work”); and therefore, the Petitioner is requesting a waiver of the Singular GMP Rule, in connection with the Development, in order for the related construction costs, accruing in connection with the Outside Contractual Work, to be paid outside the GMP Contract.

13. In order to complete and finalize the Cost Certification, the Petitioner needs to calculate and finalize the aggregate construction costs associated with, and arising from, the construction work completed for the Development, including those certain construction costs incurred and paid by the Petitioner for the Outside Contractual Work. As such, the Corporation

has invited the Petitioner to file this Petition with the Corporation in connection with the completion and finalization of the Cost Certification.

14. The requested waiver and relief set forth in this Petition will not adversely affect the Development or the Corporation because the Development has already achieved substantial completion and is occupied by residential tenants. However, a denial of this Petition: (i) would result in substantial hardship to the Petitioner,<sup>1</sup> (ii) would prevent or hinder the implementation of the Corporation's Housing Credit Program and (iii) would violate principles of fairness.<sup>2</sup>

**C. RULES FROM WHICH WAIVER IS REQUESTED**

15. The Petitioner hereby requests a waiver from the Singular GMP Rule.

16. Rule 67-48.0072(12) of the Florida Administrative Code (effective June 23, 2020) provides for the following:

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 CNA for rehabilitation units and review the Development's costs. If an EHCL Development has a General Contractor, the preceding requirement will also apply to the EHCL Development.

**D. STATUTES IMPLEMENTED BY THE RULES**

17. The Singular GMP Rule is implementing the Florida Housing Finance Corporation Act (the "Act"),<sup>3</sup> the statute that designates the Corporation as the administrator of the Housing Credit Program for the purposes of providing equity financing to sponsors (including the Petitioner) to promote and support affordable housing to low-income persons throughout the State of Florida. Accordingly, the Corporation is responsible for, and is authorized by statutory law to establish and implement, the practices and procedures for the Housing Credit Program.

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<sup>1</sup> "Substantial hardship" means a demonstrated economic, technological, legal or other type of hardship to the person requesting the variance or waiver. *See* Section 120.542(2) of the Florida Statutes (2020).

<sup>2</sup> "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. *See* Section 120.542(2) of the Florida Statutes (2020).

<sup>3</sup> The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.55 of the Florida Statutes (2020).

**E. JUSTIFICATION FOR GRANTING THE REQUESTED WAIVER**

18. Under Section 120.542(1) of the Florida Statutes (2020) and Chapter 28-104 of the Florida Administrative Code (2020), the Corporation has the power and authority to grant waivers to its rule requirements when strict application of such rules or requirements would lead to unreasonable, unfair and unintended consequences in particular instances. Pursuant to Section 120.542(2) of the Florida Statutes (2020), a waiver shall be granted when: (i) the person subjected to the rule demonstrates that application of the rule would either create a substantial hardship or violate principles of fairness; and (ii) the purpose of the underlying statute has been, or otherwise will be, achieved by other means by the person.

19. Prior to today's date, the Petitioner has caused the Development to achieve substantial completion, receive its certificates of occupancy, and be placed-in-service. Thus, the Petitioner has commenced the Cost Certification process with the Corporation.

20. Pursuant to the Singular GMP Rule, the construction work for the Development is to be performed and completed (and the related construction costs in connection with such construction work for the Development are to be paid) under and pursuant to the GMP Contract. Consequently, construction costs paid by the Petitioner in connection with construction work for the Development which are paid outside the GMP Contract are not (and cannot) be included within the Cost Certification, unless the Petitioner's relief and requests set forth in this Petition are granted by the Corporation.

21. After substantial completion and placement-in-service of the Development, the Petitioner had to perform and complete a limited amount of additional construction-related work, in the amount of \$59,028.25, outside of the GMP Contract; and in connection therewith, the Petitioner and the GC agreed to employ a change order in the amount of \$59,028.25 under the GMP Contract (the "Change Order").

22. The Petitioner and the GC agreed that the construction work covered by the Change Order (representing the Outside Contractual Work) would then be memorialized by a short form construction contract executed between the Petitioner and the GC (the "Short Form Construction Contract"). The Outside Contractual Work had to be placed into a Short Form Construction Contract because the Outside Contractual Work had to be completely removed from the GMP Contract, as the Development already attained substantial completion and placement-in-service.

23. As such, the GC continued to remain responsible for performance and completion of the Outside Contractual Work by the GC engaging and hiring subcontractors to perform and complete the Outside Contractual Work. The Short Form Construction Contract reflects a change to form of the GC's obligations with respect to the Development, but the Short Form Construction Contract does not reflect a change to substance of the GC's obligations with respect to the Development (given that the GC remained responsible for performance and completion of the Outside Contractual Work by the GC engaging and hiring subcontractors to perform and complete the Outside Contractual Work). As of the date hereof, the GC has fully performed and completed all of the construction work covered by the GMP Contract and the Short Form Construction Contract; and in connection therewith, the Petitioner incurred and paid all amounts due and owed to the GC under and pursuant to the GMP Contract (as modified for the Change Order) and the Short Form Construction Contract.

24. To be more specific, the fixed amount of the GMP Contract (\$13,405,493.00) equals (i) the amounts paid by the Petitioner to the GC under and pursuant to the GMP Contract (as modified for the Change Order) (\$13,346,464.75), plus (ii) the amounts paid by the Petitioner to the GC under and pursuant to the Short Form Construction Contract (\$59,028.25).

25. As outlined above, the Outside Contractual Work was removed from the GMP Contract (via the Change Order), and memorialized separately by the Short Form Construction Contract, in order to avoid delays to issuance of the certificates of occupancy by the local governmental authority for, and occupancy of, the Development (as the Outside Contractual Work arose after substantial completion and placement-in-service of the Development).

26. As of today's date, the Petitioner continues to progress through the Cost Certification process with the Corporation. Due to the fact that the Short Form Construction Contract could be considered a second guaranteed maximum price construction contract governing the construction of the Development, the Petitioner respectfully requests a waiver of the Singular GMP Rule so that the Petitioner is able to proceed with the Cost Certification process with the Corporation and include the construction costs incurred and paid by the Petitioner to the GC, under and pursuant to the Short Form Construction Contract, within the Cost Certification.

27. As demonstrated above, the Petitioner meets the standards for a waiver of the Singular GMP Rule because the Petitioner has demonstrated hardships and other circumstances which justify the Petitioner's relief and requests set forth in this Petition. The granting of this Petition will not adversely impact the Development or the Corporation; and rather, the granting of this Petition will ensure that much needed affordable housing units remain available and preserved for low-income persons within the City of Winter Haven, Polk County.

28. If this Petition is not granted, then the Petitioner and the Development will suffer substantial and irrevocable hardship because the Petitioner will have incurred and paid \$59,028.25 for certain construction work for the Development under and pursuant to the Short Form Construction Contract, yet such related construction costs will not be included within the Cost Certification (causing an economic loss to the Petitioner). Consequently, granting this Petition will (i) promote principles of fundamental fairness in the development of affordable housing, (ii) support the availability and preservation of affordable housing units via the Development, (iii) enable the Petitioner to properly account for the construction costs, incurred and paid through the current date, in connection with the Development during the Cost Certification process, (iv) allow the Petitioner to complete and finalize the Cost Certification in connection with the Development, and (v) promote the goal of increasing the supply of affordable housing through private investment through the Corporation's Housing Credit Program. As such, the granting of this Petition would serve the purposes of the Act and the RFA.<sup>4</sup>

29. Should the Corporation require any additional information, a representative of the Petitioner is available to answer questions and to provide information necessary for the Corporation's review and consideration of this Petition.

**F. PERMANENCY OF WAIVER**

30. The waiver being sought is permanent in nature.

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<sup>4</sup> One of the primary goals of the Act is to facilitate the availability of decent, safe and sanitary housing in the State of Florida to low-income individuals 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 to completion of the project in the calendar year for which the credit is sought." See Section 420.5099(2) of the Florida Statutes (2020).



**G. ACTIONS REQUESTED**

For the reasons set forth in this Petition, the Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all of the relief requested herein;
- b. Grant the waiver of the Singular GMP Rule such that the Petitioner is permitted to include \$59,028.25 within the Cost Certification, representing certain construction costs incurred and paid by the Petitioner, under and pursuant to the Short Form Construction Contract, in connection with the Development; and
- c. Award or grant such further relief as may be deemed appropriate.

Respectfully submitted,

Bilzin Sumberg Baena Price & Axelrod LLP  
1450 Brickell Avenue, 23<sup>rd</sup> Floor  
Miami, Florida 33131  
Tel: (305) 350-2428  
Fax: (305) 351-2126  
E-mail: [tlovell@bilzin.com](mailto:tlovell@bilzin.com)

/s/ Terry M. Lovell

**CERTIFICATE OF SERVICE**

This Petition is being served via electronic transmission for filing with the Corporation Clerk for the Florida Housing Finance Corporation (CorporationClerk@FloridaHousing.org), with a copy being served by U.S. Mail on the Joint Administrative Procedures Committee, Pepper Building, Room 680, 111 West Madison Street, Tallahassee, Florida 32399-1400, as of this 28<sup>th</sup> day of May, 2025.

/s/ Terry M. Lovell

12518616.3



**STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION**

LOFTS ON LEMON DEVELOPMENT PARTNERS, LLC,  
a Florida limited liability company,

Petitioner,

CASE NO. 2025-024VW

vs.

Application Nos. 2018-151C and  
2019-428C

FLORIDA HOUSING FINANCE  
CORPORATION,

RFA 2017-111

Respondent.

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FLORIDA HOUSING  
FINANCE CORPORATION

**PETITION FOR WAIVER OF RULE  
67-48.0072(12), F.A.C. (05/24/2017)**

The petitioner, Lofts on Lemon Development Partners, LLC, a Florida limited liability company (the “Petitioner”), hereby petitions the Florida Housing Finance Corporation (the “Corporation”) for a waiver of Rule 67-48.0072(12) of the Florida Administrative Code (effective May 24, 2017) pertaining to the requirement that there be a singular guaranteed maximum price construction contract governing the construction of the Development (the “Singular GMP Rule”). Accordingly, pursuant to Section 120.542 of the Florida Statutes (2017) and Rules 28-104.001 through 28-104.006 of the Florida Administrative Code (2017), the Petitioner hereby requests a waiver of the Singular GMP Rule to allow for certain construction work, in connection with the Development, to be performed and completed (and for the related construction costs accruing in connection with such certain construction work to be paid) outside the singular guaranteed maximum price construction contract governing the construction of the Development.

In support of this Petition, the Petitioner states the following:

**A. THE PETITIONER**

1. The name, mailing address, telephone number and email address for the Petitioner and its qualified representative are:

Lofts on Lemon Development Partners, LLC  
Attention: Darren Smith  
1100 N.W. 4<sup>th</sup> Avenue  
Delray Beach, Florida 33444  
Telephone: (561) 859-8520  
E-mail: dsmith@smithhenzy.com

2. For purposes of this Petition, the name, mailing address, telephone number and email address of the Petitioner's attorney are:

Bilzin Sumberg Baena Price & Axelrod LLP  
Attention: Terry M. Lovell, Esquire  
1450 Brickell Avenue, 23<sup>rd</sup> Floor  
Miami, Florida 33131  
Telephone: (305) 350-2428  
E-mail: tlovell@bilzin.com

**B. THE DEVELOPMENT**

3. The Petitioner timely submitted its Application No. 2018-151C (the "Application") on December 20, 2017 in response to the Corporation's RFA 2017-111 (Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties) issued on October 6, 2017 (the "RFA") for the development named Lofts on Lemon (the "Development").

4. The Application was submitted by the Petitioner for competitive Housing Credits under the Corporation's Housing Credit Program (the "Housing Credits").

5. Equity raised from the Housing Credits were (and will continue to be) used by the Petitioner for the development, construction and operation of the Development.

6. The following information pertains to the Development:

- Development Name: Lofts on Lemon
- Development Location: City of Sarasota, Sarasota County, State of Florida
- Type of Construction: New Construction
- Number of Total Units: 128
- Number of Residential Buildings: 1
- Development Type: Mid-Rise (5 – 6 Stories)
- Demographics: Family

- Set-Asides: 15% (20 units) at or below 30% AMI, and 59% (76 units) ranging from 20% AMI to 80% AMI provided the average AMI for such units is 60% AMI; plus 50% of ELI Units (10 units) for Persons with Special Needs
- Funding: 9% Housing Credits at an annual amount of \$1,510,000

7. The Application was preliminarily selected for funding by the Corporation, the Petitioner was invited by the Corporation to enter into credit underwriting for the Development, the Petitioner accepted the invitation for credit underwriting, and the final Credit Underwriting Report for the Development was issued by First Housing Development Corporation of Florida on September 16, 2020.

8. On June 30, 2020, the Petitioner engaged JWR Construction Services, Inc. to serve as the General Contractor for the Development (the “GC”). The Petitioner and the GC executed a guaranteed maximum price construction contract governing the construction of the Development in the fixed amount of \$21,966,137.00 (the “GMP Contract”).

9. The Petitioner commenced construction of the Development on September 4, 2020. The Development achieved substantial completion on August 24, 2022. The Development received its certificate of occupancy on November 16, 2022.

10. As of the date hereof, the Petitioner seeks and desires to complete and finalize the cost certification for the Development (the “Cost Certification”).

11. Under the Singular GMP Rule, the construction work for the Development is required to be performed and completed (and the related construction costs accruing in connection with such construction work for the Development are required to be paid) under and pursuant to the GMP Contract.

12. The Petitioner had to perform and complete some construction work, in connection with the Development, outside the GMP Contract, including work related to installation of a playground, other site amenities and landscaping (the “Outside Contractual Work”); and therefore, the Petitioner is requesting a waiver of the Singular GMP Rule, in connection with the Development, in order for the related construction costs, accruing in connection with the Outside Contractual Work, to be paid outside the GMP Contract.

13. In order to complete and finalize the Cost Certification, the Petitioner needs to calculate and finalize the aggregate construction costs associated with, and arising from, the construction work completed for the Development, including those certain construction costs

incurred and paid by the Petitioner for the Outside Contractual Work. As such, the Corporation has invited the Petitioner to file this Petition with the Corporation in connection with the completion and finalization of the Cost Certification.

14. The requested waiver and relief set forth in this Petition will not adversely affect the Development or the Corporation because the Development has already achieved substantial completion and is occupied by residential tenants. However, a denial of this Petition: (i) would result in substantial hardship to the Petitioner,<sup>1</sup> (ii) would prevent or hinder the implementation of the Corporation's Housing Credit Program, and (iii) would violate principles of fairness.<sup>2</sup>

**C. RULES FROM WHICH WAIVER IS REQUESTED**

15. The Petitioner hereby requests a waiver from the Singular GMP Rule.

16. Rule 67-48.0072(12) of the Florida Administrative Code (effective May 24, 2017) provides for the following:

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 physical needs assessment for rehabilitation units and review the Development's costs. If an EHCL Development has a General Contractor, the preceding requirement will also apply to the EHCL Development.

**D. STATUTES IMPLEMENTED BY THE RULES**

17. The Singular GMP Rule is implementing the Florida Housing Finance Corporation Act (the "Act"),<sup>3</sup> the statute that designates the Corporation as the administrator of the Housing Credit Program for the purposes of providing equity financing to sponsors (including the Petitioner) to promote and support affordable housing to low-income persons throughout the State of Florida. Accordingly, the Corporation is responsible for, and is authorized by statutory law to establish and implement, the practices and procedures for the Housing Credit Program.

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<sup>1</sup> "Substantial hardship" means a demonstrated economic, technological, legal or other type of hardship to the person requesting the variance or waiver. *See* Section 120.542(2) of the Florida Statutes (2017).

<sup>2</sup> "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. *See* Section 120.542(2) of the Florida Statutes (2017).

<sup>3</sup> The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.55 of the Florida Statutes (2017).

**E. JUSTIFICATION FOR GRANTING THE REQUESTED WAIVER**

18. Under Section 120.542(1) of the Florida Statutes (2017) and Chapter 28-104 of the Florida Administrative Code (2017), the Corporation has the power and authority to grant waivers to its rule requirements when strict application of such rules or requirements would lead to unreasonable, unfair and unintended consequences in particular instances. Pursuant to Section 120.542(2) of the Florida Statutes (2017), a waiver shall be granted when: (i) the person subjected to the rule demonstrates that application of the rule would either create a substantial hardship or violate principles of fairness; and (ii) the purpose of the underlying statute has been, or otherwise will be, achieved by other means by the person.

19. Prior to today's date, the Petitioner has caused the Development to achieve substantial completion, receive its certificate of occupancy, and be placed-in-service. Thus, the Petitioner has commenced the Cost Certification process with the Corporation.

20. Pursuant to the Singular GMP Rule, the construction work for the Development is to be performed and completed (and the related construction costs in connection with such construction work for the Development are to be paid) under and pursuant to the GMP Contract. Consequently, construction costs paid by the Petitioner in connection with construction work for the Development which are paid outside the GMP Contract are not (and cannot) be included within the Cost Certification, unless the Petitioner's relief and requests set forth in this Petition are granted by the Corporation.

21. After substantial completion and placement-in-service of the Development, the Petitioner had to perform and complete a limited amount of additional construction-related work, in the amount of \$124,849.00, outside of the GMP Contract. Such additional construction-related work represents the Outside Contractual Work.

22. The Petitioner, in connection with the Outside Contractual Work, then directly engaged third-party vendors and contractors to perform and complete the Outside Contractual Work for the benefit of the Development (the "Third-Party Providers").

23. As such, the Petitioner hired the Third-Party Providers to perform and complete the Outside Contractual Work outside of the GMP Contract. As of the date hereof, (i) the GC has fully performed and completed all of the construction work covered by the GMP Contract and (ii) the Third-Party Providers have fully performed and completed all of the Outside Contractual Work; and in connection therewith, the Petitioner incurred and paid all amounts due and owed to (a) the GC under and pursuant to the GMP Contract and (b) the Third-Party Providers for the Outside Contractual Work.

24. As of today's date, the Petitioner continues to progress through the Cost Certification process with the Corporation. Due to the fact that the Outside Contractual Work could be considered a second guaranteed maximum price construction contract governing the construction of the Development, the Petitioner respectfully requests a waiver of the Singular GMP Rule so that the Petitioner is able to proceed with the Cost Certification process with the Corporation and include the construction costs incurred and paid by the Petitioner to the Third-Party Providers, for the Outside Contractual Work, within the Cost Certification.

25. As demonstrated above, the Petitioner meets the standards for a waiver of the Singular GMP Rule because the Petitioner has demonstrated hardships and other circumstances which justify the Petitioner's relief and requests set forth in this Petition. The granting of this Petition will not adversely impact the Development or the Corporation; and rather, the granting of this Petition will ensure that much needed affordable housing units remain available and preserved for low-income persons within the City of Sarasota, Sarasota County.

26. If this Petition is not granted, then the Petitioner and the Development will suffer substantial and irrevocable hardship because the Petitioner will have incurred and paid \$124,849.00 for certain construction work for the Development, yet such related construction costs will not be included within the Cost Certification (causing an economic loss to the Petitioner). Consequently, granting this Petition will (i) promote principles of fundamental fairness in the development of affordable housing, (ii) support the availability and preservation of affordable housing units via the Development, (iii) enable the Petitioner to properly account for the construction costs, incurred and paid through the current date, in connection with the Development during the Cost Certification process, (iv) allow the Petitioner to complete and finalize the Cost Certification in connection with the Development, and (v) promote the goal of increasing the



supply of affordable housing through private investment through the Corporation's Housing Credit Program. As such, the granting of this Petition would serve the purposes of the Act and the RFA.<sup>4</sup>

27. Should the Corporation require any additional information, a representative of the Petitioner is available to answer questions and to provide information necessary for the Corporation's review and consideration of this Petition.

**F. PERMANENCY OF WAIVER**

28. The waiver being sought is permanent in nature.

**G. ACTIONS REQUESTED**

For the reasons set forth in this Petition, the Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all of the relief requested herein;
- b. Grant the waiver of the Singular GMP Rule such that the Petitioner is permitted to include \$124,849.00 within the Cost Certification, representing certain construction costs incurred and paid by the Petitioner, for the Outside Contractual Work by the Third-Party Providers, in connection with the Development; and
- c. Award or grant such further relief as may be deemed appropriate.

Respectfully submitted,

Bilzin Sumberg Baena Price & Axelrod LLP  
1450 Brickell Avenue, 23<sup>rd</sup> Floor  
Miami, Florida 33131  
Tel: (305) 350-2428  
Fax: (305) 351-2126  
E-mail: tlovell@bilzin.com

/s/ Terry M. Lovell

---

<sup>4</sup> One of the primary goals of the Act is to facilitate the availability of decent, safe and sanitary housing in the State of Florida to low-income individuals 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 to completion of the project in the calendar year for which the credit is sought." See Section 420.5099(2) of the Florida Statutes (2017).

**CERTIFICATE OF SERVICE**

This Petition is being served via electronic transmission for filing with the Corporation Clerk for the Florida Housing Finance Corporation (CorporationClerk@FloridaHousing.org), with a copy being served by U.S. Mail on the Joint Administrative Procedures Committee, Pepper Building, Room 680, 111 West Madison Street, Tallahassee, Florida 32399-1400, as of this 28<sup>th</sup> day of May, 2025.

/s/ Terry M. Lovell

12463783.4



**STATE OF FLORIDA**  
**FLORIDA HOUSING FINANCE CORPORATION**

ISLAND COVE, LLC,  
a Florida limited liability company,

Petitioner,

CASE NO. 2025-026VW

vs.

Application Nos. 2020-533C and  
2021-225S

FLORIDA HOUSING FINANCE  
CORPORATION,

RFA 2020-205

**RECEIVED**

Respondent.

MAY 28 2025 10:017 AM

**FLORIDA HOUSING  
FINANCE CORPORATION**

**PETITION FOR WAIVER OF RULES**  
**67-48.0072(12) and 67-21.026(10), F.A.C. (06/23/2020)**

The petitioner, Island Cove, LLC, a Florida limited liability company (the “Petitioner”), hereby petitions the Florida Housing Finance Corporation (the “Corporation”) for a waiver of Rules 67-48.0072(12) and 67-21.026(10) of the Florida Administrative Code (effective June 23, 2020) pertaining to the requirement that there be a singular guaranteed maximum price construction contract governing the construction of the Development (collectively, the “Singular GMP Rules”). Accordingly, pursuant to Section 120.542 of the Florida Statutes (2020) and Rules 28-104.001 through 28-104.006 of the Florida Administrative Code (2020), the Petitioner hereby requests a waiver of the Singular GMP Rules to allow for certain construction work, in connection with the Development, to be performed and completed (and for the related construction costs accruing in connection with such certain construction work to be paid) outside the singular guaranteed maximum price construction contract governing the construction of the Development.

In support of this Petition, the Petitioner states the following:

**A. THE PETITIONER**

1. The name, mailing address, telephone number and email address for the Petitioner and its qualified representative are:

Island Cove, LLC  
Attention: Darren Smith  
1100 N.W. 4<sup>th</sup> Avenue  
Delray Beach, Florida 33444  
Telephone: (561) 859-8520  
E-mail: dsmith@smithhenzy.com

2. For purposes of this Petition, the name, mailing address, telephone number and email address of the Petitioner's attorney are:

Bilzin Sumberg Baena Price & Axelrod LLP  
Attention: Terry M. Lovell, Esquire  
1450 Brickell Avenue, 23<sup>rd</sup> Floor  
Miami, Florida 33131  
Telephone: (305) 350-2428  
E-mail: tlovell@bilzin.com

**B. THE DEVELOPMENT**

3. The Petitioner timely submitted its Application No. 2021-225S (the "Application") on November 18, 2020 in response to the Corporation's RFA 2020-205 (SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits) issued on October 15, 2020 (the "RFA") for the development named Island Cove Apartments (the "Development").

4. The Application was submitted by the Petitioner for (i) competitive Housing Credits under the Corporation's Housing Credit Program (the "Housing Credits"), and (ii) loan funding under the Corporation's State Apartment Incentive Loan Program (the "SAIL Loan").

5. Equity raised from the Housing Credits, and loan proceeds generated from the SAIL Loan, were (and will continue to be) used by the Petitioner for the development, construction and operation of the Development.

6. The following information pertains to the Development:

- Development Name: Island Cove Apartments
- Development Location: City of Delray Beach, Palm Beach County, State of Florida
- Type of Construction: New Construction
- Number of Total Units: 60
- Number of Residential Buildings: 5
- Development Type: Garden Style (1 – 3 Stories)

- Demographics: Family
- Set-Asides: 41% (25 units) at or below 30% AMI, and 100% (60 units) ranging from 20% AMI to 80% AMI provided the average AMI for such units is 60% AMI; plus 50% of ELI Units (13 units) for Persons with Special Needs
- Funding: 4% Housing Credits at an annual amount of \$1,262,769; a \$3,000,000 SAIL Loan; and a \$600,000 ELI Loan

7. The Application was preliminarily selected for funding by the Corporation, the Petitioner was invited by the Corporation to enter into credit underwriting for the Development, the Petitioner accepted the invitation for credit underwriting, and the final Credit Underwriting Report for the Development was issued by AmeriNat Loan Services on May 31, 2022.

8. On March 15, 2022, the Petitioner engaged Lecesse Construction Services, LLC to serve as the General Contractor for the Development (the “GC”). The Petitioner and the GC executed a guaranteed maximum price construction contract governing the construction of the Development in the fixed amount of \$17,357,731.00 (the “GMP Contract”).

9. The Petitioner commenced construction of the Development on June 23, 2022. The endmost building within the Development achieved substantial completion on September 20, 2023. The Development received its last certificate of occupancy on November 17, 2023.

10. As of the date hereof, the Petitioner seeks and desires to complete and finalize the cost certification for the Development (the “Cost Certification”).

11. Under the Singular GMP Rules, the construction work for the Development is required to be performed and completed (and the related construction costs accruing in connection with such construction work for the Development are required to be paid) under and pursuant to the GMP Contract.

12. The Petitioner had to perform and complete some construction work, in connection with the Development, outside the GMP Contract, including work related to low-voltage cabling and installation of a city-required bus shelter and crosswalk (the “Outside Contractual Work”); and therefore, the Petitioner is requesting a waiver of the Singular GMP Rules, in connection with the Development, in order for the related construction costs, accruing in connection with the Outside Contractual Work, to be paid outside the GMP Contract.

13. In order to complete and finalize the Cost Certification, the Petitioner needs to calculate and finalize the aggregate construction costs associated with, and arising from, the

construction work completed for the Development, including those certain construction costs incurred and paid by the Petitioner for the Outside Contractual Work. As such, the Corporation has invited the Petitioner to file this Petition with the Corporation in connection with the completion and finalization of the Cost Certification.

14. The requested waiver and relief set forth in this Petition will not adversely affect the Development or the Corporation because the Development has already achieved substantial completion and is occupied by residential tenants. However, a denial of this Petition: (i) would result in substantial hardship to the Petitioner,<sup>1</sup> (ii) would prevent or hinder the implementation of the Corporation's Housing Credit Program (HC Program) and the Corporation's State Apartment Incentive Loan Program (SAIL Program), and (iii) would violate principles of fairness.<sup>2</sup>

**C. RULES FROM WHICH WAIVER IS REQUESTED**

15. The Petitioner hereby requests a waiver from the Singular GMP Rules.

16. Rule 67-48.0072(12) of the Florida Administrative Code (effective June 23, 2020) provides for the following:

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 CNA for rehabilitation units and review the Development's costs. If an EHCL Development has a General Contractor, the preceding requirement will also apply to the EHCL Development.

17. Rule 67-21.026(10) of the Florida Administrative Code (effective June 23, 2020) provides for the following:

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.

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<sup>1</sup> "Substantial hardship" means a demonstrated economic, technological, legal or other type of hardship to the person requesting the variance or waiver. *See* Section 120.542(2) of the Florida Statutes (2020).

<sup>2</sup> "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. *See* Section 120.542(2) of the Florida Statutes (2020).

**D. STATUTES IMPLEMENTED BY THE RULES**

18. The Singular GMP Rules are implementing the Florida Housing Finance Corporation Act (the “Act”),<sup>3</sup> the statute that designates the Corporation as the administrator of the Housing Credit Program (HC Program) and the State Apartment Incentive Loan Program (SAIL Program) for the purposes of providing equity financing and debt financing to sponsors (including the Petitioner) to promote and support affordable housing to low-income persons throughout the State of Florida. Accordingly, the Corporation is responsible for, and is authorized by statutory law to establish and implement, the practices and procedures for the Housing Credit Program (HC Program) and the State Apartment Incentive Loan Program (SAIL Program).

**E. JUSTIFICATION FOR GRANTING THE REQUESTED WAIVER**

19. Under Section 120.542(1) of the Florida Statutes (2020) and Chapter 28-104 of the Florida Administrative Code (2020), the Corporation has the power and authority to grant waivers to its rule requirements when strict application of such rules or requirements would lead to unreasonable, unfair and unintended consequences in particular instances. Pursuant to Section 120.542(2) of the Florida Statutes (2020), a waiver shall be granted when: (i) the person subjected to the rule demonstrates that application of the rule would either create a substantial hardship or violate principles of fairness; and (ii) the purpose of the underlying statute has been, or otherwise will be, achieved by other means by the person.

20. Prior to today’s date, the Petitioner has caused the Development to achieve substantial completion, receive its certificates of occupancy, and be placed-in-service. Thus, the Petitioner has commenced the Cost Certification process with the Corporation.

21. Pursuant to the Singular GMP Rules, the construction work for the Development is to be performed and completed (and the related construction costs in connection with such construction work for the Development are to be paid) under and pursuant to the GMP Contract. Consequently, construction costs paid by the Petitioner in connection with construction work for the Development which are paid outside the GMP Contract are not (and cannot) be included within the Cost Certification, unless the Petitioner’s relief and requests set forth in this Petition are granted by the Corporation.

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<sup>3</sup> The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.55 of the Florida Statutes (2020).

22. After substantial completion and placement-in-service of the Development, the Petitioner had to perform and complete a limited amount of additional construction-related work, in the amount of \$105,915.00, outside of the GMP Contract. Such additional construction-related work represents the Outside Contractual Work.

23. The Petitioner, in connection with the Outside Contractual Work, then directly engaged third-party vendors and contractors to perform and complete the Outside Contractual Work for the benefit of the Development (the “Third-Party Providers”).

24. As such, the Petitioner hired the Third-Party Providers to perform and complete the Outside Contractual Work outside of the GMP Contract. As of the date hereof, (i) the GC has fully performed and completed all of the construction work covered by the GMP Contract and (ii) the Third-Party Providers have fully performed and completed all of the Outside Contractual Work; and in connection therewith, the Petitioner incurred and paid all amounts due and owed to (a) the GC under and pursuant to the GMP Contract and (b) the Third-Party Providers for the Outside Contractual Work.

25. As of today’s date, the Petitioner continues to progress through the Cost Certification process with the Corporation. Due to the fact that the Outside Contractual Work could be considered a second guaranteed maximum price construction contract governing the construction of the Development, the Petitioner respectfully requests a waiver of the Singular GMP Rules so that the Petitioner is able to proceed with the Cost Certification process with the Corporation and include the construction costs incurred and paid by the Petitioner to the Third-Party Providers, for the Outside Contractual Work, within the Cost Certification.

26. As demonstrated above, the Petitioner meets the standards for a waiver of the Singular GMP Rules because the Petitioner has demonstrated hardships and other circumstances which justify the Petitioner’s relief and requests set forth in this Petition. The granting of this Petition will not adversely impact the Development or the Corporation; and rather, the granting of this Petition will ensure that much needed affordable housing units remain available and preserved for low-income persons within the City of Delray Beach, Palm Beach County.



27. If this Petition is not granted, then the Petitioner and the Development will suffer substantial and irrevocable hardship because the Petitioner will have incurred and paid \$105,915.00 for certain construction work for the Development, yet such related construction costs will not be included within the Cost Certification (causing an economic loss to the Petitioner). Consequently, granting this Petition will (i) promote principles of fundamental fairness in the development of affordable housing, (ii) support the availability and preservation of affordable housing units via the Development, (iii) enable the Petitioner to properly account for the construction costs, incurred and paid through the current date, in connection with the Development during the Cost Certification process, (iv) allow the Petitioner to complete and finalize the Cost Certification in connection with the Development, and (v) promote the goal of increasing the supply of affordable housing through private investment through the Corporation's Housing Credit Program (HC Program) and the Corporation's State Apartment Incentive Loan Program (SAIL Program). As such, the granting of this Petition would serve the purposes of the Act and the RFA.<sup>4</sup>

28. Should the Corporation require any additional information, a representative of the Petitioner is available to answer questions and to provide information necessary for the Corporation's review and consideration of this Petition.

**F. PERMANENCY OF WAIVER**

29. The waiver being sought is permanent in nature.

**G. ACTIONS REQUESTED**

For the reasons set forth in this Petition, the Petitioner respectfully requests that the Corporation:

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<sup>4</sup> One of the primary goals of the Act is to facilitate the availability of decent, safe and sanitary housing in the State of Florida to low-income individuals 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 to completion of the project in the calendar year for which the credit is sought." See Section 420.5099(2) of the Florida Statutes (2020).

- a. Grant this Petition and all of the relief requested herein;
- b. Grant the waiver of the Singular GMP Rules such that the Petitioner is permitted to include \$105,915.00 within the Cost Certification, representing certain construction costs incurred and paid by the Petitioner, for the Outside Contractual Work by the Third-Party Providers, in connection with the Development; and
- c. Award or grant such further relief as may be deemed appropriate.

Respectfully submitted,

Bilzin Sumberg Baena Price & Axelrod LLP  
1450 Brickell Avenue, 23<sup>rd</sup> Floor  
Miami, Florida 33131  
Tel: (305) 350-2428  
Fax: (305) 351-2126  
E-mail: [tlovell@bilzin.com](mailto:tlovell@bilzin.com)

/s/ Terry M. Lovell



**CERTIFICATE OF SERVICE**

This Petition is being served via electronic transmission for filing with the Corporation Clerk for the Florida Housing Finance Corporation (CorporationClerk@FloridaHousing.org), with a copy being served by U.S. Mail on the Joint Administrative Procedures Committee, Pepper Building, Room 680, 111 West Madison Street, Tallahassee, Florida 32399-1400, as of this 28<sup>th</sup> day of May, 2025.

/s/ Terry M. Lovell

12464670.4

# **Florida Housing Finance Corporation**

*Credit Underwriting Report*

## **Arbours at Emerald Springs**

**SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction  
with Tax-Exempt Bond Financing and Non-Competitive Housing Credits**

**MMRB/SAIL/ELI/NHTF/4% HC**

**RFA 2023-205 / 2024-020BSN / 2023-516C**

**Section A      Report Summary**

**Section B      Loan Conditions and HC Allocation Recommendation and Contingencies**

**Section C      Supporting Information and Schedules**

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*Prepared by*

***Seltzer Management Group, Inc.***

*Final Report*

*June 2, 2025*

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**ARBOURS AT EMERALD SPRINGS**

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**SMG**

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**Section A**  
**Report Summary**

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**JUNE 2, 2025**

**MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT**

**SMG**

**Recommendation**

Seltzer Management Group, Inc. ("SMG" or "Seltzer" or "Servicer") recommends a Tax-Exempt Multifamily Mortgage Revenue Bond ("MMRB") in the amount of \$16,000,000 by Florida Housing Finance Corporation ("FHFC" or "Florida Housing") in conjunction with a total State Apartment Incentive Loan ("SAIL") in the amount of \$8,609,400 comprised of a SAIL Base Loan in the amount of \$7,980,000, plus an Extremely Low Income ("ELI") Loan in the amount of \$629,400, a National Housing Trust Fund ("NHTF") Loan in the amount of \$780,000 and an annual allocation of 4% non-competitive Housing Credits ("HC") in the amount of \$1,414,439 to Arbours at Emerald Springs, LLC ("Applicant") for the construction and permanent financing of Arbours at Emerald Springs (the "Development"). This recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:	<u>Arbours at Emerald Springs</u>		
RFA/Program Numbers:	<u>RFA 2023-205</u>	<u>/</u>	<u>2024-020BSN</u> <u>2023-516C</u>
Address:	<u>1000 feet North of the Intersection of South 20th Street and Wabash Avenue, DeFuniak Springs, FL 32433</u>		
City:	<u>DeFuniak Springs</u>	Zip Code:	<u>32433</u> County: <u>Walton</u> County Size: <u>Small</u>
Development Category:	<u>New Construction</u>	Development Type:	<u>Garden Apartments</u>
Construction Type:	<u>Wood Frame</u>	Number of Stories:	<u>3</u>
Demographic Commitment:			
Primary:	<u>Family</u>	for	<u>100%</u> of the Units
Link Units:	<u>Persons with Special Needs</u>	for	<u>6.0%</u> of the Units
NHTF Units:	<u>Persons with Special Needs</u>	for	<u>3.6%</u> of the Units
Unit Composition:			
# of ELI Units:	<u>9</u>	ELI Units Are Restricted to	<u>40%</u> AML, or less.    Min % of Units @ ELI: <u>10%</u>
# of Link Units:	<u>5</u>	# of Preference units:	<u>0</u> IRS Minimum Set-Aside Commitment: <u>40/60</u>
# of NHTF Units:	<u>3</u>	# of units w/ PBRA?	<u>0</u> TSP Approval Date: <u>01/09/2024</u>
Buildings:	Residential - <u>4</u>	Non-Residential -	<u>1</u>
Parking:	Parking Spaces - <u>165</u>	Accessible Spaces -	<u>10</u>
DDA:	<u>No</u>	SADDA:	<u>No</u> QCT: <u>Yes</u> Multi-Phase Boost: <u>No</u> QAP Boost: <u>No</u> QAP Type: _____
Site Acreage:	<u>10.82</u>	Density:	<u>7.7634</u> Flood Zone Designation: <u>X</u>
Zoning:	<u>R-2 Multiple Family</u>		Flood Insurance Required?: <u>No</u>
Credit Underwriter:	<u>Seltzer Management Group, Inc.</u>		Date of Application: <u>08/03/2023</u>
Date of Final CUR:	_____		Minimum 1st Mortgage per Rule <u>N/A</u>
TDC PU Limitation at Application:	<u>\$318,883</u>	TDC PU Limitation at Credit Underwriting	<u>\$318,883</u>
Actual TDC PU for Limitation:	<u>\$309,101</u>	Amount Dev. Fee Reduced for TDC Limit:	<u>\$0</u>

Prepared by: Keith Whitaker, Senior Credit Underwriter



MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT

SMG

Reviewed by: Joshua Scribner, Credit Underwriting Manager



Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRB	40.0%	34	60%	50
ELI	10.0%	9	40%	99
SAIL	90.0%	75	60%	99
NHTF	3.6%	3	22%	50
HC-4%	10.0%	9	40%	50
HC-4%	90.0%	75	60%	50

Persons with Special Needs Set-Aside Commitment: The proposed Development must set aside 50% of the ELI set-aside units (5 units) as Link units for Persons with Special Needs. In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding (“MOU”) with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with Special Needs for the county where the proposed Development will be located (Walton County). The MOU was approved by Florida Housing on October 23, 2024. After 15 years, all of the ELI set-aside units (9 units) may convert to serve residents at or below 60% Area Median Income (“AMI”); however, the Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

NHTF Units Set-Aside Commitment: The proposed Development must set aside 3 units as NHTF Link units targeted for Persons with Special Needs. These units are required to be set aside for residents earning at or below 22% of AMI and are in addition to the 50% requirement for ELI set-aside units as noted above. Therefore, the Development will have a total of 8 units targeted for Link Units for Persons with Special Needs (ELI – 5 units, NHTF – 3 units). After 30 years, all of the NHTF units (3 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.

The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes, which requires a ninety-nine (99) year total compliance period under a Land Use Restriction Agreement (“LURA”). Therefore, after the initial 50-year Compliance Period required by the RFA (“Compliance Period”) expires, all SAIL/ELI set-aside units within the Development shall be rented to households who shall have a household income less than or equal to one hundred and twenty percent (120%) of the AMI for a period of forty-nine (49) years (“Ad Valorem Compliance Period”). The Ad Valorem Compliance Period, together with the Compliance Period, shall have a term of ninety-nine (99) years (the “Total Compliance Period”) which will be defined under the SAIL/ELI LURA. The Applicant will be responsible for compliance monitoring fees for 50 years which is to be paid to the Servicer; for years 51-99, compliance monitoring will be self-certified by the Applicant to FHFC. The Applicant will also be responsible for the compliance monitoring fee of \$4,900 (\$100 per year) for years 51-99 associated with the Ad Valorem Compliance Period, which is to be paid at closing to FHFC.

**MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT**

**SMG**

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

**Walton County HMFA**

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restrictd Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	3	866	22%			\$373	\$154	\$219		\$220	\$219	\$219	\$7,884
1	1.0	2	866	40%			\$679	\$154	\$525		\$525	\$525	\$525	\$12,600
1	1.0	13	866	60%			\$1,019	\$154	\$865		\$865	\$865	\$865	\$134,940
2	2.0	5	1,191	40%			\$816	\$183	\$633		\$633	\$633	\$633	\$37,980
2	2.0	37	1,191	60%			\$1,224	\$183	\$1,041		\$1,041	\$1,041	\$1,041	\$462,204
3	2.0	2	1,267	40%			\$942	\$219	\$723		\$723	\$723	\$723	\$17,352
3	2.0	22	1,267	60%			\$1,413	\$219	\$1,194		\$1,194	\$1,194	\$1,194	\$315,216
		84	96,018											\$988,176

When calculating an average market rental rate based on the unit mix, the rent advantage for all of the units at the Development is in excess of 110% of the applicable maximum Housing Credit rental rate.

15-YEAR OPERATING PRO FORMA

SMG

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
<b>INCOME:</b>	Gross Potential Rental Income	\$988,176	\$11,764	\$1,007,940	\$1,028,098	\$1,048,660	\$1,069,633	\$1,091,026	\$1,112,847	\$1,135,104	\$1,157,806	\$1,180,962	\$1,204,581	\$1,228,673	\$1,253,246	\$1,278,311	\$1,303,877
	Other Income: (1.28%)			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Miscellaneous	\$12,600	\$150	\$12,852	\$13,109	\$13,371	\$13,639	\$13,911	\$14,190	\$14,473	\$14,763	\$15,058	\$15,359	\$15,667	\$15,980	\$16,299	\$16,625
	Rent Concessions			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Gross Potential Income	\$1,000,776	\$11,914	\$1,020,792	\$1,041,207	\$1,062,031	\$1,083,272	\$1,104,938	\$1,127,036	\$1,149,577	\$1,172,569	\$1,196,020	\$1,219,940	\$1,244,339	\$1,269,226	\$1,294,610	\$1,320,503
	Less:																
	Economic Loss Percentage: 0.00%			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Physical Vac. Loss Percentage: 4.00%	\$40,031	\$477	\$40,832	\$41,648	\$42,481	\$43,331	\$44,198	\$45,081	\$45,983	\$46,903	\$47,841	\$48,798	\$49,774	\$50,769	\$51,784	\$52,820
	Collection Loss Percentage: 1.00%	\$10,008	\$119	\$10,208	\$10,412	\$10,620	\$10,833	\$11,049	\$11,270	\$11,496	\$11,726	\$11,960	\$12,199	\$12,443	\$12,692	\$12,946	\$13,205
	<b>Total Effective Gross Income</b>	<b>\$950,737</b>	<b>\$11,318</b>	<b>\$969,752</b>	<b>\$989,147</b>	<b>\$1,008,930</b>	<b>\$1,029,109</b>	<b>\$1,049,691</b>	<b>\$1,070,685</b>	<b>\$1,092,098</b>	<b>\$1,113,940</b>	<b>\$1,136,219</b>	<b>\$1,158,943</b>	<b>\$1,182,122</b>	<b>\$1,205,765</b>	<b>\$1,229,880</b>	<b>\$1,254,478</b>
Annual Escalation Rate (Income): 2.00%																	
<b>EXPENSES:</b>	Fixed:																
	Real Estate Taxes			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Insurance	\$100,800	\$1,200	\$103,824	\$106,939	\$110,147	\$113,451	\$116,855	\$120,360	\$123,971	\$127,690	\$131,521	\$135,467	\$139,531	\$143,717	\$148,028	\$152,469
	Other			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Variable:																
	Management Fee Percentage: 5.00%	\$47,537	\$566	\$48,488	\$49,457	\$50,446	\$51,455	\$52,485	\$53,534	\$54,605	\$55,697	\$56,811	\$57,947	\$59,106	\$60,288	\$61,494	\$62,724
	General and Administrative	\$35,000	\$417	\$36,050	\$37,132	\$38,245	\$39,393	\$40,575	\$41,792	\$43,046	\$44,337	\$45,667	\$47,037	\$48,448	\$49,902	\$51,399	\$52,941
	Payroll Expenses	\$130,080	\$1,549	\$133,982	\$138,002	\$142,142	\$146,406	\$150,798	\$155,322	\$159,982	\$164,781	\$169,725	\$174,817	\$180,061	\$185,463	\$191,027	\$196,758
	Utilities	\$26,756	\$319	\$27,559	\$28,385	\$29,237	\$30,114	\$31,018	\$31,948	\$32,907	\$33,894	\$34,911	\$35,958	\$37,037	\$38,148	\$39,292	\$40,471
	Marketing and Advertising	\$4,800	\$57	\$4,944	\$5,092	\$5,245	\$5,402	\$5,565	\$5,731	\$5,903	\$6,080	\$6,263	\$6,451	\$6,644	\$6,844	\$7,049	\$7,260
<b>EXPENSES:</b>	Maintenance and Repairs/Pest Control	\$29,400	\$350	\$30,282	\$31,190	\$32,126	\$33,090	\$34,083	\$35,105	\$36,158	\$37,243	\$38,360	\$39,511	\$40,696	\$41,917	\$43,175	\$44,470
	Grounds Maintenance and Landscaping	\$21,000	\$250	\$21,630	\$22,279	\$22,947	\$23,636	\$24,345	\$25,075	\$25,827	\$26,602	\$27,400	\$28,222	\$29,069	\$29,941	\$30,839	\$31,764
	Resident Programs			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Contract Services	\$24,000	\$286	\$24,720	\$25,462	\$26,225	\$27,012	\$27,823	\$28,657	\$29,517	\$30,402	\$31,315	\$32,254	\$33,222	\$34,218	\$35,245	\$36,302
	Other	\$2,100	\$25	\$2,163	\$2,228	\$2,295	\$2,364	\$2,434	\$2,508	\$2,583	\$2,660	\$2,740	\$2,822	\$2,907	\$2,994	\$3,084	\$3,176
	Reserve for Replacements	\$25,200	\$300	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200
	<b>Total Expenses</b>	<b>\$446,673</b>	<b>\$5,318</b>	<b>\$458,842</b>	<b>\$471,366</b>	<b>\$484,256</b>	<b>\$497,524</b>	<b>\$511,179</b>	<b>\$525,233</b>	<b>\$539,699</b>	<b>\$554,588</b>	<b>\$569,913</b>	<b>\$586,442</b>	<b>\$603,456</b>	<b>\$620,968</b>	<b>\$638,994</b>	<b>\$657,549</b>
Annual Escalation Rate (Expenses): 3.00%																	
<b>Net Operating Income</b>		<b>\$504,064</b>	<b>\$6,001</b>	<b>\$510,910</b>	<b>\$517,781</b>	<b>\$524,673</b>	<b>\$531,585</b>	<b>\$538,512</b>	<b>\$545,451</b>	<b>\$552,399</b>	<b>\$559,352</b>	<b>\$566,306</b>	<b>\$572,501</b>	<b>\$578,667</b>	<b>\$584,796</b>	<b>\$590,886</b>	<b>\$596,928</b>
<b>Debt Service Payments</b>																	
First Mortgage - Merchants		\$384,868	\$4,582	\$384,868	\$384,868	\$384,868	\$384,868	\$384,868	\$384,868	\$384,868	\$384,868	\$384,868	\$384,868	\$384,868	\$384,868	\$384,868	\$384,868
Second Mortgage - FHFC - SAIL		\$79,800	\$950	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800
Second Mortgage - FHFC - SAIL ELI		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Mortgage - FHFC - NHTF		\$0	\$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	\$0
First Mortgage Fees - Merchants		\$11,136	\$133	\$11,245	\$11,357	\$11,473	\$11,592	\$11,715	\$11,842	\$11,972	\$12,106	\$12,244	\$12,386	\$12,533	\$12,684	\$12,840	\$13,000
Second Mortgage Fees - FHFC - SAIL		\$12,962	\$154	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962
Second Mortgage Fees - FHFC - SAIL ELI		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Mortgage Fees - FHFC - NHTF		\$4,617	\$55	\$4,617	\$4,617	\$4,617	\$4,617	\$4,617	\$4,617	\$4,617	\$4,617	\$4,617	\$4,617	\$4,617	\$4,617	\$4,617	\$4,617
All Other Mortgages Fees -		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service Payments		\$493,383	\$5,874	\$493,493	\$493,605	\$493,721	\$493,840	\$493,963	\$494,089	\$494,219	\$494,353	\$494,492	\$494,634	\$494,781	\$494,932	\$495,087	\$495,247
Cash Flow after Debt Service		\$10,681	\$127	\$17,418	\$24,176	\$30,953	\$37,745	\$44,549	\$51,362	\$58,180	\$64,999	\$71,815	\$77,868	\$83,886	\$89,865	\$95,798	\$101,681
<b>Debt Service Coverage Ratios</b>																	
DSC - First Mortgage plus Fees		1.27x		1.29x	1.31x	1.32x	1.34x	1.36x	1.37x	1.39x	1.41x	1.43x	1.44x	1.46x	1.47x	1.49x	1.50x
DSC - Second Mortgage plus Fees		1.03x		1.05x	1.06x	1.07x	1.09x	1.10x	1.11x	1.13x	1.14x	1.16x	1.17x	1.18x	1.19x	1.20x	1.22x
DSC - Third Mortgage plus Fees		1.03x		1.05x	1.06x	1.07x	1.09x	1.10x	1.11x	1.13x	1.14x	1.16x	1.17x	1.18x	1.19x	1.20x	1.22x
DSC - Fourth Mortgage plus Fee		1.02x		1.04x	1.05x	1.06x	1.08x	1.09x	1.10x	1.12x	1.13x	1.15x	1.16x	1.17x	1.18x	1.19x	1.21x
DSC - All Mortgages and Fees		1.02x		1.04x	1.05x	1.06x	1.08x	1.09x	1.10x	1.12x	1.13x	1.15x	1.16x	1.17x	1.18x	1.19x	1.21x
<b>Financial Ratios</b>																	
Operating Expense Ratio		46.98%		47.32%	47.65%	48.00%	48.35%	48.70%	49.06%	49.42%	49.79%	50.16%	50.60%	51.05%	51.50%	51.96%	52.42%
Break-even Econ Occup Ratio (all debt)		94.18%		93.54%	92.93%	92.34%	91.77%	91.22%	90.69%	90.19%	89.71%	89.25%	88.87%	88.51%	88.17%	87.85%	87.55%
Break-even Econ Occup Ratio (must pay debt)		84.45%															



*Notes to the 15 Year Operating Pro Forma and Ratios:*

1. MMRB does not impose rent restrictions; however, this Development will be utilizing Housing Credits in conjunction with SAIL, ELI and NHTF which will impose rent restrictions. Overall, the maximum Housing Credit rents for 2024 published on FHFC's website for the Development are achievable as confirmed by the appraiser. Utility allowances are based on the Utility Allowance Energy Consumption Model performed by Matern Professional Engineering, Inc. ("Matern") dated February 24, 2025, and approved by FHFC on March 10, 2025.
2. Miscellaneous income includes late rent fees, damages and cleaning fees and other miscellaneous fees.
3. Seltzer utilized a physical vacancy of 4.00% and a 1.00% collection loss which is supported by the Appraiser's estimate, resulting in a physical occupancy of 96% and an economic occupancy of 95%.
4. Real estate tax expense is based on the Applicant's estimate and plan to apply for the 100% Ad Valorem Property Tax Exemption passed under Section 196.1978(4), Florida Statutes. Beginning in 2026, the property must apply to the Walton County Property Appraiser by March 1<sup>st</sup> of the tax year. Applying for this exemption requires a 99-year Total Compliance Period with annual certifications. If the property fails to provide affordable housing under the agreement before the end of the agreement term, there will be a penalty equal to 100% of the total amount financed by Florida Housing multiplied by each year remaining in the agreement. Both Merchants and Synovus have acknowledged and confirmed their approval of the terms of the Ad Valorem Property Tax Exemption.
5. The Applicant submitted an executed Management Agreement ("Agreement"), dated February 5, 2025, wherein Arbour Valley Management, LLC ("AVM") will manage the Development. The Agreement provides for a term of 12 months, commencing on May 30, 2027. The Agreement will automatically renew for successive 12-month renewal periods unless terminated in accordance with the Agreement. The management fee payable each month by Applicant to AVM will be an amount equal to 5.00% of gross receipts per month.
6. Other operating expense estimates are based on comparable properties and are supported by the Appraisal.
7. Replacement Reserves in the amount of \$300 per unit per year meet the RFA and Rules 67-21 and 67-48 requirements.
8. The Break-Even Ratio ("BER") is 94.2% in Year 1 of stabilized operations. The SAIL will be repaid from available cash flow. The BER would be 86.2% if the SAIL interest payments were excluded.
9. The Debt Service Coverage ("DSC") for the permanent First Mortgage and SAIL (Base Loan) reflects a ratio lower than 1.10x to 1.00. According to Rule 67-48.0072 (11), the minimum DSC shall be 1.10 for SAIL (Base Loan) including all superior mortgages. However, if the Applicant defers at least 35 percent of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation, and when the primary expected source of repayment has been identified as projected cash flow, the minimum debt service coverage shall be 1.00 for the SAIL (Base Loan), including all superior mortgages. The Development is currently deferring 52.70% of Developer Fees in the permanent period. This Development meets the preceding guidelines. To ensure that the Second

Mortgage SAIL (Base Loan) meets or exceeds the minimum debt service coverage of 1.00x to 1.00, based on the projection/estimates and loan amounts in this report, the interest rate of the permanent First Mortgage Loan of \$5,720,000 may not exceed 6.40%. Following the rate lock of the permanent First Mortgage Loan, the Servicer will review and confirm if the Development is still able to support the proposed First Mortgage Loan amount of \$5,720,000, or if a reduction to the loan amount is necessary. The Servicer's DSC confirmation is a condition to close.

Per Rule 67-48 for SAIL developments, the amount of any superior mortgages combined with the SAIL (Base Loan) mortgage shall be less than the appraised value of the Development. The combined loan-to-value ("LTV") for the permanent First Mortgage and SAIL (Base Loan) for the Development as underwritten equals 112.00% under the market rate scenario. However, per Florida Statute 420.5087(5), FHFC may waive this requirement for developments in rural areas or urban infill areas which have market rate rents that are less than the allowable rents pursuant to applicable state and federal guidelines, and for developments which reserve units for extremely-low-income persons. Since the Development is setting aside 10.00% of its units for ELI persons, Arbours at Emerald Springs is exempt from the requirement.

**MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT**

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**Overview**

**Construction Financing Information:**

CONSTRUCTION FINANCING INFORMATION												
Lien Position	First	Second	Second	Third	NA	NA	NA	NA	Totals			
Source	FHFC - MMRB	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	Bridge Loan	FHFC - HC 4%	Def. Dev. Fee	Other		Cash Collateral	Cash Collateral	Cash Collateral
Lender/Grantor	FHFC - MMRB	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	Synovus Bank	Synovus Bank	Developer	Bond Reinvestment Income		Merchants	FHFC SAIL	Synovus Bank
Construction Amount	\$16,000,000	\$3,600,000	\$629,400	\$780,000	\$5,900,000	\$1,322,189	\$2,766,558	\$1,056,000	\$32,054,147	\$5,720,000	\$4,380,000	\$5,900,000
All In Interest Rate	3.30%	1.00%	0.00%	0.00%	7.59%					6.15%	1.00%	7.59%
Debt Service During	\$752,400	\$59,040	\$0	\$0	\$648,560		\$0		\$1,460,000	\$769,737	\$43,800	\$447,810
Bond Structure (if applicable)	Public Offering / Cash Collateralized											

**Bond Structure**

The Applicant provided a Proposal from Stifel, Nicolaus & Company, Incorporated (“Stifel”) dated February 12, 2025 proposing \$16,000,000 in tax-exempt bonds to be issued by FHFC for construction only financing. Stifel will underwrite and market the Bonds via a Public Offering. The term of the bonds will not exceed four years with an Initial Mandatory Tender Date of two years. As of February 12, 2025, Stifel states the estimated bond coupon at 3.30% and the anticipated reinvestments to be in Treasuries with a return of 4.35%. The MMRB will initially be secured by cash collateralization and/or permitted investments that will secure the repayment of the MMRB until permanent loan conversion. The release of the MMRB proceeds to fund the acquisition and construction of the Development will be restricted, contingent upon a like sum being funded to the Trustee and placed in the Collateral Fund. The principal and interest of the MMRB will be secured by a cash source, or Permitted Investments at all times until they are fully repaid at conversion to permanent financing. The source of MMRB collateral is expected to be a taxable loan provided by Merchants Capital Corp. (“Merchants”) in the amount of \$5,720,000, FHFC SAIL funding in the amount of \$4,380,000, and the remaining amount of \$5,900,000 provided by the Synovus Bank (“Synovus”) bridge loan. Upon conversion to permanent financing, the \$16,000,000 construction-only bonds will be redeemed in full from amounts on deposit in the collateral fund and/or from tax credit equity.

The annual FHFC Issuer Fee of 24 bps, and the annual Trustee Fee of \$4,500, and compliance fees are included in the Uses section of this report since the MMRB are for short-term, construction only.

Proposed First Mortgage Loan:

Seltzer reviewed a Financing Proposal dated March 27, 2025, provided by Merchants. Merchants, an approved U.S. Department of Housing and Urban Development (“HUD”) Multifamily Accelerated Processing (“MAP”) lender, will fund an FHA insured construction and permanent financing in the amount of \$5,720,000 under the HUD 221 (d)(4) program that will be used to cash collateralize the MMRB during construction. This will be a “construction to permanent” loan, so the amount of the first mortgage will be the same for both the construction and permanent periods. The fixed interest rate is estimated by Merchants at 6.15% with a term and amortization of 40 years. An origination fee of 1.00% of the loan amount is due as indicated in the Financing Proposal.

Equity Bridge Loan:

Synovus provided an April 9, 2025 Letter of Intent (“LOI”) to provide an equity bridge loan up to \$11,800,000. The bridge loan will have a term of 24 months, with monthly interest only payments based on the 30-day term Secured Overnight Financing Rate (“SOFR”) plus 300 basis points, with a floor of 75 basis points. The SOFR as of April 7, 2025 was 4.33834%. Seltzer has added a 0.25% cushion to the estimated interest rate of 7.34%, resulting in an underwriting rate of 7.59%. Synovus is charging an origination fee of 0.75%.

**MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT**

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**Permanent Financing Information:**

PERMANENT FINANCING INFORMATION									
Lien Position	First	Second	Second	Third	NA	NA	NA	NA	Totals
Source	Reg. Mtg Lender	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	FHFC - HC 4%	Def. Dev. Fee	Other	Other	
Lender/Grantor	Merchants	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	Synovus Bank	Developer	Bond Reinvestment Income	45L Energy Credits	
Permanent Amount	\$5,720,000	\$7,980,000	\$629,400	\$780,000	\$13,221,886	\$2,484,179	\$1,056,000	\$182,682	\$32,054,147
Permanent Funding Per Unit	\$68,095	\$95,000	\$7,493	\$9,286	\$157,403	\$29,574	\$12,571	\$2,175	\$381,597
% of Permanent Funding	17.8%	24.9%	2.0%	2.4%	41.2%	7.7%	3.3%	0.6%	100.0%
Underwritten Interest Rate	6.15%	1.00%	0.00%	0.00%					
Loan Term	40	40.5	40.5	40.5					
Amortization	40	N/A	N/A	N/A					
Must Pay or Cash Flow Dependent	Must-Pay	Cash Flow	Cash Flow	Cash Flow					
Permanent Debt Service, No Fees	\$384,868	\$79,800							\$464,668
Permanent Debt Service, with Fees	\$396,004	\$92,762							\$488,766
Debt Service Coverage, with Fees	1.27x	1.03x	1.02x	1.02x					
Operating Deficit & Debt Service Reserves	416,863								
# of Months covered by the Reserves	11.2								
Market Rate/Market Financing LTV	47%	112%	117%	124%					
Restricted Market Financing LTV	72%	173%	181%	191%					
Loan to Cost - Cumulative	17.8%	42.7%	44.7%	47.1%					
Loan to Cost - SAIL Only		24.9%							

**Proposed First Mortgage Loan:**

(See Construction Financing Information above under Proposed First Mortgage Loan)

**Proposed Second Mortgage Loan – FHFC SAIL Base Loan and SAIL ELI:**

Applicant applied to FHFC under RFA 2023-205 for a total SAIL in the amount of \$8.609,400 comprised of a SAIL Base Loan in the amount of \$7,980,000 plus an ELI Loan in the amount of \$629,400. The SAIL Base Loan and the SAIL-ELI Loan will be closed as one loan and will have one set of closing documents.

The SAIL Base Loan shall be non-amortizing with a 1.00% interest rate over the life of the loan with annual payments based upon available cash flow. Any unpaid interest will be deferred until cash flow is available. However, at maturity of the SAIL, all principal and accrued interest will be due. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by HUD. The SAIL will have a total term of 42.5 years, including a 24-month construction/stabilization period and a 40.5-year permanent period. As required by HUD and permitted by Rule 67-48, the SAIL Loan term will be coterminous with the first mortgage plus six months (total term of 42.5 years).

The ELI Loan shall be non-amortizing at 0.00% simple interest rate over the life of the loan with the principal forgivable at maturity provided the units are targeted to ELI Households for the first 15 years of the 50-year Compliance Period. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by HUD. The ELI loan will have a total term of 42.5 years, including a 24-month construction/stabilization period and a 40.5-year permanent period. As required by HUD and permitted by the RFA, the ELI Loan term will be coterminous with the first mortgage plus six months (total term of 42.5 years).

Annual payments of all applicable fees will be required. Fees for the total SAIL include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month.

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**Proposed Third Mortgage Loan – FHFC NHTF Loan:**

Applicant applied to FHFC under RFA 2023-205 for a NHTF Loan in the amount of \$780,000.

The NHTF Loan shall be a non-amortizing loan at 0.00% simple interest rate per annum over the life of the loan with the principal 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. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by HUD. The NHTF Loan will have a total term of 42.5 years, of which 24 months is for the construction/stabilization period and a 42.5-year permanent period. As required by HUD and permitted by the RFA, the NHTF Loan term will be coterminous with the first mortgage plus six months (total term of 42.5 years).

Annual payments of all applicable fees will be required. Fees include an annual Permanent Loan Servicing Fee based on 25 bps of the outstanding loan amount with a maximum of \$990 per month, subject to a minimum of \$250 per month and an annual Compliance Monitoring Multiple Program Fee of \$1,082.

**Housing Credit Equity:**

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$1,322,189	10.00%	At Closing
2nd Installment	\$11,106,384	84.00%	At 100% lien free completion and Final C.O.
3rd Installment	\$743,313	5.62%	Later of Cost Cert., conversion, 1.15x DSC for 90 days
4th Installment	\$50,000	0.38%	Form 8609
Total	\$13,221,886	100.00%	

Syndicator Name	Synovus Bank
Date of LOI	4/10/2025
Total Credits Per Syndication Agreement:	\$15,199,090
Annual Credits Per Syndication Agreement:	\$1,519,909
Calculated HC Exchange Rate:	\$0.87
Limited Partner Ownership Percentage:	99.99%
Proceeds Available During Construction:	\$1,322,189
Annual Credits - Qualified in CUR:	\$1,414,439

Note: The Syndicator is required to provide 15% of the total equity prior to or simultaneously with the closing of the construction financing. Synovus will meet this requirement by providing 10% from an equity installment, and funding a portion of the equity bridge loan in excess of the additional 5% needed to meet the requirement, at closing.

**Deferred Developer Fee:**

In order to balance the sources and uses of funds after all loan proceeds and capital contributions payable under the Synovus LOI have been received, the Developer will have to defer \$2,484,179, or 52.70%, of Developer Fee.

**Bond Reinvestment Income:**

The short term, cash collateralized, construction MMRBs, will be publicly offered by Stifel, which proceeds will be held in accounts under the Indenture with the Trustee. On the day of closing, the bond proceeds

**MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT**

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will be invested in Treasuries with a return estimated at 4.35% that will be held by the Trustee until completion of the Development. The total interest revenue from these securities is estimated to be \$1,056,000. Per IRS guidelines on interest earned as an investment, if being shown as a source, then the amount must be shown as a corresponding use. This is detailed in the financial cost section below.

**45L Energy Credits:**

As part of the Inflation Reduction Act (“IRA”), the Section § 45L New Energy Efficient Home Credit has been updated and extended through 2032. When prevailing wage requirements are met by multifamily homes, a larger tax credit of \$2,500 per unit is available. Although the Applicant is only required to fulfill Section 3 requirements for NHTF funding, the Applicant is planning to secure a FHA mortgage that mandates adherence to Davis-Bacon labor rules (thus meeting the “prevailing wage requirements”). Applicant will qualify for the 45L energy credits after completing construction and occupying units (verified through a rent roll). An energy consultant certification is required for each unit. Applicant anticipates the investor paying \$0.87 per dollar for the energy credits estimated at \$182,682. If the Applicant is not awarded the 45L energy credits, then the Applicant will defer additional Developer Fee to fund any funding gap.

**Changes from the Application:**

<b>COMPARISON CRITERIA</b>	<b>YES</b>	<b>NO</b>
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

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

1. Changes in sources of funds:

- Per the December 20, 2023 Invitation to Enter Credit Underwriting, the Applicant was awarded additional funding in the amount of \$780,000 in the form of a NHTF loan.

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- The Application included a July 21, 2023 LOI for Housing Credit equity from Raymond James Affordable Housing Investments, Inc. ("RJAHI") in the amount of \$0.86 per tax credit and total equity of 11,339,686. Subsequently the Applicant provided an April 10, 2025 LOI from Synovus reflecting an amount of \$0.87 per tax credit and total equity of \$13,221,886.
  - The Applicant added Tax Exempt Bond Reinvestment Income which is interest earned as a source of funds in the amount of \$1,056,000.
  - The Applicant added 45L Energy Credits as a source of funds in the amount of \$182,682.
2. Total Development Costs have increased by \$4,790,314 from \$27,263,833 to \$32,054,147 since the Application due to increases in the construction costs, financial costs mainly associated with construction loan interest and Bond Fees, Developer Fee and the inclusion of reserves.
  3. See the below additional changes to the application:
    - Applicant submitted a request dated December 12, 2024 to FHFC to increase its bond allocation from \$14,400,000 to \$16,000,000 in order to meet the 50% test. FHFC staff approved the request on February 18, 2025.

These changes have no material impact to the MMRB, SAIL, ELI, NHTF or HC recommendations for the development.

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

Florida Housing's Past Due Report dated April 18, 2025 reflects the following past due item(s): Arbours at Merrillwood I

Florida Housing's Asset Management Noncompliance Report dated April 18, 2025 reflects the following noncompliance item(s): None

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. The Development Team has demonstrated the ability to successfully develop and operate affordable multifamily rental communities using a variety of different subsidies.
2. Per the Market Study, Novogradac Consulting LLP ("Novogradac") states the capture rates are below the typical developer's benchmark of 10%, at 0.7% (22% AMI units), 1.60% (40% AMI units), and 14% (60% AMI units). These Capture Rates are considered reasonable taking into consideration the other indications of demand such as low vacancy rates and waiting lists reported by the comparable properties. Also, the weighted average occupancy of the comparable properties within the Developments CMA is 96.2%.

Other Considerations: None

Issues and Concerns: None



**MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT**

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Waiver Requests/Special Conditions: None

Additional Information: None

## Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accessory Buildings		\$594,961	\$594,961	\$7,083	
New Rental Units	\$14,279,181	\$12,089,369	\$12,089,369	\$143,921	
Off-Site Work	\$1,931,479			\$0	
Site Work		\$3,853,924	\$3,853,924	\$45,880	\$578,089
Constr. Contr. Costs subject to GC Fee	\$16,210,660	\$16,538,254	\$16,538,254	\$196,884	\$578,089
General Conditions (6.0%)	\$2,234,400	\$992,295	\$992,295	\$11,813	
Overhead (2.0%)		\$330,765	\$330,765	\$3,938	
Profit (6.0%)		\$992,295	\$992,295	\$11,813	
Payment and Performance Bonds		\$139,000	\$139,000	\$1,655	
Contract Costs not subject to GC Fee		\$918,224	\$918,224	\$10,931	
Total Construction Contract/Costs	\$18,445,060	\$19,910,833	\$19,910,833	\$237,034	\$578,089
Hard Cost Contingency (4.5%)	\$798,000	\$912,932	\$912,932	\$10,868	
FF&E paid outside Constr. Contr.		\$75,000	\$75,000	\$893	
Other: Off-site Costs-Water,Sewer,Paving		\$150,000	\$150,000	\$1,786	\$150,000
<b>Total Construction Costs:</b>	<b>\$19,243,060</b>	<b>\$21,048,765</b>	<b>\$21,048,765</b>	<b>\$250,581</b>	<b>\$728,089</b>

### Notes to the Construction Costs:

- Applicant provided an executed HUD Construction Contract with Guaranteed Maximum Price dated February 7, 2025 between Applicant and Doug Hollyhand Realty, Inc. ("Contractor") with a Guaranteed Maximum Price of \$19,910,833 and reflects Arbours at Emerald Springs achieving substantial completion of the development no later than 730 days (approximately 24 months) from the date of commencement. Ten (10%) percent retainage will be withheld on all work performed until 50% construction completion, then may be reduced to 5% until 75% completion, and then may be reduced to 2.5% until the loan reaches Final Endorsement.

Final payment will be made upon the expiration of thirty (30) days after the work is fully completed, provided the following have occurred: (1) all work requiring inspection by governmental authorities having jurisdiction has been inspected and approved by such authorities and by the rating or inspection organization, bureau, association or office having jurisdiction; (2) all certificates of occupancy, or other approvals, with respect to the Development have been issued by governmental authorities; (3) Permission(s) to Occupy (HUD-92485) for all units of the Development have been issued by HUD; (4) where applicable, HUD shall have approved Contractor's Certificate of Actual Cost; (5) as-built Drawings and Specifications, the as-built survey and all warranties shall have been delivered to Owner; and (6) all executed final advance documents required by HUD have been submitted.

- The construction contract and Plan and Cost Analysis ("PCA") have been reviewed and there are no allowances.
- Contract Costs not subject to GC Fee include other fees for Permits (\$26,834), Water Connection Fees (\$330,584) and Sewer Connection Fees (\$560,806).
- SMG received the General Contractor's Certification of Requirements indicating an understanding of GC conditions per Rules 67-21 and 67-48.

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5. Costs associated with the Payment and Performance Bond are contained within the contract but no GC Fee was taken on this cost.
6. Construction Off-Site Work of \$150,000 consists of water, sewer and paving and are ineligible for HC basis. The Applicant provided an executed AIA Document A102-2017 Standard Form of Agreement between Owner and Contractor where the basis of payment is the Cost of the Work plus a Fee with a Guaranteed Maximum Price dated February 10, 2025, in the amount of \$150,000. The contract provides for a date of commencement set forth in a notice to proceed issued by the Owner. The Agreement calls for achievement of substantial completion to occur not later than 730 calendar days from the date of commencement (approximately 24 months). Ten (10%) percent retainage will be withheld on all work performed up to 50% completion. At the time Contractor achieves 50% completion, the retainage shall be reduced to 5% on all future draws.
7. SMG engaged and received a PCA from Winica Consulting, LLC ("Winica"). Complete results are set forth in Section C of this credit underwriting report.

<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accounting Fees		\$65,000	\$65,000	\$774	\$32,500
Appraisal		\$16,150	\$16,150	\$192	
Architect's Fees		\$277,200	\$277,200	\$3,300	
Builder's Risk Insurance	\$50,000	\$202,498	\$202,498	\$2,411	
Building Permits				\$0	
Engineering Fees		\$146,825	\$146,825	\$1,748	
Environmental Report		\$25,000	\$25,000	\$298	
FHFC Administrative Fees		\$136,793	\$127,299	\$1,515	\$127,299
FHFC Application Fee		\$3,000	\$3,000	\$36	\$3,000
FHFC Compliance Fee	\$433,668	\$243,770	\$243,770	\$2,902	\$243,770
FHFC Credit Underwriting Fee		\$31,927	\$31,927	\$380	\$31,927
FHFC Other Processing Fee(s)			\$2,500	\$30	\$2,500
Green Building Cert. (LEED, FGBC, NAHB)		\$24,280	\$24,280	\$289	
Impact Fee				\$0	
Insurance				\$0	
Legal Fees - Organizational Costs		\$151,000	\$151,000	\$1,798	\$75,500
Lender Inspection Fees / Const Admin		\$57,500	\$57,500	\$685	
Market Study		\$10,950	\$10,950	\$130	\$10,950
Marketing and Advertising		\$30,000	\$30,000	\$357	\$30,000
Plan and Cost Review Analysis		\$0	\$4,875	\$58	
Property Taxes	\$410,133	\$18,000	\$18,000	\$214	
Soil Test		\$22,495	\$22,495	\$268	
Survey		\$30,000	\$20,000	\$238	\$5,000
Title Insurance and Recording Fees		\$55,000	\$55,000	\$655	\$13,750
Utility Connection Fees				\$0	
Soft Cost Contingency (3.2%)		\$50,000	\$50,000	\$595	
Other: Professional Fees	\$609,900			\$0	
Other: FHFC SAIL Compliance Fee			\$4,900	\$58	\$4,900
<b>Total General Development Costs:</b>	<b>\$1,503,701</b>	<b>\$1,597,388</b>	<b>\$1,590,169</b>	<b>\$18,931</b>	<b>\$581,096</b>

*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, McKean & Associates, Architects, LLC dated April, 9, 2024.
2. Building Permit Fees are included within the GC Contract as stated previously.
3. Engineering Fees are based on the Agreement between Owner and Seaside Engineering and Surveying, LLC, dated November 15, 2024, plus an estimate for additional hourly services.
4. The FHFC Administrative Fee is based on 9% of the recommended annual allocation of HC. The FHFC Application Fee is reflective of the application fee stated in RFA 2023-205. The total FHFC Credit Underwriting Fees are \$31,927. The FHFC Compliance Fee is the future compliance fees to be paid at bond redemption. It is estimated based on the compliance fee model provided by FHFC for 84 units for 50 years.
5. Impact Fees and Utility Connection Fees are included within the two GC Contracts stated previously.
6. Green Building Certification Fees are based on the Proposal by and between the Owner and Green Built Solutions, LLC dated February 21, 2025.
7. Insurance costs were combined with the Builder's Risk Insurance line item by the Applicant.
8. Lender Inspection Fees are estimated by the Applicant. These fees include estimates for Seltzer's construction inspection and draw processing fees, and the equity investor/construction lender's inspection fees.
9. The FHFC SAIL Compliance Fee of \$4,900 is based on \$100 per year for years 51-99 in connection with the Ad Valorem Compliance Period for the SAIL LURA. FHFC Compliance Fees through the initial 50-year Compliance Period will be ongoing and are incorporated in the operating proforma and debt service analysis within this report.

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**SMG**

<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Closing Costs	\$1,656,000			\$0	
Construction Loan Commitment Fee		\$90,800	\$114,400	\$1,362	
Construction Loan Interest		\$1,460,000	\$1,460,000	\$17,381	\$505,905
Permanent Loan Closing Costs	\$55,000			\$0	\$0
Bridge Loan Commitment Fee		\$88,500	\$88,500	\$1,054	
Bridge Loan Interest				\$0	
FHFC Bond Cost of Issuance	\$302,250	\$260,650	\$309,400	\$3,683	\$309,400
FHFC Bond Credit Enhancement Fee				\$0	\$0
FHFC Bond Interest		\$1,056,000	\$1,056,000	\$12,571	\$1,056,000
FHFC Bond Servicing Fee				\$0	\$0
FHFC Bond Short-Term Redemption Fee		\$27,200	\$27,200	\$324	\$27,200
FHFC Bond Trustee Fee		\$9,000	\$9,000	\$107	\$9,000
SAIL Commitment Fee		\$184,334	\$172,188	\$2,050	\$172,188
SAIL-ELI Commitment Fee				\$0	\$0
Misc Loan Underwriting Fee		\$20,000	\$20,000	\$238	\$20,000
NHTF Commitment Fee			\$7,800	\$93	\$7,800
NHTF Subsidy Layering Review		\$3,438	\$3,438	\$41	\$3,438
Legal Fees - Financing Costs				\$0	
Forward Rate Lock Fee				\$0	
Placement Agent/Underwriter Fee		\$142,000	\$100,000	\$1,190	\$100,000
Initial TEFRA Fee		\$1,000	\$1,000	\$12	\$1,000
FHA MIP (Prepayment)		\$28,600	\$28,600	\$340	\$28,600
FHA Exam Fee		\$17,160	\$17,160	\$204	\$17,160
Other: FHA Placement Fee		\$63,850	\$63,850	\$760	\$63,850
Other: FHFC Issuer Fee		\$76,800	\$76,800	\$914	\$76,800
Other: FHA Reserve LOC		\$14,014	\$14,014	\$167	\$14,014
<b>Total Financial Costs:</b>	<b>\$2,013,250</b>	<b>\$3,543,346</b>	<b>\$3,569,350</b>	<b>\$42,492</b>	<b>\$2,412,355</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$22,760,011</b>	<b>\$26,189,499</b>	<b>\$26,208,284</b>	<b>\$312,003</b>	<b>\$3,721,540</b>

*Notes to the Financial Costs:*

1. Construction Loan Commitment Fee is based on 2% of the construction loan amount.
2. Construction Loan Interest is an estimate provided by the Applicant based on the Construction Draw Schedule, which SMG considers reasonable.
3. Bridge Loan Commitment Fee is based on 0.75% of the “up to” commitment amount.
4. FHFC Bond Short-Term Redemption Fee is based on 0.17% of the total bond amount for the MMRB outstanding 24-36 months.
5. FHFC Bond Cost of Issuance (“COI”) includes MMRB, SAIL Base/ELI, and NHTF loan closing costs and expenses of the Trustee, Real Estate Counsel, MMRB Counsel, Disclosure Counsel Fees and other fees.

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6. The total SAIL Commitment Fee and firm loan commitment issuance deadline extension fee are based on 1.00% of the total SAIL amount.
7. Misc. Loan Underwriting Fee represents the Syndicator's Fee for legal fees and other closing costs associated with the tax credit equity provided by Synovus.
8. NHTF Commitment Fee is the 1% firm loan commitment issuance deadline extension fee based on the NHTF Loan amount.
9. There is a FHA Placement Fee of \$63,850, FHA MIP of \$28,600, a FHA Exam Fee of \$17,160, and a FHA Reserve LOC of \$14,014.
10. FHFC Issuer Fee represents 24 months of the annual Issuer Fee of 24 basis points (0.24%) during the construction period.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Building				\$0	
Building Acquisition Cost				\$0	
<b>Total Non-Land Acquisition Costs:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*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	\$3,788,822	\$4,714,000	\$4,714,000	\$56,119	
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	<b>\$3,788,822</b>	<b>\$4,714,000</b>	<b>\$4,714,000</b>	<b>\$56,119</b>	<b>\$0</b>

*Notes to the Developer Fee on Non-Acquisition Costs: None*

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$715,000	\$715,000	\$715,000	\$8,512	\$715,000
Land Carrying Costs				\$0	\$0
<b>Total Acquisition Costs:</b>	<b>\$715,000</b>	<b>\$715,000</b>	<b>\$715,000</b>	<b>\$8,512</b>	<b>\$715,000</b>

*Notes to the Land Acquisition Costs:*

1. The Applicant provided a Vacant Land Contract (the "Contract") between DeFuniak Developers, LLC ("Seller") and Arbour Valley Development, LLC ("Buyer"), executed on July 19, 2023 with a purchase price of \$715,000 and to close by January 31, 2024. Applicant submitted an Assignment of Contract for Sale and Purchase from Arbour Valley Development, LLC to Arbours at Emerald Springs, LLC dated July 26, 2023. Applicant provided a copy of the fully executed Closing Statement dated June 28, 2024, evidencing the purchase price of \$715,000.

The appraised value of the vacant land is \$730,000, 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 Reserves		\$416,863	\$416,863	\$4,963	\$416,863
<b>Total Reserve Accounts:</b>	<b>\$0</b>	<b>\$416,863</b>	<b>\$416,863</b>	<b>\$4,963</b>	<b>\$416,863</b>

*Notes to the Reserve Accounts:*

1. Per the Synovus equity LOI, an operating deficit reserve of no less than six (6) months of operating expenses shall be funded. This amount was estimated by the Applicant and appears reasonable.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$27,263,833</b>	<b>\$32,035,362</b>	<b>\$32,054,147</b>	<b>\$381,597</b>	<b>\$4,853,403</b>

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	14.00%	\$2,315,356	\$2,315,355
Hard Cost Contingency	5.00%	4.59%	\$995,542	\$912,932
Soft Cost Contingency	5.00%	3.25%	\$77,008	\$50,000
Developer Fee	18.00%	17.99%	\$4,717,491	\$4,714,000

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**Section B**

**Loan Conditions**

**HC Allocation Recommendation and Contingencies**

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**JUNE 2, 2025**



Special Conditions

This recommendation is contingent upon receipt of the following item by Florida Housing **at least 30 days prior to real estate loan closing**. Failure to submit this item within this time frame may result in postponement of the MMRB pricing date and/or the loan closing date.

1. Receipt of the Compliance Monitoring Fee of \$4,900 for the Ad Valorem Compliance Period.
2. Satisfactory completion of the HUD Section 3 Pre-Construction Conference.
3. 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 24 CFR Part 75).
4. Receipt of the Affirmative Fair Housing Marketing Plan.
5. Receipt and satisfactory review of the permanent First Mortgage Loan rate lock documentation and confirmation that the Second Mortgage SAIL (Base Loan) meets or exceeds the minimum DSC of 1.00x to 1.00.
6. The Syndicator is required to provide 15% of the total equity prior to or simultaneously with the closing of the construction financing. Confirmation that Synovus will meet this requirement by providing 10% from an equity installment, and funding a portion of the equity bridge loan in excess of the additional 5% needed to meet the requirement.

General Conditions

This recommendation is contingent upon the review and approval of the following items by Seltzer and Florida Housing **at least 30 days prior to Real Estate loan closing**. Failure to receive approval of these items within this time frame may result in postponement of the MMRB pricing date and/or the loan closing.

1. Applicant 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

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(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. SAIL Base, ELI and NHTF shall be disbursed in an amount per Draw that does not exceed the ratio of the SAIL Base, ELI and NHTF to the Total Development Cost 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 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.

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 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.
10. Architect, Construction Consultant, and Applicant 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 the Limited Partnership / Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Limited Partnership / 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 Rule Chapters 67-21.0025(5) and 67-48.0075 (5) F.A.C., of an Applicant or a Developer).

**MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT**

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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 Applicant 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 30 days prior to Real Estate loan closing**. Failure to receive approval of these items within this time frame may result in postponement of the MMRB pricing date and/or the loan closing.

1. Documentation of the legal formation and current authority to transact business in Florida for the Applicant, the general partner/member(s)/principal(s)/manager(s) of the Applicant, the guarantors, and any limited partners/members of the Applicant.
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, SAIL Base, ELI, and NHTF loan closing, unless otherwise approved by Florida Housing, and Legal Counsel, based upon the particular circumstances of the transaction. Applicant 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 MMRB, SAIL Base, ELI 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 Partnership Agreement / Operating Agreement or other applicable agreement. Florida

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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 Applicant's Legal Counsel acceptable to Florida Housing addressing the following matters:
  - a. The legal existence and good standing of the Applicant and of any partnership or limited liability company that is the general partner of the Applicant (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 Applicant 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 Applicant'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 Applicant is a party or to which the Development is subject to the Applicant'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 Applicant, 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, including HC as Applicable:

This recommendation is also contingent upon the following additional conditions:

1. Compliance with all provisions of Sections 420.507, 420.5087 and 420.509, Florida Statutes, Rule Chapters 67-21, 67-48, 67-53, and 67-60, F.A.C., RFA 2023-205, Section 42 I.R.C., and any other State and Federal requirements.
2. Acceptance by the Applicant and execution of all documents evidencing and securing the MMRB, SAIL Base, ELI and NHTF loans 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.

**MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT**

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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 MMRB 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 permanent First Mortgage 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 Certified Public Accountant ("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. Guarantors for the SAIL Base Loan 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 combined permanent First Mortgage and SAIL Base 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 Certified Public Accountant ("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.
7. Guarantors are to provide the standard FHFC Environmental Indemnity Guaranty.
8. Guarantors are to provide the standard FHFC Guaranty of Recourse Obligations.
9. A mortgagee title insurance lender's policy naming Florida Housing as the insured 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.
10. 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.
11. 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 and Rule Chapters 67-21 and 67-48, in the amount of \$25,200 (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. 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.

12. Winica or other construction inspector acceptable for Florida Housing is to act as Florida Housing's inspector during the construction period.
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. Under the terms of the construction contract, a minimum of 10% retainage holdback on all construction draws will be withheld until construction is 50% complete and reduced to 5% until 75% complete, and further reduced to 2.5% thereafter. Under the terms of the Off-Site Work construction contract, a minimum of 10% retainage holdback on all construction draws will be withheld until construction is 50% complete and reduced to 5% thereafter. This satisfies the RFA and Rules 67-21 and 67-48 minimum requirements.
14. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or its Servicer, if applicable.
15. Closing of all funding sources prior to or simultaneous with the closing of the MMRB, SAIL Base, ELI and NHTF loans.
16. 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.
17. Housing Credits - Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
18. Any other reasonable requirements of the Servicer, Florida Housing or its Legal Counsel.

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**Section C**

**Supporting Information and Schedules**

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**JUNE 2, 2025**

**MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT**

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**Additional Development and Third Party Supplemental Information**

**Appraisal Summary:**

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Novogradac & Company LLP	
Date of Report	3/13/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	95.0%	
Occupancy at Stabilization: Physical (%)	96.0%	
Value: As Is market value of the land	\$730,000	
As of date and type of interest (as if vacant land)	9/25/2024, fee simple	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$12,200,000	
As of date and type of interest (unrestricted rents)	9/25/2024, leased fee	
Value: "As Complete and Stabilized", subject to restricted rents	\$7,900,000	
As of date and type of interest (restricted rents)	9/25/2024, leased fee	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

**Market Study Summary:**

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Novogradac & Company LLP	
Date of Report	1/13/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	5	
Short Term and Long Term Impact to existing like-kind developments	No negative impact	
Weighted Average Occupancy of like-kind developments (submarket) (must be ? 92%)	96.2%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 5 mile radius:		
Level of Effort (%)	20.9%	
Capture Rate (%)	0.7% @ 22%AMI, 1.6% @ 40% AMI, 14% @ 60% AMI	
Absorption Rate	20 units per month	
Will the development achieve maximum allowable HC Rents? (Y/N)	Yes	
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Yes	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Yes	



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**Environmental Report Summary:**

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	GIBCO Environmental, LLC	
Date of Report	11/5/2024	
Type of Report	Phase I Environmental Site Assessment (ASTM Standard E-1527-21)	
Confirm certified and prepared for FHFC (Y/N)	No	
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	No	
Is any further investigation required? (Y/N)	No	

**Soils Test Report Summary:**

Soils Test Report Summary Questions	Responses	Note
Preparer Firm Name	NOVA Engineering and Environmental, LLC	
Date of Report	5/8/2024	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

**Plan and Cost Analysis Report Summary:**

Property Conditions Report (PCR) Summary Questions	Responses	Note
Preparer Firm Name	Winica Consulting, LLC	
Date of Report	11/27/2024	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	Y	
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	1.
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$19,910,833	
Cost per Unit	\$237,034	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	24 months	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	

1. The Contractor also provided a fully executed AIA A102-2017 GMP for off-site work dated February 10, 2025, in the amount of \$150,000. Winica reviewed the GMP and stated the costs appear in line with the scope of work provided.

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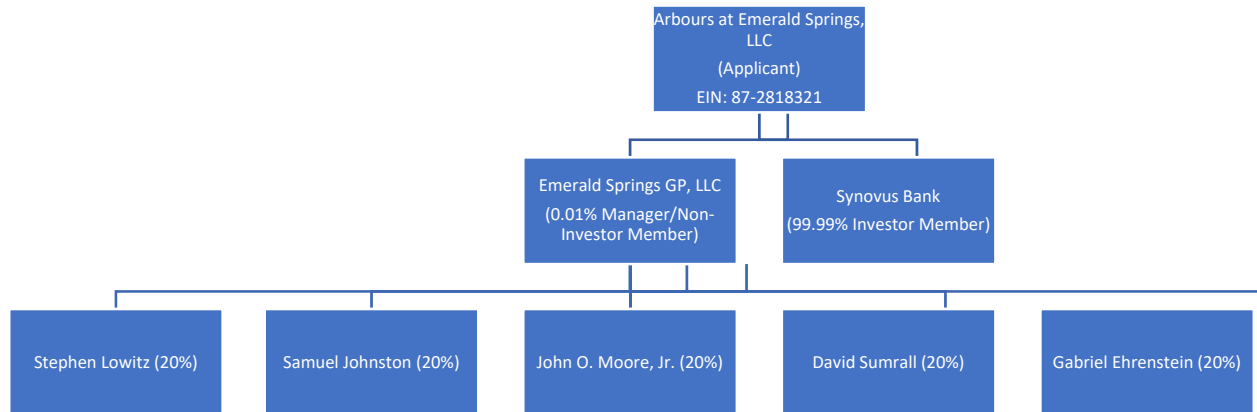
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**Site Inspection Summary:**

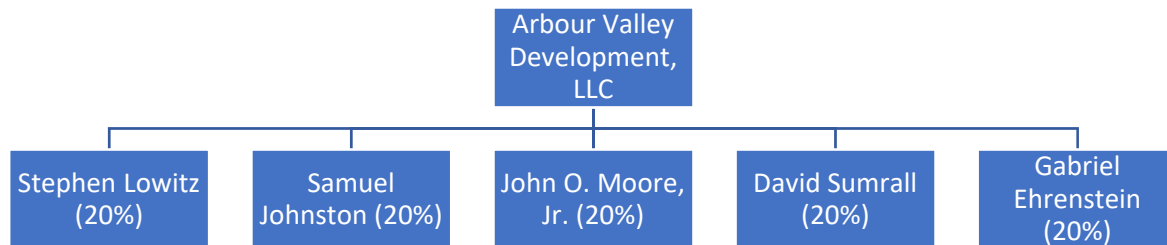
<b>Site Visit Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Name of Inspector	Beth Schoen	
Date of Inspection	6/27/2024	
Were the observation(s) of the insepector in line with the Market Study? (Y/N)	Y	

Applicant and Related Party Table

Borrower Organizational Chart:



Developer Organizational Chart:



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	Arbours at Emerald Springs, LLC	Emerald Springs GP, LLC	Arbour Valley Development, LLC	Stephen Lowitz	Samuel Johnston	John O. Moore, Jr.	David Sumrall	Gabriel Ehrenstein	Synovus Bank	Doug Hollyhand Realty, Inc.	Arbour Valley Management, LLC	Note
Relationship Type	Guarantor / Applicant	Guarantor / General Partner	Guarantor / Developer	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Syndicator	General Contractor	Management Company	
Contact Person Name & Title	Samuel T. Johnston		Samuel T. Johnston						C. Reed Dolihite	William Hollyhand	Stephanie C. Tinney	
Contact Information	205-981-3300 sam@arbourvalley.com 242 Inverness Center Drive Birmingham, AL 35242		205-981-3300 sam@arbourvalley.com 242 Inverness Center Drive Birmingham, AL 35242						205-868-7642 ReedDolihite@synovus.com	205-366-3667 527 Main Avenue Northport, AL 35476	205-909-0060 Stephanie@arbourvalley.com	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y	Y	Y	Y	Y	N/A	N/A	N/A	
Does entity have the necessary experience?	N	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	Y	Y	Y	Y	Y	Y	Y	Y	N/A	Y	N/A	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	N/A	Y	Y	Y	Y	Y	Y	N/A	Y	N/A	
Have all financial statements been reviewed and are they adequate?	N/A	N/A	Y	Y	Y	Y	Y	Y	Y	N/A	N/A	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y	Y	Y	Y	Y	N/A	Y	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y	N/A	
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y	
Has the Property Manager been approved by FHFC's Asset Mgmt Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Closing Condition	1.
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	N	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	

*Note: FHFC reserves the right to request additional information.*

- Approval of the selection of the management company by FHFC's Asset Management Department is required. As the Development is proposed to be constructed, said approval is not required at closing. Continued approval is subject to ongoing satisfactory performance.

Arbours at Emerald Springs  
RFA 2023-205 (2024-020BSN / 2023-516C)  
Description of Features and Amenities

**A.** The Development will consist of:

84 Garden Apartments located in 4 residential buildings

Unit Mix:

- Eighteen (18) one bedroom/one bath units;
- Forty-two (42) two bedroom/two bath units;
- Twenty-four (24) three bedroom/two bath units;
- 84 Total Units

**B.** All units are expected to meet all requirements as outlined below. If the proposed Development consists of rehabilitation, the proposed Development's ability to provide all construction features will be confirmed as outlined in Exhibit F of the RFA. The quality of the construction features committed to by the Applicant is subject to approval of the Board of Directors.

The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act ("ADA") of 1990 as implemented by 28 CFR 35.

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.

**C.** The Development must provide the following General Features:

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in accessibility in each unit;
2. Termite prevention;
3. Pest control;
4. Window covering for each window and glass door inside each unit;

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5. 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;
  6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
    - There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Developments' 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;
    - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.
  7. At least two full bathrooms in all 3 bedroom or larger new construction units;
  8. Bathtub with shower in at least one bathroom in at least 90% of the new construction non-Elderly units;
  9. All Family Demographic Developments must provide a full-size range and oven in all units.
- D. Required Accessibility Features, regardless of the age of the Development:**
- Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. Florida Housing 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 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.
- E. The Development must provide the following Accessibility Features in all units:**
1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;

2. All door handles on primary entrance door and interior doors must have lever handles;
  3. Lever handles on all bathroom faucets and kitchen sink faucets;
  4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
  5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.
- F.** In addition to the 5 percent mobility requirement outlined above, all Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

**G.** Green Building Features required in all Developments:

All new construction units and, as applicable, all common areas must have the features listed below and all rehabilitation units are expected to have all of the following required Green Building features unless found to be not appropriate or feasible within the scope of the rehabilitation work utilizing a capital needs assessment as further explained in Exhibit F of the RFA:

- a. 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);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
  - i. Toilets: 1.28 gallons/flush or less,
  - ii. Urinals: 0.5 gallons/flush,
  - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;

- c. Energy Star certified refrigerator;
  - d. Energy Star certified dishwasher;
  - e. Energy Star certified ventilation fan in all bathrooms;
  - f. Water heater minimum efficiency specifications:
    - Residential Electric:
      - i. Up to 55 gallons = 0.95 EF or 0.92 UEF; or
      - ii. More than 55 gallons = Energy Star certified; or
      - iii. Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  over a 67° rise;
    - Residential Gas (storage or tankless/instantaneous): Energy Star certified
    - Commercial Gas Water Heater: Energy Star certified;
  - g. Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
  - h. Air Conditioning (in-unit or commercial):
    - i. Air-Source Heat Pumps – Energy Star certified:
      - a.  $\geq 7.8$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER2 for split systems
      - b.  $\geq 7.2$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 10.6$  EER2 for single package equipment including gas/electric package units
    - ii. Central Air Conditioners – Energy Star certified:
      - a.  $\geq 15.2$  SEER2/  $\geq 12$  EER2 for split systems
      - b.  $\geq 15.2$  SEER2/  $\geq 11.5$  EER2 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 one-bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments with the Development Category of New Construction, must select one of the following Green Building Certification programs:

\_\_\_\_\_ Leadership in Energy and Environmental Design (LEED); or

\_\_\_\_\_ Florida Green Building Coalition (FGBC); or

  X   ICC 700 National Green Building Standard (NGBS); or

\_\_\_\_\_ Enterprise Green Communities.

**H.** Applicants who select the Family Demographic must provide at least three Resident Programs:



The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

**1. Financial Management Program**

The Applicant or its Management Company shall provide a series of classes to provide residents training in various aspects of personal financial management. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. If the Development consists of Scattered Sites, the Resident Program must be held on the Scattered Site with the most units. Residents residing at the other sites of a Scattered Site Development must be offered transportation, at no cost to them, to the classes. The topic areas must include, but not be limited to:

- Financial budgeting and bill-paying including training in the use of technologies and web-based applications;
- Tax preparation including do's and don'ts, common tips, and how and where to file, including electronically;
- Fraud prevention including how to prevent credit card and banking fraud, identity theft, computer hacking and avoiding common consumer scams;
- Retirement planning & savings options including preparing a will and estate planning; and
- Homebuyer education including how to prepare to buy a home, and how to access to first-time homebuyer programs in the county in which the development is located.

Different topic areas must be selected for each session, and no topic area may be repeated consecutively.

**2. Adult Literacy**

The Applicant or its Management Company must make available, at no cost to the resident, literacy tutor(s) who will provide weekly literacy lessons to residents in private space on-site. Various literacy programming can be offered that strengthens participants' reading, writing skills, and comprehension, but at a minimum, these must include English proficiency and basic reading education.

Training must be held between the hours of 8:00 a.m. and 7:00 p.m. and 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.

3. Homeownership Opportunity Program - Applicant commits to provide a financial incentive which includes the following provisions:
- The incentive must be applicable to the home selected and may not be restricted to or enhanced by the purchase of a home in which the Applicant, Developer, or other related party has an interest;
  - the incentive must be not less than 5 percent of the rent received by the owner for the unit during the entire occupancy by the household (Note: The incentive will be paid for all months for which the household is in compliance with the terms and conditions of the lease. Damages to the unit in excess of the security deposit will be deducted from the incentive.);
  - the benefit must be in the form of a gift or grant and may not be a loan of any nature;
  - the benefits of the incentive must accrue from the beginning of occupancy;
  - the vesting period can be no longer than 2 years of continuous residency; and
  - no fee, deposit or any other such charge can be levied against the household as a condition of participation in this program.

## HC Allocation Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$32,054,147
Less: Land Cost	(\$715,000)
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$4,138,403)
Less: Disproportionate Standard	\$0
Total Eligible Basis	\$27,200,744
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$35,360,967
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$1,414,439

### *Notes to the Qualified Basis Calculation:*

1. Other Ineligible Costs primarily include a portion of the site work, off-site construction, accounting fees, FHFC administrative, application, underwriting, and HC compliance fees, a portion of legal fees, Market Study fees, marketing and advertising, title insurance, survey, FHFC MMRB cost of issuance, FHFC Issuer Fee, the portion of construction interest accrued after construction completion, closing costs, land costs and operating deficit 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"), census tract 9503.04. Therefore, the 130% basis credit has been applied to the Eligible Basis.
4. Per the FY 2021 Omnibus Consolidated Appropriations Act passed by Congress as of December 21, 2020, a permanent 4% minimum HC rate was established. For purposes of this report, a HC percentage of 4.00% has therefore been applied.

**MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT**

**SMG**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$32,054,147
Less: Mortgages	(\$15,109,400)
Less: Grants	\$0
Equity Gap	\$16,944,747
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.870
HC Required to Meet Gap	\$19,478,669
Annual HC Required	\$1,947,867

*Notes to the Gap Calculation:*

1. Mortgages include the Merchants first mortgage, FHFC SAIL second mortgage, FHFC SAIL-ELI third mortgage, and FHFC NHTF fourth mortgage.
2. HC Syndication Pricing and Percentage to Investment Partnership are based upon the April 10, 2025 LOI from Synovus.

<b>Section III: Tax-Exempt Bond 50% Test</b>	
Total Depreciable Cost	\$27,200,744
Plus: Land Cost	\$715,000
Aggregate Basis	\$27,915,744
Tax-Exempt Bond Amount	\$16,000,000
Less: Debt Service Reserve	\$0
Less: Proceeds Used for Costs of Issuance	\$0
Plus: Tax-exempt GIC earnings	\$0
Tax-Exempt Proceeds Used for Building and Land	\$16,000,000
Proceeds Divided by Aggregate Basis	57.32%

*Notes to 50% Test:*

1. SMG estimates the Tax-Exempt MMRB amount to be 57.32% of Depreciable Development Costs plus Land Acquisition Costs. If, at the time of Final Cost Certification, the Tax-Exempt Bond Amount is less than 50%, developer fees will have to be reduced by an amount to ensure compliance with the 50% Test. That may, in turn, result in a reduction to HC Equity.

MMRB, SAIL, ELI, NHTF AND HC CREDIT UNDERWRITING REPORT

SMG

Section III: Summary	
HC per Qualified Basis	\$1,414,439
HC per Gap Calculation	\$1,947,867
Annual HC Recommended	\$1,414,439

*Notes to the Summary:*

1. The Annual HC Recommended is based on the Qualified Basis Calculation.

**FLORIDA HOUSING FINANCE CORPORATION  
AUTHORIZATION RESOLUTION  
ARBOURS AT EMERALD SPRINGS**

**RESOLUTION NO.**

**A RESOLUTION AUTHORIZING ISSUANCE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (ARBOURS AT EMERALD SPRINGS), 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 BONDS; APPROVING THE PREPARATION, EXECUTION AND DELIVERY OF A TRUST INDENTURE AND A LOAN AGREEMENT OR FINANCING AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE LOAN MADE PURSUANT TO SUCH LOAN AGREEMENT OR FINANCING AGREEMENT TO THE BORROWER NAMED THEREIN; AUTHORIZING THE PREPARATION, EXECUTION, AS APPLICABLE, AND DELIVERY OF ALL DOCUMENTS NECESSARY OR DESIRED IN CONNECTION WITH THE ISSUANCE AND SALE OF SUCH BONDS, INCLUDING, BUT NOT LIMITED TO, A PRELIMINARY OFFERING STATEMENT AND FINAL OFFERING STATEMENT; AUTHORIZING ALL ACTIONS NECESSARY FOR FINAL APPROVAL OF THE SALE AND ISSUANCE OF SUCH 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 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 its 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 Bonds, 2025 Series \_\_ [one or more series or subseries to be designated] (Arbours at Emerald Springs), or such other designation for each series or subseries as shall be determined by Florida Housing (collectively, the “Bonds”), as tax-exempt or taxable obligations, for the purpose of making a loan to Arbours at Emerald Springs, LLC, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, construction and equipping of an approximately 84 unit multifamily residential rental development for persons of low, moderate and middle income, named Arbours at Emerald Springs, located in the City of DeFuniak Springs, Walton County, Florida (the “Property”); provided that the aggregate principal amount of the Bonds shall not exceed (a) \$16,000,000 or (b) such greater aggregate principal amount of the Bonds which at the time of issuance does not exceed an aggregate principal amount that would result in a debt service coverage ratio for the Bonds, 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 Bonds 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 Bonds 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 the trust indenture and the 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 sale and issuance of the Bonds 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) \$16,000,000 or (b) such greater aggregate principal amount of the Bonds which, at the time of issuance, does not exceed an aggregate principal amount that 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 Code. Subject to the immediately preceding sentence, the maximum principal amount of the Bonds 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 Bonds 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 Bonds, from the Florida Housing Credit Underwriter with respect to the Property that, taking into account any increased aggregate principal amount of the Bonds, 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 trust indenture between Florida Housing and a corporate trustee setting forth the terms and conditions of the Bonds 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 Bonds 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. A loan agreement between Florida Housing and the Borrower, or financing agreement among Florida Housing, the Borrower and a corporate trustee, setting forth the terms of the loan of the proceeds of the Bonds 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 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 preliminary official statement (or preliminary limited offering memorandum) and a final official statement (or final limited offering memorandum) is hereby authorized to be prepared and distributed in connection with the sale of the Bonds, in such form as shall be approved by an Authorized Signatory, and the execution of such final official statement (or final limited offering memorandum) by an Authorized Signatory 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.

6. The Bonds shall be sold in accordance with the requirements of the Act, including Section 420.509(12), Florida Statutes. In the event the Bonds shall be sold by a negotiated sale, an Authorized Signatory is hereby authorized to execute and deliver a bond purchase 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 bond purchase agreement by an Authorized Signatory shall be conclusive evidence of such approval.

7. An Authorized Signatory is authorized to cause to be prepared and to execute and deliver any additional documents necessary for the issuance of the Bonds or 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 Bonds or 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.

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 the trust indenture for the Bonds. The Bonds do not constitute obligations, 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 Bonds.

9. The Bonds may be executed either manually or by facsimile signature by any officer of Florida Housing.

10. The maximum 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.

ADOPTED this 13th day of June, 2025.

(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

---

Sandra Veszi Einhorn, 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 13th day of June, 2025, 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.

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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 \_\_\_\_\_, 2025 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

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Notary Public

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Name typed, printed or stamped

My Commission Expires: \_\_\_\_\_

**FLORIDA HOUSING FINANCE CORPORATION  
SALE RESOLUTION  
ARBOURS AT EMERALD SPRINGS**

**RESOLUTION NO.**

**A RESOLUTION AUTHORIZING AND APPROVING THE NEGOTIATED SALE AND ISSUANCE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (ARBOURS AT EMERALD SPRINGS), 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 BOND PURCHASE AGREEMENT AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE NEGOTIATED SALE OR ISSUANCE OF SUCH BONDS; 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 OR PROVIDE FOR THE ISSUANCE OF SUCH 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”), and is authorized by the Act to issue its 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 Bonds, 2025 Series \_\_ [one or more series or subseries to be

designated] (Arbours at Emerald Springs), or such other designation for each series or subseries as shall be determined by Florida Housing (collectively, the “Bonds”), as tax-exempt or taxable obligations, for the purpose of making a loan (the “Loan”) to Arbours at Emerald Springs, LLC, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, construction and equipping of an approximately 84 unit multifamily residential rental development for persons of low, moderate and middle income, named Arbours at Emerald Springs, located in the City of DeFuniak Springs, Walton County, Florida (the “Property”); provided that the aggregate principal amount of the Bonds shall not exceed (a) \$16,000,000 or (b) such greater aggregate principal amount of the Bonds which, at the time of issuance, does not exceed an aggregate principal amount that would result in a debt service coverage ratio for the Bonds of less than 1.00 (subject to 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 the underwriter or underwriters designated by Florida Housing for a negotiated sale of the Bonds through such underwriter or underwriters if Florida Housing by official action at a public meeting determines that such negotiated sale of the Bonds is in the best interest of Florida Housing; and

WHEREAS, Florida Housing has reviewed the market conditions and trends affecting the negotiated sale of the Bonds; and

WHEREAS, Florida Housing has received a recommendation from its independent registered municipal advisor relating to the method of sale of the Bonds and reviewed the relative

advantages of a negotiated sale of the Bonds 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 Bonds renders the Bonds a candidate for a negotiated sale; and

WHEREAS, based on the foregoing, the Board hereby finds that a negotiated sale of the Bonds 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 Bonds 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 Bonds.

NOW, THEREFORE, the Board hereby ascertains, determines and resolves that:

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 sale of the Bonds is to be negotiated by Florida Housing with or through Stifel, Nicolaus & Company, Incorporated, or any other investment banking firm selected by Florida Housing to serve as the underwriter for the negotiated sale of the Bonds (hereinafter referred to as the “Underwriter”).
3. The Bonds are to be generally described as follows:



Florida Housing Finance Corporation  
Multifamily Mortgage Revenue Bonds,  
2025 Series \_\_ [one or more series or subseries to be designated]  
(Arbours at Emerald Springs)  
[or such other designation for each series or subseries as shall be determined by  
Florida Housing].

4. Florida Housing shall negotiate with or through the Underwriter and execute such documents as are necessary to sell the Bonds 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 Bonds and to execute and deliver a bond purchase agreement to facilitate such negotiated sale (the “Bond Purchase Agreement”) upon approval of the terms of such agreement, and the execution and delivery of the Bond Purchase Agreement 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 would facilitate an interest rate on the Loan 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 Bonds in conformance with the program documents entered into to facilitate financing the acquisition, construction and equipping of the Property.

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 negotiated sale and issuance 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 award 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 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 13th day of June, 2025.

(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

---

Sandra Veszi Einhorn, 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 13th day of June, 2025, 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 \_\_\_\_\_, 2025 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**

### **Liberty Square Elderly**

**Tax-Exempt Multifamily Mortgage Revenue Bonds (“MMRB” or “Bonds”),  
Live Local State Apartment Incentive Loan (“SAIL”), and 4% Non-  
Competitive Housing Credits (“HC”)**

**RFA 2023-213 (2024-241BS / 2023-554C)**

**SAIL Funding for Live Local Mixed Income, Mixed-Use, and Urban Infill  
Developments**

#### **Section A: Report Summary**

#### **Section B: MMRB, SAIL, and HC Special and General Conditions**

#### **Section C: Supporting Information and Schedules**

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**Prepared by**

**First Housing Development Corporation of Florida**

**FINAL REPORT**

**May 31, 2025**

**Liberty Square Elderly**

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**Section A**  
**Report Summary**

**MMRB, SAIL, & HC CREDIT UNDERWRITING REPORT**

**Recommendation**

First Housing Development Corporation of Florida (“First Housing”, “FHDC”, or “Servicer”) recommends a MMRB in the amount \$39,000,000, a Live Local SAIL Loan in the amount of \$2,500,000, and an annual 4% HC Allocation of \$2,781,397 for the construction and permanent financing of Liberty Square Elderly (“Development”). The recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:	Liberty Square Elderly		
RFA/Program Numbers:	RFA 2023-213	/	2024-241BS 2023-554C
Address:	1201 NW 63rd Street		
City:	Miami	Zip Code:	33147 County: Miami-Dade County Size: Large
Development Category:	New Construction	Development Type:	High-Rise
Construction Type:	Masonry	Number of Stories:	7
Demographic Commitment:			
Primary:	Elderly, Non-ALF	for	100% of the Units
Link Units:	Persons with Special Needs	for	25% of the Units
Unit Composition:			
# of ELI Units:	65	ELI Units Are Restricted to	30% AMI, or less. Min % of Units @ ELI: 5%
# of Link Units:	33	# of Preference units:	IRS Minimum Set-Aside Commitment: AIT
# of NHTF Units:		# of units w/ PBRA:	132 TSP Approval Date: 03/05/2025
Buildings:	Residential - 1	Non-Residential -	0
Parking:	Parking Spaces - 77	Accessible Spaces -	3
DDA:	No	SADDA:	No QCT: Yes Multi-Phase Boost: Yes QAP Boost: N/A QAP Type:
Site Acreage:	3.690	Density:	35.7724 Flood Zone Designation: AH
Zoning:	General Urban Zone and Urban Center Zone (T4-R and T5-O)		Flood Insurance Required?: Yes
Credit Underwriter:	First Housing Development Corporation		Date of Application: 12/19/2023
Date of Final CUR:		Minimum 1st Mortgage per Rule:	N/A
TDC PU Limitation at Application:	\$454,033	TDC PU Limitation at Credit Underwriting:	\$454,033
Actual TDC PU for Limitation:	\$361,715	Amount Dev. Fee Reduced for TDC Limit:	\$0

**MMRB, SAIL, & HC CREDIT UNDERWRITING REPORT**

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The reader is cautioned to refer to all sections of the report for complete information.

Prepared by:



Taylor Arruda  
Senior Credit Underwriter

Reviewed by:



Ed Busansky  
Senior Vice President



**MMRB, SAIL, & HC CREDIT UNDERWRITING REPORT**

**Set Asides & 15-Year Operating Proforma**

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRB	40.000%	53	60%	50
SAIL	49.242%	65	30%	99
SAIL	10.606%	14	60%	99
SAIL	40.152%	53	80%	99
HC-4%	49.242%	65	30%	50
HC-4%	10.606%	14	60%	50
HC-4%	40.152%	53	80%	50

Persons with Special Needs Set-Aside Commitment: The proposed Development must set aside 50% of the ELI set-aside units (33 units) as Link units for Persons with Special Needs. In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding (“MOU”) with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with Special Needs for the county where the proposed Development will be located (Miami-Dade County). The MOU was approved by Florida Housing Finance Corporation (“Florida Housing”, “FHFC”, or “Corporation”) on February 17, 2025.

The Applicant plans to apply for the Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes for the Development, which requires a ninety-nine (99) year total compliance period under a Land Use Restriction Agreement. Therefore, after the initial 50-year Compliance Period required by the RFA (“Compliance Period”) expires, all SAIL set-aside units within the Development shall be rented to households who shall have a household income less than or equal to one hundred and twenty percent (120%) of the Area Median Income for a period of forty-nine (49) years (“Ad Valorem Compliance Period”). The Ad Valorem Compliance Period, together with the Compliance Period shall have a term of ninety-nine (99) years (the “Total Compliance Period”) which will be defined under the SAIL Land Use Restriction Agreement. The Applicant will be responsible for compliance monitoring fees for 50 years which is to be paid to the Servicer, for years 51-99, compliance monitoring will be self-certified by the Applicant to FHFC. The Applicant will also be responsible for the compliance monitoring fee of \$4,900 (\$100 per year) for years 51-99 Ad Valorem Compliance Period, to be paid at closing to FHFC.

As required by the Federal Fair Housing Act and the RFA, at least 80% of the total units will be rented to residents that qualify as Elderly.

**MMRB, SAIL, & HC CREDIT UNDERWRITING REPORT**

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

**Miami-Dade County, Miami-Miami Beach-Kendall HMFA**

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	24	594	30%			\$638	\$128	\$510	\$1,959	\$1,959	\$1,959	\$1,959	564,192
1	1.0	6	634	30%			\$638	\$128	\$510	\$1,959	\$1,959	\$1,959	\$1,959	141,048
1	1.0	6	616	30%			\$638	\$128	\$510	\$1,959	\$1,959	\$1,959	\$1,959	141,048
1	1.0	6	710	30%			\$638	\$128	\$510	\$1,959	\$1,959	\$1,959	\$1,959	141,048
1	1.0	18	585	30%			\$638	\$128	\$510	\$1,959	\$1,959	\$1,959	\$1,959	423,144
1	1.0	12	618	60%			\$1,277	\$128	\$1,149	\$1,959	\$1,959	\$1,959	\$1,959	282,096
1	1.0	2	603	60%			\$1,277	\$128	\$1,149	\$1,959	\$1,959	\$1,959	\$1,959	47,016
1	1.0	10	603	80%			\$1,703	\$128	\$1,575	\$1,959	\$1,959	\$1,959	\$1,959	235,080
1	1.0	36	601	80%			\$1,703	\$128	\$1,575	\$1,959	\$1,959	\$1,959	\$1,959	846,288
2	1.0	5	885	30%			\$765	\$198	\$567	\$2,363	\$2,363	\$2,363	\$2,363	141,780
2	1.0	7	885	80%			\$2,042	\$198	\$1,844	\$2,363	\$2,363	\$2,363	\$2,363	198,492
		132	83,454											3,161,232

**MMRB, SAIL, & HC CREDIT UNDERWRITING REPORT**

**FHDC**

**15-Year Operating Pro Forma**

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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	\$3,161,232	\$23,949	\$3,224,457	\$3,288,946	\$3,354,725	\$3,421,819	\$3,490,256	\$3,560,061	\$3,631,262	\$3,703,887	\$3,777,965	\$3,853,524	\$3,930,595	\$4,009,207	\$4,089,391	\$4,171,178	
	Other Income: (1.25%)																	
	Miscellaneous	\$39,600	\$300	\$40,392	\$41,200	\$42,024	\$42,864	\$43,722	\$44,596	\$45,488	\$46,398	\$47,326	\$48,272	\$49,238	\$50,222	\$51,227	\$52,251	
	Gross Potential Income	\$3,200,832	\$24,249	\$3,264,849	\$3,330,146	\$3,396,749	\$3,464,683	\$3,533,977	\$3,604,657	\$3,676,750	\$3,750,285	\$3,825,291	\$3,901,796	\$3,979,832	\$4,059,429	\$4,140,617	\$4,223,430	
	Less:																	
	Physical Vac. Loss	Percentage: 3.00%	\$96,025	\$727	\$97,945	\$99,904	\$101,902	\$103,941	\$106,019	\$108,140	\$110,302	\$112,509	\$114,759	\$117,054	\$119,395	\$121,783	\$124,219	\$126,703
	Collection Loss	Percentage: 1.03%	\$32,969	\$250	\$33,628	\$34,300	\$34,987	\$35,686	\$36,400	\$37,128	\$37,871	\$38,628	\$39,400	\$40,189	\$40,992	\$41,812	\$42,648	\$43,501
	Total Effective Gross Income	\$3,071,838	\$23,272	\$3,133,275	\$3,195,941	\$3,259,860	\$3,325,057	\$3,391,558	\$3,459,389	\$3,528,577	\$3,599,148	\$3,671,131	\$3,744,554	\$3,819,445	\$3,895,834	\$3,973,751	\$4,053,226	
Annual Escalation Rate (Income): 2.00%																		
EXPENSES:	Fixed:																	
	Real Estate Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Insurance	\$198,000	\$1,500	\$203,940	\$210,058	\$216,360	\$222,851	\$229,536	\$236,422	\$243,515	\$250,820	\$258,345	\$266,095	\$274,078	\$282,301	\$290,770	\$299,493	
	Variable:																	
	Management Fee	Percentage: 4.00%	\$122,874	\$931	\$125,331	\$127,838	\$130,394	\$133,002	\$135,662	\$138,376	\$141,143	\$143,966	\$146,845	\$149,782	\$152,778	\$155,833	\$158,950	\$162,129
	General and Administrative	\$65,340	\$495	\$67,300	\$69,319	\$71,399	\$73,541	\$75,747	\$78,019	\$80,360	\$82,771	\$85,254	\$87,811	\$90,446	\$93,159	\$95,954	\$98,833	
	Payroll Expenses	\$188,100	\$1,425	\$193,743	\$199,555	\$205,542	\$211,708	\$218,059	\$224,601	\$231,339	\$238,279	\$245,428	\$252,791	\$260,374	\$268,186	\$276,231	\$284,518	
	Utilities	\$125,400	\$950	\$129,162	\$133,037	\$137,028	\$141,139	\$145,373	\$149,734	\$154,226	\$158,853	\$163,619	\$168,527	\$173,583	\$178,790	\$184,154	\$189,679	
	Marketing and Advertising	\$9,900	\$75	\$10,197	\$10,503	\$10,818	\$11,143	\$11,477	\$11,821	\$12,176	\$12,541	\$12,917	\$13,305	\$13,704	\$14,115	\$14,538	\$14,975	
	Maintenance and Repairs/Pest Control	\$85,800	\$650	\$88,374	\$91,025	\$93,756	\$96,569	\$99,466	\$102,450	\$105,523	\$108,689	\$111,950	\$115,308	\$118,767	\$122,330	\$126,000	\$129,780	
	Grounds Maintenance and Landscaping	\$26,400	\$200	\$27,192	\$28,008	\$28,848	\$29,713	\$30,605	\$31,523	\$32,469	\$33,443	\$34,446	\$35,479	\$36,544	\$37,640	\$38,769	\$39,932	
	Security	\$39,600	\$300	\$40,788	\$42,012	\$43,272	\$44,570	\$45,907	\$47,284	\$48,703	\$50,164	\$51,669	\$53,219	\$54,816	\$56,460	\$58,154	\$59,899	
	Reserve for Replacements	\$39,600	\$300	\$40,788	\$42,012	\$43,272	\$44,570	\$45,907	\$47,284	\$48,703	\$50,164	\$51,669	\$53,219	\$54,816	\$56,460	\$58,154	\$59,899	
	Total Expenses	\$901,014	\$6,826	\$926,815	\$953,366	\$980,689	\$1,008,806	\$1,037,740	\$1,067,515	\$1,098,157	\$1,129,690	\$1,162,141	\$1,195,537	\$1,229,906	\$1,265,275	\$1,301,675	\$1,339,136	
	Annual Escalation Rate (Expenses): 3.00%																	
Net Operating Income		\$2,170,825	\$16,446	\$2,206,460	\$2,242,574	\$2,279,171	\$2,316,251	\$2,353,818	\$2,391,874	\$2,430,420	\$2,469,458	\$2,508,990	\$2,549,017	\$2,589,539	\$2,630,559	\$2,672,076	\$2,714,090	
Debt Service Payments																		
First Mortgage - FHFC/Capital One/Freddie Mac		\$1,861,286	\$14,101	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	\$1,861,286	
Second Mortgage - FHFC - SAIL		\$25,000	\$189	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	
First Mortgage Fees - FHFC/Capital One/Freddie Mac		\$79,681	\$604	\$79,411	\$79,119	\$78,804	\$78,465	\$78,099	\$77,704	\$77,280	\$76,823	\$76,332	\$75,803	\$75,235	\$74,625	\$73,970	\$73,267	
Second Mortgage Fees - FHFC - SAIL		\$7,332	\$56	\$7,332	\$7,332	\$7,332	\$7,332	\$7,332	\$7,332	\$7,332	\$7,332	\$7,332	\$7,332	\$7,332	\$7,332	\$7,332	\$7,332	
Total Debt Service Payments		\$1,973,300	\$14,949	\$1,973,029	\$1,972,738	\$1,972,423	\$1,972,083	\$1,971,717	\$1,971,323	\$1,970,898	\$1,970,441	\$1,969,950	\$1,969,422	\$1,968,854	\$1,968,244	\$1,967,589	\$1,966,885	
Cash Flow after Debt Service		\$197,525	\$1,496	\$233,431	\$269,837	\$306,748	\$344,168	\$382,101	\$420,551	\$459,522	\$499,017	\$539,040	\$579,595	\$620,686	\$662,315	\$704,487	\$747,205	
Debt Service Coverage Ratios																		
DSC - First Mortgage plus Fees		1.12x		1.14x	1.16x	1.17x	1.19x	1.21x	1.23x	1.25x	1.27x	1.29x	1.32x	1.34x	1.36x	1.38x	1.40x	
DSC - Second Mortgage plus Fees		1.10x		1.12x	1.14x	1.16x	1.17x	1.19x	1.21x	1.23x	1.25x	1.27x	1.29x	1.32x	1.34x	1.36x	1.38x	
Financial Ratios																		
Operating Expense Ratio		29.33%		29.58%	29.83%	30.08%	30.34%	30.60%	30.86%	31.12%	31.39%	31.66%	31.93%	32.20%	32.48%	32.76%	33.04%	
Break-even Econ Occup Ratio (all debt)		89.96%		88.98%	88.03%	87.10%	86.20%	85.32%	84.46%	83.63%	82.83%	82.04%	81.28%	80.54%	79.82%	79.12%	78.44%	
Break-even Econ Occup Ratio (must pay debt)		88.95%																

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

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Notes to the 15 Year Operating Pro Forma and Ratios:

1. The MMRB program does not impose any rent restrictions. However, in conjunction with the MMRB, the Development will be utilizing Housing Credits and SAIL which will impose rent restrictions. The rent levels are based on the 2024 maximum LIHTC rents published on FHFC's website for Miami-Dade County less the applicable utility allowance.
2. First Housing received a letter, dated April 4, 2025, from Miami-Dade County Housing and Community Development which confirms that the contract rent and utility allowance for the 132 units in the rent roll which are under the Section 8 Housing Choice Voucher program. Receipt of a HAP Contract at closing with rents consistent with this report is a condition to closing.
3. Miscellaneous Income of \$39,600 is comprised of revenue from commercial income of \$13,200 and other income of \$26,400. Other income includes retained deposits, application fees, transfer fees, month to month fees, and pet fees. First Housing received a letter, dated June 4, 2024, between Jessie Trice Community Health System, Inc. and the Applicant. The initial lease term will be 15 years. The tenant will pay \$1,100 per month for the space.
4. The appraisal included a residential vacancy and collection loss of 3.5% and a commercial vacancy and collection loss of 10%. First Housing has estimated an overall vacancy and collection loss of 4.03% which is based on a commercial vacancy of 10% and a residential vacancy and collection loss of 4%.
5. 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.
6. The Applicant plans to apply for the Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes. Beginning in 2026, the property must apply to Miami-Dade County Property Appraiser by March 1st of the tax year. Applying for this exemption requires a 99-year Total Compliance Period with annual certifications. If the property fails to provide affordable housing under the agreement before the end of the agreement term, there will be a penalty that is equal to 100% of the total amount financed by Florida Housing multiplied by each year remaining in the agreement. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption, is a condition to close.
7. First Housing received an undated, executed Management Agreement between Liberty Square Elderly, LLC and TRG Management Company LLLP. ("Manager"). According to

the Agreement, the Manager shall receive a management fee of 4%, with a minimum fee of \$5,000 per month. A compliance reporting fee of \$5 per month which will be payable out of available cash flow. First Housing has concluded to a Management Fee of 4%.

8. The tenants will be responsible for electricity, water, sewer, cable, and internet. The landlord will pay for trash and common area utilities.
9. Replacement Reserves of \$300 per unit per year are required which meets the RFA and Rules 67-21 and 67-48 minimum requirement. According to the letter from Hudson Housing Capital LLC, dated May 8, 2025, replacement reserves will be increasing at 3% per year.
10. First Housing received an Option to Ground Lease, dated November 7, 2024, between Miami-Dade County and Liberty Square Elderly, LLC. According to the Option to Ground Lease, an annual rent amount of \$35,000 (increasing each year at 4%) commencing after the stabilization period will be due and payable out of 50% of available net cash flow. First Housing has not shown the ground lease payments since they are payable out of available cash flow.

**Sources Overview****Construction Financing Information:**

CONSTRUCTION FINANCING INFORMATION								
Lien Position	First	Second					Totals	
Source	FHFC - MMRB	FHFC - SAIL	FHFC - HC 4%	Def. Dev. Fee	Other	Op. Deficit Res.		Cash Collateral
Lender/Grantor	FHFC	FHFC	Hudson Housing Capital LLC	Liberty Square Elderly Developer, LLC	Bond Reinvestment Income	N/A		Capital One
Construction Amount	\$39,000,000	\$2,500,000	\$9,523,256	\$3,323,149	\$4,410,900	\$691,989	\$59,449,294	\$39,000,000
All In Interest Rate	4.78%	1.00%						6.68%
Debt Service During Construction	\$1,864,200	\$2,083					\$1,866,283	\$2,605,200
Bond Structure (if applicable)	Public Offering							

**First Mortgage:**

First Housing received a letter on April 21, 2025 from Stifel, Nicolaus & Company, Incorporated (“Stifel”). Stifel will underwrite and market the Bonds via a Public Offering in the amount of \$39,000,000. The Bonds will be comprised of two series: Series A Bonds in the estimated amount of \$27,185,000 which will mature in approximately 18 years from construction loan closing and will be secured by US Treasuries during the construction period and at conversion the permanent bonds will be secured by a first mortgage on the Development with a Freddie Mac Bond Credit Enhancement and Series B Bond in the estimated amount of \$11,815,000 which will mature in approximately 36 months and will be short-term bonds backed by US Treasuries. The Bonds will be sold via a public offering. Proceeds of the Bonds will be used to pay acquisition and development costs. The MMRB will initially be secured by cash collateralization and/or permitted investments that will secure the repayment of the MMRB until permanent loan conversion. The release of the MMRB proceeds to fund the construction of the Development will be restricted, contingent upon a like sum being funded to the Trustee and placed in the Collateral Fund. The source of MMRB collateral is expected to be a taxable loan provided by Capital One in the amount of \$39,000,000. The Applicant will pay interest only on both series until conversion to permanent financing. The Bonds will require interest only payments semiannually at a fixed rate estimated to be 5.20% on Series A Bonds and 3.80% on Series B Bonds (for a blended interest rate of 4.78% as of April 14, 2025). The MMRB will be collateralized by a cash source at all times with funds on

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deposit in the Project Fund, the Collateral Fund and Capitalized Interest Account, each held and administered by the Trustee. At conversion, the Series B Bonds will be redeemed in full and the Series A Bonds will be secured by a first mortgage and a Freddie Mac Bond Credit Enhancement will ensure payment.

First Housing received a term sheet from Capital One, National Association (“Capital One”), dated December 3, 2024, which indicates Capital One will provide a construction loan in an amount which is the lesser of \$39,000,000 or 80% of the sum of the value of the Development property including the as completed and stabilized value including rent restrictions, inclusive of property tax abatement (if applicable) and the value of the tax credits at the lesser of appraised value or the accepted purchase price. It is anticipated the loan will be in co-first lien position with the Bonds. The term of the loan is 30-months, with one, six-month extension option. If the extension option is exercised, there is an extension fee of 0.50%. During construction, the loan shall bear interest at a variable rate based on the one-month Term Secured Overnight Financing Rate (“SOFR”) plus a 2.10% spread, with a 0.50% one-month Term SOFR index floor. The construction loan interest is calculated based on the one-month Term SOFR of 4.33% (as of April 7, 2025), plus a 2.10% spread, and a 0.25% underwriting cushion for an overall interest rate of 6.68%.

The annual FHFC Issuer Fee of 24 bps and the annual Trustee Fee of \$4,500 are included in the Uses section of this report.

**Permanent Financing Information:**

PERMANENT FINANCING INFORMATION						
Lien Position	First	Second				Totals
Source	FHFC - MMRB	FHFC - SAIL	FHFC - HC 4%	Def. Dev. Fee	Other	
Lender/Grantor	FHFC/Capital One/Freddie Mac	FHFC	Hudson Housing Capital LLC	Liberty Square Elderly Developer, LLC	Bond Reinvestment Income	
Permanent Amount	\$27,185,000	\$2,500,000	\$23,808,140	\$1,545,254	\$4,410,900	\$59,449,294
Permanent Funding Per Unit	\$205,947	\$18,939	\$180,365	\$11,706	\$33,416	\$450,373
% of Permanent Funding	45.7%	4.2%	40.0%	2.6%	7.4%	100.0%
Underwritten Interest Rate	6.29%	1.00%				
All In Interest Rate	6.29%	1.00%				
Loan Term	15	15.5				
Amortization	40	0				
Must Pay or Cash Flow	Must-Pay	Cash Flow				
Permanent Debt Service, No Fees	\$1,861,286	\$25,000				\$1,886,286
Permanent Debt Service, with Fees	\$1,940,968	\$32,332				\$1,973,300
Debt Service Coverage, with Fees	1.12x	1.10x				
Operating Deficit & Debt Service Reserves	\$691,989					
# of Months covered by the Reserves	2.9					
Market Rate/Market Financing LTV	77%	84%				
Restricted Market Financing LTV	67%	73%				
Loan to Cost - Cumulative	46%	50%				
Loan to Cost - SAIL Only		4%				

First Mortgage:

First Housing has reviewed a loan application from Capital One, dated March 24, 2025, indicating Capital One will provide a loan under the Freddie Mac Bond Credit Enhancement Program. The Bonds will be secured by the mortgage loan on the Development and will have a Freddie Mac Bond Credit Enhancement provided at conversion to ensure payment. The loan is estimated in the amount of



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\$27,625,000, subject to a maximum 80% of the fair market value or 80% of total project cost and a minimum 1.15 debt service coverage ratio. The term of the loan is 15 years from conversion with a 40-year amortization period, subject to Freddie Mac approval. The interest rate will be fixed at construction loan closing. Based on an email, dated April 17, 2025, the interest rate will be based on a spread of 2.19% over the 18-year MMD. The interest rate is calculated based on the 18-year MMD of 4.10% (as of April 17, 2025), plus a spread of 2.19%, for an overall interest rate of 6.29%. First Housing is projecting a first mortgage loan amount of \$27,185,000 in order to maintain 1.10 debt service coverage on the SAIL Loan. An increase to this amount will require Florida Housing's approval and a positive recommendation from First Housing.

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, but not less than \$10,000 per annum and an annual Trustee 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 \$250, and an hourly fee of \$210 for extraordinary services. The annual Compliance Monitoring Fee is based upon a total fee which is comprised of a base fee of \$193 per month plus an additional fee per set-aside unit of \$11.89 per year, subject to a minimum of \$303 per month.

FHFC SAIL Loan:

First Housing reviewed an invitation to enter credit underwriting, dated May 16, 2024, from FHFC that includes a Live Local SAIL Loan in the amount of \$2,500,000.

The SAIL Loan is non-amortizing with an interest rate of 1% over the life of the loan and annual payments based upon available cash flow. As required by Freddie Mac, the Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis. The SAIL Loan will have a total term of 18.5 years, of which 3 years is for the construction/stabilization period and 15.5 years is for the permanent period. As required by Freddie Mac and permitted by Rule 67-48, the SAIL Loan will be coterminous with the first mortgage plus 6 months (total term of 18.5 years). Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the SAIL Loan, all principal and unpaid interest will be due.

Annual payments of all applicable fees will be required. For the SAIL Loan, fees include an annual multiple program Compliance Monitoring Fee of \$1,082 and an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month.

**Syndication Contributions:**

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$3,571,221	15.00%	Closing
2nd Installment	\$2,380,814	10.00%	Later of July 1, 2026 and 50% Completion
3rd Installment	\$3,571,221	15.00%	Later of April 1, 2027 and 95% Completion
4th Installment	\$2,380,814	10.00%	Later of May 1, 2027 and Receipt of Temporary Certificates of Occupancy
5th Installment	\$11,308,867	47.50%	Later of January 2, 2028 and Permanent Loan Closing and Breakeven
6th Installment	\$595,203	2.50%	Issuance of 8609s
Total	\$23,808,140	100.00%	

Syndicator Name Hudson Housing Capital LLC

Date of LOI 5/8/2025

Total Credits Per Syndication Agreement: \$27,057,410

Annual Credits Per Syndication Agreement: \$2,705,741

Calculated HC Exchange Rate: \$0.88

Limited Partner Ownership Percentage: 99.99%

Proceeds Available During Construction: \$9,523,256

Deferred Developer Fee:

During the permanent period, it is estimated the Developer is required to defer \$1,545,254 or 17.38% of the Developer Fee of \$8,891,344.

Bond Reinvestment Income:

During the construction period the bond proceeds will be reinvested in Eligible Securities (SLGS/Treasuries) pursuant to the governing documents. The anticipated 36 month rate of return would be approximately 3.77% per year. The earnings on these proceeds will be directed to pay debt service on the bonds. Bond Reinvestment Investment Income of \$4,410,900 is projected by Stifel.

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**Changes from the Application and Additional Information**

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.-2.
Are all local government recommendations/contributions still in place at the level described in the Application?	N/A	N/A
Is the Development feasible with all amenities/features listed in the Application?	3	
Do the site plans/architectural drawings account for all amenities/features listed in the Application?	3	
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?		5
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	N/A
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?		2
Is the Development in all other material respects the same as presented in the Application?		5

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

1. Since the Application, the Applicant submitted a request, dated April 10, 2025, requesting to increase the MMRB from \$32,500,000 to \$39,000,000. FHFC's staff approved this request on May 9, 2025.
2. Since the Application, the Syndicator has changed from Truist Community Capital, LLC to Hudson Housing Capital LLC and the syndication pricing has decreased from \$0.95 to \$0.88.
3. Satisfactory receipt of a final Document and Cost Review, verifying all features and amenities is a condition to close.
4. The Total Development Cost ("TDC") has increased by a total of \$13,014,181 from \$46,435,113 to \$59,449,294 or 28.03% since the Application. The change is mainly due to an increase in construction and financial costs.

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5. Since the Application, the Applicant submitted a letter, dated March 3, 2025, requesting to change the unit mix and set-asides. FHFC's staff approved these changes on April 10, 2025.

Unit Mix From	Unit Mix To
132 – 1 bedroom/1 bathroom (65 ELI units) 132 Total Units (65 ELI units)	120 – 1 bedroom/1 bathroom (60 ELI units) 12 – 2 bedroom/1 bathroom (5 ELI units) 132 Total Units (65 ELI units)

SAIL & 4% HC Set-Asides From	SAIL & 4% HC Set-Aside To
65 Units at 30% AMI 67 Units at 80% AMI Averaging AMI = 55.379%	65 Units at 30% AMI 14 Units at 60% AMI 53 Units at 80% AMI Averaging AMI = 53.26%

The above changes have no substantial material impact to the MMRB, SAIL, 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 April 18, 2025, the Development has the following noncompliance item(s) not in the correction period:

➤ None

According to the FHFC Past Due Report, dated April 18, 2025, 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.

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

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Strengths:

1. The Principals, Developer, and 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.

Waiver Requests/Special Conditions:

None

Issues and Concerns:

None

Mitigating Factors:

None

Additional Information:

1. The Development will consist of 132 units and will contain approximately 3,000 square feet of commercial space. First Housing received a letter, dated June 4, 2024, between Jessie Trice Community Health System, Inc. and the Applicant. The initial lease term will be 15 years. The tenant will pay \$1,100 per month for the space. The tenant will provide health services to the community.
2. The Applicant has applied to Capital One for construction financing and Capital One/Freddie Mac for permanent financing. At closing, it is anticipated that FHFC will issue the Tax-Exempt Bond proceeds which are to be held by the Trustee in a Project Fund account and disbursed by the Trustee in accordance with the Trust Indenture. Simultaneously, Capital One will deliver the portion of the construction loan proceeds which are cash collateralizing the bonds to the Trustee which are to be held in a Collateral Security account. At conversion, equity proceeds will be used to redeem the Series B Bonds. The Series A Bonds will be secured by the mortgage loan and will have a Freddie Mac Bond Credit Enhancement following conversion to ensure payment.

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

**Uses of Funds**

<b>CONSTRUCTION COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Demolition	\$550,000	\$0	\$0	\$0	\$0
New Commercial/Retail/Office Space	\$900,000	\$1,050,000	\$0	\$0	\$0
New Rental Units	\$22,680,000	\$23,100,000	\$27,920,000	\$211,515	\$330,000
Site Work	\$1,000,000	\$3,770,000	\$0	\$0	\$0
Constr. Contr. Costs subject to GC Fee	\$25,130,000	\$27,920,000	\$27,920,000	\$211,515	\$330,000
General Conditions (6.0%)	\$0	\$1,675,200	\$1,675,200	\$12,691	\$0
Overhead (2.0%)	\$0	\$558,400	\$558,400	\$4,230	\$0
Profit (6.0%)	\$3,441,200	\$1,675,200	\$1,675,200	\$12,691	\$0
Total Construction Contract/Costs	\$28,571,200	\$31,828,800	\$31,828,800	\$241,127	\$330,000
Hard Cost Contingency (5.0%)	\$1,401,060	\$1,591,440	\$1,591,440	\$12,056	\$0
PnP Bond paid outside Constr. Contr.	\$0	\$224,111	\$224,111	\$1,698	\$0
FF&E paid outside Constr. Contr.	\$125,000	\$150,000	\$150,000	\$1,136	\$0
Other: Demolition	\$0	\$600,000	\$600,000	\$4,545	\$600,000
Other: Site Security	\$0	\$250,000	\$250,000	\$1,894	\$0
Other: Art in Public Places	\$0	\$504,390	\$504,390	\$3,821	\$0
<b>Total Construction Costs:</b>	<b>\$30,097,260</b>	<b>\$35,148,741</b>	<b>\$35,148,741</b>	<b>\$266,278</b>	<b>\$930,000</b>

Notes to the Total Construction Costs:

1. The Applicant has provided an executed construction contract, dated February 20, 2025, in the amount of \$31,828,800. This is a Standard Form of Agreement between Owner, Liberty Square Elderly, LLC and Contractor, Related Urban Construction, LLC where the basis of payment is the Cost of the Work Plus a Fee with a GMP. Per the contract, substantial completion is to be achieved not later than 21 months (630 calendar days) from commencement.
2. According to the GC Contract, there are no allowances.
3. First Housing has included \$330,000 in site work as ineligible.
4. First Housing received a Demolition Agreement, executed on September 30, 2024, between the Applicant and G7 Holdings, Inc.
5. First Housing has received a report, dated April 18, 2025, which confirms the Jessie Trice Health Center space qualifies as a community service facility; therefore, the costs to construct have been included in eligible basis.

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accounting Fees	\$0	\$50,000	\$50,000	\$379	\$20,000
Appraisal	\$0	\$10,000	\$10,000	\$76	\$0
Architect's Fees	\$2,927,352	\$769,000	\$769,000	\$5,826	\$0
Builder's Risk Insurance	\$641,392	\$392,934	\$392,934	\$2,977	\$0
Building Permits	\$595,312	\$389,146	\$389,146	\$2,948	\$0
Engineering Fees	\$0	\$120,000	\$120,000	\$909	\$0
Environmental Report	\$0	\$25,000	\$15,000	\$114	\$0
FHFC Administrative Fees	\$430,132	\$243,517	\$250,326	\$1,896	\$250,326
FHFC Application Fee	\$0	\$6,000	\$3,000	\$23	\$3,000
FHFC Compliance Fee	\$0	\$250,000	\$0	\$0	\$0
FHFC Credit Underwriting Fee	\$0	\$15,000	\$27,584	\$209	\$27,584
Green Building Cert. (LEED, FGBC, NAHB)	\$0	\$33,000	\$33,000	\$250	\$0
Impact Fee	\$0	\$242,636	\$242,636	\$1,838	\$0
Insurance	\$0	\$333,288	\$333,288	\$2,525	\$0
Legal Fees - Organizational Costs	\$0	\$185,000	\$185,000	\$1,402	\$122,500
Lender Inspection Fees / Const Admin	\$0	\$151,000	\$151,000	\$1,144	\$0
Market Study	\$0	\$7,500	\$4,250	\$32	\$4,250
Marketing and Advertising	\$0	\$250,000	\$250,000	\$1,894	\$250,000
Plan and Cost Review Analysis	\$0	\$10,000	\$5,250	\$40	\$0
Soil Test	\$0	\$0	\$10,000	\$76	\$0
Survey	\$0	\$50,000	\$50,000	\$379	\$20,000
Title Insurance and Recording Fees	\$0	\$234,400	\$234,400	\$1,776	\$50,000
Utility Connection Fees	\$0	\$224,400	\$224,400	\$1,700	\$0
Soft Cost Contingency (5.0%)	\$194,395	\$241,210	\$198,675	\$1,505	\$0
Other: <a href="#">Private Provider</a>	\$0	\$158,400	\$158,400	\$1,200	\$0
Other: <a href="#">Interior Design</a>	\$0	\$60,000	\$60,000	\$455	\$0
Other: <a href="#">FHFC SAIL Compliance Fee</a>	\$0	\$0	\$4,900	\$37	\$4,900
<b>Total General Development Costs:</b>	<b>\$4,788,583</b>	<b>\$4,451,431</b>	<b>\$4,172,189</b>	<b>\$31,607</b>	<b>\$752,560</b>

Notes to the General Development Costs:

1. General Development Costs are the Applicant's updated estimates, which appear reasonable.
2. First Housing has utilized actual costs for: Market Study and Plan and Cost Review Analysis.
3. The FHFC Administrative Fee is based on 9% of the recommended annual 4% Housing Credit allocation.
4. The FHFC Credit Underwriting Fee includes an underwriting fee of \$27,584 for the MMRB, SAIL, and HC.



**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

5. The Applicant provided a Professional Services Proposal from Energy Cost Solutions Group, LLC for NGBS Verification for Liberty Square Elderly, dated April 22, 2024.
6. The FHFC SAIL Compliance Fee of \$4,900 is based on \$100 per year for years 51-99 Ad Valorem Compliance Period. FHFC Compliance Fees through the initial 50-year Compliance period will be ongoing and are incorporated in the operating pro forma and debt service analysis within this report.

<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Closing Costs	\$2,964,000	\$0	\$195,000	\$1,477	\$0
Construction Loan Commitment Fee	\$0	\$292,500	\$292,500	\$2,216	\$0
Construction Loan Interest	\$0	\$3,641,820	\$3,647,280	\$27,631	\$911,820
Permanent Loan Application Fee	\$0	\$27,625	\$30,261	\$229	\$30,261
Permanent Loan Closing Costs	\$955,840	\$32,500	\$32,500	\$246	\$32,500
Permanent Loan Commitment Fee	\$0	\$276,250	\$271,850	\$2,059	\$271,850
FHFC Bond Cost of Issuance	\$0	\$156,000	\$427,557	\$3,239	\$0
FHFC Bond Interest	\$0	\$4,143,750	\$4,410,900	\$33,416	\$1,102,725
FHFC Bond Trustee Fee	\$0	\$20,000	\$11,250	\$85	\$11,250
SAIL Commitment Fee	\$0	\$25,000	\$25,000	\$189	\$25,000
Legal Fees - Financing Costs	\$0	\$359,500	\$135,000	\$1,023	\$135,000
Placement Agent/Underwriter Fee	\$0	\$255,000	\$259,389	\$1,965	\$259,389
Initial TEFRA Fee	\$0	\$0	\$1,000	\$8	\$1,000
Other: Standby Fee	\$0	\$103,594	\$101,944	\$772	\$101,944
Other: FHFC Bond Issuer Fee	\$0	\$234,000	\$234,000	\$1,773	\$234,000
<b>Total Financial Costs:</b>	<b>\$3,919,840</b>	<b>\$9,567,539</b>	<b>\$10,075,431</b>	<b>\$76,329</b>	<b>\$3,116,739</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$38,805,683</b>	<b>\$49,167,711</b>	<b>\$49,396,361</b>	<b>\$374,215</b>	<b>\$4,799,299</b>

Notes to the Financial Costs:

1. The Construction Loan Closing Costs of \$195,000 is the 0.50% extension fee on the construction loan.
2. The Construction Loan Commitment Fee is based on 0.75% of the total construction loan amount.
3. The Construction Loan Interest is based on an interest rate of 6.68%, a 30-month term, and an average outstanding loan balance of 56%.
4. The Permanent Loan Commitment Fee is based on 1% of the total permanent loan amount.

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

5. FHFC Bond Cost of Issuance (“COI”) includes MMRB and SAIL Loan Closing Costs, and expenses of the Trustee, Real Estate Counsel, MMRB Counsel, Disclosure Counsel, and other fees. First Housing has included the COI as eligible basis, but this will need to be verified during the final cost certification.
6. FHFC Bond Issuer Fee includes 2.5 years of the annual Issuer Fee of 24 basis points of the total MMRB construction amount.
7. The FHFC Bond Trustee Fee represents 2.5 years of the annual Trustee fee of \$4,500 during construction.
8. SAIL Commitment Fee is based on 1% of the SAIL Loan.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>Total Non-Land Acquisition Costs:</b>	\$0	\$0	\$0	\$0	\$0

Notes to the 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	\$6,837,430	\$8,584,808	\$8,891,344	\$67,359	\$0
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	\$6,837,430	\$8,584,808	\$8,891,344	\$67,359	\$0

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$330,000	\$330,000	\$330,000	\$2,500	\$330,000
<b>Total Acquisition Costs:</b>	\$330,000	\$330,000	\$330,000	\$2,500	\$330,000

Notes to Acquisition Costs:

1. First Housing received an Option to Ground Lease, dated November 7, 2024, between Miami-Dade County and Liberty Square Elderly, LLC. According to the Option to Ground Lease, the Applicant shall have the Option to lease the Property until September 30, 2025. The terms of the Ground Lease would be 75 years with a one-time capitalized lease payment of \$330,000 paid at commencement and an annual rent amount of \$35,000 (increasing each year at 4%) commencing after the stabilization period and payable out of 50% of available net cash flow.

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserves	\$462,000	\$691,989	\$691,989	\$5,242	\$691,989
Replacement Reserves	\$0	\$39,600	\$39,600	\$300	\$39,600
Reserves - Start-Up/Lease-up Expenses	\$0	\$100,000	\$100,000	\$758	\$100,000
<b>Total Reserve Accounts:</b>	<b>\$462,000</b>	<b>\$831,589</b>	<b>\$831,589</b>	<b>\$6,300</b>	<b>\$831,589</b>

Notes to Reserve Accounts:

1. The Operating Deficit Reserve and Lease-up Reserve are based on the Developer's estimate.
2. The Developer will be depositing \$39,600 into the replacement reserve account.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$46,435,113</b>	<b>\$58,914,108</b>	<b>\$59,449,294</b>	<b>\$450,373</b>	<b>\$5,960,888</b>

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	14.00%	\$3,908,800	\$3,908,800
Hard Cost Contingency	5.00%	5.00%	\$1,591,440	\$1,591,440
Soft Cost Contingency	5.00%	5.00%	\$198,676	\$198,675
Developer Fee	18.00%	18.00%	\$8,891,344	\$8,891,344

**Section B**

**MMRB, SAIL, and HC Special and General Conditions**

### **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 MMRB pricing date and/or MMRB and SAIL closing date.

1. Firm Commitment or final loan documents from Capital One (construction) and Capital One/Freddie Mac (permanent financing) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
2. Receipt and satisfactory review of the Final signed, sealed “approved for construction” plans and specifications by the Construction Consultant and the Servicer. If the Construction Consultant does not have time to review prior to closing, this condition can be satisfied prior to the first post-closing draw.
3. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption.
4. Receipt of the FHFC SAIL Compliance Monitoring Fee of \$4,900 for Ad Valorem Compliance Period.
5. Satisfactory receipt of a final Document and Cost Review which verifies all features and amenities.
6. Receipt of a HAP Contract at closing with rents consistent with this report.
7. Receipt and satisfactory review of updated financials for the Guarantors, dated within 90 days of closing or Audited Financial Statements within one year.
8. 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 MMRB pricing date and/or loan 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 Rule 67-21.0025 (5) F.A.C. and 67-48.0075 (5) F.A.C. of an Applicant or a Developer).
2. Moran 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 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.

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 Loan Agreement as the approved development budget.
9. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. SAIL loan proceeds shall be disbursed during the construction phase in an amount per draw that does not exceed the ratio of the SAIL Loan to the Total Development Costs, unless approved by First Housing. The closing draw must include appropriate backup and ACH wiring instructions.
10. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
11. 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 ("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.
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 Document and Cost Review, prepared by Moran.

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 Partnership/Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Partnership/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 submit and 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 MMRB pricing date and/or 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 Hudson Housing Capital LLC 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 partnership/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 RFA 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/Operating 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, including HC as Applicable**

This recommendation is also contingent upon satisfaction of the following additional conditions:

1. Compliance with all provisions of Sections 420.507, 420.5087, and 420.509 Florida Statutes, Rule Chapter 67-21, F.A.C. (MMRB and Non-Competitive 4% Housing Credits), Rule 67-48 F.A.C. (SAIL), Rule Chapter 67-53, F.A.C., Rule Chapter 67-60 F.A.C., RFA 2023-213, 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 MMRB and SAIL Loans 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 Hudson Housing Capital LLC or an affiliate, that requires funding of all HC Equity Installments during construction, even if the Borrower is in default under the Operating Agreement.
4. All amounts necessary to complete construction must be deposited with the Trustee 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 Trustee at the MMRB 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 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 1.15x 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. For the SAIL Loan, 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 on the combined permanent first mortgage and SAIL Loan as determined by FHFC, or the Servicer, and 90% occupancy, and 90% of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all as 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.
8. Guarantors to provide the Standard FHFC Environmental Indemnity Guaranty.
9. Guarantors to provide the Standard FHFC Guaranty of Recourse Obligations.
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, Trustee, 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, Trustee, or Florida Housing's Loan(s) servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per Rule Chapters 67-21 and 67-48 F.A.C., in the amount of \$39,600 (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. 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 15<sup>th</sup> 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 on all payments until 50% completion of the project, at which time, 5% retainage will be withheld. This meets the RFA and Rules 67-48 and 67-21 minimum requirements.
14. Closing of all funding sources prior to or simultaneous with the MMRB and SAIL Loans.
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.

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

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17. Housing Credits – Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
18. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

## **Section C**

### **Supporting Information & Schedules**

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**Additional Development & Third Party Supplemental Information**

**Appraisal Summary:**

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Colliers International Valuation & Advisory Services	
Date of Report	4/18/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	96.5%	
Occupancy at Stabilization: Physical (%)	97.0%	
Value: As Is market value of the land	\$1,000,000	
As of date and type of interest (as if vacant land)	2/15/2025; Leased Fee	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$35,300,000	
As of date and type of interest (unrestricted rents)	2/15/2025; Leasehold	
Value: "As Complete and Stabilized", subject to HAP contract rents	\$40,700,000	
As of date and type of interest (HAP Contract rents)	2/15/2025; Leasehold	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

**Market Study Summary:**

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Colliers International Valuation & Advisory Services	
Date of Report	4/18/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	22	
Short Term and Long Term Impact to existing like-kind developments	None	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	97.20%	
Number of Guarantee Fund Properties in PMA?	None	
Metrics for 3 mile radius:		
Capture Rate (%)	3.11%	
Absorption Rate	50 units per month	
Will the development achieve maximum allowable HC Rents? (Y/N)	Y	
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
For Live Local Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of the highest percent Area Median Income rental rate?	Y	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

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Environmental Report Summary:

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	Dynatech Engineering Corporation	
Date of Report	5/23/2024	
Type of Report	Phase I Enviromental Site Assessment	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	N	
Is any further investigation required? (Y/N)	N	

Soils Test Report Summary:

Soils Test Report Summary Questions	Responses	Note
Preparer Firm Name	Dynatech Engineering Corporation	
Date of Report	9/30/2024	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	



**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

Document and Cost Review Summary:

Property Conditions Report (PCR) Summary Questions	Responses	Note
Preparer Firm Name	Moran Consultants, LLC	
Date of Report	4/30/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	N	1.
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$31,828,800	
Cost per Unit	\$241,127	
Costs for Similar Type Developments (Include Range)	\$183,856/unit - \$277,770/unit	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	21 months	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	

1. Receipt of a final Document and Cost Review is a condition to close. The report needs to verify all features and amenities are included.

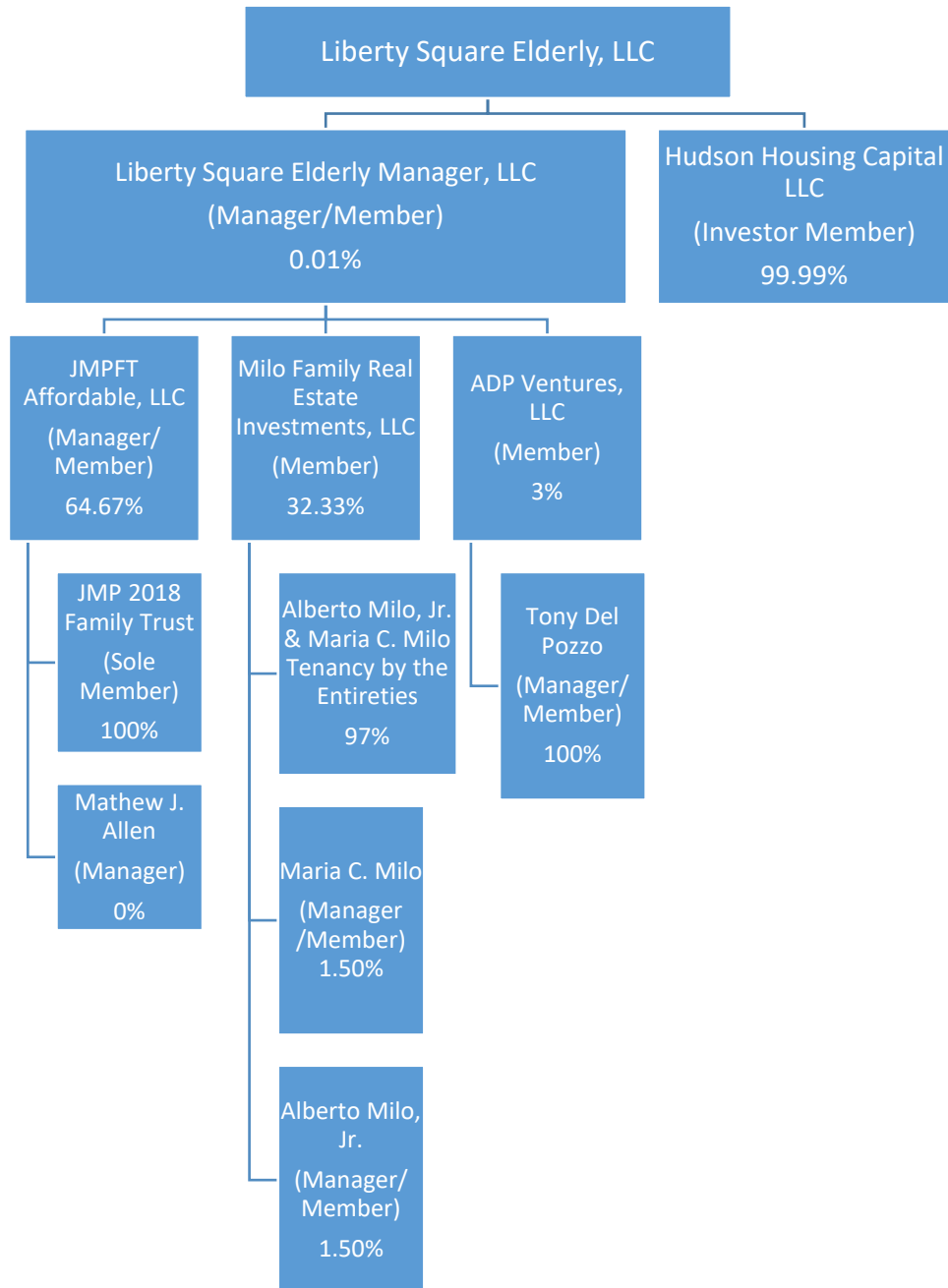
Site Inspection Summary:

Site Visit Summary Questions	Responses	Note
Name of Inspector	First Housing	
Date of Inspection	9/5/2024	
Were the observation(s) of the inspector in line with the Market Study? (Y/N)	Y	

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

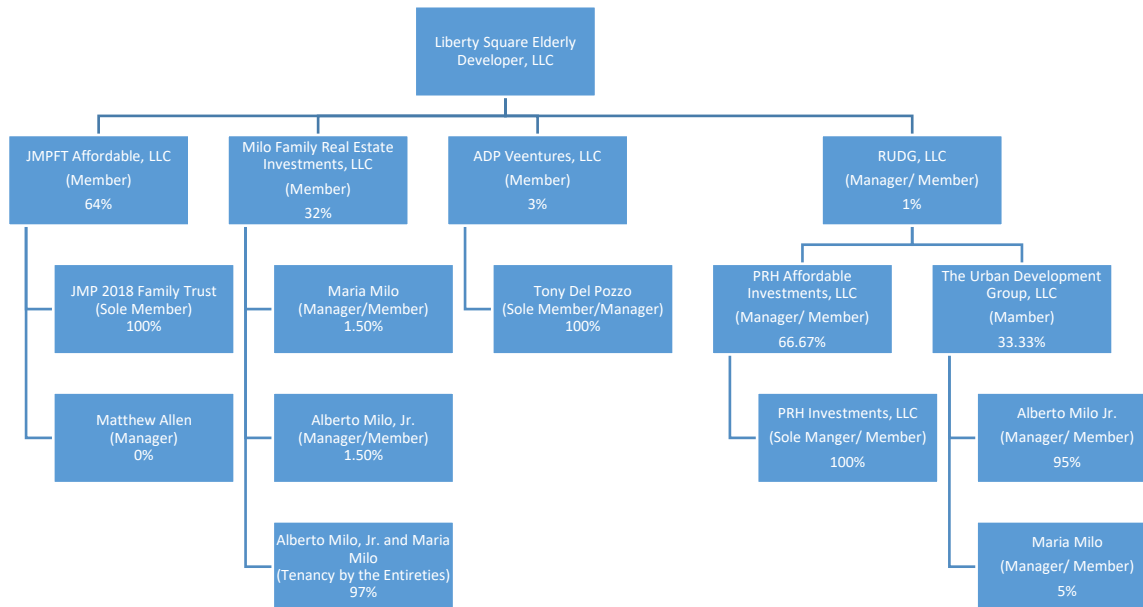
**Applicant & Related Party Information:**

Applicant Organizational Chart:



**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

Developer Organizational Chart:



## MMRB, SAIL &amp; HC CREDIT UNDERWRITING REPORT

	Liberty Square Elderly, LLC	Liberty Square Elderly Manager, LLC	JMPFT Affordable, LLC	Milo Family Real Estate Investments, LLC	Alberto Milo, Jr.	Maria Milo	Liberty Square Elderly Developer, LLC	PRH Affordable Investments, LLC	PRH Investments, LLC	The Urban Development Group, LLC	Jorge M. Perez 2018 Family Trust	RUDG, LLC
Relationship Type	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Principal	Guarantor
Contact Person Name & Title	Alberto Milo, Jr. President											
Contact Information	2850 Tigertail Ave Suit 800 Miami, FL 33133 305-460-9900 amilo@relatedgroup.com											
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y
Does entity have the necessary experience?	N	N	Y	Y	Y	Y	N	Y	Y	Y	Y	Y
Has a credit evaluation been completed and is it satisfactory?	N/A	N/A	Y	Y	Y	Y	N/A	Y	Y	Y	N/A	Y
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	N/A	N/A	Y	Y	Y	N/A	Y	1	Y	Y	Y
Have all financial statements been reviewed and are they adequate?	N/A	N/A	Y	Y	Y	Y	N/A	Y	Y	Y	Y	Y
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Has the Property Manager been approved by FHFC's Asset Mgmt Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

	Hudson Housing Capital LLC	Related Urban Construction, LLC	TRG Management Company LLLP	Note
Relationship Type	Syndicator	General Contractor	Management Company	
Contact Person Name & Title	Sunny Sowards	George Lage Vice President	Marilyn Pascual Co-President	
Contact Information	630 Fifth Avenue, Suite 2850 New York, NY 10111 212-218-4438 sunny.sowards@hudsonhousing.com	2850 Tigertail Ave Suite 800 Miami, FL 33133 305-608-4118 george.lage@relatedgroup.com	2200 North Commerce Parkway, Suite 100 Weston, FL 33326 305-442-8628 mpascual@relatedgroup.com	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	N	N	N	
Does entity have the necessary experience?	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	N/A	Y	N/A	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	Y	N/A	
Have all financial statements been reviewed and are they adequate?	Y	Y	N/A	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	N/A	Y	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	closing condition	N/A	
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	Y	
Has the Property Manager been approved by FHFC's Asset Mgmt Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	2	
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	

1. Bank statements have been received. First Housing has sent trade reference requests to the contacts provided but has not yet received a response.
2. Approval of the selection of the management company by FHFC's Asset Management Department is required. As the Development is proposed to be constructed, said approval is not required at closing.

Liberty Square Elderly  
RFA 2023-213 (2024-241BS / 2023-554C)  
DESCRIPTION OF FEATURES AND AMENITIES

**A.** The Development will consist of:

132 Units located in 1 High-Rise residential building

Unit Mix:

One hundred and twenty (120) one bedroom/one bath units;

Twelve (12) two bedroom/one bath units;

132 Total Units

**B.** 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.

The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act (“ADA”) of 1990 as implemented by 28 CFR 35.

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.

**C.** The Development must provide the following General Features:

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in at least 100 Mbps download and 20 Mbps upload accessibility in each unit;
2. Termite prevention;
3. Pest control;
4. Window covering for each window and glass door inside each unit;

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5. 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;
6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
  - There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Developments' 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;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both;
7. At least two full bathrooms in all 3 bedroom or larger units;
8. Bathtub with shower in at least one bathroom in at least 90 percent of the non-Elderly units;
9. Elderly Development must have a minimum of one elevator per residential building provided for all Elderly Set-Aside Units that are located on a floor higher than the first floor;
10. All Developments must provide a full-size range and oven in all units.

**D. Required Accessibility Features, regardless of the age of the Development:**

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

**E. The Development must provide the following Accessibility Features in all units:**

1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;



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2. All door handles on primary entrance door and interior doors must have lever handles;
3. Lever handles on all bathroom faucets and kitchen sink faucets;
4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

**F. All Elderly Demographic Developments must also provide the following Accessibility Features:**

- 20 percent of the new construction units must have roll-in showers.
- Horizontal grab bars in place around each tub and/or shower, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed 2010 ADA Standards for Accessible Design, Section 609. In addition, the following standards for grab bars are required:
  - If a bathtub/shower combination with a permanent seat is provided, grab bars shall be installed to meet or exceed 2010 ADA Standards for Accessible Design, Section 607.4.1.
  - If a bathtub/shower combination without a permanent seat is provided, grab bars shall be installed to meet or exceed 2010 ADA Standards for Accessible Design, Section 607.4.2.
  - If a roll-in shower is provided, grab bars shall be installed to meet or exceed 2010 ADA Standards for Accessible Design, Section 608.3.2;
- Reinforced walls for future installation of horizontal grab bars in place around each toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design;
- All bathrooms in all units must have vanity cabinets with at least one roll-out shelf or drawer in bottom of cabinet;
- Adjustable shelving in master bedroom closets (must be adjustable by resident); and

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- In one of the kitchen's base cabinets, there shall be a large bottom drawer that opens beyond full extension, also referred to as an "over-travel feature." Drawers with the over-travel feature allow drawers to extend completely past the cabinet front so all the contents can be accessed. The drawer shall be deep and wide enough to store pots and pans and the drawer slides shall have a weight load rating of a minimum of 100 pounds. The drawers shall be mounted on a pair of metal side rails that are ball-bearing.

**G. Green Building Features required in all Developments:**

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

- a. 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);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
  - i. Toilets: 1.28 gallons/flush or less,
  - ii. Urinals: 0.5 gallons/flush,
  - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;
- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
  - Residential Electric:
    - i. Up to 55 gallons = 0.95 EF or 0.92 UEF; or
    - ii. More than 55 gallons = Energy Star certified; or
    - iii. Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  over a 67° rise;
  - Residential Gas (storage or tankless/instantaneous): Energy Star certified
  - Commercial Gas Water Heater: Energy Star certified;
- g. Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
- h. Air Conditioning (in-unit or commercial):
  - i. Air-Source Heat Pumps – Energy Star certified:
    - a.  $\geq 7.8$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER2 for split systems
    - b.  $\geq 7.2$  HSPF2  $\geq 15.2$  SEER2/  $\geq 10.6$  EER2 for single package equipment including gas/electric package units
  - ii. Central Air Conditioners – Energy Star certified:
    - a.  $\geq 15.2$  SEER2/  $\geq 12.0$  EER2 for split systems

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b.  $\geq 15.2$  SEER2/  $\geq 11.5$  EER2\* 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 one-bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments must commit to achieve one of the following Green Building Certification programs:

\_\_\_\_\_ Leadership in Energy and Environmental Design (LEED); or

\_\_\_\_\_ Florida Green Building Coalition (FGBC); or

  X   ICC 700 National Green Building Standard (NGBS); or

\_\_\_\_\_ Enterprise Green Communities.

**H.** Applicants who select the Elderly Demographic must provide the required following Resident Program:

**24 Hour Support to Assist Residents In Handling Urgent Issues**

An important aging in place best practice is providing the residents access to property management support 24 hours per day, 7 days a week to assist them to appropriately and efficiently handle urgent issues or incidents that may arise. These issues may include, but are not limited to, an apartment maintenance emergency, security or safety concern, or a health risk incident in their apartment or on the property. The management's assistance will include a 24/7 approach to receiving residents' requests for assistance that will include a formal written process for relevant property management staff to effectively assess and provide assistance for each request.

This assistance may include staff:

- visiting or coordinating a visit to a resident's apartment to address an urgent maintenance issue;
- responding to a resident being locked out of their apartment;
- contacting on-site security or the police to address a concern;

- providing contact information to the resident and directing or making calls on a resident's behalf to appropriate community-based emergency services or related resources to address an urgent health risk incident;
- calling the resident's informal emergency contact; or
- addressing a resident's urgent concern about another resident.

Property management staff shall be on site at least 8 hours daily, but the 24- hour support approach may include contracted services or technology to assist the management in meeting this commitment, if these methods adequately address the intent of this service. The Development's owner and/or designated property management entity shall develop and implement policies and procedures for staff to immediately receive and handle a resident's call and assess the call based on a resident's request and/or need.

At a minimum, residents shall be informed by the property management, at move-in and via a written notice(s)/instructions provided to each resident and displayed in the Development's common or public areas, that staff are available to receive resident calls at all times. These notices shall also provide contact information and direction to first contact the community-based emergency services if they have health or safety risk concerns.

**I. The Applicant must provide the following Resident Programs:**

The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

**1. Financial Management for Elderly Residents**

Applicant or its Management Company must provide, at no cost to the resident, a series of classes to provide residents training in various aspects of personal financial management on issues appropriate to elderly households. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. The topics should include, but not be limited to:

- Tax issues for elders and retirees
- Budgeting tips for fixed income households
- Avoiding scams that target elders
- Strategies to maximize Social Security benefits
- Preparing a will and estate planning

2. Computer Training

The Applicant or its Management Company shall make available computer and internet training classes (basic and/or advanced level depending on the needs and requests of the residents). The training classes must be provided at least once a week, at no cost to the resident, in a dedicated space on site. Training must be held between the hours of 8:00 a.m. and 7:00 p.m., and 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.

3. Assistance with Light Housekeeping, Grocery Shopping and/or Laundry

The Applicant or its Management Company must provide residents with a list of qualified service providers for (a) light housekeeping, and/or (b) grocery shopping, and/or (c) laundry and will coordinate, at no cost to the resident, the scheduling of services. The Developer or Management Company shall verify that the services referral information is accurate and up-to-date at least once every six months.

## Housing Credit Allocation Calculation

### Qualified Basis Calculation

<b>Section I: Qualified Basis Calculation</b>	
Development Cost	\$59,449,294
Less: Land Cost	(\$330,000)
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$5,630,888)
Less: Disproportionate Standard	\$0
Total Eligible Basis	\$53,488,406
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$69,534,928
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$2,781,397

#### Notes to the Qualified Basis Calculation:

1. Other ineligible costs include site work, accounting fees, FHFC Fees, legal fees, market study, advertising/marketing fees, title work, financial costs, and operating reserves.
2. The Development has a 100% set-aside. Therefore, the Applicable Fraction is 100%.
3. The Development is located in a HUD-Designated QCT for Miami-Dade County; therefore, the 130% basis boost 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.

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**GAP Calculation**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$59,449,294
Less: Mortgages	(\$34,095,900)
Less: Grants	\$0
Equity Gap	\$25,353,394
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.880
HC Required to Meet Gap	\$28,813,556
Annual HC Required	\$2,881,356

Notes to the Gap Calculation:

1. The syndication percentage and pricing were taken from the letter from Hudson Housing Capital LLC, dated May 8, 2025.
2. The Bond Reinvestment Income is included in the mortgage amount.

**Summary**

<b>Section III: Summary</b>	
HC per Qualified Basis	\$2,781,397
HC per Gap Calculation	\$2,881,356
Annual HC Recommended	\$2,781,397

Syndication Proceeds Based on HC Recommended	\$24,473,847
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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

<b>Section III: Tax-Exempt Bond 50% Test</b>	
Total Depreciable Cost	\$53,488,406
Plus: Land Cost	\$330,000
Aggregate Basis	\$53,818,406
Tax-Exempt Bond Amount	\$39,000,000
Less: Debt Service Reserve	\$0
Less: Proceeds Used for Costs of Issuance	\$0
Plus: Tax-exempt GIC earnings	\$4,410,900
Tax-Exempt Proceeds Used for Building and Land	\$43,410,900
Proceeds Divided by Aggregate Basis	80.66%

1. Based on the budget, the Development appears to meet the 50% test for 4% Housing Credits.



**FLORIDA HOUSING FINANCE CORPORATION  
AUTHORIZATION RESOLUTION  
LIBERTY SQUARE ELDERLY**

**RESOLUTION NO. 2025-\_\_\_\_**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (LIBERTY SQUARE ELDERLY) OF THE FLORIDA HOUSING FINANCE CORPORATION; PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (LIBERTY SQUARE ELDERLY); APPROVING THE PREPARATION, EXECUTION, AND DELIVERY OF A TRUST INDENTURE OR INDENTURE OF TRUST BETWEEN THE FLORIDA HOUSING FINANCE CORPORATION AND A CORPORATE TRUSTEE NAMED THEREIN, AND A LOAN AGREEMENT OR FINANCING AGREEMENT BETWEEN THE FLORIDA HOUSING FINANCE CORPORATION AND THE BORROWER NAMED THEREIN; AUTHORIZING THE LOAN OR LOANS MADE PURSUANT TO THE LOAN AGREEMENT OR FINANCING AGREEMENT TO THE BORROWER NAMED THEREIN; AUTHORIZING THE PREPARATION, EXECUTION, AND DELIVERY OF ALL DOCUMENTS NECESSARY FOR THE ISSUANCE AND SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (LIBERTY SQUARE ELDERLY), INCLUDING, BUT NOT LIMITED TO, A BOND PURCHASE AGREEMENT AND A PRELIMINARY AND FINAL OFFICIAL STATEMENT; AUTHORIZING ALL ACTIONS NECESSARY FOR FINAL APPROVAL OF THE ISSUANCE AND SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (LIBERTY SQUARE ELDERLY), THE FINANCING OF LIBERTY SQUARE ELDERLY, 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 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 Bonds, 2025 Series \_\_ [one or more series or subseries to be designated] (Liberty Square Elderly) (the "Bonds"), as tax-exempt or taxable bonds, for the purpose of making one or more loans to Liberty Square Elderly, LLC, together with its predecessors, successors, assigns, affiliates, and/or related entities (the "Borrower"), to finance the acquisition, construction, and equipping of an approximately 132-unit multifamily residential rental development for persons of low, moderate, and middle income named Liberty Square Elderly located in the Miami, Miami-Dade County, Florida (the "Property"); provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$39,000,000 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) for the Property, 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 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 herein) 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, presented to and approved by the Board on this date (the "Credit Underwriting Report"), with such changes, modifications, and deviations as an Authorized Signatory (as defined herein), in consultation with staff of Florida Housing, Bond Counsel, and/or Special Counsel may approve. Conclusive evidence of the approval of such changes, modifications, and deviations shall be evidenced by the approval and acceptance of the written confirmation, delivered prior to the issuance of the Note, from the Florida Housing Credit Underwriter with respect to the Property that the conditions set forth in, and the requirements of, the Credit Underwriting Report have been satisfied (the "Credit Underwriter Confirmation") and the execution of a trust indenture or an

indenture of trust and a loan agreement or financing agreement, each as described below, by an Authorized Signatory.

2. Florida Housing hereby authorizes the issuance and sale of the Bonds 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 a maximum aggregate principal amount of not to exceed (a) \$39,000,000 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, 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. Subject to the immediately preceding sentence, the maximum aggregate principal amount of the Bonds shall be determined by an Authorized Signatory after receipt of the Credit Underwriter Confirmation for the Property. Conclusive evidence of the determination and approval of any such increase in maximum aggregate principal amount of the Bonds shall be evidenced by a certificate of an Authorized Signatory.

3. A trust indenture or an indenture of trust between Florida Housing and a corporate trustee named therein (the "Trustee") setting out the terms and conditions of the Bonds is hereby authorized to be prepared and delivered, in such form as may be approved by any member of the Board, the Executive Director (or interim or acting 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 form 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 indenture or indenture of trust 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. A loan agreement or financing agreement between Florida Housing and the Borrower, setting out the terms of a loan or 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 in respect of the Loan, including a note or notes made by the Borrower to Florida Housing evidencing the Loan (collectively, the "Note"), is hereby authorized to be prepared and delivered, in such form as may be approved by an Authorized Signatory, and the execution of 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 preliminary official statement (or preliminary limited offering memorandum) and a final official statement (or final limited offering memorandum) are each hereby authorized to be prepared and distributed in connection with the sale of the Bonds in such form as shall be approved by an Authorized Signatory, and the execution of such final official statement (or limited offering memorandum) 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 a 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, 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 and to issue, execute, and deliver any additional documents necessary for the issuance of the Bonds, 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, Bond Counsel, and/or Special Counsel. All other actions by Florida Housing necessary for the final approval of the Property for financing, the issuance of the Bonds, the making of the Loan, upon the approval of the terms of any credit enhancement, if applicable, 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), are hereby authorized.

8. An Authorized Signatory is authorized to cause to be prepared and to issue, execute, and deliver any intercreditor agreements, subordination agreements, and assignment agreements at conversion of the Loan, and any other documents that may be required to satisfy the conditions to conversion, upon approval of the terms thereof by the staff of Florida Housing, Bond Counsel, and/or Special Counsel.

9. 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 the trust indenture or

indenture of trust. The Bonds do not constitute obligations, 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; 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.

10. The Bonds may be executed and attested either manually or by facsimile signature by any 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.

11. 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.

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.

13. This Resolution shall take effect immediately upon adoption.

ADOPTED THIS 13th DAY OF JUNE 2025.

(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

---

Sandra Veszi Einhorn, 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 13th day of June 2025, 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: \_\_\_\_\_  
Name: Tim Kennedy  
Title: 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 13th day of June 2025, 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

**FLORIDA HOUSING FINANCE CORPORATION  
SALE RESOLUTION  
LIBERTY SQUARE ELDERLY**

**RESOLUTION NO. 2025-\_\_\_\_**

**A RESOLUTION AUTHORIZING AND APPROVING THE NEGOTIATED SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (LIBERTY SQUARE ELDERLY) OF THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE ISSUANCE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (LIBERTY SQUARE ELDERLY) BY THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE NEGOTIATION AND EXECUTION OF A BOND PURCHASE AGREEMENT AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE NEGOTIATED SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (LIBERTY SQUARE ELDERLY) OF THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE EXECUTIVE DIRECTOR (OR INTERIM OR ACTING EXECUTIVE DIRECTOR), CHIEF FINANCIAL OFFICER, COMPTROLLER, OR ANY MEMBER OF THE BOARD OF DIRECTORS OF THE FLORIDA HOUSING FINANCE CORPORATION, OR OTHER AUTHORIZED SIGNATORY TO TAKE ANY OTHER ACTIONS NECESSARY TO NEGOTIATE THE SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (LIBERTY SQUARE ELDERLY) OF THE FLORIDA HOUSING FINANCE CORPORATION 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 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 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 "Authorization Resolution") the issuance of its Multifamily Mortgage Revenue Bonds, 2025 Series \_\_ [one or more series or subseries to be designated] (Liberty Square Elderly) (the "Bonds"), as tax-exempt or taxable bonds, for the purpose of making a loan or loans to Liberty Square Elderly, LLC, together with its predecessors, successors, assigns, affiliates, and/or related entities (the "Borrower"), to finance the acquisition, construction, and equipping of an approximately 132-unit multifamily residential rental development for persons of low, moderate, and middle income named Liberty Square Elderly located in the Miami, Miami-Dade County, Florida (the "Property"); provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$39,000,000 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 in the Authorization Resolution) for the Property, 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 the underwriter designated by Florida Housing for a negotiated sale of the Bonds through the underwriter, if

Florida Housing by official action at a public meeting determines that such negotiated sale of the Bonds is in the best interest of Florida Housing; and

WHEREAS, Florida Housing has reviewed the market conditions and trends affecting the sale of the Bonds; and

WHEREAS, Florida Housing has received a recommendation and reviewed and looked at the relative advantage of a negotiated sale 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 hereby finds that a negotiated sale of the Bonds is in the best interest of the public and Florida Housing 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 Stifel, Nicolaus & Co., Inc. (the "Underwriter").

3. The Bonds are to be generally described as follows:

Florida Housing Finance Corporation  
Multifamily Mortgage Revenue Bonds,  
2025 Series \_\_ [one or more series or subseries to be designated]  
(Liberty Square Elderly).

4. Florida Housing shall negotiate with or through the Underwriter and execute such documents as are necessary to sell the Bonds to the purchasers pursuant to this Resolution. Any member of the Board, the Executive Director (or interim or acting 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 or rates on the Bonds that would not exceed the lesser of 10% or the maximum rate authorized under Florida law and would 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 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 award 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.

ADOPTED THIS 13th DAY OF JUNE 2025.

(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

---

Sandra Veszi Einhorn, 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 13th day of June, 2025, 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: \_\_\_\_\_

Name: Tim Kennedy

Title: 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 13th day of June, 2025, by Tim Kennedy, 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



ECG Florida 2023, LP  
1030 16<sup>th</sup> Avenue South, Suite 500  
Nashville, TN 37212

2/10/2025

Ms. Lisa Walker  
Florida Housing Finance Corporation  
227 N Bronough Street, Suite 5000  
Tallahassee, FL 32301

**Re: Ninth Street Apartments (2024-253BS / 2023-552C) First Change Request**

Dear Ms. Walker:

ECG Florida 2023, LP (the “Partnership”) submitted an application under RFA 2023-213, SAIL Funding for Life Local Mixed Income, Mixed-Use, and Urban Infill Developments, for the Ninth Street Apartments project (the “Project”). That application was selected for funding, and an invitation to credit underwriting was received on May 16, 2024.

Since that time, as the Partnership works toward a successful closing and groundbreaking on the Project, it has become necessary to request several modifications in order to ensure the success of the Project. Those requests and the explanation for which are stated below.

***1. Change to Applicant Entity and Developer Entity***

In order to accomplish business planning objectives, the Partnership is requesting approval of a change to the General Partner of the Applicant entity as well as to the Developer entity. The proposed change would remove Elmington Affordable, LLC from both entities and make other small adjustments of ownership percentages between members. **There are no Natural Persons added or removed from the Principal Disclosure Form as a result of this request.**

RFA 2023-213 provides that “[p]rior to loan closing, 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.”

In addition to the change requests outlined herein we have updated the married name of one of the individuals identified in the Principal Disclosure Forms (Audrey Dieterich nee Sohr) and have removed all trust beneficiaries who are under the age of 18 for ease of review and pursuant to subsections FAC 67-



Ms. Lisa Walker  
Page 2  
1/10/2025

48.002(93) and 67-21.002(85) and Section C.3 of the Florida Housing Finance Corporation (Corporation) Continuous Advance Review Process for Disclosure of Applicant and Developer Principals.

## **2. Unit Mix**

Due to site constraints and access considerations, it has become desirable to request a minor modification to the development plan as proposed in our application. The requested modification is to adjust the unit mix as shown below. There would be no impact to the average income set-aside level, which would remain 60% under the Average Income Test and no change to the number of units at each income set-aside level. We are not requesting any additional SAIL Financing.

### Number of Units by Unit Type:

	<b>Application</b>	<b>Current Request</b>
<b>1BR</b>	20	60
<b>2BR</b>	74	51
<b>3BR</b>	40	23
<b>TOTAL</b>	<b>134</b>	<b>134</b>

### Number of Units by AMI Set-Aside Type:

	<b>Application</b>	<b>Current Request</b>
<b>30% AMI</b>	14	14
<b>40% AMI</b>	0	0
<b>50% AMI</b>	66	66
<b>60% AMI</b>	0	0
<b>70% AMI</b>	0	0
<b>80% AMI</b>	54	54
<b>TOTAL</b>	<b>134</b>	<b>134</b>

## **3. Increase Bathrooms in Two-Bedroom Units**

In order to meet market demand, the Partnership is requesting to increase the number of bathrooms in all two-bedroom units from one to two.

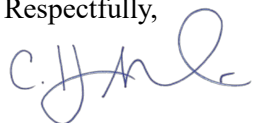
## **4. Additional MMRB**

Due to the increase in the proposed bathroom count and other project enhancements, we also request an increase in MMRB to ensure adequate coverage under the 50% Test. We understand that MMRB is a scarce resource, and strive to request no more than the Project absolutely needs. In our application, we requested \$27,000,000 in Corporation-Issued MMRB. We hereby request an increase to \$30,000,000, to the extent that such MMRB is available.

Enclosed are the existing and proposed Principal Disclosure Forms as well as existing and proposed organizational charts and the completed Changes from Application Request Form. Thank you for your consideration, and please let me know if you have any questions about our requests.

Ms. Lisa Walker  
Page 3  
1/10/2025

Respectfully,

A handwritten signature in blue ink, appearing to read "C. Hunter Nelson". The signature is fluid and cursive, with the first name "C." and last name "Nelson" clearly visible.

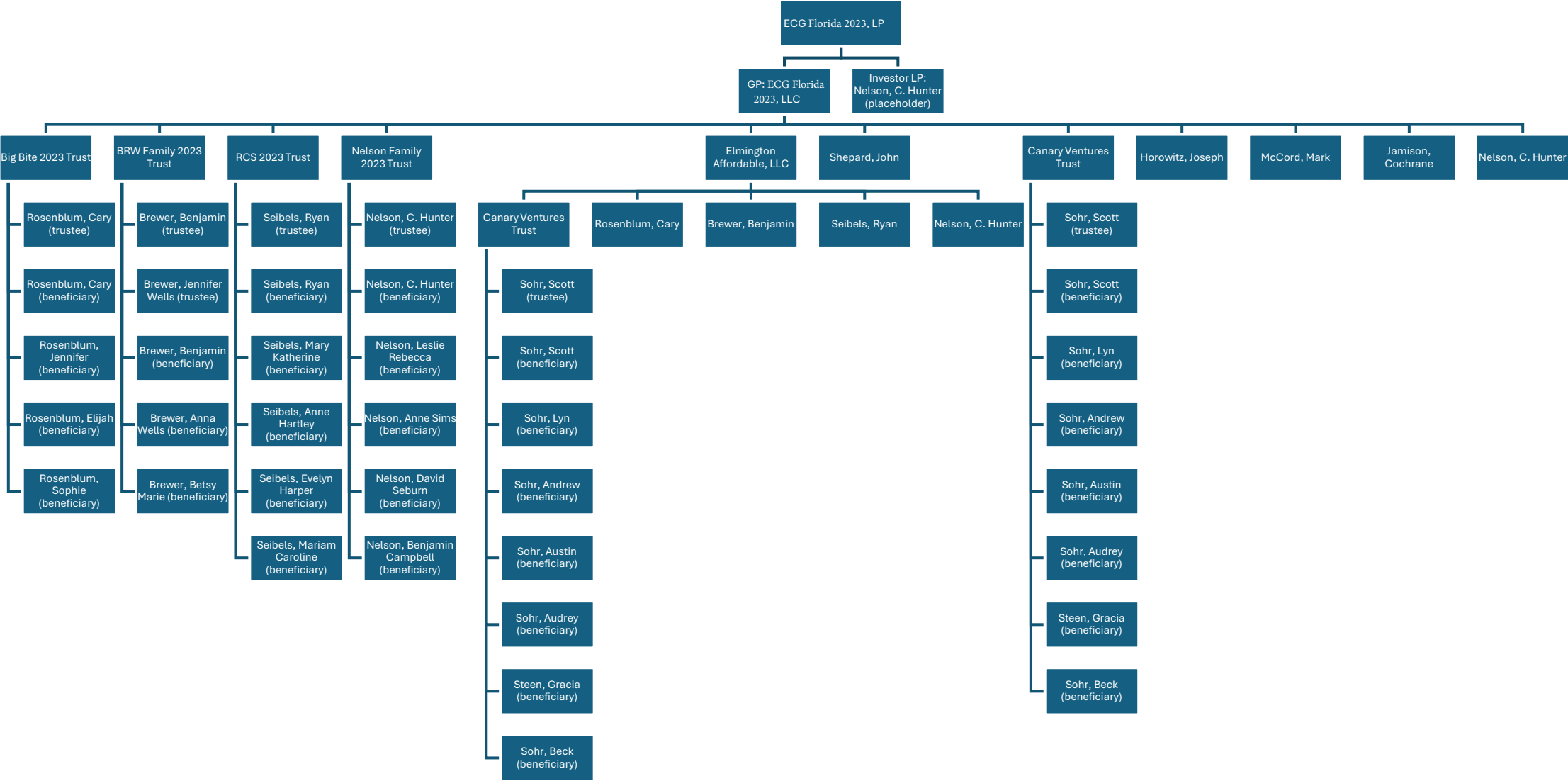
C. Hunter Nelson  
Managing Member  
ECG Florida 2023 GP, LLC

Enclosures

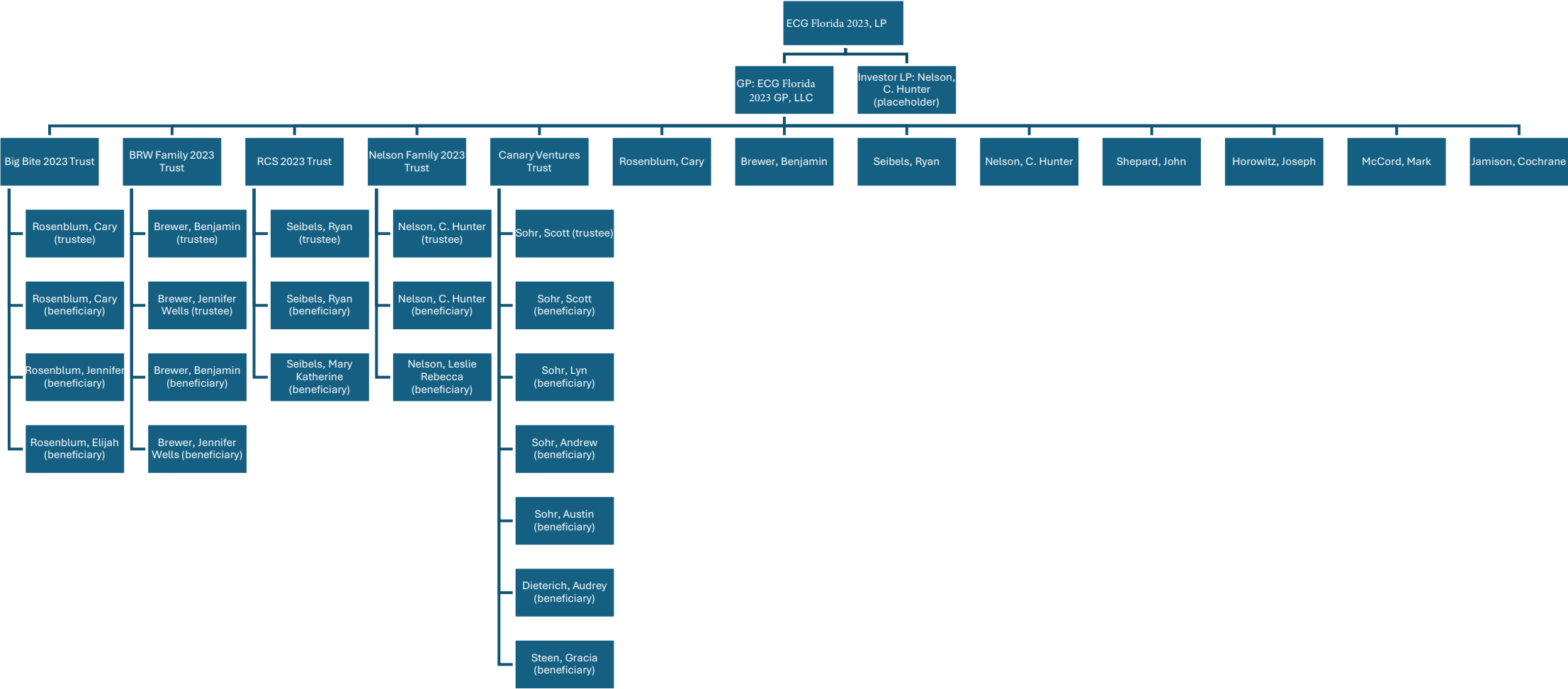
CC: George Repity, Amerinat

## Existing and Proposed Revised Organizational Charts

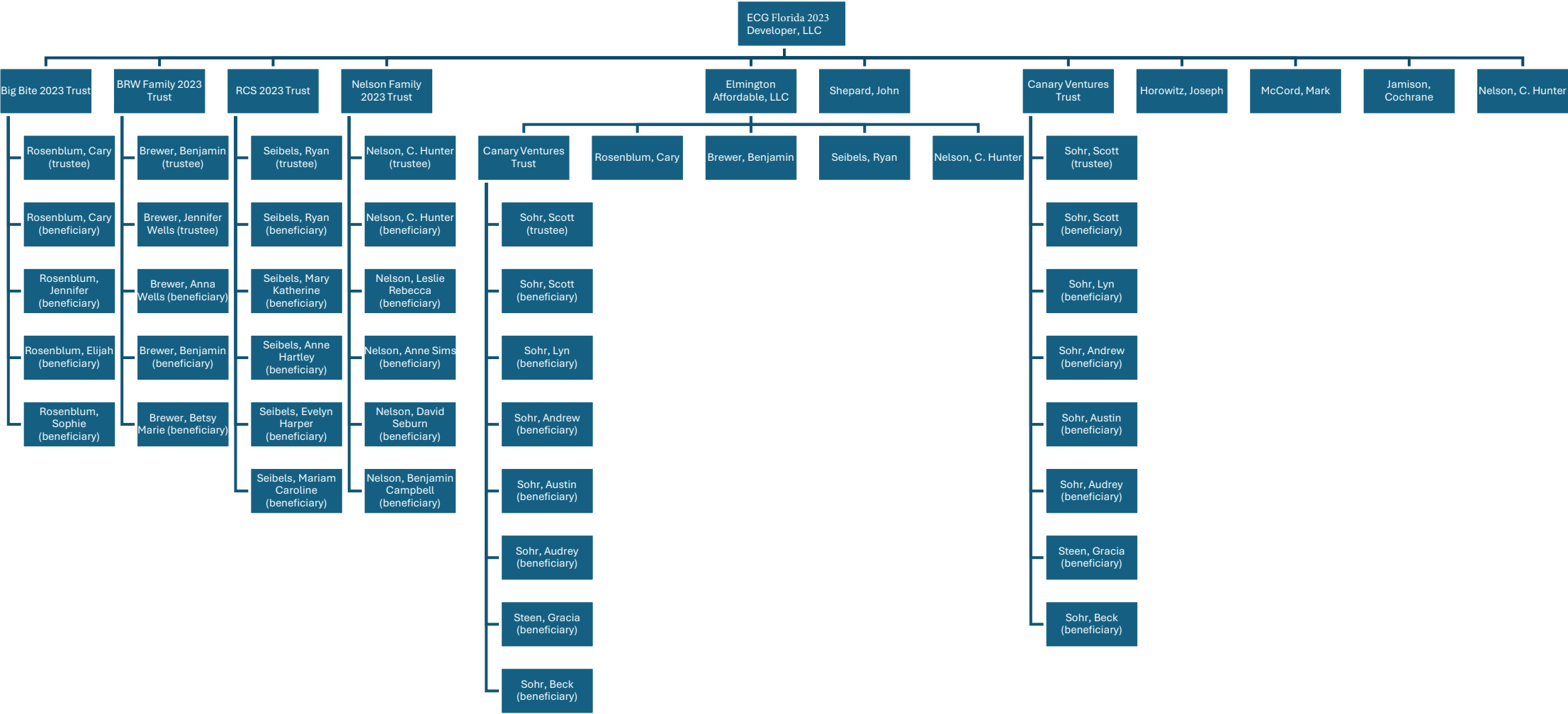
Applicant entity - existing



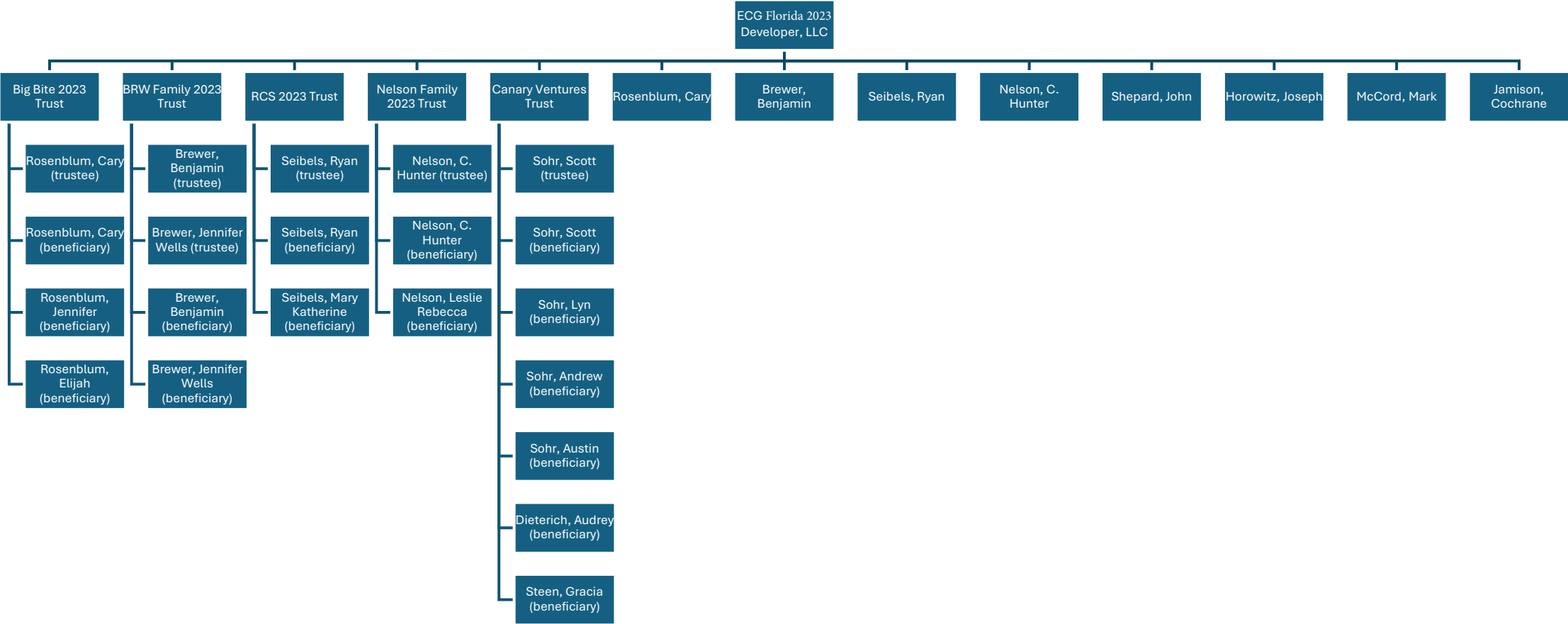
Applicant entity - proposed



Developer entity - existing



Developer entity - proposed



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**Florida Housing Finance Corporation**

*Credit Underwriting Report (“CUR”)*

**Ninth Street Apartments**

**RFA 2023-213 (2024-253BS / 2023-522C)**

**Multifamily Mortgage Revenue Bonds (“MMRB”), State Apartment Incentive  
Loan (“SAIL”) and 4% Non-Competitive Housing Credits (“HC”)**

**SAIL Funding for Live Local Mixed Income, Mixed-Use, and Urban Infill  
Developments**

**Section A: Report Summary**

**Section B: Loan Conditions and HC Allocation Recommendation and Contingencies**

**Section C: Supporting Information and Schedules**

---

**Prepared by**

**AmeriNat®**

***Final Report***

**June 2, 2025**

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## **Ninth Street Apartments**

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**Section A**  
**Report Summary**

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

**Recommendation**

AmeriNat® ("AmeriNat") recommends Florida Housing Finance Corporation ("FHFC" or "Florida Housing") issue MMRB in the amount of \$30,000,000, fund a total Live Local SAIL Loan in the amount of \$9,500,000 and issue an annual 4% HC allocation in the amount of \$2,387,118 to ECG Florida 2023 III, LP ("Applicant") for the construction and permanent phase financing of Ninth Street Apartments (the proposed "Development"). This recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:		<u>Ninth Street Apartments</u>	
RFA/Program Numbers:		<u>RFA 2023-213</u> / <u>2024-253BS</u> <u>2023-552C</u>	
Address:		<u>9th Street E, SE of the intersection of 9th St E and 53rd Ave E</u>	
City:	<u>Bradenton</u>	Zip Code:	<u>34203</u>
County:	<u>Manatee</u>	County Size:	<u>Medium</u>
Development Category:	<u>New Construction</u>	Development Type:	<u>Mid-Rise (4 Stories)</u>
Construction Type:	<u>Wood Frame</u>	Number of Stories:	<u>4</u>
Demographic Commitment:			
Primary:	<u>Family</u>	for	<u>100%</u> of the Units
Unit Composition:			
# of ELI Units:	<u>14</u>	ELI Units Are Restricted to	<u>30%</u> AMI, or less.
# of Link Units:	<u>7</u>	# of Preference units:	<u>          </u>
# of NHTF Units:	<u>          </u>	# of units w/ PBRA?	<u>          </u>
		Min % of Units @ ELI:	<u>5%</u>
		IRS Minimum Set-Aside Commitment:	<u>AIT</u>
		TSP Approval Date:	<u>06/05/2024</u>
Buildings:	Residential -	<u>1</u>	Non-Residential -
Parking:	Parking Spaces -	<u>201</u>	Accessible Spaces -
		<u>12</u>	
DDA:	<u>No</u>	SADDA:	<u>No</u>
QCT:	<u>Yes</u>	Multi-Phase Boost:	<u>No</u>
QAP Boost:	<u>No</u>	QAP Type:	<u>          </u>
Site Acreage:	<u>6.71</u>	Density:	<u>19.97</u>
Flood Zone Designation:	<u>X</u>	Flood Insurance Required?:	<u>No</u>
Zoning:	<u>current: RMF-16; future: RES-16</u>		
Credit Underwriter:	<u>AmeriNat Loan Services</u>		Date of Application:
			<u>12/20/2023</u>
Date of Final CUR:	<u>          </u>		Minimum 1st Mortgage per Rule:
TDC PU Limitation at Application:	<u>\$347,150</u>	TDC PU Limitation at Credit Underwriting:	<u>\$347,150</u>
Actual TDC PU for Limitation:	<u>\$316,257</u>	Amount Dev. Fee Reduced for TDC Limit:	<u>          </u>

Prepared by George J. Repity, Senior Credit Underwriter



Reviewed by Kyle Kuenn, Multifamily Chief Credit Underwriter



**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
HC-4%	10.448%	14	30%	50
HC-4%	49.254%	66	50%	50
HC-4%	40.298%	54	80%	50
ELI	10.448%	14	30%	99
SAIL	49.254%	66	50%	99
SAIL	40.298%	54	80%	99
MMRB	40.0%	54	60%	50

Persons with Special Needs Set-Aside Commitment: The proposed Development must set aside 50% of the ELI set-aside units (7 units) as Link units for Persons with Special Needs. In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding (“MOU”) with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with Special Needs for the county where the proposed Development will be located (Manatee County). The MOU was approved by Florida Housing Finance Corporation (“Florida Housing”, “FHFC”, or “Corporation”) on February 19, 2025. The Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes, which requires a ninety-nine (99) year total compliance period under a Land Use Restriction Agreement (“LURA”). Therefore, after the initial 50-year Compliance Period required by the RFA (“Compliance Period”) expires, all SAIL/ELI set-aside units within the Development shall be rented to households who shall have a household income less than or equal to one hundred and twenty percent (120%) of the Area Median Income (“AMI”) for a period of forty-nine (49) years (“Ad Valorem Compliance Period”). The Ad Valorem Compliance Period, together with the Compliance Period, shall have a term of ninety-nine (99) years (the “Total Compliance Period”) which will be defined under the SAIL/ELI LURA. The Applicant will be responsible for compliance monitoring fees for 50 years which is to be paid to the Servicer; for years 51-99, compliance monitoring will be self-certified by the Applicant to FHFC. The Applicant will also be responsible for the compliance monitoring fee of \$4,900 (\$100 per year) for years 51-99 associated with the Ad Valorem Compliance Period, which is to be paid at closing to FHFC.

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

MSA (County): North Port-Sarasota-Bradenton MSA (Manatee)

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	756	30%			605	68	537		498	537	537	45,108
1	1.0	30	756	50%			1,009	68	941		875	941	941	338,760
1	1.0	23	755	80%			1,615	68	1,547		1,440	1,547	1,547	426,972
2	2.0	5	1,018	30%			726	79	647		600	647	647	38,820
2	2.0	25	1,018	50%			1,211	79	1,132		1,052	1,132	1,132	339,600
2	2.0	21	1,018	80%			1,938	79	1,859		1,731	1,859	1,859	468,468
3	2.0	2	1,260	30%			839	91	748		693	748	748	17,952
3	2.0	11	1,260	50%			1,399	91	1,308		1,216	1,308	1,308	172,656
3	2.0	10	1,260	80%			2,239	91	2,148		2,000	2,148	2,148	257,760
		134	126,235											2,106,096

Please note that the square footages shown above represents the average unit size. The actual total square footage, per the PCR, is 126,238 square feet.

When calculating an average market rental rate based on the unit mix and annualized rent concessions, the rent advantage for all of the units at the Development is in excess of 110% of the applicable maximum Housing Credit rental rate.

MMRB, SAIL & HC CREDIT UNDERWRITING REPORT

AMERINAT

15 Year Operating Pro Forma

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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	\$2,106,096	\$15,717	\$2,148,218	\$2,191,182	\$2,235,006	\$2,279,706	\$2,325,300	\$2,371,806	\$2,419,242	\$2,467,627	\$2,516,980	\$2,567,319	\$2,618,666	\$2,671,039	\$2,724,460	\$2,778,949
	Other Income: (1.91%)																
	Miscellaneous	\$40,200	\$300	\$41,004	\$41,824	\$42,661	\$43,514	\$44,384	\$45,272	\$46,177	\$47,101	\$48,043	\$49,004	\$49,984	\$50,983	\$52,003	\$53,043
	Gross Potential Income	\$2,146,296	\$16,017	\$2,189,222	\$2,233,006	\$2,277,666	\$2,323,220	\$2,369,684	\$2,417,078	\$2,465,419	\$2,514,728	\$2,565,022	\$2,616,323	\$2,668,649	\$2,722,022	\$2,776,463	\$2,831,992
	Less:																
	Physical Vac. Loss      Percentage: 4.00%	\$85,852	\$641	\$87,569	\$89,320	\$91,107	\$92,929	\$94,788	\$96,683	\$98,617	\$100,589	\$102,601	\$104,653	\$106,746	\$108,881	\$111,059	\$113,280
	Collection Loss      Percentage: 1.00%	\$21,463	\$160	\$21,892	\$22,330	\$22,777	\$23,232	\$23,697	\$24,171	\$24,654	\$25,147	\$25,650	\$26,163	\$26,687	\$27,220	\$27,765	\$28,320
	Total Effective Gross Income	\$2,038,981	\$15,216	\$2,079,761	\$2,121,356	\$2,163,783	\$2,207,059	\$2,251,200	\$2,296,224	\$2,342,148	\$2,388,991	\$2,436,771	\$2,485,506	\$2,535,217	\$2,585,921	\$2,637,639	\$2,690,392
Annual Escalation Rate (Income): 2.00%																	
EXPENSES:	Fixed:																
	Real Estate Taxes	\$3,589	\$27	\$3,697	\$3,808	\$3,922	\$4,039	\$4,161	\$4,285	\$4,414	\$4,546	\$4,683	\$4,823	\$4,968	\$5,117	\$5,271	\$5,429
	Insurance	\$227,800	\$1,700	\$234,634	\$241,673	\$248,923	\$256,391	\$264,083	\$272,005	\$280,165	\$288,570	\$297,227	\$306,144	\$315,328	\$324,788	\$334,532	\$344,568
	Variable:																
	Management Fee      Percentage: 4.00%	\$81,559	\$609	\$83,190	\$84,854	\$86,551	\$88,282	\$90,048	\$91,849	\$93,686	\$95,559	\$97,471	\$99,420	\$101,408	\$103,437	\$105,505	\$107,615
	General and Administrative	\$46,900	\$350	\$48,307	\$49,756	\$51,249	\$52,786	\$54,370	\$56,001	\$57,681	\$59,412	\$61,194	\$63,030	\$64,921	\$66,868	\$68,874	\$70,940
	Payroll Expenses	\$227,800	\$1,700	\$234,634	\$241,673	\$248,923	\$256,391	\$264,083	\$272,005	\$280,165	\$288,570	\$297,227	\$306,144	\$315,328	\$324,788	\$334,532	\$344,568
	Utilities	\$145,390	\$1,085	\$149,752	\$154,244	\$158,872	\$163,638	\$168,547	\$173,603	\$178,811	\$184,176	\$189,701	\$195,392	\$201,254	\$207,291	\$213,510	\$219,915
	Marketing and Advertising	\$6,700	\$50	\$6,901	\$7,108	\$7,321	\$7,541	\$7,767	\$8,000	\$8,240	\$8,487	\$8,742	\$9,004	\$9,274	\$9,553	\$9,839	\$10,134
	Maintenance and Repairs/Pest Control	\$60,300	\$450	\$62,109	\$63,972	\$65,891	\$67,868	\$69,904	\$72,001	\$74,161	\$76,386	\$78,678	\$81,038	\$83,469	\$85,973	\$88,553	\$91,209
	Grounds Maintenance and Landscaping	\$33,500	\$250	\$34,505	\$35,540	\$36,606	\$37,705	\$38,836	\$40,001	\$41,201	\$42,437	\$43,710	\$45,021	\$46,372	\$47,763	\$49,196	\$50,672
	Contract Services	\$26,800	\$200	\$27,604	\$28,432	\$29,285	\$30,164	\$31,069	\$32,001	\$32,961	\$33,949	\$34,968	\$36,017	\$37,097	\$38,210	\$39,357	\$40,537
	Reserve for Replacements	\$40,200	\$300	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$41,406	\$42,648	\$43,928	\$45,245	\$46,603
	Total Expenses	\$900,538	\$6,720	\$925,533	\$951,261	\$977,744	\$1,005,005	\$1,033,066	\$1,061,952	\$1,091,686	\$1,122,293	\$1,153,801	\$1,187,440	\$1,222,069	\$1,257,717	\$1,294,414	\$1,332,191
	Annual Escalation Rate (Expenses): 3.00%																
Net Operating Income		\$1,138,443	\$8,496	\$1,154,228	\$1,170,095	\$1,186,039	\$1,202,054	\$1,218,134	\$1,234,272	\$1,250,463	\$1,266,698	\$1,282,971	\$1,298,067	\$1,313,148	\$1,328,204	\$1,343,225	\$1,358,201
Debt Service Payments																	
First Mortgage - FHFC / Bellwether / FNMA		\$946,408	\$7,063	\$946,408	\$946,408	\$946,408	\$946,408	\$946,408	\$946,408	\$946,408	\$946,408	\$946,408	\$946,408	\$946,408	\$946,408	\$946,408	\$946,408
Second Mortgage - FHFC SAIL		\$95,000	\$709	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000
First Mortgage Fees - FHFC PLS & CM		\$47,333	\$353	\$47,193	\$46,876	\$46,506	\$46,076	\$45,576	\$44,997	\$44,349	\$43,635	\$42,897	\$42,146	\$41,383	\$40,609	\$39,825	\$39,031
Second Mortgage Fees - FHFC SAIL PLS & CM		\$12,962	\$97	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962
Total Debt Service Payments		\$1,101,704	\$8,222	\$1,101,563	\$1,101,247	\$1,100,877	\$1,100,446	\$1,099,946	\$1,099,368	\$1,098,719	\$1,100,205	\$1,099,667	\$1,099,046	\$1,098,396	\$1,097,646	\$1,096,896	\$1,096,146
Cash Flow after Debt Service		\$36,739	\$274	\$52,665	\$68,848	\$85,162	\$101,608	\$118,188	\$134,904	\$151,743	\$168,493	\$183,303	\$199,021	\$214,752	\$229,158	\$244,830	\$259,805
Debt Service Coverage Ratios																	
DSC - First Mortgage plus Fees		1.15x		1.16x	1.18x	1.19x	1.21x	1.23x	1.24x	1.26x	1.28x	1.29x	1.31x	1.33x	1.34x	1.36x	1.37x
DSC - Second Mortgage plus Fees		1.03x		1.05x	1.06x	1.08x	1.09x	1.11x	1.12x	1.14x	1.15x	1.17x	1.18x	1.20x	1.21x	1.22x	1.24x
DSC - All Mortgages and Fees		1.03x		1.05x	1.06x	1.08x	1.09x	1.11x	1.12x	1.14x	1.15x	1.17x	1.18x	1.20x	1.21x	1.22x	1.24x
Financial Ratios																	
Operating Expense Ratio		44.17%		44.50%	44.84%	45.19%	45.54%	45.89%	46.25%	46.61%	46.98%	47.35%	47.77%	48.20%	48.64%	49.07%	49.52%
Break-even Econ Occup Ratio (all debt)		93.49%		92.79%	92.12%	91.46%	90.83%	90.21%	89.62%	89.05%	88.58%	88.05%	87.59%	87.15%	86.78%	86.38%	86.03%
Break-even Econ Occup Ratio (must pay debt)		88.46%															

*Notes to the Operating Pro forma and Ratios:*

1. MMRB does not impose rent restrictions; however, the Development will be utilizing Housing Credits in conjunction with SAIL which will impose rent restrictions. Overall, the maximum Housing Credit rents for 2024 published on FHFC's website for the Development are achievable as confirmed by the appraiser. Please note that the 2025 rents were not yet released at the time of the appraisal. Utility allowances were derived from a Utility Allowance Study ("UAS") prepared by Enercon Services, Inc. which was approved by FHFC staff on March 10, 2025.
2. A 5.00% physical and collection loss rate was concluded by the appraisal and was relied upon by AmeriNat for underwriting purposes.
3. Miscellaneous Income is comprised of income related to multifamily operations in the form of vending income, late charges, pet deposits, forfeited security deposits, etc.
4. Real estate tax expense is based on the Appraiser's estimate of Non-Ad Valorem Taxes (\$3,590). The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption passed under Section 196.1978(4), Florida Statutes. Beginning in 2026, the property must apply to the Lake County Property Appraiser by March 1st of the tax year. Applying for this exemption requires a 99-year Total Compliance Period with annual certifications. If the property fails to provide affordable housing under the agreement before the end of the agreement term, there will be a penalty equal to 100% of the total amount financed by Florida Housing multiplied by each year remaining in the agreement. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption, is a condition to close.
5. AmeriNat utilized an estimate of \$1,700 per unit for insurance, which is consistent with the appraisal. The figure is based on a quote for insurance reviewed by the appraiser, as well as the expenses for restricted rent comparables presented by the appraiser, which ranged from \$1,355 to \$2,144 per unit. The Development will be located in flood zone "X". Zone "X" is an area outside of the 100-year flood plain which does not require flood insurance.
6. The Applicant submitted an executed Management Agreement dated February 1, 2025 between the Applicant and Elmington Property Management, LLC ("EPM"). Per the Management Agreement, EPM shall receive 3.00% of the gross rental collections received during the preceding month. The term of the Agreement shall be in effect for an initial period of three years and shall automatically renew for additional one-year terms thereafter. AmeriNat utilized a rate of 4.00% based on the appraisal.
7. Replacement Reserves are budgeted at \$300 per unit per year, which is consistent with RFA and Rules 67-48 and 67-21 minimum requirement.
8. Per the Rule, the minimum DSC shall be 1.10x to 1.00 for the SAIL loan and all superior mortgages. The combined first mortgage and SAIL loan debt service coverage is 1.03x. However, per Rule 67-48, if the Applicant defers at least 35% of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation, and when the primary expected source of repayment has been identified as projected cash flow, the minimum DSC shall be 1.00x for the SAIL Loan, including all superior mortgages.

9. The Break-even Economic Occupancy Ratio of 93.49% includes all debt; however, interest payments on the SAIL Loan are based on available cash flow. This ratio would improve to 88.46% if this interest payment was not included.



## Financing Overview

CONSTRUCTION FINANCING INFORMATION							
	1st Source	2nd Source	3rd Source	4th Source	5th Source	6th Source	Totals
Lien Position	First	Second	NA	NA	NA	NA	
Source	FHFC - MMRB	FHFC - SAIL	Op. Deficit Res.	Other	HC Equity	Def. Dev. Fee	
Construction Amount	\$30,000,000	\$9,500,000	\$885,900	\$2,667,553	\$5,280,744	\$5,758,212	\$54,092,409
All In Interest Rate	4.06%	0.00%					
Debt Service During	\$1,299,000	\$0					
Bond Structure (if applicable)	Public Offering						

Cash Collateral Source(s):						
Regulated Mortgage Lender	Bank OZK	\$30,000,000			7.58%	\$2,274,000

### Proposed Unfunded Forward Fannie Mae MBS-Secured Bond and Short Term Cash-Collateralized Bond:

The Applicant initially applied to FHFC for a \$27,000,000 allocation of tax-exempt MMRB. The Applicant submitted a request dated February 10, 2025 to increase the MMRB amount to \$30,000,000. Stifel, Nicolaus & Company, Inc. (Stifel") per a letter received February 25, 2025, will serve as the Bond Underwriter for the transaction via a public-offering. The proposed bond structure will be two series of bonds: Series 'A' will mature approximately 20 years from construction loan closing and will be secured by US Treasuries during the construction period and at conversion will be a Fannie Mae MBS-Secured bond and Series 'B' will consist of a short-term cash-collateralized bond. The two Series will total \$30,000,000; The Series 'A' long-term bonds will be sized at approximately \$16,327,000 and the Series 'B' short-term bonds will be sized at approximately \$13,673,000, subject to a mandatory tender of 30 months. During construction, both series of Bonds will be secured by cash or Eligible Investments at all times. Upon conversion, the Fannie Mae MBS will secure the long-term Series 'A' Bonds, and the Series 'B' Bonds will be redeemed from the collateral funds held by the Trustee.

An executed term sheet (the "Term Sheet") issued by Bank OZK dated February 26, 2025, illustrates the proposed terms of a construction loan in an amount not to exceed \$30,305,292 which will be used as the cash collateral for the MMRB. A loan of \$30,000,000 has been contemplated. The Bank OZK construction loan will be funded on a draw down basis and advanced directly to/through the Trustee for deposit into the Collateral fund. As funds are received, a like amount of MMRB proceeds will be released from the project fund to pay for construction and development costs. During construction, payments of interest only on the Bonds will be based on a fixed rate that is payable semiannually, based on current market conditions. The Bond interest rate is estimated to be approximately 4.70% and 3.30% for a blended rate of 4.06%, respectively. It is not anticipated that the MMRB will have any negative arbitrage at this time. The Annual Issuer Fee of 24 basis points of the outstanding Bond amount and the Annual Trustee Fee of \$4,500 have been included in the Uses section of the report.

The construction loan from Bank OZK will have an initial term of 32 months with one six-month extension option available at the Bank's discretion and with payment of a 25 bps fee. The construction loan shall bear interest at a variable rate based on the Secured Overnight Financing Rate ("SOFR") plus 300 basis points ("bps"); at loan closing, the loan documents will set a minimum all-in per annum interest rate equal to the spread plus a SOFR floor. The construction loan interest is calculated based on the SOFR rate of 4.33% (current rate as of May 1, 2025) plus 300 bps and a 25 bps underwriting cushion for an all-in rate of 7.58%. An origination fee of 100 bps of the loan amount is due at the construction financing closing.

#### Operating Deficit Reserve

The Applicant is deferring an ODR in the amount of \$885,900 required by Enterprise that is equal to approximately 5.3 months of operating expenses and debt service. The ODR will be funded at stabilization with proceeds of the 4<sup>th</sup> equity installment from Enterprise.

#### Bond Reinvestment Income

Stifel provided a schedule of projected interest earnings to occur during the construction period of the Bond Collateral account. The earnings are based on an anticipated interest rate of 4.70% for the Series 'A' Fannie Mae Forward MBS secured bonds and 3.30% for the Series 'B' short-term bonds during the construction term. The account is projected to total \$3,077,946 in income for the 36-month construction period; \$2,667,553, or approximately 31 months of interest, will be used during the construction period. The total reinvestment income amount will serve as a source during the permanent phase.

PERMANENT FINANCING INFORMATION						
Lien Position	First	Second	NA	NA	NA	Totals
Source	FHFC - MMRB	FHFC - SAIL	Other	HC Equity	Def. Dev. Fee	
Lender/Grantor	FHFC / Bellwether / FNMA	FHFC	Bond Reinvestment income	Enterprise	Developer	
Permanent Amount	\$14,800,000	\$9,500,000	\$3,077,946	\$21,972,158	\$4,742,305	\$54,092,409
Permanent Funding Per Unit	\$110,448	\$70,896	\$22,970	\$163,971	\$35,390	\$403,675
% of Permanent Funding	27.4%	17.6%	5.7%	40.6%	8.8%	100.0%
Underwritten Interest Rate	5.75%	1.00%				
All In Interest Rate	5.75%	1.00%				
Loan Term	15	15.5				
Amortization	40	n/a				
Must Pay or Cash Flow	Must-Pay	Cash Flow				
Permanent Debt Service, No	\$946,408	\$95,000				\$1,041,408
Permanent Debt Service, with	\$993,742	\$107,962				\$1,101,704
Debt Service Coverage, with	1.15x	1.03x				
Operating Deficit & Debt Service Reserves	\$885,900					
# of Months covered by the	5.3					
Market Rate/Market Financing	40.3%	66.2%				
Restricted Market Financing	71.5%	117.4%				
Loan to Cost - Cumulative	27.4%	44.9%				
Loan to Cost - SAIL Only		17.6%				

Proposed First Mortgage Loan:

AmeriNat received an unexecuted term sheet dated February 25, 2025 which indicates that Bellwether Enterprise Real Estate Capital (“Bellwether” or “Lender”) will provide a loan under Fannie Mae’s Unfunded Forward Mortgage Backed Security Tax-Exempt Bond (“MTEB”) program. At conversion to permanent financing, the Series 'B' Bonds will be redeemed in full and the Series 'A' Bonds will then be collateralized by a Fannie Mae Mortgage-Backed Security (“Fannie Mae MBS”).

The loan amount indicated in the Bellwether term sheet is \$16,327,000 based on a minimum 1.15 debt service coverage (“DSC”) as calculated by Bellwether. However, in order to meet the DSC requirement, the loan has been resized to \$14,800,000. The term is 15 years with a 40-year amortization period. Per the term sheet, the interest rate will be fixed and is estimated to be 5.75%. Upon stabilization and prior to conversion, the Loan Amount may be upsized by 10% (estimated at \$17,955,000 based on the \$16,327,000 loan amount noted in the term sheet), subject to a minimum debt service coverage of 1.15x, and an as-stabilized, appraised loan-to-value of 90%; FHFC Board approval of any such increase is required. An origination fee of 1.00% of the loan amount, a non-refundable Standby Fee of 15 bps of the loan amount, a Good Faith deposit fee of 1.00% and a 10 bps delivery fee are outlined in the term sheet. A conversion fee of \$25,000 will be due for expenses in connection with conversion underwriting expenses.

Additional fees included in the DSC 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 \$10,000 minimum annual fee, and an annual Trustee 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 \$250, and an hourly fee of \$210 for extraordinary services. The annual Compliance Monitoring Fee is based upon a total fee which is comprised of a base fee of \$193 per month plus an additional fee per set-aside unit of \$11.89 per year, subject to a minimum of \$303 per month.

The permanent MMRB will mature 15 years following termination of the construction phase and conversion to the permanent phase. At maturity, Applicant may satisfy the MMRB via refinance or sale of the Development pending market feasibility. In the event the Applicant is unable to refinance or effectuate a sale to fund payoff of the MMRB, 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 Fannie Mae agrees to cancel the MMRB in exchange for an assignment by the Trustee of the mortgage and all other related documents and accounts. The Trustee would cancel the MMRB 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 Fannie Mae, effectively ending the transaction. Under this scenario, the MMRB 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, Fannie Mae would then be in position to work with the Applicant to arrive at a resolution without involvement of either FHFC or the Trustee (as the MMRB would have been cancelled and would no longer be outstanding).

Proposed Second Mortgage Loan – SAIL:

Per an Invitation to Enter Credit Underwriting from FHFC dated March 7, 2024, the Applicant received a preliminary commitment for a total Live Local SAIL Loan in the amount of \$9,500,000 under RFA 2023-213 for the construction/permanent financing of the Development.

The Live Local SAIL Loan shall be non-amortizing with a 1.00% interest rate over the life of the loan with annual payments based upon available cash flow. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Fannie Mae. Any unpaid interest will be deferred until cash flow is available. However, at maturity of the SAIL Loan, all principal and unpaid interest will be due. The Live Local SAIL Loan total term will be 18.5 years, including a 36-month construction/stabilization period and a 15.5-year permanent period. As required by Fannie Mae and permitted by Rule 67-48, the Live Local SAIL Loan term will be coterminous with the first mortgage plus six months (total term of 18.5 years). Live Local SAIL Loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the Live Local SAIL Loan to Total Development Costs, unless approved by the credit underwriter.

Annual payments of all applicable fees will be required. Fees for the total Live Local SAIL Loan include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month and an annual Compliance Monitoring Multiple Program Fee of \$1,082.

Bond Reinvestment Income

As previously described, the total amount of interest projected by Stifel in the amount of \$3,077,946 over the 36 month term of the bonds will serve as a source during the permanent phase of the Development.

Deferred Developer Fee:

The Applicant will be required to permanently defer \$4,742,305 or 62.2% of the total Developer Fee after stabilization subject to the terms outlined in Section B of this report.

Based upon the estimates of the Operating Pro Forma, the amount of Deferred Developer Fee may not be paid back in 15 years. To the extent the Deferred Developer Fee is not paid by the end of year 12, the Guarantors shall be obligated to contribute to the Applicant an amount equal to the unpaid Deferred Developer Fee. As such, any risk associated with any tax credit recapture resulting from the nonpayment of any Developer Fee is assumed by the Guarantors. The Guarantors have sufficient financial capacity to make a loan to the partnership, if needed. Language documenting this payment should be present in the Partnership / Operating Agreement, once drafted.

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

**Syndication Contributions:**

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$4,394,212	20.00%	At admission to partnership
2nd Installment	\$886,532	4.03%	At 95% construction completion
3rd Installment	\$828,309	3.77%	At construction completion
4th Installment	\$15,531,342	70.69%	At stabilization/permanent conversion
5th Installment	\$331,763	1.51%	Receipt of Form(s) 8609
<b>Total</b>	<b>\$21,972,158</b>	<b>100.00%</b>	

Syndicator Name	Enterprise Housing Credit Investments, LLC
Date of LOI	2/25/2025
Total Credits Per Syndication Agreement:	\$25,330,669
Annual Credits Per Syndication Agreement:	\$2,533,067
Calculated HC Exchange Rate:	\$0.8675
Limited Partner Ownership Percentage:	99.99%
Proceeds Available During Construction:	\$5,280,744
Annual Credits - Qualified in CUR:	\$2,234,238

## Changes from the Application:

### 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?		
Is the Development in all other material respects the same as presented in the Application?		3, 4

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

1. Since the time of Application, Bank OZK will provide a construction loan that has increased from \$27,000,000 to \$30,000,000. Additionally, Bellwether will now provide the permanent first mortgage financing in an amount not to exceed \$16,327,000 compared to \$11,950,000 as illustrated in the Application. The Applicant submitted a request dated February 10, 2025 to increase the MMRB amount from \$27,000,000 to \$30,000,000. FHFC staff approved this request on April 3, 2025.

Enterprise has replaced Raymond James Affordable Housing Investment, Inc, ("RJAHI") as the equity provider in the transaction. Enterprise is providing the equity in the transaction at \$0.8675/credit, a reduction from \$0.90/credit. However, this results in a total equity amount of \$21,972,158, which is an increase of \$2,797,020 from the original \$19,175,138 in equity proceeds noted in the RJAHI term sheet included as part of the Application.

The Applicant has added Bond Reinvestment Income in the amount of \$2,667,553 during the construction phase and \$3,077,946 during the permanent phase of the Development. This source was not included as part of the original Application.

The Applicant has included the Operating Deficit Reserve in the amount of \$885,900 as a source during the construction phase of the Development. This source was not included as part of the original Application.

2. Total Development Costs have increased from \$46,729,139 to \$54,092,409 for a difference of \$7,363,270 since the Application due to increases in Construction Costs, Financial Costs, Developer Fee and Operating Deficit Reserve.
3. The Applicant submitted a request dated February 10, 2025 to change the organizational structure of the Applicant and Developer entities to remove Elmington Affordable, LLC as a member of the General Partner and Developer entities. FHFC staff approved the request May 12, 2025. FHFC Board approval is a condition precedent to close.
4. The Applicant submitted a request dated February 10, 2025 to change the unit mix as described below. Florida Housing staff approved this request on April 3, 2025.

Item Description (From):

20 One Bedroom / One Bathroom (3 ELI Units)  
74 Two Bedrooms / One Bathroom (7 ELI Units)  
40 Three Bedrooms / Two Bathrooms (4 ELI Units)  
134 Total Units

Item Description (To):

60 One Bedroom / One Bathroom (7 ELI Units)  
51 Two Bedrooms / Two Bathrooms (5 ELI Units)  
23 Three Bedrooms / Two Bathrooms (2 ELI Units)  
134 Total Units

These changes have no substantial material impact to the MMRB, SAIL, and HC recommendations for the Development.

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

According to the April 18, 2025 Asset Management Noncompliance Report, the Development Team has no noncompliance items.

According to the April 18, 2025 Florida Housing Past Due Report, the Development Team has no past due items.

This recommendation is subject to satisfactory resolution of any outstanding noncompliance items and/or past due items prior to or at the time of loan closing and the issuance of the Annual HC allocation recommended herein.

Strengths:

1. The Development Team has demonstrated the ability to successfully develop and operate affordable multifamily rental communities using a variety of different subsidies.
2. A Market Study performed by Meridian Appraisal Group, Inc. ("Meridian") dated February 19, 2025, concludes that the Development should benefit from the rental rate advantage it will have over



market rents. Based on the proposed rents, the Development will have a 66% rental rate advantage compared to the average achievable market rents for the area.

3. The Market Study identified five properties with a total of 576 units as comparable to the Development that are located in the Primary Market Area ("PMA"). The comparable properties have a weighted average occupancy rate of 97.5%.

Other Considerations:

1. In accordance with RFA, FHFC limits the Total Development Cost ("TDC") per unit for all Developments categorized by the construction type of the units as indicated by the Applicant in the RFA. The maximum TDC per unit for the construction specified by the Applicant (Mid-Rise non-ESS Construction) (New Construction), inclusive of a \$7,500/unit add-on for using tax-exempt bonds and a 6.00% escalation rate applied to the base \$240,000 per unit, is \$347,150 per unit. With a total of 134 units, the maximum TDC for the Development is therefore \$46,518,100. The TDC as underwritten equals \$42,378,398 for the Development. As such, the Development does not exceed the per unit maximum TDC and is eligible for funding as a result.
2. To the underwriter's knowledge, no construction cost exceeding 20% 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:

None

Waiver Requests:

None

Additional Information:

None

## Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$21,580,000	\$21,362,157	\$21,602,560	\$161,213	
Recreational Amenities	\$0	\$50,000	\$50,000	\$373	
Site Work	\$3,400,000	\$4,292,265	\$4,292,265	\$32,032	\$643,839
Swimming Pool	\$0	\$300,000	\$300,000	\$2,239	
Constr. Contr. Costs subject to GC Fee	\$24,980,000	\$26,004,422	\$26,244,825	\$195,857	\$643,839
General Conditions (6.0%)	\$3,460,000	\$1,566,649	\$1,566,649	\$11,691	
Overhead (2.0%)	\$0	\$520,088	\$520,088	\$3,881	
Profit (6.0%)	\$0	\$1,566,649	\$1,566,649	\$11,691	
General Liability Insurance	\$0	\$91,000	\$91,000	\$679	
Payment and Performance Bonds	\$0	\$203,000	\$203,000	\$1,515	
Contract Costs not subject to GC Fee	\$0	\$134,000	\$0	\$0	
Total Construction Contract/Costs	\$28,440,000	\$30,085,808	\$30,192,211	\$225,315	\$643,839
Hard Cost Contingency (5.0%)	\$1,423,000	\$1,482,890	\$1,509,610	\$11,266	
Demolition paid outside Constr. Contr.	\$20,000	\$0	\$0	\$0	
FF&E paid outside Constr. Contr.	\$75,000	\$75,000	\$75,000	\$560	
Other: Vapor mitigation fee	\$0	\$106,403	\$0	\$0	
<b>Total Construction Costs:</b>	<b>\$29,958,000</b>	<b>\$31,750,101</b>	<b>\$31,776,821</b>	<b>\$237,140</b>	<b>\$643,839</b>

### Allowances:

Surveillance cameras	\$262,500
Pool, pool deck, pool fence	\$300,000
Landscaping and irrigation	\$268,400
Site furnishings	\$6,710
Mail Kiosk	TBD
Site amenities	\$50,000
Brick work	TBD
Directional signage	TBD
Vapor mitigation system	\$106,403
Steel fireproofing	\$30,000
Monument sign	\$25,000
Foundation drains	\$20,000
Building permits	\$134,000
Electrical/Fire alarm ductbank	\$100,000
Total	\$1,303,013

### *Notes to Actual Construction Costs:*

1. A 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 ("GMP") in the amount \$30,192,211 (the "Construction Contract") has been provided. The Construction Contract was entered into as of February 10, 2025 and is executed by the Applicant and Elmington Construction, LLC ("General Contractor"). It indicates construction completion within 651 calendar days from the date of commencement. The Construction Contract indicates retainage of ten percent (10%) will be withheld until 50% of the work is complete based on the Schedule of Values, at which point the retainage will be reduced to 0%.
2. The General Contractor will secure a Payment and Performance Bond to secure the Construction Contract, and an estimate of its cost is included in the Schedule of Values of the Construction Contract.
3. FF&E Paid outside of the Construction Contract consists of office furniture, common area furniture, and equipment not already included in the Construction Contract.

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

4. The allowances included in the GC Contract are approximately 4.32% of the GMP. GLE Associates, Inc. ("GLE") finds the allowances within the maximum tolerance.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$0	\$40,000	\$40,000	\$299	\$10,000
Appraisal	\$0	\$5,500	\$5,500	\$41	
Architect's Fees	\$0	\$753,377	\$785,807	\$5,864	
Builder's Risk Insurance	\$400,000	\$685,434	\$0	\$0	
Building Permits	\$0	\$10,000	\$10,000	\$75	
Engineering Fees	\$0	\$246,250	\$246,250	\$1,838	
Environmental Report	\$0	\$40,000	\$40,000	\$299	\$40,000
FHFC Administrative Fees	\$0	\$202,608	\$214,841	\$1,603	\$214,841
FHFC Application Fee	\$0	\$3,000	\$3,000	\$22	\$3,000
FHFC Compliance Fee	\$0	\$244,282	\$0	\$0	\$0
FHFC Credit Underwriting Fee	\$0	\$26,781	\$27,959	\$209	\$27,959
Green Building Cert. (LEED, FGBC, NAHB)	\$0	\$32,830	\$0	\$0	
Insurance	\$0	\$45,000	\$45,000	\$336	
Legal Fees - Organizational Costs	\$0	\$350,000	\$350,000	\$2,612	
Lender Inspection Fees / Const Admin	\$0	\$35,000	\$35,000	\$261	
Market Study	\$0	\$5,500	\$5,500	\$41	\$5,500
Marketing and Advertising	\$0	\$75,000	\$75,000	\$560	\$75,000
Plan and Cost Review Analysis	\$0	\$4,150	\$4,150	\$31	
Property Taxes	\$0	\$0	\$0	\$0	
Soil Test	\$0	\$25,000	\$25,000	\$187	
Survey	\$0	\$10,000	\$10,000	\$75	\$10,000
Title Insurance and Recording Fees	\$0	\$50,000	\$50,000	\$373	\$40,000
Utility Connection Fees	\$0	\$0	\$0	\$0	
Soft Cost Contingency (5.0%)	\$150,000	\$150,000	\$98,895	\$738	
Other: Professional Fees	\$1,538,620	\$0	\$0	\$0	
Other: Local Govt Fees & Taxes	\$885,000	\$0	\$0	\$0	
Other: FHFC Costs & Fees	\$758,609	\$0	\$0	\$0	
Other: FHFC SAIL Compliance Monitoring Fee	\$0	\$0	\$4,900	\$37	\$4,900
<b>Total General Development Costs:</b>	<b>\$3,732,229</b>	<b>\$3,039,712</b>	<b>\$2,076,802</b>	<b>\$15,499</b>	<b>\$431,200</b>

*Notes to the General Development Costs:*

- AmeriNat reflects the costs associated with the Architect's and Engineer's fees as stated in agreements between the Applicant and the professionals which were reviewed by AmeriNat.
- Builder's Risk Insurance is included as part of the Construction Contract.
- FHFC Administrative Fee is based upon a fee of 9% of the annual HC allocation recommendation made herein.
- FHFC Credit Underwriting Fee includes the MMRB Credit Underwriting Fee (\$16,489), multiple program fees for SAIL and 4% HC (\$5,146 each), and a \$375 credit reporting fee.
- The FHFC SAIL Compliance Monitoring Fee of \$4,900 is based on \$100 per year for years 51-99 in connection with the Ad Valorem Compliance Period. FHFC Compliance Fees through the initial 50-year Compliance Period will be ongoing and are incorporated in the operating pro forma and debt service analysis within this report.
- Per documentation provided by the Applicant, the Development will apply for an exemption from Impact Fees based on its designation as an affordable housing development. Manatee County offers to pay 100% of impact fees associated with affordable housing units upon receipt of supporting paperwork for the exemption to be granted.
- The Applicant provided an executed agreement for NGBS National Green Building Standard Certification ("NGBS") between the Applicant and Southern Energy Management.

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

8. The remaining general development costs appear reasonable.

<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Commitment Fee	\$2,825,000	\$300,000	\$300,000	\$2,239	
Construction Loan Interest	\$0	\$3,400,000	\$3,600,000	\$26,866	\$744,784
Construction Loan Underwriting Fee	\$0	\$25,000	\$25,000	\$187	
Permanent Loan Commitment Fee	\$144,910	\$197,597	\$197,597	\$1,475	\$197,597
Permanent Loan Underwriting Fee	\$0	\$25,000	\$25,000	\$187	\$25,000
FHFC Bond Cost of Issuance	\$0	\$260,000	\$368,153	\$2,747	\$325,000
FHFC Bond Interest	\$0	\$3,194,340	\$3,110,393	\$23,212	\$774,335
FHFC Bond Trustee Fee	\$0	\$10,500	\$13,500	\$101	\$13,500
SAIL Closing Costs	\$0	\$15,000	\$0	\$0	
SAIL Commitment Fee	\$0	\$95,160	\$95,000	\$709	\$95,000
Misc Loan Closing Costs	\$0	\$44,150	\$44,150	\$329	\$44,150
Legal Fees - Financing Costs	\$0	\$265,000	\$265,000	\$1,978	\$265,000
Placement Agent/Underwriter Fee	\$0	\$35,000	\$35,000	\$261	\$35,000
Initial TEFRA Fee	\$0	\$1,000	\$1,000	\$7	\$1,000
Other: FHFC Issuer Fee	\$0	\$120,000	\$216,000	\$1,612	\$216,000
Other: FNMA Standby Fee	\$0	\$24,491	\$24,491	\$183	\$24,491
Other: Bond Underwriter Takedown Fee	\$0	\$204,491	\$204,491	\$1,526	\$204,491
<b>Total Financial Costs:</b>	<b>\$2,969,910</b>	<b>\$8,216,729</b>	<b>\$8,524,775</b>	<b>\$63,618</b>	<b>\$2,965,348</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$36,660,139</b>	<b>\$43,006,542</b>	<b>\$42,378,398</b>	<b>\$316,257</b>	<b>\$4,040,387</b>

*Notes to the Financial Costs*

1. An interest reserve for the Construction Loans is supported by the Construction Loan terms illustrated in the LOI's provided by the construction lenders, 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.
2. Per the Stifel Summary, the Bonds will bear interest at a fixed rate of 4.80% for the Series 'A' bonds and 3.90% for the Series 'B' bonds and is payable semiannually.
3. The FHFC Bond Cost of Issuance includes MMRB and SAIL closing costs and expenses of the Trustee, Real Estate Counsel, MMRB Counsel, Disclosure Counsel, and other fees.
4. The SAIL Commitment Fee is based on 1.00% of the total Live Local SAIL Loan.
5. FHFC Bond Trustee Fee is based on three years of the Trustee Fee of \$4,500/year.
6. FHFC Issuer Fee represents 36 months of the annual Issuer Fee of 24 basis points (0.24%) during the construction period.
7. The remaining Financial Costs appear reasonable.

<b>DEVELOPER FEE ON NON-ACQUISITION COSTS</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Developer Fee - Unapportioned	\$6,400,000	\$7,688,708	\$7,509,611	\$56,042	
DF to Consultant Fees	\$0	\$58,500	\$58,500	\$437	
DF to Excess Land Costs	\$0	\$0	\$60,000	\$448	\$60,000
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	<b>\$6,400,000</b>	<b>\$7,747,208</b>	<b>\$7,628,111</b>	<b>\$56,926</b>	<b>\$60,000</b>

*Notes to the Developer Fee on Non-Acquisition Costs:*

1. Consultant Fees in the amount of \$58,500 have been shown as a subset of Developer Fee.
2. The Applicant has contributed an additional \$60,000 (six total extensions at \$10,000 per extension) to the original purchase price of the land. As these payments exceed the appraised value of the land (\$3,220,000), \$60,000 is shown as a subset of Developer Fee.

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$3,200,000	\$3,260,000	\$3,200,000	\$23,881	\$3,200,000
<b>Total Acquisition Costs:</b>	<b>\$3,200,000</b>	<b>\$3,260,000</b>	<b>\$3,200,000</b>	<b>\$23,881</b>	<b>\$3,200,000</b>

*Notes to Land Acquisition Costs:*

- AmeriNat received a Purchase and Sale Agreement ("P&SA") executed November 17, 2023 between Carr Landing Bradenton, LLC, a Florida limited liability company ("CLB") and ECG Acquisitions, LLC ("ECGA"), a Tennessee limited liability company, that illustrates the terms in which CLB will convey the property to ECGA for the purchase price of \$3,200,000.
- AmeriNat received an Assignment and Assumption of P&SA between ECGA and the Applicant executed as of December 16, 2023.
- AmeriNat received a First Amendment to P&SA executed April 1, 2024 wherein CLB agreed to reimburse ECGA for 50% of eligible Brownfield expenses (defined as being in excess of \$2,000,000) for a period of 24-months following the closing date up to a maximum amount of \$1,500,000. At Closing, Escrow Agent shall withhold and retain in escrow a portion of the Purchase Price in the amount of \$1,500,000 (the "Reimbursement Funds") for the duration of the Post-Closing Reimbursement Period.
- AmeriNat received a Second Amendment to P&SA executed February 12, 2024 wherein Purchaser and Seller hereby agree the Earnest Money shall be held and disbursed as follows: (i) Upon the expiration of the Inspection Period, provided Purchaser has not terminated this Agreement, \$10,000 of the Earnest Money shall be considered nonrefundable; (ii) on the date that is thirty (30) days following the expiration of the Inspection Period, provided Purchaser has not terminated this Agreement, an additional \$10,000 of the Earnest Money shall be considered nonrefundable; (iii) on the date that is sixty (60) days following the expiration of the Inspection Period, provided Purchaser has not terminated this Agreement, an additional \$10,000 of the Earnest Money shall be considered nonrefundable; and (iv) on the date that is ninety (90) days following the expiration of the Inspection Period, provided Purchaser has not terminated this Agreement, the remainder of the Earnest Money shall be considered nonrefundable.
- AmeriNat received a Third Amendment to P&SA executed May 14, 2024 wherein the closing of the purchase and the delivery of the title to and possession of the Property to Purchaser (the "Closing") shall occur in escrow through Escrow Agent on or before that date which is ninety (90) days following the expiration of the Inspection Period (the "Closing Date"). Purchaser may extend the Closing Date for twelve (12) successive periods of thirty (30) days each (a "Closing Extension Option") by delivering to Seller written notice of its exercise of such extension at least ten (10) days prior to the then-scheduled Closing Date and delivering to Escrow Agent an additional \$25,000 (the "Initial Closing Extension Deposits") for each such extension. Purchaser and Seller agree that the final six (6) Initial Closing Extension Deposits shall be immediately released to Seller upon Purchaser's deposit of the same with Escrow Agent. Purchaser shall deposit an additional \$10,000 as additional consideration for each such extension Purchaser elects to exercise following the sixth Initial Closing Extension Deposit (the "Closing Consideration Deposits", and together with the Initial Closing Extension Deposits, the "Closing Extension Deposits"). The Closing Consideration Deposits shall be held by Escrow Agent until Closing. The Purchase Price shall increase by \$10,000 in proportion to the Closing Consideration Deposits upon the exercise of each of the final six (6) Closing Extension Options. All Closing Extension Deposits shall be applicable to the Purchase Price at Closing and shall be non-refundable to Purchaser except in the event that (i) Seller default by Seller, (ii) as provided in Section 13, or (iii) Seller does not cure a title defect prior to or at Closing.

Additionally, the execution of this Amendment shall be deemed Purchaser's exercise of the first Closing Extension Option, which Seller hereby accepts and acknowledges. Within twenty-four (24) hours after execution of the Agreement, Purchaser shall deposit the first Initial Closing Extension Deposit in the amount of \$25,000 with Escrow Agent. Purchaser shall have eleven (11) remaining Closing Extension Options.

6. AmeriNat received a Fourth Amendment to P&SA executed February 27, 2025 wherein CLB agreed right additional closing extension options as follows: Closing Extension Options 11-12: \$25,000 delivered to Escrow Agent and immediately released by Escrow Agent and delivered to Seller, plus an additional \$10,000 delivered to Escrow Agent and held by Escrow Agent until Closing. The Purchase Price shall increase by \$10,000 for each exercise of Closing Extension Options 11-12. Upon delivery of funds to Seller and Escrow Agent, said funds shall be non-refundable to Buyer in all events except in the event that (i) there is a default by Seller, (ii) as provided in Section 13, or (iii) Seller does not cure a title defect prior to or at Closing, as provided in Section 7(b). (c) Closing Extension Options 13-18: \$25,000 delivered directly to Seller. Upon delivery of funds to Seller, said funds shall be non-refundable to Buyer in all events except in the event that (i) there is a default by Seller, (ii) as provided in Section 13, or (iii) Seller does not cure a title defect prior to or at Closing. Additionally, the reimbursement limit and the Reimbursement Funds were reduced from \$1,500,000 to \$250,000.

Lastly, the Purchaser and Seller agree that anything to the contrary in the Agreement notwithstanding, the Post-Closing Reimbursement Period shall be shortened by one (1) month each time Purchaser exercises a Closing Extension Option after exercising Closing Extension Option 12. For example, if Purchaser exercises Closing Extension Option 13, then the Post-Closing Reimbursement Period shall be reduced to twenty-three (23) months following the Closing Date, and if Purchaser exercises Closing Extension Option 18, then the Post-Closing Reimbursement Period shall be reduced to eighteen (18) months following the Closing Date.

7. Based on the foregoing, the Applicant has contributed an additional \$60,000 not attributable to the original purchase price. Therefore, the original purchase price for the land is shown above.
8. The Purchase price is supported by the appraisal.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserves	\$469,000	\$885,900	\$885,900	\$6,611	\$885,900
<b>Total Reserve Accounts:</b>	<b>\$469,000</b>	<b>\$885,900</b>	<b>\$885,900</b>	<b>\$6,611</b>	<b>\$885,900</b>

*Notes to Reserve Accounts*

1. An Operating Deficit Reserve ("ODR") in the amount of \$885,900 is based on the LOI from Enterprise and represents approximately 5.3 months of operating expenses and debt service.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$46,729,139</b>	<b>\$54,899,650</b>	<b>\$54,092,409</b>	<b>\$403,675</b>	<b>\$8,186,287</b>

*Notes to Total Development Costs:*

1. None

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	13.92%	\$3,674,276	\$3,653,386
Hard Cost Contingency	5.00%	5.00%	\$1,509,611	\$1,509,610
Soft Cost Contingency	5.00%	5.00%	\$98,895	\$98,895
Developer Fee	18.00%	18.00%	\$7,628,111	\$7,628,111

**Section B**  
**MMRB and SAIL Loan Special and General Conditions**

### **Special Conditions**

This recommendation is contingent upon receipt of the following items by Florida Housing **at least 30 days prior to real estate loan closing**. Failure to submit these items within this time frame may result in postponement of the MMRB pricing date and/or loan closing date.

1. Receipt of approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption.
2. Receipt of the FHFC SAIL Compliance Monitoring Fee of \$4,900 for the Ad Valorem Compliance Period.
3. Satisfactory receipt of the Affirmative Fair Housing Marketing Plan.
4. FHFC Board approval of the request to change the organizational structure of the Applicant and Developer entities.
5. Revised operating agreements for the Applicant and Developer inclusive of the changes to both entities.
6. Receipt of all testing results, management plans, remediation and local/state/federal approval documentation for work performed at the Development in accordance with the direction of the Phase I ESA, Phase II ESA and Technical Memorandum evidencing acceptable resolution of the issues noted therein.
7. Receipt of a revised final PCR that has been satisfactorily reviewed and approved by AmeriNat.
8. Per Rule 67-48, the minimum DSC ratio shall be 1.10x for the SAIL Loan, including all superior mortgages. The combined first mortgage and SAIL loan debt service coverage is 1.03x. However, per Rule 67-48, if the Applicant defers at least 35% of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation, and when the primary expected source of repayment has been identified as projected cash flow, the minimum DSC shall be 1.00x for the SAIL Loan, including all superior mortgages. The Applicant will be required to show permanent Deferred Developer Fee of at least 35% as the SAIL Loan DSC is 1.03x.
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 AmeriNat and Florida Housing **at least 30 days prior to Real Estate loan closing**. Failure to receive approval of these items within this time frame may result in postponement of the MMRB pricing date and/or loan closing.

1. Applicant 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. SAIL Loan Proceeds shall be disbursed in an amount per Draw that does not exceed the ratio of the SAIL Loan to the Total Development Cost 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 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.

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 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.
10. Architect, Construction Consultant, and Applicant 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 Partnership / Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Partnership / 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 Rule Chapters 67-21.0025(5) and 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 Applicant 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 30 days days prior to Real Estate loan closing**. Failure to receive approval of these items within this time frame may result in postponement of the MMRB oricing date and/or loan closing.

1. Documentation of the legal formation and current authority to transact business in Florida for the Applicant, the general partner/member(s)/principal(s)/manager(s) of the Applicant, the guarantors, and any limited partners/members of the Applicant.
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 and SAIL Loan closing, unless otherwise approved by Florida Housing, and Legal Counsel, based upon the particular circumstances of the transaction. Applicant 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 MMRB and SAIL 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 Partnership/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 Applicant's Legal Counsel acceptable to Florida Housing addressing the following matters:
  - a. The legal existence and good standing of the Applicant and of any partnership or limited liability company that is the general partner of the Applicant (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 Applicant 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 Applicant'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 Applicant is a party or to which the Development is subject to the Applicant'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 Applicant, 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.

This recommendation is also contingent upon the following additional conditions:

1. Compliance with all provisions of Sections 420.507, 420.5087, and 420.509, Florida Statutes, Rule Chapters 67-21, 67-48, 67-53, and 67-60, F.A.C., RFA 2023-213, Section 42 I.R.C., and any other State and Federal requirements.
2. Acceptance by the Applicant and execution of all documents evidencing and securing the MMRB and SAIL Loans 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 MMRB 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 permanent First Mortgage 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 Certified Public Accountant ("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. Guarantors for the SAIL Loan 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 combined permanent First Mortgage and SAIL 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 Certified Public Accountant ("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.
7. Guarantors are to provide the standard FHFC Environmental Indemnity Guaranty.
8. Guarantors are to provide the standard FHFC Guaranty of Recourse Obligations.
9. A mortgagee title insurance lender's policy naming Florida Housing as the insured 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.
10. 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.
11. 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 and Rule Chapters 67-21 and 67-48, in the amount of \$40,200 (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. 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.

12. GLE Associates, Inc. or other construction inspector acceptable for Florida Housing is to act as Florida Housing's inspector during the construction period.
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 lien free completion of construction and issuance of all certificates of occupancy. Under terms of the construction contract, a minimum of 10% retainage holdback on all construction draws until the Development is 50% complete and 0% retainage thereafter is required. This meets the RFA and Rule Chapters 67-21 and 67-48 minimum requirement.
14. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or its Servicer, if applicable.
15. Closing of all funding sources prior to or simultaneous with the closing of the MMRB and SAIL loans.
16. 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.
17. Housing Credits - Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
18. Any other reasonable requirements of the Servicer, Florida Housing or its Legal Counsel.

## **Section C**

### **Supporting Information & Schedules**

## Additional Development & Third-Party Information

### Appraisal Summary:

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Meridian Appraisal Group, Inc.	
Date of Report	4/22/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	95.0%	
Occupancy at Stabilization: Physical (%)	96.0%	
Value: As Is market value of the land	\$3,220,000	
As of date and type of interest (as if vacant land)	4/12/2025	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$36,730,000	
As of date and type of interest (unrestricted rents)	4/12/2025	
Value: "As Complete and Stabilized", subject to restricted rents	\$20,700,000	
As of date and type of interest (restricted rents)	4/12/2025	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

### Market Study:

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Meridian Appraisal Group, Inc	
Date of Report	2/19/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	5 with 576 units	
Short Term and Long Term Impact to existing like-kind developments	weak; weak	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	97.5%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 10 mile radius:		
Level of Effort (%)	43.5%	
Capture Rate (%)	0.5%	
Remaining Potential Demand	6920	
Metrics for 5 mile radius:		
Level of Effort (%)	50.7%	
Capture Rate (%)	1.1%	
Remaining Potential Demand	3059	
Metrics for 3 mile radius:		
Level of Effort (%)	53.5%	
Capture Rate (%)	1.9%	
Remaining Potential Demand	1614	
Absorption Rate	35 units per month	
Will the development achieve maximum allowable HC Rents? (Y/N)	Y	
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
For Live Local Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of the highest percent Area Median Income rental rate?	Y	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

**Environmental Report Summary:**

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	Langan Engineering and Environmental Services, LLC	
Date of Report	6/4/2024	
Type of Report	Phase I, Phase II, and Technical Memorandum	
Confirm certified and prepared for FHFC (Y/N)	N	
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	Y	1
Is any further investigation required? (Y/N)	Y	1, 2

1. Per the Phase I, RECs were noted associated with the following issues and areas: known on-site contamination, southern drainage canal, former auto salvage storage, former auto repair, former equipment, fill material, soil stockpile, and southern-adjointing auto recycling operation and indicated levels above the accepted values for various substances in all affected areas. Additionally, Business Environmental Risks (“BERs”) were noted regarding an unpermitted water well and former septic tanks on site.

Further testing for all areas and issues noted above was recommended.

2. Langan performed a Phase II ESA dated September 14, 2022. The report gave the following recommendations:
  - a. Additional soil samples should be collected at the perimeter of the buried debris area, as well as along the eastern and western property boundary to further delineate the vertical and horizontal extent of arsenic and Benzo(a)pyrene Toxic Equivalents (“BaP TEQ”) exceedances of Soil Cleanup Target Levels (“SCTLs”) and/or Leachability criteria using Synthetic Precipitation Leaching Procedure (“SPLP”), as applicable, and to further evaluate the aluminum and iron Leachability Based on Groundwater Criteria (“LBGC”) SCTL exceedances. In addition, further soil quality assessment should be conducted in the former pond area and the area formerly used to stage/store vehicles from the southern adjoining auto salvage operation to characterize the soil for disposal or onsite relocation, depending on the site development plan. The sampling plan should be designed to support the development of a Soil Management Plan (“SMP”) in accordance with FDEP Guidance for Preparation of Soil Management Plans.
  - b. Further delineation of Polycyclic Aromatic Hydrocarbons (“PAH”) impacted groundwater detected in the northeast portion of the Property and further delineation of arsenic, aluminum and iron impacted groundwater in the southern portion of the Property in the area of the former pond (southeast corner of the Property) and in the area where vehicles from the adjoining auto salvage operations were stored (southwest portion of the Property), additional groundwater sampling should be conducted. This data will be required for completing the Site Assessment in accordance with Chapter 62-780.600, F.A.C., and will be used for developing a dewatering plan for site development, as necessary. In addition, groundwater samples should be collected along the southern Property boundary, where feasible, to identify whether contaminated groundwater has migrated onto the Property from the adjoining auto salvage yard property (i.e., whether the Property has been impacted from offsite sources).
  - c. Based on the high concentration of wood and vegetative material observed in buried debris encountered during the test pit excavation activities, the generation of combustible gas (e.g., methane gas) is likely to be occurring as a result of natural degradation. Therefore, Langan



recommends conducting a soil-gas assessment throughout the Property to evaluate whether methane gas concentrations are at levels exceeding 25% of the lower explosive limit and to confirm VOC detections reported from the EBI Phase II ESA report dated 17 November 2020. This information will be used to evaluate the need to include a vapor mitigation system as part of proposed building designs.

- d. Collect additional soil samples from the stockpile of soil located in the south-central portion of the Property to further characterize the soil for either reuse on the Property as Clean Fill or for offsite disposal at a permitted landfill.
- e. Collect additional surface water and sediment samples from the point where the drainage ditch enters the southeast corner of the Property. This data will be used to evaluate whether the PAH compounds, arsenic, and Total Recoverable Petroleum Hydrocarbons ("TRPH") detected in the sediment samples, and whether the aluminum and iron concentrations detected in the surface water, collected from the southern drainage ditch are a result of discharges entering the drainage ditch from the southern-adjointing auto salvage operation or from other upstream offsite sources.

The Applicant provided a Technical Memorandum prepared by Langan Engineering and Environmental Services, LLC ("Langan") dated March 13, 2025 to update the current status of the environmental issues at the Development's site:

**Environmental Summary and Status**

Langan completed a supplemental site assessment in accordance with Chapter 62-780.600, Florida Administrative Code ("F.A.C.") to further evaluate the soil and groundwater quality, characterize and delineate the buried debris, and screen for the presence of methane gas at the Site. The most recent soil data, collected in October 2022 and August 2023, detected Benzo(a)Pyrene ("BaP") and the BaP TEQ, arsenic, and PAH at concentrations above Florida Department of Environmental Protection ("FDEP") Chapter 62-777, F.A.C., SCTLs. The detections of the PAH constituents above the SCTLs are coincident with buried debris identified on the site. In addition, aluminum and iron were detected in the groundwater at concentrations above the FDEP Chapter 62-777 F.A.C. Groundwater Cleanup Target Levels ("GCTLs") and/or Chapter 62-777, F.A.C., Table V Natural Attenuation Default Concentration ("NADC") in groundwater. The excavation of test pits identified the presence of buried debris throughout the eastern and southern portions of the site. The buried debris was primarily described to contain various sized tree stumps and branches, wooden planks, broken concrete and asphalt, pieces of metal and cables, and plastic sheeting in the northeast and central portion of the Site. The buried debris encountered in the southern and southeast portions of the subject property, where the historical aerial photos depicted junk automobiles to have been formerly stored, also contains a higher density of automobile parts (e.g., engine parts, mufflers, metal sheeting, hub caps, and tires). The thickness of the buried debris varies from 6 to 13 feet. The methane gas was detected above the 25% Lower Explosive Limit ("LEL") at locations within the area containing buried debris and below the 25% LEL in areas outside the area containing buried debris. Although the FDEP has acknowledged that the contaminants on the subject property have been adequately delineated, the subject property has not been issued a NFAC from the FDEP.

**Soil Management Plan**

Based on the results of the environmental assessments conducted on the Site to date and in coordination with the proposed Site development plan, Langan prepared a SMP to be implemented during the site

development. The SMP was submitted to the FDEP for approval on February 1, 2025. The SMP provides guidance for the management of contaminated soil and buried debris during the Site grading and stormwater pond excavation activities. With exception of the stormwater pond, the plan is to leave contaminated soil and buried debris in place. As such, all areas containing contaminated soil and/or buried debris will be capped with an engineering control in support of No Further Action with Conditions (“NFAC”) closure under Chapter 62-780.680(3) F.A.C. A geomembrane lining will be installed at the base and side slopes of the stormwater pond. The liner will be covered with one foot of clean fill material and the pervious side slopes and pond berm will be topped with sod.

Once the site has been backfilled to proposed final grades and as deemed appropriate depending on site development activities, monitoring wells will be reinstalled at the former locations of temporary monitoring wells to initiate post-active remediation groundwater monitoring. The groundwater samples will be collected for iron analysis a quarterly basis for a period of one year.

Based on the presence of methane gas and possible presence of radon gas on the site, Langan is in process of preparing a vapor mitigation system design for the planned structures.

Langan provided a tentative schedule for the remediation of the Development’s site, as follows:

**Anticipated Schedule**

- 2/1/25 – SMP submitted to FDEP
- 4/1/25 – Expected receipt of SMP approval from FDEP
- 11/1/25 through 5/1/26 – Implementation of SMP (site grading, pond liner, parking lot cap, and utility installation)
- 6/1/26 – Submittal of interim SMP completion report to FDEP
- 5/1/26 through 5/1/27 – Post Active Remediation Monitoring
- 6/1/27 – Submittal of final SMP completion report to FDEP with Engineering Control Plan (“ECP”) and NFAC proposal
- 8/1/27 – Receive ECP and NFAC approval from FDEP
- 9/1/27 – Submit draft Declaration of Restrictive Covenant (“DRC”) for FDEP general counsel review and comment
- 11/1/27 – Provide notice the DRC for public comment
- 12/1/27 – Submit final DRC to FDEP for approval
- 12/31/27 – Abandoned Monitoring Well and provide completion report
- 1/31/28 – Receive a Site Rehabilitation Completion Report (“SRCR”) from FDEP

Receipt of testing results, management plans, local/state/federal approvals and acceptable resolutions to the issues noted above are a condition precedent to loan closing.

**Soils Test Report Summary:**

Soils Test Report Summary Questions	Responses	Note
Preparer Firm Name	Langan Engineering and Environmental Services, LLC	
Date of Report	11/15/2024	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

The key geotechnical issues identified for supporting the proposed structure and overall site development are summarized as follows:

**MMRB, SAIL & HC CREDIT UNDERWRITING REPORT**

- The presence of the buried debris and thick fill deposits, which are unsuitable and cannot remain below the proposed structure that will therefore need to be removed and replaced, bypassed or improved for suitable foundation support and performance;
- Thick fill deposits in proposed hardscape areas that if left in place and not mitigated/improved would result in poor performance and increased long-term maintenance cost;
- Buried obstructions which could complicate foundation installation;
- Potential environmental soil and groundwater impacts from previous site activities.

**Plan & Cost Review Summary:**

Property Conditions Report (PCR) Summary Questions	Responses	Note
Preparer Firm Name	GLE Associates, Inc.	
Date of Report	3/27/2025	1.
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	N	3.
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$30,192,211	
Cost per Unit	\$225,315	
Costs for Similar Type Developments (Include Range)	\$230,058 - \$236,974	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	651 days	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	N	2, 3

1. Receipt, review and approval of a revised PCR addressing any items noted by the provider is a condition precedent to loan closing.
2. Construction Contract and Drawing/Specification issues noted include:
  - a. Contractor labor costs
  - b. Contractor's supervisory or administrative personnel compensation for off-site work
  - c. GMP and contract time estimates and associated language
  - d. Adjustments to the Project schedule
  - e. Subcontractor's costs for performance of the work shall not be subject to audit, unless the work was performed via a cost-plus contract.
  - f. Discrepancies were found between the Exhibit 2 (Drawing Log) and the Sheets A0.01 and A0.01a (Sheet Indexes). GLE was informed that this discrepancies will be corrected at a later date.
  - g. Exhibit 1, List of Clarification & Pricing Assumptions, Division 23 – HVAC, item 1 indicates that HVAC equipment will be 14.3 SEER2. The Features and Amenities commitment requires HVAC equipment with 15.2 SEER2 rating.
3. Other issues noted:
  - a. Energy Star certified ceiling fans with lighting fixtures in living rooms and bedrooms – GLE unable to confirm Energy Star rating for fixtures provided.
  - b. Air conditioning – Not Included. DX Split systems at Leasing and Community Room are to have a SEER2 rating of 15.2, specifications will be provided at a later date.

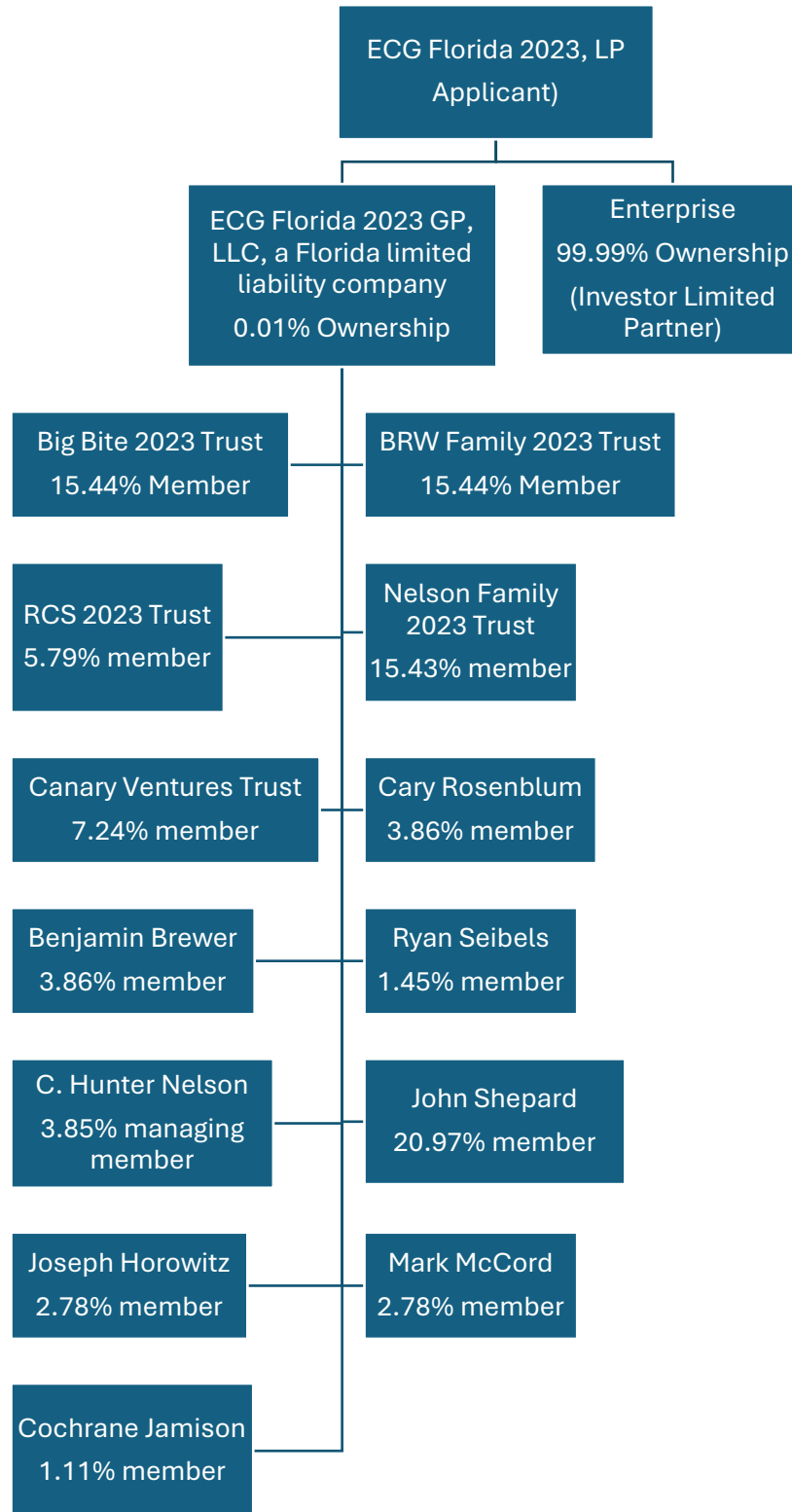
- c. Structural Engineering drawings:
  - The structural engineering drawings are indicated to be not for construction. It should be noted that changes will likely be made between the structural engineering drawings reviewed by GLE for this report and the final construction drawings.
  - Sheets S330, S520, S530, and S610 do not have any information.
- d. Plumbing Engineering drawings:
  - The plumbing drawings are indicated to be 100% Design Development drawings. It should be noted that changes will likely be made between the plumbing drawings reviewed by GLE for this report and the final construction drawings.
- e. Electrical Engineering drawings:
  - GLE could not confirm if ceiling fan/light combinations are Energy Star certified as required. GLE was informed that individually corrected sheets will be provided at a later date addressing the non-compliance.
- f. Civil/Site drawings:
  - Sheet C-502 refers to a Sheet C-504 for lined pond treatment and media filter details. Sheet C-504 is not provided.

**Site Inspection Summary:**

Site Visit Summary Questions	Responses	Note
Name of Inspector	George J. Repity	
Date of Inspection	2/28/2025	
Were the observation(s) of the insepctor in line with the Market Study? (Y/N)	Y	

## Applicant & Related Party Information:

Borrower Org Chart:



```
graph TD; Root[ECG Florida 2023 Developer, LLC] --- L1_Line(( )); L1_Line --- L2_Line(( )); L2_Line --- Trust1[Big Bite 2023 Trust  
15.44% Member]; L2_Line --- Trust2[BRW Family 2023 Trust  
15.44% Member]; L2_Line --- Trust3[RCS 2023 Trust  
5.79% member]; L2_Line --- Trust4[Nelson Family 2023 Trust  
15.43% member]; L2_Line --- Trust5[Canary Ventures Trust  
7.24% member]; L2_Line --- Trust6[Cary Rosenblum  
3.86% member]; L2_Line --- Trust7[Benjamin Brewer  
3.86% member]; L2_Line --- Trust8[Ryan Seibels  
1.45% member]; L2_Line --- Trust9[C. Hunter Nelson  
3.85 managing member]; L2_Line --- Trust10[John Shepard  
20.97% member]; L2_Line --- Trust11[Joseph Horowitz  
2.78% member]; L2_Line --- Trust12[Mark McCord  
2.78% member]; L2_Line --- Trust13[Cochrane Jamison  
1.11% member]
```

Entity	Ownership Percentage / Role
ECG Florida 2023 Developer, LLC	(Parent Entity)
Big Bite 2023 Trust	15.44% Member
BRW Family 2023 Trust	15.44% Member
RCS 2023 Trust	5.79% member
Nelson Family 2023 Trust	15.43% member
Canary Ventures Trust	7.24% member
Cary Rosenblum	3.86% member
Benjamin Brewer	3.86% member
Ryan Seibels	1.45% member
C. Hunter Nelson	3.85 managing member
John Shepard	20.97% member
Joseph Horowitz	2.78% member
Mark McCord	2.78% member
Cochrane Jamison	1.11% member

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**AMERINAT**

	ECG Florida 2023, LP	ECG Florida 2023 GP, LLC	ECG Florida 2023 Developer, LLC	Shepard, John	Nelson, C. Hunter	Enterprise Housing Credit Investments, LLC	Elmington Construction, LLC	Elmington Property Management, LLC	Note
Relationship Type	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Syndicator	General Contractor	Property Manager	
Contact Person Name & Title	C. Hunter Nelson					Ryan Rosoff Director	Cochrane Jamison President	DeAnna Moore President	
Contact Information	1030 16th Avenue S Suite 500 Nashville, TN 37212 (615) 490-6700 hunter@elmingtoncapital.com					11000 Broken Land Parkway Suite 700 Columbia, MS 21044 (410) 964-0552	1030 16th Avenue S Suite 500 Nashville, TN 37212 (615) 490-6700	1030 16th Avenue S Suite 500 Nashville, TN 37212 (615) 490-6700 demoore@elmingtoncapital.com	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y	Y	N/A	N/A	N/A	
Does entity have the necessary experience?	Y	Y	Y	Y	Y	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	Y	Y	Y	Y	Y	N/A	Y	N/A	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	Y	Y	Y	Y	N/A	Y	N/A	
Have all financial statements been reviewed and are they adequate?	N/A	Y	Y	Y	Y	Y	Y	N/A	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y	Y	N/A	N/A	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?							Closing Condition		
Have the Management Agreement and Plans been received, dated, and executed?								Y	
a.Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?								1	
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	Y	Y	Y	Y	Y	

1. The selection of EPM to manage the Development must be approved by FHFC's Asset Management Department prior to lease-up activity pursuant to Rule Chapter 67-53 F.A.C. As the Development is proposed to be constructed, said approval is not required at closing. Continued approval is subject to ongoing satisfactory performance.

**Ninth Street Apartments**  
**RFA 2023-213 (2024-253BS) / 2023-522C**  
**DESCRIPTION OF FEATURES AND AMENITIES**

**A.** The Development will consist of:

134 Garden Apartments located in 1 residential building

Unit Mix:

Sixty (60) one bedroom/one bath units;

Fifty-one (51) two bedroom/two bath units;

Twenty-three (23) three bedroom/two bath units;

134 Total Units

**B.** 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.

The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act ("ADA") of 1990 as implemented by 28 CFR 35.

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.

**C.** The Development must provide the following General Features:

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in at least 100 Mbps download and 20 Mbps upload accessibility in each unit;
2. Termite prevention;
3. Pest control;
4. Window covering for each window and glass door inside each unit;



5. 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;
6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
  - There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Developments' 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;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both;
7. At least two full bathrooms in all 3 bedroom or larger units;
8. Bathtub with shower in at least one bathroom in at least 90 percent of the non-Elderly units;
9. All Developments must provide a full-size range and oven in all units.

**D. Required Accessibility Features, regardless of the age of the Development:**

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

**E. The Development must provide the following Accessibility Features in all units:**

1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
2. All door handles on primary entrance door and interior doors must have lever handles;

3. Lever handles on all bathroom faucets and kitchen sink faucets;
  4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
  5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.
- F.** All Family Demographic Developments must also provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed 2010 ADA Standards for Accessible Design.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

- G.** Green Building Features required in all Developments:

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

- a. 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);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
  - i. Toilets: 1.28 gallons/flush or less,
  - ii. Urinals: 0.5 gallons/flush,
  - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;
- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
  - Residential Electric:
    - i. Up to 55 gallons = 0.95 EF or 0.92 UEF; or

- ii. More than 55 gallons = Energy Star certified; or
  - iii. Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  over a 67° rise;
    - Residential Gas (storage or tankless/instantaneous): Energy Star certified
    - Commercial Gas Water Heater: Energy Star certified;
  - g. Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
  - h. Air Conditioning (in-unit or commercial):
    - i. Air-Source Heat Pumps – Energy Star certified:
      - a.  $\geq 7.8$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER2 for split systems
      - b.  $\geq 7.2$  HSPF2  $\geq 15.2$  SEER2/  $\geq 10.6$  EER2 for single package equipment including gas/electric package units
    - ii. Central Air Conditioners – Energy Star certified:
      - a.  $\geq 15.2$  SEER2/  $\geq 12.0$  EER2 for split systems
      - b.  $\geq 15.2$  SEER2/  $\geq 11.5$  EER2\* 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 one-bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments must commit to achieve one of the following Green Building Certification programs:

\_\_\_\_\_ Leadership in Energy and Environmental Design (LEED); or

\_\_\_\_\_ Florida Green Building Coalition (FGBC); or

  X   ICC 700 National Green Building Standard (NGBS); or

\_\_\_\_\_ Enterprise Green Communities.

**H.** The Applicant must provide at least three Resident Programs:

The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

**1.** Financial Management Program

The Applicant or its Management Company shall provide a series of classes to provide residents training in various aspects of personal financial management. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area.

If the Development consists of Scattered Sites, the Resident Program must be held on the Scattered Site with the most units. Residents residing at the other sites of a Scattered Site Development must be offered transportation, at no cost to them, to the classes.

The topic areas must include, but not be limited to:

- Financial budgeting and bill-paying including training in the use of technologies and web-based applications;
- Tax preparation including do's and don'ts, common tips, and how and where to file, including electronically;
- Fraud prevention including how to prevent credit card and banking fraud, identity theft, computer hacking and avoiding common consumer scams;
- Retirement planning & savings options including preparing a will and estate planning; and
- Homebuyer education including how to prepare to buy a home, and how to access to first-time homebuyer programs in the county in which the development is located.

Different topic areas must be selected for each session, and no topic area may be repeated consecutively.

2. Homeownership Opportunity Program – Applicant commits to provide a financial incentive which includes the following provisions:

- i. the incentive must be applicable to the home selected and may not be restricted to or enhanced by the purchase of a home in which the Applicant, Developer, or other related party has an interest;
- ii. the incentive must be not less than 5 percent of the rent received by the owner for the unit during the entire occupancy by the household (Note: The incentive will be paid for all months for which the household is in compliance with the terms and conditions of the lease. Damages to the unit in excess of the security deposit will be deducted from the incentive.);
- iii. the benefit must be in the form of a gift or grant and may not be a loan of any nature;
- iv. the benefits of the incentive must accrue from the beginning of occupancy;
- v. the vesting period can be no longer than 2 years of continuous residency; and
- vi. no fee, deposit or any other such charge can be levied against the household as a condition of participation in this program.

3. Employment Assistance Program

The Applicant or its Management Company must provide, at no cost to the resident, a minimum of quarterly scheduled Employment Assistance Program workshops/meetings offering employment counseling by a knowledgeable employment counselor. Such a program includes employability skills workshops providing instruction in the basic skills necessary for getting, keeping, and doing well in a job. The instruction must be held between the hours of 8:00 a.m. and 7:00 p.m. and include, but not be limited to, the following:

- Evaluation of current job skills;
- Assistance in setting job goals;

- Assistance in development of and regular review/update of an individualized plan for each participating resident;
- Resume assistance;
- Interview preparation; and
- Placement and follow-up services.

If the training is not provided on-site, transportation at no cost to the resident must be provided. Electronic media, if used, must be used in conjunction with live instruction.

## **HOUSING CREDIT ALLOCATION CALCULATION**

### **Qualified Basis Calculation**

<b>Section I: Qualified Basis Calculation</b>	
Development Cost	\$54,092,409
Less: Land Cost	(\$3,200,000)
Less: Other Ineligible Cost	(\$4,986,287)
Total Eligible Basis	\$45,906,122
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$2,387,118

Notes to the Eligible Basis Calculation:

1. "Other Ineligible Costs" include, but are not limited to, accounting fees, legal fees, market study, Florida Housing administrative, application, and underwriting fees, marketing/advertising fees, various fees associated with the SAIL funding, a portion of construction loan interest, permanent loan related costs, a portion of FHFC Bond cost of issuance costs, land and reserves.
2. The Development is 100% set-aside; therefore, the applicable fraction is 100%.
3. Per the appraisal, the Development is located in a QCT (3.05); therefore, a 130% basis credit was applied.
4. Per the FY 2021 Omnibus Consolidated Appropriations Act passed by Congress as of December 21, 2020, a permanent 4% minimum HC rate was established. For the purposes of this report, a HC percentage of 4.00% has therefore been applied.

### **GAP Calculation**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$54,092,409
Less: Mortgages	(\$24,300,000)
Equity Gap	\$29,792,409
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.8675
HC Required to Meet Gap	\$34,346,269
Annual HC Required	\$3,434,627

Notes to the Gap Calculation:

1. Mortgages include a first mortgage from Bellwether and a second mortgage to be provided by FHFC.

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2. The HC Syndication Pricing and Percentage to the Investment Partnership are based upon the LOI from Enterprise Bank dated February 25, 2025.

Tax Credit 50% Test

<b>Section III: Tax-Exempt Bond 50% Test</b>	
Total Depreciable Cost	\$45,906,122
Plus: Land Cost	\$3,200,000
Aggregate Basis	\$49,106,122
Tax-Exempt Bond Amount	\$30,000,000
Less: Debt Service Reserve	(\$885,900)
Tax-Exempt Proceeds Used for Building and Land	\$29,114,100
Proceeds Divided by Aggregate Basis	59.29%

Notes to the Tax Credit 50% Test:

1. Based upon this analysis, the 50% Test is satisfactory.

<b>Section III: Summary</b>	
HC per Qualified Basis	\$2,387,118
HC per Gap Calculation	\$3,434,627
Annual HC Recommended	\$2,387,118
Syndication Proceeds Based on HC Recommended	\$20,706,181

Notes to Summary:

1. The Annual HC recommended is based upon the lesser of the Qualified Basis or Gap Calculation; therefore, the Qualified Basis amount applies.

**FLORIDA HOUSING FINANCE CORPORATION  
AUTHORIZATION RESOLUTION  
NINTH STREET APARTMENTS**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS AND/OR NOTES, 2025 SERIES \_\_\_\_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (NINTH STREET APARTMENTS) OF THE FLORIDA HOUSING FINANCE CORPORATION (“FLORIDA HOUSING”); PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE MULTIFAMILY MORTGAGE REVENUE BONDS AND/OR NOTES, 2025 SERIES \_\_\_\_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (NINTH STREET APARTMENTS); 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, FINANCING AGREEMENTS, PROJECT LOAN AGREEMENTS AND/OR BORROWER LOAN AGREEMENTS BETWEEN FLORIDA HOUSING AND THE BORROWER NAMED THEREIN; AUTHORIZING ONE OR MORE LOANS MADE PURSUANT TO ONE OR MORE LOAN AGREEMENTS, FINANCING AGREEMENTS, PROJECT LOAN AGREEMENTS AND/OR BORROWER LOAN AGREEMENTS TO THE BORROWER NAMED THEREIN; AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF ALL DOCUMENTS NECESSARY FOR THE ISSUANCE AND SALE OF THE BONDS AND/OR NOTES, 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/OR NOTES AND THE FINANCING OF NINTH STREET APARTMENTS 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 Bonds and/or Notes, 2025 Series \_\_\_\_\_ [one or more series or subseries to be designated] (Ninth Street Apartments), as tax-exempt or taxable bonds and/or notes (the “Bonds”), for the purpose of making one or more loans to ECG Florida 2023, LP, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, new construction and equipping of an approximately 134-unit multifamily residential rental development named Ninth Street Apartments located in Bradenton, Manatee County, Florida (the “Property”); provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$30,000,000 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 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 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, financing agreements, project loan agreements and/or borrower loan agreements, each as described below, by an Authorized Signatory 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) \$30,000,000 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 1.00x (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 “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, after 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, financing agreements, project loan agreements and/or borrower loan 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, financing agreements, project loan agreements and/or borrower 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.

5. One or more preliminary official statements (or preliminary limited offering memorandums or memorandums of terms and conditions) and one or more final official statements (or final limited offering memorandums or memorandums of terms and conditions) 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 (or preliminary limited offering memorandum or memorandums of terms and conditions) and final official statement (or final limited offering memorandum or memorandums of terms and conditions), 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, in accordance with the terms and conditions contained in one or more trust indentures and/or funding loan agreements and loan agreements, financing agreements, project loan agreements and/or borrower loan 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), 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, financing agreements, project loan agreements and/or borrower loan 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 Florida Housing, the State or any of its units of local government and shall not be a debt of Florida Housing, the State or of any unit of local government thereof, and neither Florida Housing, 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 Florida Housing, 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 issuance 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 issuance 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 13<sup>th</sup> day of June, 2025.

(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

---

Sandra Veszi Einhorn, 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 13th day of June, 2025, 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 June, 2025 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  
NINTH STREET APARTMENTS

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION AUTHORIZING AND APPROVING THE SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS AND/OR NOTES, 2025 SERIES \_\_\_\_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (NINTH STREET APARTMENTS) OF THE FLORIDA HOUSING FINANCE CORPORATION (“FLORIDA HOUSING”); AUTHORIZING THE NEGOTIATION AND EXECUTION OF ONE OR MORE BOND PURCHASE AGREEMENTS, BOND PLACEMENT AGREEMENTS, TRUST INDENTURES AND/OR FUNDING LOAN AGREEMENTS AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE SALE OF THE BONDS AND/OR NOTES; 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 AND/OR OTHER AUTHORIZED SIGNATORY TO TAKE ANY OTHER ACTIONS NECESSARY TO NEGOTIATE THE SALE OF THE BONDS AND/OR NOTES 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 Bonds and/or Notes, 2025 Series \_\_\_\_\_ [one or more series or

subseries to be designated] (Ninth Street Apartments), as tax-exempt or taxable bonds and/or notes (the “Bonds”), for the purpose of making one or more loans to ECG Florida 2023, LP, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, new construction and equipping of an approximately 134-unit multifamily residential rental development named Ninth Street Apartments located in Bradenton, Manatee County, Florida; provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$30,000,000 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 issuance 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 Stifel, Nicolaus & Company, Incorporated (hereinafter referred to as the “Bond 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 Bonds and/or Notes,  
2025 Series \_\_\_\_\_ [one or more series or subseries to be designated]  
(Ninth Street Apartments).

4. Florida Housing shall negotiate with or through the Bond Underwriter and shall execute such documents as are necessary to sell the Bonds to the Purchaser pursuant to this Resolution. 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, a bond placement agreement or a funding loan agreement or funding loan agreements, as applicable, 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, a bond placement agreement or a funding loan agreement or funding loan agreements, as applicable, is predicated upon the bond purchase agreement, a bond placement agreement or a funding loan agreement or funding loan agreements, as applicable, 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 applicable 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 13<sup>th</sup> day of June, 2025.

(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

---

Sandra Veszi Einhorn, 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 13<sup>th</sup> day of June, 2025, 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 June, 2025 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:  
\_\_\_\_\_

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**Florida Housing Finance Corporation**  
**Credit Underwriting Report**

**Southward Village CNI Phase 2**

**Tax-Exempt Multifamily Mortgage Revenue Bonds (“MMRB” or “Bonds”)  
and Non-Competitive 4% Housing Credits (“HC”)**

**Non-Competitive Application / 2023-103B / 2023-546C**

**Section A: Report Summary**

**Section B: MMRB Special and General Conditions  
HC Allocation Recommendation and Contingencies**

**Section C: Supporting Information and Schedules**

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**Prepared by**

**First Housing Development Corporation of Florida**

**FINAL REPORT**

**May 30, 2025**



**Southward Village CNI Phase 2**

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**FHDC**

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**Section A**

**Report Summary**

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**May 30, 2025**

**MMRB & HC CREDIT UNDERWRITING REPORT**

**Recommendation**

First Housing Development Corporation of Florida (“FHDC”, “First Housing”, or “Servicer”) recommends MMRB in the amount of \$36,000,000 and a 4% HC allocation of \$2,302,984 to Southward Village Phase 2, LP (“Applicant”) to finance the new construction and permanent financing of Southward Village CNI Phase 2 (“Development”). This recommendation is only valid for six months from the date of this credit underwriting report.

DEVELOPMENT & SET-ASIDES			
Development Name:	Southward Village CNI Phase 2		
RFA/Program Numbers:	RFA 2023-NONC /	2023-1038	2023-546C
Address:	Edison Avenue, SW of the Intersection of Edison Avenue & Wright Street		
City:	Fort Myers	Zip Code:	33916 County: Lee County Size: Medium
Development Category:	New Construction	Development Type:	Garden Apartments
Construction Type:	Masonry	Number of Stories:	3
Demographic Commitment:	Primary: Family for 100% of the Units		
Unit Composition:	# of ELI Units: 0 ELI Units Are Restricted to AMI, or less. Min % of Units @ ELI: N/A # of Link Units: 0 # of Preference units: 0 IRS Minimum Set-Aside Commitment: 40/60 # of NHTF Units: 0 # of units w/ PBRA? 61 TSP Approval Date: 06/25/2024		
Buildings:	Residential - 20	Non-Residential -	1
Parking:	Parking Spaces - 214	Accessible Spaces -	17
DDA: No	SADDA: No	QCT: Yes	Multi-Phase Boost: No
Site Acreage: 16.19	Density: 9.3267	QAP Boost: N/A	QAP Type:
Zoning: PD, Planned Development	Flood Zone Designation: AE	Flood Insurance Required?: Yes	
Credit Underwriter:	First Housing Development Corporation	Date of Application:	04/26/2024
Date of Final CUR:	TBD	Minimum 1st Mortgage per Rule:	N/A
TDC PU Limitation at Application:	N/A	TDC PU Limitation at Credit Underwriting:	N/A
Actual TDC PU for Limitation:	N/A	Amount Dev. Fee Reduced for TDC Limit:	N/A

The reader is cautioned to refer to these sections for full information.

Prepared by:



Brian Borer  
Underwriter

Reviewed by:



Edward Busansky  
Senior Vice President

**MMRB & HC CREDIT UNDERWRITING REPORT**

**Set Asides & 15-Year Pro Forma**

Program	% of Units	# of Units	% AMI	Term (Years)
MMRB	37.5%	57	50%	30
MMRB	27.0%	41	60%	30
HC-4%	37.5%	57	50%	30
HC-4%	27.0%	41	60%	30
Local CDBG	37.5%	57	50%	30
Local CDBG	27.0%	41	60%	30
Local CDBG	2.6%	4	80%	30

In addition to the set-asides listed in the table above, please note that the Development will contain 49 market rate units, and that approval of a Rule Waiver (see pages A-13 & A-15) by Florida Housing Finance Corporation (“FHFC”) will be required prior to finalization of this CUR.

First Housing does not have support from Lee County for the Local CDBG set-asides listed in the table above, and the percentages for those set-asides are based on the Applicant’s current request to Lee County. First Housing’s receipt of Lee County approval for the Local CDBG set-asides in the same percentages above is a condition to close.

**Lee County (Cape Coral-Fort Myers 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	16	736	50%			\$958	\$140	\$818	\$1,324	\$1,324	\$1,324	\$1,324	\$254,208
1	1.0	22	736	60%			\$1,149	\$140	\$1,009		\$901	\$1,009	\$1,009	\$266,376
1	1.0	1	736	80%			\$1,533	\$140	\$1,393	\$1,324	\$1,324	\$1,324	\$1,324	\$15,888
1	1.0	21	736	Mkt							\$1,240	\$1,575	\$1,240	\$312,480
2	1.0	6	939	50%			\$1,148	\$191	\$957	\$1,653	\$1,653	\$1,653	\$1,653	\$119,016
2	1.0	18	939	60%			\$1,378	\$191	\$1,187		\$1,059	\$1,187	\$1,187	\$256,392
2	1.0	2	939	80%			\$1,838	\$191	\$1,647	\$1,653	\$1,653	\$1,653	\$1,653	\$39,672
2	1.0	28	939	Mkt							\$1,360	\$1,725	\$1,360	\$456,960
2	1.0	3	951	50%			\$1,148	\$191	\$957	\$1,653	\$1,653	\$1,653	\$1,653	\$59,508
2	1.0	1	951	60%			\$1,378	\$191	\$1,187		\$1,059	\$1,187	\$1,187	\$14,244
3	2.0	2	1,351	50%			\$1,328	\$251	\$1,077	\$2,166	\$2,166	\$2,166	\$2,166	\$51,984
3	2.5	26	1,573	50%			\$1,328	\$257	\$1,071	\$2,160	\$2,160	\$2,160	\$2,160	\$673,920
4	2.5	1	1,609	80%			\$2,372	\$303	\$2,069	\$2,422	\$2,445	\$2,445	\$2,422	\$29,064
4	2.5	4	1,943	50%			\$1,482	\$326	\$1,156	\$2,422	\$2,422	\$2,422	\$2,422	\$116,256
		151	151,651											\$2,665,968

## 15-Year Operating Pro Forma

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
<b>INCOME:</b>	Gross Potential Rental Income	\$2,665,968	\$17,655	\$2,719,287	\$2,773,673	\$2,829,147	\$2,885,730	\$2,943,444	\$3,002,313	\$3,062,359	\$3,123,606	\$3,186,079	\$3,249,800	\$3,314,796	\$3,381,092	\$3,448,714	\$3,517,688
	Miscellaneous	\$67,950	\$450	\$69,309	\$70,695	\$72,109	\$73,551	\$75,022	\$76,523	\$78,053	\$79,614	\$81,207	\$82,831	\$84,487	\$86,177	\$87,901	\$89,659
	Gross Potential Income	\$2,733,918	\$18,105	\$2,788,596	\$2,844,368	\$2,901,256	\$2,959,281	\$3,018,466	\$3,078,836	\$3,140,412	\$3,203,221	\$3,267,285	\$3,332,631	\$3,399,283	\$3,467,269	\$3,536,614	\$3,607,347
	Less:																
	Physical Vac. Loss 4.50%	\$123,026	\$815	\$125,487	\$127,997	\$130,557	\$133,168	\$135,831	\$138,548	\$141,319	\$144,145	\$147,028	\$149,968	\$152,968	\$156,027	\$159,148	\$162,331
	Collection Loss 0.50%	\$13,670	\$91	\$13,943	\$14,222	\$14,506	\$14,796	\$15,092	\$15,394	\$15,702	\$16,016	\$16,336	\$16,663	\$16,996	\$17,336	\$17,683	\$18,037
<b>Total Effective Gross Income</b>		\$2,597,222	\$17,200	\$2,649,167	\$2,702,150	\$2,756,193	\$2,811,317	\$2,867,543	\$2,924,894	\$2,983,392	\$3,043,060	\$3,103,921	\$3,165,999	\$3,229,319	\$3,293,906	\$3,359,784	\$3,426,979
2.00%																	
<b>EXPENSES:</b>	Fixed:																
	Ground Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Real Estate Taxes	\$258,813	\$1,714	\$266,577	\$274,575	\$282,812	\$291,296	\$300,035	\$309,036	\$318,307	\$327,857	\$337,692	\$347,823	\$358,258	\$369,005	\$380,076	\$391,478
	Insurance	\$454,963	\$3,013	\$468,612	\$482,670	\$497,150	\$512,065	\$527,427	\$543,250	\$559,547	\$576,334	\$593,624	\$611,432	\$629,775	\$648,668	\$668,129	\$688,172
	Variable:																
	Management Fee 6.00%	\$155,833	\$1,032	\$158,950	\$162,129	\$165,372	\$168,679	\$172,053	\$175,494	\$179,004	\$182,584	\$186,235	\$189,960	\$193,759	\$197,634	\$201,587	\$205,619
	General and Administrative	\$64,175	\$425	\$66,100	\$68,083	\$70,126	\$72,230	\$74,396	\$76,628	\$78,927	\$81,295	\$83,734	\$86,246	\$88,833	\$91,498	\$94,243	\$97,070
	Payroll Expenses	\$230,275	\$1,525	\$237,183	\$244,299	\$251,628	\$259,177	\$266,952	\$274,960	\$283,209	\$291,705	\$300,457	\$309,470	\$318,754	\$328,317	\$338,167	\$348,312
	Utilities	\$61,910	\$410	\$63,767	\$65,680	\$67,651	\$69,680	\$71,771	\$73,924	\$76,141	\$78,426	\$80,779	\$83,202	\$85,698	\$88,269	\$90,917	\$93,644
	Marketing and Advertising	\$11,325	\$75	\$11,665	\$12,015	\$12,375	\$12,746	\$13,129	\$13,523	\$13,928	\$14,346	\$14,777	\$15,220	\$15,676	\$16,147	\$16,631	\$17,130
	Maintenance and Repairs/Pest Control	\$75,500	\$500	\$77,765	\$80,098	\$82,501	\$84,976	\$87,525	\$90,151	\$92,855	\$95,641	\$98,510	\$101,466	\$104,510	\$107,645	\$110,874	\$114,201
	Grounds Maintenance and Landscaping	\$33,975	\$225	\$34,994	\$36,044	\$37,125	\$38,239	\$39,386	\$40,568	\$41,785	\$43,039	\$44,330	\$45,660	\$47,029	\$48,440	\$49,893	\$51,390
	Reserve for Replacements	\$45,300	\$300	\$45,300	\$45,300	\$45,300	\$45,300	\$45,300	\$45,300	\$45,300	\$45,300	\$45,300	\$46,659	\$48,059	\$49,501	\$50,986	\$52,515
<b>Total Expenses</b>		\$1,392,069	\$9,219	\$1,430,914	\$1,470,893	\$1,512,039	\$1,554,388	\$1,597,974	\$1,642,834	\$1,689,005	\$1,736,526	\$1,785,437	\$1,837,137	\$1,890,352	\$1,945,125	\$2,001,502	\$2,059,531
3.00%																	
<b>Net Operating Income</b>		\$1,205,153	\$7,981	\$1,218,252	\$1,231,257	\$1,244,153	\$1,256,929	\$1,269,569	\$1,282,060	\$1,294,387	\$1,306,534	\$1,318,484	\$1,328,862	\$1,338,967	\$1,348,781	\$1,358,281	\$1,367,448
<b>Debt Service Payments</b>																	
First Mortgage - FHFC / KeyBank / Lifeco		\$937,274	\$6,207	\$937,274	\$937,274	\$937,274	\$937,274	\$937,274	\$937,274	\$937,274	\$937,274	\$937,274	\$937,274	\$937,274	\$937,274	\$937,274	\$937,274
Second Mortgage - Lee County		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Mortgage - HACFM - CNI		\$251,921	\$1,668	\$251,921	\$251,921	\$251,921	\$251,921	\$251,921	\$251,921	\$251,921	\$251,921	\$251,921	\$251,921	\$251,921	\$251,921	\$251,921	\$251,921
Fourth Mortgage - HACFM - ARPA		\$13,412	\$89	\$13,412	\$13,412	\$13,412	\$13,412	\$13,412	\$13,412	\$13,412	\$13,412	\$13,412	\$13,412	\$13,412	\$13,412	\$13,412	\$13,412
Fifth Mortgage - HACFM - City of Fort Myers		\$71,949	\$476	\$71,949	\$71,949	\$71,949	\$71,949	\$71,949	\$71,949	\$71,949	\$71,949	\$71,949	\$71,949	\$71,949	\$71,949	\$71,949	\$71,949
All Other Mortgages -		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
First Mortgage Fees - FHFC / KeyBank / Lifeco		\$45,323	\$300	\$45,237	\$45,142	\$45,037	\$44,921	\$44,793	\$44,653	\$44,499	\$44,331	\$44,147	\$43,946	\$43,728	\$43,490	\$43,232	\$42,952
Second Mortgage Fees - Lee County		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Mortgage Fees - HACFM - CNI		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fourth Mortgage Fees - HACFM - ARPA		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fifth Mortgage Fees - HACFM - City of Fort Myers		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Debt Service Payments</b>		\$1,319,879	\$8,741	\$1,319,793	\$1,319,698	\$1,319,593	\$1,319,477	\$1,319,349	\$1,319,209	\$1,319,055	\$1,318,887	\$1,318,703	\$1,318,502	\$1,318,284	\$1,318,046	\$1,317,788	\$1,317,507
Cash Flow after Debt Service		(\$114,726)	(\$760)	(\$101,541)	(\$88,441)	(\$75,440)	(\$62,548)	(\$49,780)	(\$37,148)	(\$24,668)	(\$12,353)	(\$218)	\$10,360	\$20,684	\$30,735	\$40,494	\$49,941
<b>Debt Service Coverage Ratios</b>																	
DSC - First Mortgage plus Fees		1.23x		1.24x	1.25x	1.27x	1.28x	1.29x	1.31x	1.32x	1.33x	1.34x	1.35x	1.36x	1.38x	1.39x	1.40x
DSC - Second Mortgage plus Fees		1.23x		1.24x	1.25x	1.27x	1.28x	1.29x	1.31x	1.32x	1.33x	1.34x	1.35x	1.36x	1.38x	1.39x	1.40x
DSC - Third Mortgage plus Fees		0.98x		0.99x	1.00x	1.01x	1.02x	1.03x	1.04x	1.05x	1.06x	1.07x	1.08x	1.09x	1.09x	1.10x	1.11x
DSC - Fourth Mortgage plus Fee		0.97x		0.98x	0.99x	1.00x	1.01x	1.02x	1.03x	1.04x	1.05x	1.06x	1.07x	1.07x	1.08x	1.09x	1.10x
DSC - Fifth Mortgage plus Fees		0.91x		0.92x	0.93x	0.94x	0.95x	0.96x	0.97x	0.98x	0.99x	1.00x	1.01x	1.02x	1.02x	1.03x	1.04x
<b>Financial Ratios</b>																	
Operating Expense Ratio		53.60%		54.01%	54.43%	54.86%	55.29%	55.73%	56.17%	56.61%	57.07%	57.52%	58.03%	58.54%	59.05%	59.57%	60.10%
Break-even Econ Occup Ratio (all debt)		99.50%		98.94%	98.41%	97.90%	97.41%	96.95%	96.51%	96.09%	95.69%	95.31%	94.99%	94.69%	94.41%	94.16%	93.92%
Break-even Econ Occup Ratio (must pay debt)		87.16%		51.61%	52.01%	52.42%	52.83%	53.24%	53.66%	54.08%	54.51%	54.95%	55.43%	55.91%	56.40%	56.89%	57.39%

\* Annual ground rent for the first 40 years of the lease is \$160,000, but since payment is subject to available cash flow, First Housing has not included it in the 15-year pro forma above. See notes below for further ground lease detail.

**MMRB & HC CREDIT UNDERWRITING REPORT**

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Notes to the 15-Year Operating Pro Forma and Ratios:

1. MMRB does not impose rent restrictions; however, the Development will be utilizing HC, which will impose rent restrictions. Rent levels are based on the 2025 maximum LIHTC rents published on FHFC's website for Lee County, less the applicable utility allowance. In addition, rents for 61 units at the Development will be based on HUD Section 8 Project-Based Vouchers ("PBV"). First Housing received a rent determination letter from the Housing Authority of the City of Fort Myers ("HACFM"), dated April 16, 2025, in which rents for the PBV units were set at 110% of HUD's 2024 Fair Market Rents ("FMR") which were released and became effective October 1, 2023.

Rents for the market rate units are underwritten to the Applicant's conclusions, even though they are significantly lower than the appraiser's conclusions of \$1,575 for one-bedroom units and \$1,725 for two-bedroom units.

2. Utility Allowances are based on an Energy Consumption Model Utility Allowance Estimate prepared by KN Consultants, LLC and dated February 24, 2025. FHFC approved the Utility Allowances for Credit Underwriting Purposes on April 9, 2025.
3. The appraiser concluded to a 4.75% vacancy and collection loss, however First Housing underwrote to 5.0% to be more conservative.
4. The Miscellaneous Income line item in the pro forma includes other income from vending machines, late charges, pet fees, and forfeited security deposits. The appraiser's market data set indicates income from miscellaneous sources typically ranges from 1% to 5% of gross rental income, and he concluded to 2.5%, which results in \$67,950 or \$450 per unit.
5. 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, Miscellaneous Income, and Operating Expenses fall within a band of reasonableness.
6. HACFM is the fee simple owner of the subject land and will enter into a ground lease with the Applicant for a term of 75 years. A nominal upfront lease payment in the amount \$75 will be due at lease commencement, and then annual payments of ground rent will be due and payable for the next 40 years (the "Initial Lease Period") on the 120<sup>th</sup> day of each year in the amount of \$160,000, but only to the extent of available cash flow pursuant to the terms of the partnership agreement. Any unpaid ground rent will accrue with interest at a fixed rate of 5.71%, compounded annually. All unpaid ground rent that is deferred in this

manner will be unconditionally due and payable at the end of the Initial Lease Period. During the period commencing on the first day following the Initial Lease Period and continuing until the termination of the ground lease (the “Final Lease Period”), annual payments of ground rent will be due and payable on or before the 120<sup>th</sup> day of each year in the amount of \$160,000 and as a mandatory expense on a “must-pay” basis, and not solely from available cash flow. Any unpaid deferred ground rent and interest thereon will be unconditionally due and payable at the end of the lease term or upon any earlier termination of the ground lease. The ground lease will be in senior position and not subordinated.

7. First Housing received a draft management agreement between the Applicant and Norstar Accolade Property Management (“Management Agent”). The term of the agreement will commence 60 days prior to the issuance of the certificate of occupancy and continue from month to month until terminated per the terms of the agreement. The Management Agent’s compensation will be 6% of effective gross income, as defined in the agreement. A final signed management agreement with terms consistent with this underwriting is a condition to close.
8. Residents are responsible for electric, water/sewer, and cable/internet billed to their units. The owner will pay utilities for the common areas and vacant units, including electric, water, and sewer. The owner will also pay for trash and pest control in all units.
9. Replacement Reserves of \$300 per unit are included, which is the minimum amount required per Rule 67-21. Although the syndicator’s April 23, 2025, Letter of Intent (“LOI”) identifies \$450 per unit for Replacement Reserves, it was a mistake and a subsequent email from the syndicator dated May 6, 2025, indicates that the syndicator is underwriting to \$300 per unit to match FHFC’s minimum.

**MMRB & HC CREDIT UNDERWRITING REPORT**

**Sources Overview**

**Construction Financing Information:**

CONSTRUCTION FINANCING INFORMATION												
Lien Position	First	Second	Third	Fourth	Fifth					Totals		
Source	FHFC - MMRB	Local CDBG	Local Gov. Subsidy	Local Gov. Subsidy	Local Gov. Subsidy	FHFC - HC 4%	Def. Dev. Fee	Other	Aff. / Principal		Cash Collateral	Cash Collateral
Lender/Grantor	FHFC	Lee County	HACFM - CNI	HACFM - ARPA	HACFM - City of Fort Myers	OEF Investment Fund, LLC	Fort Myers Developer, LLC & Southwest Affordable Development, LLC	Reinvestment Income	General Partner		Key Bank	HACFM - CNI
Construction Amount	\$36,000,000	\$16,987,500	\$666,465	\$670,585	\$3,597,451	\$2,695,278	\$10,488,061	\$4,104,000	\$100	<b>\$75,209,440</b>	\$25,000,000	\$11,000,000
All In Interest Rate	3.80%	0.00%	2.00%	2.00%	2.00%						6.83%	2.00%
Debt Service During Construction	\$2,458,800	\$0	\$13,329	\$13,412	\$71,949					<b>\$2,557,490</b>	\$1,707,500	\$220,000
Bond Structure (if applicable)	Public Offering											

**First Mortgage:**

First Housing received correspondence from Stifel, Nicolaus & Company (“Stifel” or “Bond Underwriter”) dated April 17, 2025, indicating that Stifel will underwrite and market the Bonds via public offering in an amount up to \$36,000,000. The Bonds will initially be secured by cash collateralization and/or permitted investments that will secure the repayment of the Bonds until permanent loan conversion. The release of the Bond proceeds to fund the acquisition and construction of the Development will be restricted, contingent upon a like sum being funded to the Trustee and placed in the collateral fund. The source of collateral is expected to be a taxable loan provided by KeyBank, NA plus a portion of the subordinate HACFM – Choice Neighborhoods Initiative (“HACFM-CNI”) loan (First Housing estimates \$11,000,000 of the \$12,596,074 total HACFM-CNI loan amount will be needed). The Bonds will pay interest only until the mandatory tender date, then amortization during the permanent phase based on the permanent loan terms described below. The Bonds will have an approximate term of 21 years with an initial mandatory tender date of 3 years. It is anticipated that the Bonds will carry an Aaa/VMIG 1 rating. Based on Stifel’s reinvestment income calculation dated April 17, 2025, the interest rate on the Bonds is estimated to be 3.80%. The Bonds are not anticipated to generate negative arbitrage at this time, and positive arbitrage will not be underwritten for this transaction. At conversion, the Bonds will be converted to / exchanged for a tax-exempt governmental Note provided by KeyBank, NA or its designee.



First Housing reviewed an LOI dated April 15, 2025, from KeyBank, NA outlining terms for a construction/ permanent loan to help finance the Development. The taxable construction loan will be funded in an amount up to \$25,000,000 but limited to 85% of the appraised restricted value of the Development plus the value of the tax credits. The construction loan has a 36-month term plus a 6-month extension option (Rule Chapter 67-21 requires the loan to begin amortizing in the 37<sup>th</sup> month following closing). Monthly payments of interest only will be due based on the Daily Simple Secured Overnight Financing Rate (“SOFR”) plus 2.25%. As of April 14, 2025, SOFR was 4.33%, so adding the 2.25% spread, plus a 0.25% underwriting cushion, results in an overall rate of 6.83% for underwriting.

The annual FHFC Issuer Fee in the amount of 0.24% and the annual Trustee Fee in the amount of \$4,500 are both included in the Uses section of this report.

**Permanent Financing Information:**

PERMANENT FINANCING INFORMATION										
Lien Position	First	Second	Third	Fourth	Fifth					Totals
Source	FHFC - MMRN	Local CDBG	Local Gov. Subsidy	Local Gov. Subsidy	Local Gov. Subsidy	FHFC - HC 4%	Def. Dev. Fee	Other	Aff. / Principal	
Lender/Grantor	FHFC / KeyBank / Lifeco	Lee County	HACFM - CNI	HACFM - ARPA	HACFM - City of Fort Myers	OEF Investment Fund, LLC	Fort Myers Developer, LLC & Southwest Affordable Development, LLC	Reinvestment Income	General Partner	
Permanent Amount	\$14,000,000	\$18,875,000	\$12,596,074	\$670,585	\$3,597,451	\$17,916,160	\$3,450,070	\$4,104,000	\$100	<b>\$75,209,440</b>
Permanent Funding Per Unit	\$92,715	\$125,000	\$83,418	\$4,441	\$23,824	\$118,650	\$22,848	\$27,179	\$1	<b>\$498,076</b>
% of Permanent Funding	18.6%	25.1%	16.7%	0.9%	4.8%	23.8%	4.6%	5.5%	0.0%	<b>100.0%</b>
Underwritten Interest Rate	6.11%	0.00%	2.00%	2.00%	2.00%					
All In Interest Rate	6.11%	0.00%	2.00%	2.00%	2.00%					
Loan Term	16	30	40	40	40					
Amortization	40	0	0	0	0					
Must Pay or Cash Flow Dependent	Must-Pay	Cash Flow	Cash Flow	Cash Flow	Cash Flow					
Permanent Debt Service, No Fees	\$937,274	\$0	\$251,921	\$13,412	\$71,949					<b>\$1,274,556</b>
Permanent Debt Service, with Fees	\$982,597	\$0	\$251,921	\$13,412	\$71,949					<b>\$1,319,879</b>
Debt Service Coverage, with Fees	1.23x	1.23x	0.98x	0.97x	0.91x					
Operating Deficit & Debt Service Reserves	\$1,131,004									
# of Months covered by the Reserves	5.7									
Market Rate/Market Financing LTV	42%	99%	137%	139%	150%					
Restricted Market Financing LTV	51%	121%	167%	170%	183%					
Loan to Cost - Cumulative	19%	44%	60%	61%	66%					

**First Mortgage:**

First Housing reviewed an LOI dated April 15, 2025, in which KeyBank, NA or its designee will provide, subject to full underwriting, a permanent loan to the Applicant under the terms of its forward loan program. Upon satisfaction of the conditions for conversion, the Bonds will be converted to / exchanged for a tax-exempt governmental Note whereby KeyBank, NA or its designee will provide a funding loan to FHFC. The maximum loan amount available will be limited to \$14,000,000, and KeyBank, NA will size it based on a minimum DSC of 1.15x and maximum LTV of 85%. The forward commitment period is 36 months with a 6-month extension option, and the permanent loan term is 16 years. Rule Chapter 67-21 requires the loan to begin amortizing in the 37<sup>th</sup> month following closing. Monthly payments of principal and interest will be required beginning at conversion based on an amortization schedule of 40 years. The interest rate for the permanent loan won't be locked until closing, however it will be based on the 15-Year SOFR Swap + 2.15%. As of April 15, 2025, KeyBank, NA estimates the indicative overall fixed permanent rate at 6.11%. First Housing received an email

from the Applicant, dated May 4, 2025, indicating that it is anticipated KeyBank, NA will sell the loan to Lifeco but remain as the servicer. In addition, KeyBank, NA will be an investor in the Limited Partner of the Applicant and it will own less than 51%, however closing will be conditioned upon verification that there will not be a “substantial user issue.”

Upon conversion, if the first mortgage loan is increased above the amount recommended at closing, it will be subject to a positive recommendation from First Housing and also require FHFC’s approval.

Additional fees included in the debt service calculation consist of: i) an annual issuer fee in the amount of 0.24% of the outstanding loan balance, subject to a minimum fee of \$10,000 per annum; ii) an annual Fiscal Agent fee of \$4,500; iii) an annual permanent loan servicing fee equal to 0.023% of the outstanding loan amount, with a minimum monthly fee of \$250 and an hourly fee of \$210 for extraordinary services; and iv) an annual compliance monitoring fee comprised of a base fee of \$193 per month plus an additional fee per set-aside unit of \$11.89 per year, subject to a minimum of \$303 per month.

The permanent tax-exempt Note will mature 16 years following the termination of the construction phase and conversion to the permanent phase. At maturity, the Applicant may satisfy the Note via refinancing or sale of the Development pending market feasibility. In the event the Applicant is unable to refinance or sell the Development, then an event of default would not be triggered under the loan documents. Instead, a “Mortgage Assignment Event” would occur whereby the Noteholder agrees to cancel the tax-exempt Note 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 tax-exempt Note and discharge the lien of the Funding Loan Agreement. The Fiscal Agent would assign the mortgage loan and any other related documents and collateral to the Noteholder, effectively ending the tax-exempt financing provided by FHFC. Under this scenario, the tax-exempt Note 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, the Noteholder 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 tax-exempt Note would have been cancelled and would no longer be outstanding).

Lee County Community Development Block Grant – Disaster Recovery (“CDBG-DR”) Loan:

First Housing reviewed a draft term sheet from Lee County to the Applicant dated February 20, 2025, in which Lee County outlines the terms of a proposed \$18,875,500 loan to help finance the construction of the Development. Lee County received the funds from HUD

to assist with disaster recovery related to Hurricane Ian in 2022. The loan will bear interest at 0% and mature on the earliest of: a) 30 years from the effective date of the restrictive covenant; b) sale or refinancing of the Development, which is not permitted under the loan documents unless prior approval is obtained from Lee County; and c) occurrence of an event of default under the loan documents.

The Lee County CDBG-DR loan will be repaid in annual installments solely from Surplus Cash (as defined in the Limited Partnership Agreement), to the extent Surplus Cash is generated from the operation of the Development. Each annual installment will be an amount equal to 10% of Surplus Cash, with payment of any remaining balance at the end of the 30-year term. Surplus Cash will be calculated as of December 31 of each year, and the annual installment will be paid to Lee County no later than the following May 1. All outstanding indebtedness will be paid in full on the loan maturity date.

HACFM-CNI Loan:

First Housing reviewed a letter from HACFM dated April 16, 2025, outlining the terms of a \$12,596,074 loan to the Applicant to help finance the construction of the Development. The subordinate non-recourse loan will have an interest rate of 2.0% and a term of 40 years, with payments based on available cash flow. First Housing estimates that approximately \$11,666,465 will be needed during construction, of which \$11,000,000 of the loan will be used as a source of Bond collateral during the construction phase.

HACFM – American Rescue Plan Act (“HACFM-ARPA”) Loan:

First Housing reviewed a letter from HACFM dated April 16, 2025, outlining the terms of a \$670,585 loan to the Applicant to help finance the construction of the Development. The subordinate non-recourse loan will have an interest rate of 2.0% and a term of 40 years, with payments based on available cash flow.

HACFM-City of Fort Myers Loan:

First Housing reviewed a letter from HACFM dated April 16, 2025, outlining the terms of a \$3,597,451 loan to the Applicant from the City of Fort Myers general revenue bonds proceeds which will be used to help finance the construction of the Development. The subordinate non-recourse loan will have an interest rate of 2.0% and a term of 40 years, with payments based on available cash flow.

Housing Credit Equity:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$2,695,278	15.04%	Closing
2nd Installment	\$11,639,878	64.97%	Later of 100% Completion or January 1, 2028
3rd Installment	\$2,531,004	14.13%	Later of Stabilization or January 1, 2029
4th Installment	\$1,050,000	5.86%	Later of Receipt of 8609's or April 1, 2029
<b>Total</b>	<b>\$17,916,160</b>	<b>100.00%</b>	
Syndicator Name OEF Investment Fund, LLC			
Date of LOI 4/23/2025			
Total Credits Per Syndication Agreement: \$22,898,341			
Annual Credits Per Syndication Agreement: \$2,289,834			
Calculated HC Exchange Rate: \$0.7825			
Limited Partner Ownership Percentage: 99.99%			
Proceeds Available During Construction: \$2,695,278			
Annual Credits - Qualified in CUR: \$2,302,984			

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$3,450,070, or 30.9%, of the total Developer Fee of \$11,147,289.

Reinvestment Income:

Based on current market conditions and rates from Stifel as of April 17, 2025, reinvestment income from the Bonds is projected to total \$4,158,949; however, the Bond interest is projected at \$4,104,000 so that is the amount included as a source of funds in First Housing's underwriting since positive arbitrage is not underwritten for this transaction.

Affiliate / Principal Contribution – General Partner:

The general partners of the Applicant will contribute \$100 in equity for their ownership interests.

**MMRB & HC CREDIT UNDERWRITING REPORT**

**Changes from the Application and Additional Information**

<b>COMPARISON CRITERIA</b>	<b>YES</b>	<b>NO</b>
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?		1
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?	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?		4
Is the Development in all other material respects the same as presented in the Application?		5

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

1. Since the Non-Competitive Application, the MMRB request decreased from \$39,000,000 to \$36,000,000.

Since the Non-Competitive Application, the Applicant was subsequently awarded (estimated February 20, 2025) the \$18,875,500 CDBG-DR loan from Lee County.

The original Non-Competitive Application included a \$26,305,428 loan from HACFM. On April 16, 2025, that loan was decreased and broken out into three smaller loans that were awarded to the Applicant: a) the \$12,596,074 HACFM-CNI loan; b) the \$670,585 HACFM-ARPA loan; and c) the \$3,597,451 HACFM-City of Fort Myers loan.

Since the Non-Competitive Application, the amount of the permanent loan increased from \$10,335,000 to \$14,000,000.

**MMRB & HC CREDIT UNDERWRITING REPORT**

Since the Non-Competitive Application, Reinvestment/Bond interest income in the amount of \$4,104,000 was added as a financing source, and so was the \$100 general partner equity contribution.

Since the Non-Competitive Application, the construction/permanent lender changed from Citibank, N.A. to KeyBank, NA, and the syndicator changed from Enterprise Housing Credit Investments, LLC to OEF Investment Fund, LLC.

2. Since the Non-Competitive Application, Total Development Costs have increased \$1,297,573, or 1.8%, from \$73,911,867 to \$75,209,440. This increase is primarily due to higher hard costs, Bond interest costs and reserves.
  
3. The Applicant submitted a request dated May 28, 2025, to change the minimum federal set-aside commitment from the Average Income Test to 40% of the units at 60% AMI. This request increases the overall number of market rate units in the Development. A decrease in the total number of Qualifying HC Units requires the Applicant to submit a Rule Waiver request to FHFC. FHFC staff approved this request on May 30, 2025, however, Board approval of the Rule Waiver is a condition to close.

Set-Asides From:	Set-Asides To:
59.130% (68 units) at 50% AMI	37.5% (57 units) at 50% AMI
37.391% (43 units) at 60% AMI	27.0% (41 units) at 60% AMI
3.478% (4 units) at 80% AMI	
115 Total Qualifying HC Units	98 Total Qualifying HC Units
Average AMI of Qualifying HC Units	
54.783%	

MMRB Set-Asides From:	MMRB Set-Asides To:
40% (61 units) at 60% AMI	37.5% (57 units) at 50% AMI
	27.0% (41 units) at 60% AMI

Market Rate Units From:	Market Rate Units To:
36	49

4. Since the Non-Competitive Application, the syndication rate has decreased from \$0.95 to \$0.7825.

**MMRB & HC CREDIT UNDERWRITING REPORT**

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The above changes have no substantial material impact to the MMRB 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 April 18, 2025, the Development has the following noncompliance item(s) not in the correction period:

- HACFM (Marcia Davis):
  - East Pointe Place
    - Failure to meet uniform physical condition standards for units
  - Landings at East Pointe
    - Failure to provide required development amenities
    - Failure to meet uniform physical condition standards for units
    - Failure to meet uniform physical condition standards for site
  - Renaissance Preserve Senior
    - Failure to meet uniform physical condition standards for buildings

According to the FHFC Past Due Report, dated April 18, 2025, 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 Developer, General Contractor, and the Management Company are experienced in affordable multifamily housing.
2. The Developer has sufficient experience and financial resources to develop and operate the proposed Development.



**MMRB & HC CREDIT UNDERWRITING REPORT**

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Waiver Requests/Special Conditions:

1. The Applicant will submit a formal Rule Waiver request to FHFC asking to reduce the number of Qualifying HC Units to 98 from the 115 originally committed in the Non-Competitive Application. Board approval of the Rule Waiver is a condition to close.
  - a. According to the Applicant, the Development is part of a larger HUD CNI grant redevelopment, which requires a total number of units that must be rebuilt on the old public housing site and a certain number of market, LIHTC, and public housing replacement units (PBVs) to comply with the CNI requirements. There are three phases on the Southward Village site, and in order to comply with all funding requirements (CNI and FHFC), the Applicant will need to shift some LIHTC units from the Development to Phase 4.

Issues and Concerns:

None

Mitigating Factors:

None

Additional Information:

None

**MMRB & HC CREDIT UNDERWRITING REPORT**

**Uses of Funds**

<b>CONSTRUCTION COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accessory Buildings	\$0	\$1,863,291	\$1,863,291	\$12,340	\$0
New Rental Units	\$34,249,598	\$32,397,391	\$32,397,391	\$214,552	\$0
Recreational Amenities	\$1,796,975	\$0	\$0	\$0	\$0
Site Work	\$6,389,087	\$7,706,460	\$7,706,460	\$51,036	\$770,646
Furniture, Fixture, & Equipment	\$0	\$468,500	\$0	\$0	\$0
Constr. Contr. Costs subject to GC Fee	\$42,435,660	\$42,435,642	\$41,967,142	\$277,928	\$770,646
General Conditions (6.0%)	\$0	\$2,518,029	\$2,518,028	\$16,676	\$0
Overhead (2.0%)	\$0	\$839,343	\$839,343	\$5,559	\$0
Profit (6.0%)	\$5,940,992	\$2,518,029	\$2,518,028	\$16,676	\$0
Builder's Risk Insurance	\$0	\$555,422	\$0	\$0	\$0
Total Construction Contract/Costs	\$48,376,652	\$48,866,465	\$47,842,542	\$316,838	\$770,646
Hard Cost Contingency (5.0%)	\$2,418,832	\$2,319,744	\$2,392,127	\$15,842	\$0
FF&E paid outside Constr. Contr.	\$347,000	\$0	\$468,500	\$3,103	\$0
<b>Total Construction Costs:</b>	<b>\$51,142,484</b>	<b>\$51,186,209</b>	<b>\$50,703,169</b>	<b>\$335,783</b>	<b>\$770,646</b>

<b>Allowances:</b>	
Blocking in all non-ADA units	\$20,000
Install parking control system	\$158,000
Fire suppression system	\$68,700
Completing underground plumbing in bldgs. with breezeways	\$80,000
Access control for parking gates, clubhouse, residential bldgs. etc.	\$60,000
<b>Total</b>	<b>\$386,700</b>

**Notes to Total Construction Costs:**

1. The Applicant has provided an executed construction contract dated April 30, 2025. The contract is a Standard Form of Agreement between Southward Village Phase 2, LP ("Owner") and Suffolk Construction Company, Inc. ("GC") where the basis of payment is the Cost of Work Plus a fee with a Guaranteed Maximum Price ("GMP") in the amount of \$47,842,542. The contract requires a substantial completion date no later than 697 calendar days from the date of commencement.
2. The Accessory Buildings line item reflects the amount allocated to construction of the clubhouse.
3. The Development will provide washers/dryers in resident units but will not lease them.
4. First Housing has estimated 10% of the site work to be ineligible.
5. Allowances total 0.81% of the GMP and appear reasonable to On Solid Ground, LLC ("OSG"), the third-party plan and cost reviewer.

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<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accounting Fees	\$30,000	\$30,000	\$30,000	\$199	\$30,000
Appraisal	\$13,680	\$0	\$8,500	\$56	\$0
Architect's Fees	\$1,433,564	\$1,433,564	\$1,433,564	\$9,494	\$0
Builder's Risk Insurance	\$510,000	\$0	\$555,422	\$3,678	\$0
Building Permits	\$0	\$14,936	\$14,936	\$99	\$0
Engineering Fees	\$141,000	\$134,663	\$134,663	\$892	\$0
Environmental Report	\$46,213	\$10,975	\$10,975	\$73	\$0
FHFC Administrative Fees	\$248,442	\$270,000	\$207,269	\$1,373	\$207,269
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$20	\$3,000
FHFC Compliance Fee	\$0	\$225,000	\$0	\$0	\$0
FHFC Credit Underwriting Fee	\$31,000	\$37,284	\$22,284	\$148	\$22,284
Green Building Cert. (LEED, FGBC, NAHB)	\$0	\$11,200	\$11,200	\$74	\$0
Insurance	\$524,963	\$67,901	\$67,901	\$450	\$0
Legal Fees - Organizational Costs	\$455,000	\$350,000	\$350,000	\$2,318	\$350,000
Lender Inspection Fees / Const Admin	\$140,000	\$208,776	\$208,776	\$1,383	\$208,776
Market Study	\$10,800	\$5,600	\$10,100	\$67	\$10,100
Marketing and Advertising	\$562,000	\$0	\$0	\$0	\$0
Survey	\$30,350	\$5,000	\$5,000	\$33	\$5,000
Title Insurance and Recording Fees	\$425,000	\$390,893	\$390,893	\$2,589	\$390,893
Soft Cost Contingency (5.0%)	\$150,000	\$150,000	\$173,224	\$1,147	\$0
<b>Total General Development Costs:</b>	<b>\$4,755,012</b>	<b>\$3,348,792</b>	<b>\$3,637,707</b>	<b>\$24,091</b>	<b>\$1,227,322</b>

Notes to Total General Development Costs:

1. General Development Costs are based on the Applicant's updated estimates, which appear reasonable.
2. The Architect's Fees line item consists of \$1,080,173 for architectural design and \$353,391 for architectural supervision.
3. The FHFC Administrative Fee is based on 9% of the recommended annual housing credit allocation.
4. FHFC Credit Underwriting Fee includes First Housing's underwriting fee for HC & MMRB.

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<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Closing Costs	\$293,624	\$115,000	\$50,000	\$331	\$50,000
Construction Loan Commitment Fee	\$390,000	\$240,164	\$187,500	\$1,242	\$0
Construction Loan Interest	\$4,857,600	\$1,651,994	\$1,978,938	\$13,106	\$494,735
Permanent Loan Application Fee	\$0	\$0	\$25,000	\$166	\$25,000
Permanent Loan Closing Costs	\$120,000	\$0	\$0	\$0	\$0
Permanent Loan Commitment Fee	\$103,350	\$64,490	\$140,000	\$927	\$140,000
Permanent Loan Underwriting Fee	\$0	\$0	\$9,000	\$60	\$9,000
FHFC Bond Cost of Issuance	\$975,000	\$560,000	\$386,746	\$2,561	\$386,746
FHFC Bond Interest	\$0	\$4,158,000	\$4,104,000	\$27,179	\$1,026,000
FHFC Bond Trustee Fee	\$0	\$0	\$13,500	\$89	\$13,500
Legal Fees - Financing Costs	\$0	\$50,000	\$50,000	\$331	\$50,000
Placement Agent/Underwriter Fee	\$0	\$243,000	\$252,000	\$1,669	\$252,000
Initial TEFRA Fee	\$0	\$1,000	\$1,000	\$7	\$1,000
Other: Perm Loan Conversion Fee	\$0	\$0	\$25,000	\$166	\$25,000
Other: Key Bank Standby Fee	\$0	\$0	\$63,000	\$417	\$63,000
Other: Pre-Dev. Loan Interest & Fee	\$0	\$43,624	\$43,624	\$289	\$43,624
Other: FHFC Issuer Fee	\$0	\$0	\$259,200	\$1,717	\$259,200
<b>Total Financial Costs:</b>	<b>\$6,739,574</b>	<b>\$7,127,272</b>	<b>\$7,588,508</b>	<b>\$50,255</b>	<b>\$2,838,805</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$62,637,070</b>	<b>\$61,662,273</b>	<b>\$61,929,384</b>	<b>\$410,128</b>	<b>\$4,836,772</b>

Notes to Total Financial Costs:

1. Construction Loan Commitment Fee is equal to 0.75% of the construction loan amount.
2. Construction Loan Interest is based on the estimated average outstanding monthly loan balance, construction period, conservative absorption rate of 25 units per month at completion, and an underwritten interest rate of 6.83%.
3. Permanent Loan Commitment Fee is equal to 1% of the permanent loan amount.
4. FHFC Bond Cost of Issuance was provided by FHFC and includes fees and expenses of the Issuer, Bond closing costs, real estate counsel fees for MMRB, disclosure counsel fees, bond counsel fees, and other fees.
5. FHFC Bond Interest is the amount calculated based on the 3.80% Bond interest rate provided by Stifel on April 17, 2025.
6. FHFC Bond Trustee Fee represents 3 years of the annual Trustee Fee of \$4,500 during construction.
7. Other: KeyBank Standby Fee is equal to 0.15% of the permanent loan amount for 3 years.
8. Other: Pre-Dev. Loan Interest & Fee represents interest and fees due under the Applicant's November 18, 2022, pre-development loan from Enterprise Bank & Trust for pre-

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development costs related to the Development. The loan amount is \$375,000 and the interest is the greater of: i) Term SOFR + 3.60%; or ii) 4.25%.

9. FHFC Issuer Fee represents 3 years of the annual Issuer Fee of 0.24% of the total Bond amount during construction.

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	\$11,274,672	\$9,000,000	\$11,147,289	\$73,823	\$0
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	<b>\$11,274,672</b>	<b>\$9,000,000</b>	<b>\$11,147,289</b>	<b>\$73,823</b>	<b>\$0</b>

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land Lease Payment	\$125	\$125	\$125	\$1	\$125
<b>Total Acquisition Costs:</b>	<b>\$125</b>	<b>\$125</b>	<b>\$125</b>	<b>\$1</b>	<b>\$125</b>

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserves	\$0	\$1,142,933	\$1,131,004	\$7,490	\$1,131,004
Reserves - Real Estate Taxes/Insurance	\$0	\$454,963	\$454,963	\$3,013	\$454,963
Reserves - Start-Up/Lease-up Expenses	\$0	\$546,675	\$546,675	\$3,620	\$546,675
<b>Total Reserve Accounts:</b>	<b>\$0</b>	<b>\$2,144,571</b>	<b>\$2,132,642</b>	<b>\$14,123</b>	<b>\$2,132,642</b>

Notes to Reserve Accounts:

1. An operating deficit reserve will be required by the syndicator in an amount not less than 6 months of operating expenses, replacement reserves and must-pay debt service. First Housing has underwritten to the syndicator's amount, which appears reasonable.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$73,911,867</b>	<b>\$72,806,969</b>	<b>\$75,209,440</b>	<b>\$498,076</b>	<b>\$6,969,539</b>

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	14.00%	\$5,875,400	\$5,875,399
Hard Cost Contingency	5.00%	5.00%	\$2,392,127	\$2,392,127
Soft Cost Contingency	5.00%	5.00%	\$173,224	\$173,224
Developer Fee	18.00%	18.00%	\$11,147,289	\$11,147,289

## **Section B**

### **MMRB 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 MMRB pricing date and/or MMRB loan closing date.

1. If the amount of the permanent loan is increased above the amount recommended at closing, the increase will be subject to FHFC's approval and a positive recommendation from First Housing.
2. Firm Commitment from KeyBank, NA for the construction/permanent loan with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
3. Final loan documents for the Lee County CDBG-DR loan with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
4. Final loan documents for the HACFM-CNI loan, the HACFM-ARPA loan, and the HACFM-City of Fort Myers loan with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
5. Receipt and satisfactory review of the final signed, sealed "approved for construction" plans and specifications by the construction consultant and the Servicer. If the construction consultant does not have time to review prior to closing, this condition can be satisfied prior to the first post-closing draw.
6. Receipt of a rental assistance contract for 61 of the 151 total units, with rents no less than the amounts in this CUR.
7. Receipt and satisfactory review of updated financials for the Guarantors, dated within 90 days of closing, or audited financials, dated within one year of closing.
8. Receipt and FHFC approval of the Rule Waiver request to reduce the number of Qualifying HC Units to 98 from the 115 originally committed in the Non-Competitive Application.
9. First Housing currently does not have support from Lee County for the Local CDBG set-asides listed in the table on page A-2 of this CUR, and the percentages for those set-asides are based on the Applicant's request to Lee County. First Housing's receipt of Lee County

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approval for the Local CDBG set-asides in the same percentages on page A-2 is a condition to close.

10. Confirmation that there will not be a “substantial user issue” during permanent financing.
11. 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 MMRB pricing date and/or loan 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 Rule 67-21.0025 (5) F.A.C. of an Applicant or a Developer).
2. On Solid Ground, LLC 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 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



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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 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 FHFC Insurance Guide.
11. 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

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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 On Solid Ground, LLC.
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 Limited Partnership Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Amended and Restated Limited Partnership 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 submit and 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 MMRB pricing date and/or 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.

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2. Award of 4% Housing Credits and purchase of HC by OEF Investment Fund, LLC 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 partnership/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 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;

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- 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/Operating 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, including HC as Applicable**

This recommendation is also contingent upon satisfaction of the following additional conditions:

- 1. Compliance with all provisions of Sections 420.507, and 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., Rule Chapter 67-60 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 MMRB loan 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 OEF Investment Fund, LLC or an affiliate, that requires funding of all HC Equity

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Installments during construction, even if the Borrower is in default under the Limited Partnership Agreement.

4. All amounts necessary to complete construction must be deposited with the Trustee 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 Trustee at the MMRB 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 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 1.15x 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. 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.
10. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgagee Lender, Trustee, 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.

11. 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, Trustee, 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 \$45,300 (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. 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 15<sup>th</sup> year after the initial Replacement Reserve Date and subsequently every five (5) years thereafter.
12. 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 on all payments until 50% completion of the project, at which time, retainage will be reduced to 0%. This meets the RFA and Rule Chapter 67-21 minimum requirements.
13. Closing of all funding sources prior to or simultaneous with the MMRB loan.
14. Satisfactory completion of a pre-loan closing compliance audit conducted by FHFC or Servicer, if applicable.
15. Satisfactory resolution of any outstanding past due and/or noncompliance items.
16. Housing Credits – Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.

**MMRB & HC CREDIT UNDERWRITING REPORT**

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17. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

## **Section C**

### **Supporting Information & Schedules**



**MMRB & HC CREDIT UNDERWRITING REPORT**

## Additional Development & Third-Party Supplemental Information

### Appraisal Summary:

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Colliers International Valuation & Advisory Services ("Colliers")	
Date of Report	4/12/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	95.25%	
Occupancy at Stabilization: Physical (%)	95.75%	
Value: As Is market value of the land	\$3,800,000	
As of date and type of interest (as if vacant land)	Fee Simple, as of February 9, 2025	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$33,100,000	
As of date and type of interest (unrestricted rents)	Leasehold, as of February 9, 2025	
Value: "As Complete and Stabilized", subject to restricted rents	\$27,200,000	
As of date and type of interest (restricted rents)	Leasehold, as of February 9, 2025	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

### Market Study Summary:

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Colliers	
Date of Report	2/18/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	3,260 units	1.
Short Term and Long Term Impact to existing like-kind developments	No impact	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	98.5%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 5 mile radius:		
Level of Effort (%)	14.0%	
Capture Rate (%)	0.36%	
Remaining Potential Demand	19,947 units	
Absorption Rate	30 units per month	
Will the development achieve maximum allowable HC Rents? (Y/N)	Y	
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

### Notes to Market Study Summary:

**MMRB & HC CREDIT UNDERWRITING REPORT**

1. The number of existing like-kind developments in the CMA/PMA consists of 16 properties containing 2,564 units. The market analyst also included 711 units (< 10 properties) that are either proposed or under construction. Adding the subject units to get the total potential supply, and then adjusting for vacancy, results in 3,260 units.

**Environmental Report Summary:**

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	Advantage Environmental Consultants, LLC	
Date of Report	7/22/2024	
Type of Report	Phase I ESA	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	N	
Is any further investigation required? (Y/N)	N	

**Soils Test Report Summary:**

Soils Test Report Summary Questions	Responses	Note
Preparer Firm Name	ECS Florida, LLC	
Date of Report	1/22/2023	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

**Plan and Cost Review Summary:**

Property Conditions Report (PCR) Summary Questions	Responses	Note
Preparer Firm Name	On Solid Ground, LLC	
Date of Report	4/24/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	Y	
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$47,842,542	
Cost per Unit	\$267,890	1.
Costs for Similar Type Developments (Include Range)	\$199,057 to \$294,798	1.
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	697 Days	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	

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Notes to Plan & Cost Review Summary:

1. In the consultant's cost per unit analysis, please note that he deducts sitework and special construction costs from the subject and comparable properties since these costs vary widely among developments and could skew the range.

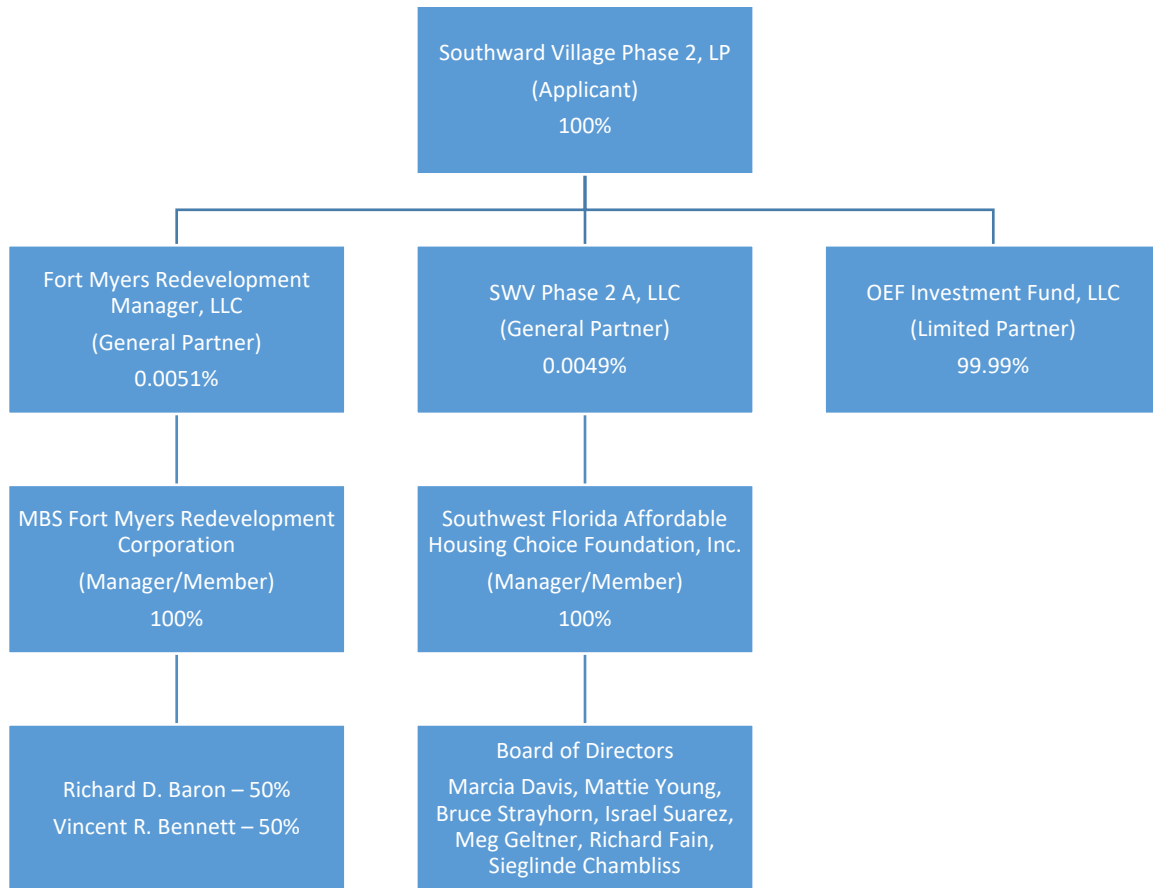
Site Inspection Summary:

Site Visit Summary Questions	Responses	Note
Name of Inspector	First Housing	
Date of Inspection	1/23/2025	
Were the observation(s) of the inspector in line with the Market Study? (Y/N)	Y	

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**Applicant & Related Party Information:**

Applicant Ownership at Loan Closing:

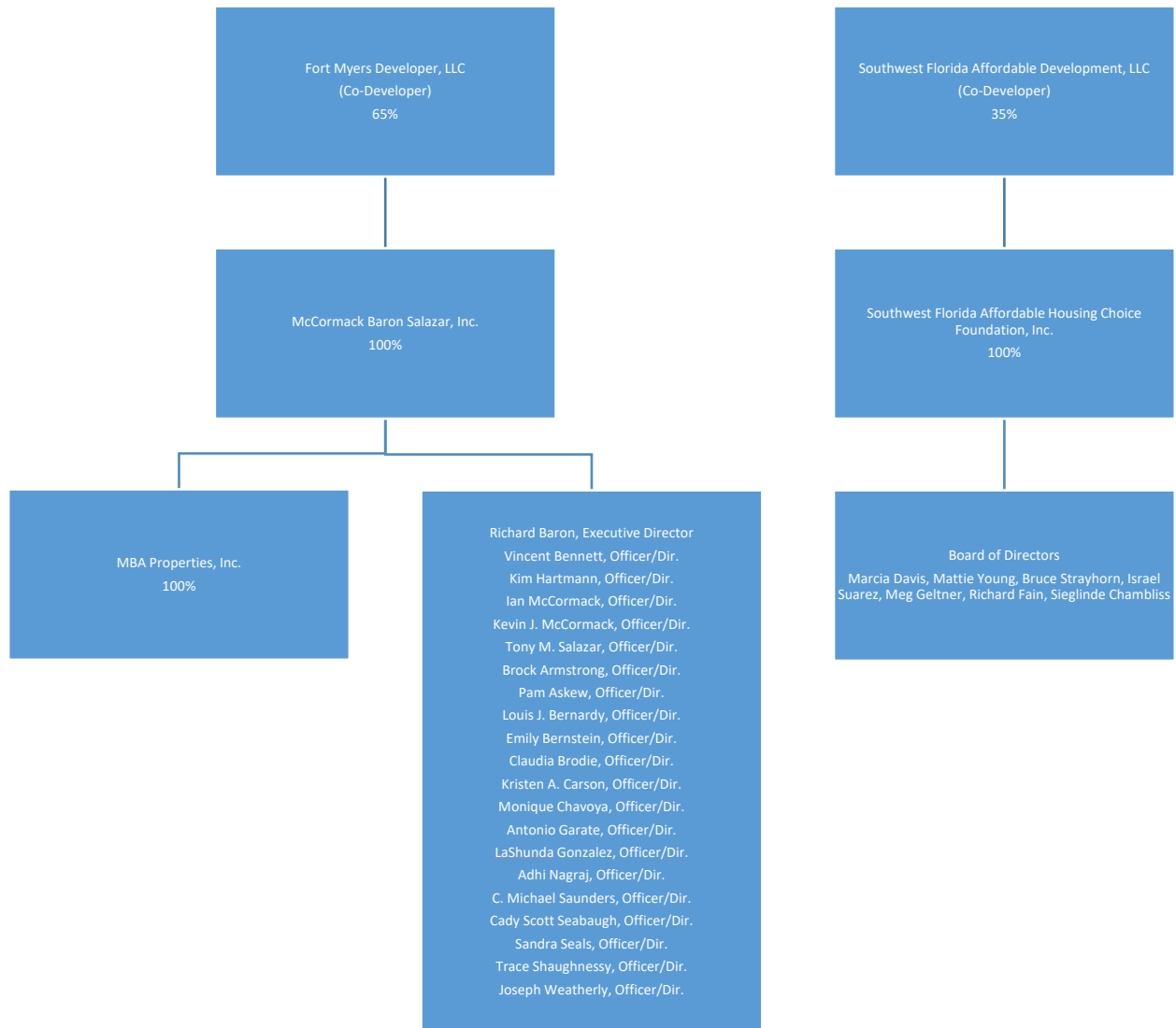


The diagram above illustrates the ownership structure of the Applicant at the time the loan closes. First Housing verified that the Applicant entity has an active status on Sunbiz and was formed February 17, 2022.

Just prior to stabilization / permanent loan conversion, the Applicant anticipates to request approval from FHFC that the McCormack Baron Salazar, Inc. entities be allowed to remain in the ownership structure of the Applicant only until the property stabilizes and permanent loan conversion occurs. The HACFM entities will remain in the structure after conversion to own and operate the property. However, it is noted that the guaranties will remain in place and will not be released until requirements are met.

**MMRB & HC CREDIT UNDERWRITING REPORT**

**Co-Developer Ownership Chart:**



First Housing verified that the Applicant and the Co-Developers have an active status on Sunbiz.

**MMRB & HC CREDIT UNDERWRITING REPORT**

	Southward Village Phase 2, LP	Fort Myers Redevelopment Manager, LLC	SWV Phase 2 A, LLC	Southwest Florida Affordable Housing Choice Foundation, Inc.	Richard D. Baron	Vincent R. Bennett	Note
Relationship Type	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	
Contact Person Name & Title	Tracy Senf SVP - Director of Finance McCormack Baron Salazar, Inc.	Tracy Senf SVP - Director of Finance McCormack Baron Salazar, Inc.	Marcia Davis President	Marcia Davis President	Tracy Senf SVP - Director of Finance McCormack Baron Salazar, Inc.	Tracy Senf SVP - Director of Finance McCormack Baron Salazar, Inc.	
Contact Information	100 N. Broadway, Suite 100 St. Louis, MO 63102 tracy.senf@mccormackbaron.com 314.335.2938	100 N. Broadway, Suite 100 St. Louis, MO 63102 tracy.senf@mccormackbaron.com 314.335.2938	4224 Renaissance Preserve Way Fort Myers, FL 33916 marcia@hacfm.org 239.344.3220	4224 Renaissance Preserve Way Fort Myers, FL 33916 marcia@hacfm.org 239.344.3220	100 N. Broadway, Suite 100 St. Louis, MO 63102 tracy.senf@mccormackbaron.com 314.335.2938	100 N. Broadway, Suite 100 St. Louis, MO 63102 tracy.senf@mccormackbaron.com 314.335.2938	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y	Y	Y	
Does entity have the necessary experience?	N Single-Purpose Entity	N Single-Purpose Entity	N Single-Purpose Entity	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	Y	Y	Y	Y	Y	Y	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	N/A	N/A	Y	Y	Y	
Have all financial statements been reviewed and are they adequate?	N/A	N/A	N/A	Y	Y	Y	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y	Y	Y	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	N/A	N/A	N/A	N/A	N/A	
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	N/A	N/A	N/A	N/A	
Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	N/A	N/A	N/A	N/A	
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	Y	Y	Y	

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	OEF Investment Fund LLC	Suffolk Construction Company, Inc.	Norstar Accolade Property Management	Note
Relationship Type	Syndicator	General Contractor	Management Company	
Contact Person Name & Title	Mary Ann Lang Executive Vice President, Capital Markets	Peter Tuffo President, Gulf Coast Region	Stephanie Baker President	
Contact Information	671 South High Street, Suite 600 Columbus, Ohio 43206 mlang@occh.org 614.224.8446	10600 Chevrolet Way, Suite 301 Estero, FL 33928 ptuffo@suffolk.com 239.791.3000	1707 E. Beltline Road Suite 102 Coppell, Texas 75019 214.496.0600	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	N/A	N/A	N/A	
Does entity have the necessary experience?	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	N/A	Y	N/A	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	Y	N/A	
Have all financial statements been reviewed and are they adequate?	Y	Y	N/A	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	N/A	N/A	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	Closing Condition	N/A	
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	Y	1
Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	N	2
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	

**MMRB & HC CREDIT UNDERWRITING REPORT**

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1. First Housing has received a draft of the Management Agreement and an executed final will be required for closing.
2. Approval of the selection of the management company by FHFC's Asset Management Department is required. As the Development is proposed to be constructed, said approval is not required at closing.



Southward Village CNI Phase 2  
2023-103B / 2023-546C  
DESCRIPTION OF FEATURES AND AMENITIES

- A. The Development will consist of:

151 units located in 20 Garden Apartment residential buildings.

Unit Mix:

Sixty (60) one bedroom / one bath units,

Fifty-eight (58) two bedrooms / one bath units,

Two (2) three bedroom / two bath units,

Twenty-six (26) three bedroom/ two and half bath units; and

Five (5) four bedrooms / two and half bath units

151 Total Units

- B. The Development 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 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.

- C. 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 Housing Act, or Florida Building Code, Accessibility) whichever 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.

**D. Required Accessibility Features in all Units:**

1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
2. All door handles on primary entrance door and interior doors must have lever handles;
3. Lever handles on all bathroom faucets and kitchen sink faucets;
4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
5. Cabinet drawer handles, and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

**E. In addition to the 5 percent mobility requirement outlined above, all Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design.**

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around the dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee, by including the language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

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- F. The Applicant has committed to provide the following Optional Features and Amenities for all Developments:

All selected features and amenities must be located on the Development site. In addition, if the proposed 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.

1. Exercise room with appropriate equipment. The exercise room must have secure entry.
2. Community center or clubhouse.
3. Playground/tot lot, accessible to children with disabilities (must be sized in proportion to Development's size and expected resident population with age-appropriate equipment).
4. Each unit wired for high speed internet.

- G. The Applicant has committed to provide the following Green Building Features:

1. Programmable thermostat in each unit.
2. Energy Star qualified ventilation fans in all bathrooms.
3. Low-flow water fixtures in bathroom – 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.

In addition to the required Green Building Features outlined above, proposed Developments with a Development Category of New Construction or Redevelopment, with or without acquisition, must commit to achieve one of the following Green Building Certifications programs:

**MMRB & HC CREDIT UNDERWRITING REPORT**

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- ☐ Leadership in Energy and Environmental Design (LEED),
- ☐ Florida Green Building Coalition,
- ☐ Enterprise Green Communities; or
- ☒ ICC 700 National Green Building Standards (NGBS).

H. The Applicant has committed to provide the following Qualified Resident Program:

Health Care – At least quarterly visits by health care professionals such as nurses, doctors, or other licensed care providers. At a minimum, the following services must be provided: health screening, flu shots, vision and hearing tests. Regularly scheduled is defined as not less often than once each quarter. On-site space must be provided. Service must be provided at no cost to the residents, with the exception that the residents may be charged for medications. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.

**MMRB & HC CREDIT UNDERWRITING REPORT**

**Housing Credit Allocation Calculation**

<b>Section I: Qualified Basis Calculation</b>	
Development Cost	\$75,209,440
Less: Land Cost	(\$125)
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$6,969,414)
Less: Disproportionate Standard	\$0
Total Eligible Basis	\$68,239,901
Applicable Fraction	64.90%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$57,574,592
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$2,302,984

Notes to the Qualified Basis Calculation:

1. Other ineligible costs include site work, accounting fees, FHFC Fees, legal fees, title, financial costs, and reserves.
2. The Applicable Fraction is the portion of rental units that are qualified low-income units, determined as the lesser of square footage or number of units. Based on the square footage, the Development has a 69.7% set-aside, and based on the number of units, the Development has a 64.9% set-aside. Therefore, the Applicable Fraction is the lesser of the two, or 64.9%.
3. The Development is located in a Qualified Census Tract ("QCT"); therefore, a 130% basis boost was applied.
4. For purposes of this recommendation an HC percentage of 4% was applied based on the 4% floor rate, which was permanently extended through the Protecting Americans from Tax Hikes (PATH) Act of 2015 as part of the Omnibus Consolidated Appropriations Act of 2016.

**MMRB & HC CREDIT UNDERWRITING REPORT**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$75,209,440
Less: Mortgages	(\$53,843,210)
Less: Grants	\$0
Equity Gap	\$21,366,230
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.7825
HC Required to Meet Gap	\$27,307,817
Annual HC Required	\$2,730,782

Notes to the Gap Calculation:

1. The pricing and syndication percentage were taken from the April 23, 2025, LOI issued by OEF Investment Fund, LLC.
2. Reinvestment income in the amount of \$4,104,000 is included in the “Less: Mortgages” line item above.

<b>Section III: Summary</b>	
HC per Applicant Request	\$2,289,834
HC per Qualified Basis	\$2,302,984
HC per Gap Calculation	\$2,730,782
Annual HC Recommended	\$2,302,984

Syndication Proceeds Based on HC Recommended	\$18,019,045
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1. The estimated annual 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.

**MMRB & HC CREDIT UNDERWRITING REPORT**

<b>Section III: Tax-Exempt Bond 50% Test</b>	
Total Depreciable Cost	\$68,239,901
Plus: Land Cost	\$125
Aggregate Basis	\$68,240,026
Tax-Exempt Bond Amount	\$36,000,000
Less: Debt Service Reserve	\$0
Less: Proceeds Used for Costs of Issuance	\$0
Plus: Tax-exempt GIC earnings	\$4,104,000
Tax-Exempt Proceeds Used for Building and Land	\$40,104,000
Proceeds Divided by Aggregate Basis	58.77%

Based on the budget, the Development appears to meet the 50% test for 4% HC.

**FLORIDA HOUSING FINANCE CORPORATION  
AUTHORIZATION RESOLUTION  
SOUTHWARD VILLAGE CNI PHASE 2**

**RESOLUTION NO. 2025-\_\_\_\_**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (SOUTHWARD VILLAGE CNI PHASE 2) OF THE FLORIDA HOUSING FINANCE CORPORATION; PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (SOUTHWARD VILLAGE CNI PHASE 2); APPROVING THE PREPARATION, EXECUTION, AND DELIVERY OF A TRUST INDENTURE OR INDENTURE OF TRUST BETWEEN THE FLORIDA HOUSING FINANCE CORPORATION AND A CORPORATE TRUSTEE NAMED THEREIN, AND A LOAN AGREEMENT OR FINANCING AGREEMENT BETWEEN THE FLORIDA HOUSING FINANCE CORPORATION AND THE BORROWER NAMED THEREIN; AUTHORIZING THE LOAN OR LOANS MADE PURSUANT TO THE LOAN AGREEMENT OR FINANCING AGREEMENT TO THE BORROWER NAMED THEREIN; AUTHORIZING THE PREPARATION, EXECUTION, AND DELIVERY OF ALL DOCUMENTS NECESSARY FOR THE ISSUANCE AND SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (SOUTHWARD VILLAGE CNI PHASE 2), INCLUDING, BUT NOT LIMITED TO, A BOND PURCHASE AGREEMENT AND A PRELIMINARY AND FINAL OFFICIAL STATEMENT; AUTHORIZING ALL ACTIONS NECESSARY FOR FINAL APPROVAL OF THE ISSUANCE AND SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (SOUTHWARD VILLAGE CNI PHASE 2), THE FINANCING OF SOUTHWARD VILLAGE CNI PHASE 2, 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 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 Bonds, 2025 Series \_\_ [one or more series or subseries to be designated] (Southward Village CNI Phase 2) (the "Bonds"), as tax-exempt or taxable bonds, for the purpose of making one or more loans to Southward Village Phase 2, LP, together with its predecessors, successors, assigns, affiliates, and/or related entities (the "Borrower"), to finance the acquisition, construction, and equipping of an approximately 151-unit multifamily residential rental development for persons of low, moderate, and middle income named Southward Village CNI Phase 2 located in Fort Myers, Lee County, Florida (the "Property"); provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$36,000,000 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) for the Property, 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 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 herein) 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, presented to and approved by the Board on this date (the "Credit Underwriting Report"), with such changes, modifications, and deviations as an Authorized Signatory (as defined herein), in consultation with staff of Florida Housing, Bond Counsel, and/or Special Counsel may approve. Conclusive evidence of the approval of such changes, modifications, and deviations shall be evidenced by the approval and acceptance of the written confirmation, delivered prior to the issuance of the Note, from the Florida Housing Credit Underwriter with respect to the Property that the conditions set forth in, and the requirements of, the Credit Underwriting Report have been satisfied (the "Credit Underwriter Confirmation") and the execution of a trust indenture or an

indenture of trust and a loan agreement or financing agreement, each as described below, by an Authorized Signatory.

2. Florida Housing hereby authorizes the issuance and sale of the Bonds 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 a maximum aggregate principal amount of not to exceed (a) \$36,000,000 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, 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. Subject to the immediately preceding sentence, the maximum aggregate principal amount of the Bonds shall be determined by an Authorized Signatory after receipt of the Credit Underwriter Confirmation for the Property. Conclusive evidence of the determination and approval of any such increase in maximum aggregate principal amount of the Bonds shall be evidenced by a certificate of an Authorized Signatory.

3. A trust indenture or an indenture of trust between Florida Housing and a corporate trustee named therein (the "Trustee") setting out the terms and conditions of the Bonds is hereby authorized to be prepared and delivered, in such form as may be approved by any member of the Board, the Executive Director (or interim or acting 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 form 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 indenture or indenture of trust 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. A loan agreement or financing agreement between Florida Housing and the Borrower, setting out the terms of a loan or loans of the proceeds of the Bonds by Florida Housing to the Borrower (the "Loan"), and the payment and other obligations of the Borrower in respect of the Loan, including a note or notes made by the Borrower to Florida Housing evidencing the Loan (the "Note"), is hereby authorized to be prepared and delivered, in such form as may be approved by an Authorized Signatory, and the execution of 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 preliminary official statement (or preliminary limited offering memorandum) and a final official statement (or final limited offering memorandum) are each hereby authorized to be prepared and distributed in connection with the sale of the Bonds in such form as shall be approved by an Authorized Signatory, and the execution of such final official statement (or limited offering memorandum) 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 a 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, 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 and to issue, execute, and deliver any additional documents necessary for the issuance of the Bonds, 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, Bond Counsel, and/or Special Counsel. All other actions by Florida Housing necessary for the final approval of the Property for financing, the issuance of the Bonds, the making of the Loan, upon the approval of the terms of any credit enhancement, if applicable, 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), are hereby authorized.

8. Upon the satisfaction of certain conditions to conversion, all or a portion of the Bonds will be sold or transferred to, converted to, or exchanged for, or amended and restated into, a governmental note that will be purchased by Key Bank, N.A. and/or Lifeco, or affiliates thereof. An Authorized Signatory is authorized to cause to be prepared and to issue, execute, and deliver any documents that may be required connection therewith, including, but not limited to, the amendment and restatement of certain of the Bond documents, upon approval of the terms thereof by the staff of Florida Housing, Bond Counsel, and/or Special Counsel.

9. 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 the trust indenture or indenture of trust. The Bonds do not constitute obligations, 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; 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.

10. The Bonds may be executed and attested either manually or by facsimile signature by any 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.

11. 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.

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.

13. This Resolution shall take effect immediately upon adoption.

ADOPTED THIS 13th DAY OF JUNE, 2025.

(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.

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Melissa Levy, Assistant Secretary, Florida  
Housing Finance Corporation's Board of  
Directors

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Sandra Veszi Einhorn, 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 13th day of June, 2025, 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: \_\_\_\_\_  
Name: Tim Kennedy  
Title: 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 13th day of June, 2025, 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



**FLORIDA HOUSING FINANCE CORPORATION  
SALE RESOLUTION  
SOUTHWARD VILLAGE CNI PHASE 2**

**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION AUTHORIZING AND APPROVING THE NEGOTIATED SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (SOUTHWARD VILLAGE CNI PHASE 2) OF THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE ISSUANCE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (SOUTHWARD VILLAGE CNI PHASE 2) BY THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE NEGOTIATION AND EXECUTION OF A BOND PURCHASE AGREEMENT AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE NEGOTIATED SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (SOUTHWARD VILLAGE CNI PHASE 2) OF THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE EXECUTIVE DIRECTOR (OR INTERIM OR ACTING EXECUTIVE DIRECTOR), CHIEF FINANCIAL OFFICER, COMPTROLLER, OR ANY MEMBER OF THE BOARD OF DIRECTORS OF THE FLORIDA HOUSING FINANCE CORPORATION, OR OTHER AUTHORIZED SIGNATORY TO TAKE ANY OTHER ACTIONS NECESSARY TO NEGOTIATE THE SALE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (SOUTHWARD VILLAGE CNI PHASE 2) OF THE FLORIDA HOUSING FINANCE CORPORATION 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 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 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 "Authorization Resolution") the issuance of its Multifamily Mortgage Revenue Bonds, 2025 Series \_\_ [one or more series or subseries to be designated] (Southward Village CNI Phase 2) (the "Bonds"), as tax-exempt or taxable bonds, for the purpose of making a loan or loans to Southward Village Phase 2, LP, together with its predecessors, successors, assigns, affiliates, and/or related entities (the "Borrower"), to finance the acquisition, construction, and equipping of an approximately 151-unit multifamily residential rental development for persons of low, moderate, and middle income named Southward Village CNI Phase 2 located in Fort Myers, Lee County, Florida (the "Property"); provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$36,000,000 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 in the Authorization Resolution) for the Property, 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 the underwriter designated by Florida Housing for a negotiated sale of the Bonds through the underwriter, if

Florida Housing by official action at a public meeting determines that such negotiated sale of the Bonds is in the best interest of Florida Housing; and

WHEREAS, Florida Housing has reviewed the market conditions and trends affecting the sale of the Bonds; and

WHEREAS, Florida Housing has received a recommendation and reviewed and looked at the relative advantage of a negotiated sale 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 hereby finds that a negotiated sale of the Bonds is in the best interest of the public and Florida Housing 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 Stifel, Nicolaus & Co., Inc. (the "Underwriter").

3. The Bonds are to be generally described as follows:

Florida Housing Finance Corporation  
Multifamily Mortgage Revenue Bonds,  
2025 Series \_\_ [one or more series or subseries to be designated]  
(Southward Village CNI Phase 2).

4. Florida Housing shall negotiate with or through the Underwriter and execute such documents as are necessary to sell the Bonds to the purchasers pursuant to this Resolution. Upon the satisfaction of certain conditions of conversion, the Bonds will be sold or transferred to, converted to, or exchanged for, or amended and restated into, a governmental note that will be purchased by Key Bank, N.A. and/or Lifeco, or affiliates thereof, and the issuance, execution, and delivery of any documents that may be required in connection therewith, including, but not limited to, the amendment and restatement of certain of the Bond documents, is hereby authorized. Any member of the Board, the Executive Director (or interim or acting 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 or rates on the Bonds that would not exceed the lesser of 10% or the maximum rate authorized under Florida law and would 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 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 award 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.

[Remainder of page intentionally left blank]

9. This Resolution shall take effect immediately upon adoption.

ADOPTED THIS 13th DAY OF JUNE, 2025.

(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:

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Melissa Levy, Assistant Secretary, Florida  
Housing Finance Corporation's Board of  
Directors

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Sandra Veszi Einhorn, 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 13th day of June, 2025, 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: \_\_\_\_\_  
Name: Tim Kennedy  
Title: 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 13th day of June, 2025, by Tim Kennedy, 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



May 30, 2025

Mr. Tim Kennedy  
Multifamily Loans & Bonds Director  
Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000  
Tallahassee, Florida 32301-3291

Re: Hawthorne Heights (“Development”) – Tax-Exempt Multifamily Mortgage Revenue Note (“MMRN” or “Note”), State Apartment Incentive Loan (“SAIL”) Program, Extremely Low-Income Loan (“ELI”), and National Housing Trust Fund (“NHTF”) Loan RFA 2023-205 (2024-001BSN) / 4% Non-Competitive Housing Credits (“HC”) 2023-520C

Credit Underwriting Report Update Letter (“CUR Update Letter”) – Changes to the Final Credit Underwriting Report, dated January 10, 2025 (“Final CUR”)

First Housing Development Corporation of Florida (“FHDC”, “First Housing”, or “Servicer”) received an email, dated March 11, 2025, from a representative of CORE Hawthorne Heights LLLP (“Applicant”), requesting for the credit underwriting report to be updated to include the 2025 FHFC maximum LIHTC rents as well as an increase in the MMRN permanent first mortgage amount from \$5,550,000 to \$6,540,000. The Applicant will switch from a real estate tax abatement under Florida Statue 196.1975 to an Ad Valorem Property Tax Exemption under Florida Statue 196.1978(4). Therefore, the SAIL/ELI Compliance Period will increase from 50 years to 99 years. Further, there is a decrease in the recommended Annual 4% HC Allocation from \$1,221,942 to \$1,199,107. First Housing has prepared this CUR Update Letter to outline the changes.

On behalf of Florida Housing Finance Corporation (“FHFC” or “Florida Housing”), First Housing has performed certain due diligence and formulated a recommendation and closing conditions, which are contained at the end of this CUR Update Letter. For the purposes of this analysis, First Housing has reviewed the following:

1. Final CUR.
2. Appraisal, dated April 21, 2025, prepared by Colliers.
3. Email, dated April 21, 2025, from KeyBank Real Estate Capital (“KeyBank”).



FHDC

**Construction Financing Sources:**

CONSTRUCTION FINANCING INFORMATION							
Lien Position	First	Second	Second	Third			Totals
Source	FHFC - MMRN	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	FHFC - HC 4%	Def. Dev. Fee	
Lender/Grantor	FHFC/KeyBank	FHFC	FHFC	FHFC	Red Stone	CORE Hawthorne Heights Developer LLC	
Construction Amount	\$14,000,000	\$7,225,000	\$569,600	\$870,000	\$1,509,044	\$1,483,271	\$25,656,915
All In Interest Rate	6.50%	1.00%	0.00%	0.00%			
Debt Service During Construction	\$75,833	\$6,021	\$0	\$0			\$81,854
Bond Structure (if applicable)	Private Placement						

First Mortgage:

The MMRN terms for the construction period have not changed from the Final CUR.

FHDC

**Permanent Financing Sources:**

PERMANENT FINANCING INFORMATION							
Lien Position	First	Second	Second	Third			Totals
Source	FHFC - MMRN	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	FHFC - HC 4%	Def. Dev. Fee	
Lender/Grantor	FHFC/KeyBank/Freddie Mac	FHFC	FHFC	FHFC	Red Stone	CORE Hawthorne Heights Developer LLC	
Permanent Amount	\$6,540,000	\$7,225,000	\$569,600	\$870,000	\$10,060,291	\$392,024	\$25,656,915
Permanent Funding Per Unit	\$76,047	\$84,012	\$6,623	\$10,116	\$116,980	\$4,558	\$298,336
% of Permanent Funding	25.5%	28.2%	2.2%	3.4%	39.2%	1.5%	100.0%
Underwritten Interest Rate	6.22%	1.00%	0.00%	0.00%			
All In Interest Rate	6.22%	1.00%	0.00%	0.00%			
Loan Term	17	17.5	17.5	30			
Amortization	40	0	0	0			
Must Pay or Cash Flow	Must-Pay	Cash Flow	Cash Flow	Cash Flow			
Permanent Debt Service, No Fees	\$443,903	\$72,250	\$0	\$0			\$516,153
Permanent Debt Service, with	\$470,686	\$85,212	\$0	\$4,082			\$559,980
Debt Service Coverage, with Fees	1.31x	1.11x	1.11x	1.10x			
Operating Deficit & Debt Service Reserves	\$471,684						
# of Months covered by the Reserves	5.9						
Market Rate/Market Financing LTV	37%	78%	81%	86%			
Restricted Market Financing LTV	56%	118%	123%	131%			
Loan to Cost - Cumulative	25%	54%	56%	59%			
Loan to Cost - SAIL Only		28%					

**FHDC**

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First Mortgage:

First Housing received an email, dated April 21, 2025, from KeyBank confirming that the FMAC-Forward TEL application from October 29, 2024 remains valid. However, the spread has increased to 1.88%.

The permanent interest rate is based on the 10-year treasury rate of 4.34% (as of April 17, 2025) plus a spread of 1.88% for an interest rate of 6.22%. First Housing is projecting a first mortgage loan amount of \$6,540,000 in order to maintain a minimum 1.10 debt service coverage on all FHFC debt. An increase to this amount will require Florida Housing's approval and a positive recommendation from First Housing.

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 \$10,000 minimum annual fee, 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 \$250, and an hourly fee of \$210 for extraordinary services. The annual Compliance Monitoring Fee is based upon a total fee which is comprised of a base fee of \$193 per month plus an additional fee per set-aside unit of \$11.89 per year, subject to a minimum of \$303 per month.

The remaining terms of the permanent MMRN are the same as presented in the Final CUR.

FHFC SAIL Base Loan, ELI Loan, and NHTF Loan:

The terms of the SAIL Base Loan, ELI Loan, and NHTF Loan are the same as presented in the Final CUR.

For each of the total SAIL Loan and NHTF Loan, fees include an annual multiple program Compliance Monitoring Fee of \$1,082 and an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month.

**FHDC**

Housing Credit Equity:

**Syndication Contributions:**

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$1,509,044	15.00%	Closing
2nd Installment	\$577,006	5.74%	Receipt of Temporary Certificates of Occupancy, Receipt of an Architect's Certificate of Lien-Free Completion, and July 1, 2026.
3rd Installment	\$7,724,241	76.78%	Receipt of Permanent Certificates of Occupancy, Receipt of a Final Cost Certification, Repayment of the Construction Loan, Satisfaction of all Funding Conditions for the Permanent Mortgage, Achievement of 100% Qualified Occupancy, Preliminary Adjusters, April 1, 2027.
4th Installment	\$250,000	2.49%	Achievement of Stabilized Operations, Receipt of IRS Form 8609s, Receipt of a Recorded Extended Use Agreement, Receipt of an acceptable initial tenant file audit, and Final Adjusters.
<b>Total</b>	<b>\$10,060,291</b>	<b>100.00%</b>	

Syndicator Name	Red Stone
Date of LOI	12/3/2024
Total Credits Per Syndication Agreement:	\$11,836,820
Annual Credits Per Syndication Agreement:	\$1,183,682
Calculated HC Exchange Rate:	\$0.85
Limited Partner Ownership Percentage:	99.99%
Proceeds Available During Construction:	\$1,509,044

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$392,024 or 10.40% of the total Developer Fee of \$3,768,255.

FHDC

## Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$14,233,602	\$14,233,602	\$14,233,602	\$165,507	\$332,665
Constr. Contr. Costs subject to GC Fee	\$14,233,602	\$14,233,602	\$14,233,602	\$165,507	\$332,665
General Conditions (6.0%)	\$854,016	\$854,016	\$854,016	\$9,930	\$0
Overhead (2.0%)	\$284,672	\$284,672	\$284,672	\$3,310	\$0
Profit (6.0%)	\$854,016	\$854,016	\$854,016	\$9,930	\$0
General Liability Insurance	\$81,508	\$81,508	\$81,508	\$948	\$0
Payment and Performance Bonds	\$122,084	\$122,084	\$122,084	\$1,420	\$0
Total Construction Contract/Costs	\$16,429,898	\$16,429,898	\$16,429,898	\$191,045	\$332,665
Hard Cost Contingency (5.0%)	\$821,494	\$821,495	\$821,494	\$9,552	\$0
FF&E paid outside Constr. Contr.	\$250,000	\$250,000	\$250,000	\$2,907	\$0
<b>Total Construction Costs:</b>	<b>\$17,501,392</b>	<b>\$17,501,393</b>	<b>\$17,501,392</b>	<b>\$203,505</b>	<b>\$332,665</b>

Please note, the Applicant Costs column is based on First Housing's conclusions in the Final CUR.

### Notes to the Total Construction Costs:

1. There have not been any changes to the Construction Costs from the Final CUR.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$30,000	\$30,000	\$30,000	\$349	\$30,000
Appraisal	\$7,250	\$6,750	\$11,500	\$134	\$0
Architect's Fees	\$429,475	\$429,475	\$429,475	\$4,994	\$0
Builder's Risk Insurance	\$300,000	\$120,000	\$120,000	\$1,395	\$0
Building Permits	\$146,200	\$146,200	\$146,200	\$1,700	\$0
Engineering Fees	\$80,000	\$87,600	\$87,600	\$1,019	\$0
Environmental Report	\$7,000	\$7,000	\$7,000	\$81	\$0
FHFC Administrative Fees	\$67,207	\$66,683	\$65,951	\$767	\$65,951
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$35	\$3,000
FHFC Compliance Fee	\$0	\$0	\$4,900	\$57	\$4,900
FHFC Credit Underwriting Fee	\$33,937	\$33,937	\$43,155	\$502	\$43,155
Green Building Cert. (LEED, FGBC, NAHB)	\$50,000	\$50,000	\$50,000	\$581	\$0
Insurance	\$100,000	\$45,000	\$45,000	\$523	\$45,000
Legal Fees - Organizational Costs	\$400,000	\$285,000	\$285,000	\$3,314	\$150,000
Lender Inspection Fees / Const Admin	\$80,000	\$80,000	\$80,000	\$930	\$0
Market Study	\$4,750	\$4,850	\$4,750	\$55	\$4,750
Marketing and Advertising	\$50,000	\$25,000	\$25,000	\$291	\$25,000
Plan and Cost Review Analysis	\$5,250	\$5,250	\$5,250	\$61	\$0
Soil Test	\$20,000	\$20,000	\$20,000	\$233	\$20,000
Survey	\$20,000	\$20,000	\$20,000	\$233	\$10,000
Title Insurance and Recording Fees	\$120,000	\$103,000	\$103,000	\$1,198	\$60,000
Utility Connection Fees	\$20,000	\$20,000	\$20,000	\$233	\$0
Soft Cost Contingency (4.9%)	\$98,703	\$81,237	\$80,339	\$934	\$0
Other: Tree Mitigation	\$0	\$36,000	\$36,000	\$419	\$36,000
<b>Total General Development Costs:</b>	<b>\$2,072,772</b>	<b>\$1,705,982</b>	<b>\$1,723,120</b>	<b>\$20,036</b>	<b>\$497,756</b>

Please note, the Applicant Costs column is based on First Housing's conclusions in the Final CUR.

### Notes to the General Development Costs:

FHDC

1. General Development Costs are the Applicant's updated estimates, which appear reasonable.
2. The FHFC Administrative Fee is based on 5.5% of the recommended annual 4% Housing Credit allocation.
3. The FHFC Credit Underwriting Fee is based on \$31,927 for the MMRN,SAIL Base/ELI, NHTF, and Housing Credits, a \$2,010 underwriting fee for the Subsidy Layering Review report and \$9,218 for this CUR Update Letter for a total of \$43,155.
4. The FHFC Compliance Fee of \$4,900 is based on \$100 per year for years 51-99 Ad Valorem Compliance Period.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Closing Costs	\$28,000	\$28,000	\$28,000	\$326	\$0
Construction Loan Commitment Fee	\$105,000	\$140,000	\$105,000	\$1,221	\$0
Construction Loan Interest	\$1,019,200	\$953,156	\$1,019,200	\$11,851	\$254,800
Permanent Loan Closing Costs	\$37,000	\$13,000	\$37,000	\$430	\$37,000
Permanent Loan Commitment Fee	\$55,500	\$65,000	\$65,400	\$760	\$65,400
FHFC Note Cost of Issuance	\$245,873	\$200,000	\$245,873	\$2,859	\$245,873
FHFC Note Fiscal Agent Fee	\$9,000	\$0	\$9,000	\$105	\$9,000
SAIL Commitment Fee	\$77,946	\$77,946	\$77,946	\$906	\$77,946
Placement Agent/Underwriter Fee	\$35,000	\$60,000	\$35,000	\$407	\$35,000
Initial TEFRA Fee	\$1,000	\$0	\$1,000	\$12	\$1,000
Other: FHFC MMRN Issuer Fee	\$67,200	\$0	\$67,200	\$781	\$67,200
Other: Freddie Mac Fees	\$16,650	\$0	\$19,620	\$228	\$19,620
<b>Total Financial Costs:</b>	<b>\$1,697,369</b>	<b>\$1,537,102</b>	<b>\$1,710,239</b>	<b>\$19,887</b>	<b>\$812,839</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$21,271,533</b>	<b>\$20,744,477</b>	<b>\$20,934,751</b>	<b>\$243,427</b>	<b>\$1,643,260</b>

Please note, the Applicant Costs column is based on First Housing's conclusions in the Final CUR.

Notes to the Financial Costs:

1. The Permanent Loan Commitment Fee is based on 1% of the permanent loan amount.
2. The remaining costs have not changed from the Final CUR.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>Total Non-Land Acquisition Costs:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Please note, the Applicant Costs column is based on First Housing's conclusions in the Final CUR.

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	\$3,828,875	\$3,734,006	\$3,768,255	\$43,817	\$0
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	<b>\$3,828,875</b>	<b>\$3,734,006</b>	<b>\$3,768,255</b>	<b>\$43,817</b>	<b>\$0</b>

Please note, the Applicant Costs column is based on First Housing's conclusions in the Final CUR.

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LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$459,000	\$482,225	\$482,225	\$5,607	\$482,225
<b>Total Acquisition Costs:</b>	<b>\$459,000</b>	<b>\$482,225</b>	<b>\$482,225</b>	<b>\$5,607</b>	<b>\$482,225</b>

Please note, the Applicant Costs column is based on First Housing's conclusions in the Final CUR.

Notes to Acquisition Costs:

1. First Housing received a Second Amendment to Purchase and Sale Agreement, dated February 18, 2025, and a Third Amendment to Purchase and Sale Agreement, dated March 31, 2025. The purchase price has been increased to \$482,225.40 and closing can be extended as far as July 31, 2025.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserves	\$455,711	\$471,684	\$471,684	\$5,485	\$471,684
<b>Total Reserve Accounts:</b>	<b>\$455,711</b>	<b>\$471,684</b>	<b>\$471,684</b>	<b>\$5,485</b>	<b>\$471,684</b>

Please note, the Applicant Costs column is based on First Housing's conclusions in the Final CUR.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$26,015,119</b>	<b>\$25,432,392</b>	<b>\$25,656,915</b>	<b>\$298,336</b>	<b>\$2,597,169</b>

Please note, the Applicant Costs column is based on First Housing's conclusions in the Final CUR.

Notes to Total Development Costs ("TDC"):

1. The TDC has decreased by a total of \$358,204 from \$26,015,119 to \$25,656,915 or 1.38% since the Final CUR. The change is mainly due to a decrease in general development costs.

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	14.00%	\$1,992,704	\$1,992,704
Hard Cost Contingency	5.00%	5.00%	\$821,495	\$821,494
Soft Cost Contingency	5.00%	4.89%	\$82,139	\$80,339
Developer Fee	18.00%	18.00%	\$3,768,255	\$3,768,255

FHDC

## Operating Pro Forma: Hawthorne Heights

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
<b>INCOME:</b>	Gross Potential Rental Income	\$1,095,168	\$12,735	\$1,117,071	\$1,139,413	\$1,162,201	\$1,185,445	\$1,209,154	\$1,233,337	\$1,258,004	\$1,283,164	\$1,308,827	\$1,335,004	\$1,361,704	\$1,388,938	\$1,416,717	\$1,445,051
	Other Income: (5.89%)																
	Miscellaneous	\$64,500	\$750	\$65,790	\$67,106	\$68,448	\$69,817	\$71,213	\$72,637	\$74,090	\$75,572	\$77,083	\$78,625	\$80,198	\$81,802	\$83,438	\$85,106
	Gross Potential Income	\$1,159,668	\$13,485	\$1,182,861	\$1,206,519	\$1,230,649	\$1,255,262	\$1,280,367	\$1,305,975	\$1,332,094	\$1,358,736	\$1,385,911	\$1,413,629	\$1,441,901	\$1,470,739	\$1,500,154	\$1,530,157
	Less:																
	Physical Vac. Loss Percentage: 3.00%	\$34,790	\$405	\$35,486	\$36,196	\$36,919	\$37,658	\$38,411	\$39,179	\$39,963	\$40,762	\$41,577	\$42,409	\$43,257	\$44,122	\$45,005	\$45,905
	Collection Loss Percentage: 2.00%	\$23,193	\$270	\$23,657	\$24,130	\$24,613	\$25,105	\$25,607	\$26,119	\$26,642	\$27,175	\$27,718	\$28,273	\$28,838	\$29,415	\$30,003	\$30,603
	<b>Total Effective Gross Income</b>	<b>\$1,101,685</b>	<b>\$12,810</b>	<b>\$1,123,718</b>	<b>\$1,146,193</b>	<b>\$1,169,117</b>	<b>\$1,192,499</b>	<b>\$1,216,349</b>	<b>\$1,240,676</b>	<b>\$1,265,489</b>	<b>\$1,290,799</b>	<b>\$1,316,615</b>	<b>\$1,342,947</b>	<b>\$1,369,806</b>	<b>\$1,397,202</b>	<b>\$1,425,147</b>	<b>\$1,453,649</b>
	Annual Escalation Rate (Income): 2.00%																
	Fixed:																
<b>EXPENSES:</b>	Real Estate Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Insurance	\$111,800	\$1,300	\$115,154	\$118,609	\$122,167	\$125,832	\$129,607	\$133,495	\$137,500	\$141,625	\$145,874	\$150,250	\$154,757	\$159,400	\$164,182	\$169,108
	Variable:																
	Management Fee Percentage: 5.00%	\$55,084	\$641	\$56,186	\$57,310	\$58,456	\$59,625	\$60,817	\$62,034	\$63,274	\$64,540	\$65,831	\$67,147	\$68,490	\$69,860	\$71,257	\$72,682
	General and Administrative	\$25,800	\$300	\$26,574	\$27,371	\$28,192	\$29,038	\$29,909	\$30,807	\$31,731	\$32,683	\$33,663	\$34,673	\$35,713	\$36,785	\$37,888	\$39,025
	Payroll Expenses	\$124,700	\$1,450	\$128,441	\$132,294	\$136,263	\$140,351	\$144,561	\$148,898	\$153,365	\$157,966	\$162,705	\$167,586	\$172,614	\$177,792	\$183,126	\$188,620
	Utilities	\$77,400	\$900	\$79,722	\$82,114	\$84,577	\$87,114	\$89,728	\$92,420	\$95,192	\$98,048	\$100,989	\$104,019	\$107,140	\$110,354	\$113,665	\$117,074
	Marketing and Advertising	\$2,580	\$30	\$2,657	\$2,737	\$2,819	\$2,904	\$2,991	\$3,081	\$3,173	\$3,268	\$3,366	\$3,467	\$3,571	\$3,678	\$3,789	\$3,902
	Maintenance and Repairs/Pest Control	\$40,850	\$475	\$42,076	\$43,338	\$44,638	\$45,977	\$47,356	\$48,777	\$50,240	\$51,748	\$53,300	\$54,899	\$56,546	\$58,242	\$59,990	\$61,789
	Grounds Maintenance and Landscaping	\$21,500	\$250	\$22,145	\$22,809	\$23,494	\$24,198	\$24,924	\$25,672	\$26,442	\$27,236	\$28,053	\$28,894	\$29,761	\$30,654	\$31,573	\$32,521
	Reserve for Replacements	\$25,800	\$300	\$26,574	\$27,371	\$28,192	\$29,038	\$29,909	\$30,807	\$31,731	\$32,683	\$33,663	\$34,673	\$35,713	\$36,785	\$37,888	\$39,025
	<b>Total Expenses</b>	<b>\$485,514</b>	<b>\$5,646</b>	<b>\$499,529</b>	<b>\$513,953</b>	<b>\$528,798</b>	<b>\$544,078</b>	<b>\$559,804</b>	<b>\$575,990</b>	<b>\$592,649</b>	<b>\$609,796</b>	<b>\$627,444</b>	<b>\$645,609</b>	<b>\$664,306</b>	<b>\$683,550</b>	<b>\$703,358</b>	<b>\$723,746</b>
	Annual Escalation Rate (Expenses): 3.00%																
	<b>Net Operating Income</b>	<b>\$616,170</b>	<b>\$7,165</b>	<b>\$624,189</b>	<b>\$632,240</b>	<b>\$640,318</b>	<b>\$648,421</b>	<b>\$656,545</b>	<b>\$664,686</b>	<b>\$672,840</b>	<b>\$681,003</b>	<b>\$689,171</b>	<b>\$697,338</b>	<b>\$705,500</b>	<b>\$713,652</b>	<b>\$721,788</b>	<b>\$729,903</b>
<b>Debt Service Payments</b>																	
First Mortgage - FHFC/KeyBank/Freddie Mac		\$443,903	\$5,162	\$443,903	\$443,903	\$443,903	\$443,903	\$443,903	\$443,903	\$443,903	\$443,903	\$443,903	\$443,903	\$443,903	\$443,903	\$443,903	\$443,903
Second Mortgage - FHFC - SAIL		\$72,250	\$840	\$72,250	\$72,250	\$72,250	\$72,250	\$72,250	\$72,250	\$72,250	\$72,250	\$72,250	\$72,250	\$72,250	\$72,250	\$72,250	\$72,250
Third Mortgage - FHFC - NHTF		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
First Mortgage Fees - FHFC/KeyBank/Freddie Mac		\$26,783	\$311	\$26,797	\$26,809	\$26,817	\$26,822	\$26,823	\$26,820	\$26,813	\$26,801	\$26,783	\$26,760	\$26,730	\$26,694	\$26,649	\$26,597
Second Mortgage Fees - FHFC - SAIL		\$12,962	\$151	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962
Third Mortgage Fees - FHFC - NHTF		\$4,082	\$47	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082
<b>Total Debt Service Payments</b>		<b>\$559,980</b>	<b>\$6,511</b>	<b>\$559,995</b>	<b>\$560,006</b>	<b>\$560,014</b>	<b>\$560,019</b>	<b>\$560,021</b>	<b>\$560,018</b>	<b>\$560,010</b>	<b>\$559,998</b>	<b>\$559,981</b>	<b>\$559,957</b>	<b>\$559,928</b>	<b>\$559,891</b>	<b>\$559,847</b>	<b>\$559,795</b>
<b>Cash Flow after Debt Service</b>		<b>\$56,190</b>	<b>\$653</b>	<b>\$64,195</b>	<b>\$72,234</b>	<b>\$80,304</b>	<b>\$88,402</b>	<b>\$96,524</b>	<b>\$104,668</b>	<b>\$112,830</b>	<b>\$121,005</b>	<b>\$129,190</b>	<b>\$137,381</b>	<b>\$145,573</b>	<b>\$153,761</b>	<b>\$161,941</b>	<b>\$170,108</b>
<b>Debt Service Coverage Ratios</b>																	
DSC - First Mortgage plus Fees		1.31x		1.33x	1.34x	1.36x	1.38x	1.39x	1.41x	1.43x	1.45x	1.46x	1.48x	1.50x	1.52x	1.53x	1.55x
DSC - Second Mortgage plus Fees		1.11x		1.12x	1.14x	1.15x	1.17x	1.18x	1.20x	1.21x	1.23x	1.24x	1.25x	1.27x	1.28x	1.30x	1.31x
DSC - All Mortgages and Fees		1.10x		1.11x	1.13x	1.14x	1.16x	1.17x	1.19x	1.20x	1.22x	1.23x	1.25x	1.26x	1.27x	1.29x	1.30x
<b>Financial Ratios</b>																	
Operating Expense Ratio		44.07%		44.45%	44.84%	45.23%	45.63%	46.02%	46.43%	46.83%	47.24%	47.66%	48.07%	48.50%	48.92%	49.35%	49.79%
Break-even Econ Occup Ratio (all debt)		90.40%		89.82%	89.26%	88.72%	88.21%	87.71%	87.24%	86.78%	86.34%	85.93%	85.53%	85.15%	84.80%	84.46%	84.13%
Break-even Econ Occup Ratio (must pay debt)		82.70%															



**FHDC**

Alachua County, Gainesville HMFA

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	3	605	22%			\$428	\$73	\$355		\$355	\$355	\$355	12,780
1	1.0	8	605	40%			\$780	\$73	\$707		\$707	\$707	\$707	67,872
1	1.0	63	605	60%			\$1,170	\$73	\$1,097		\$1,097	\$1,097	\$1,097	829,332
2	1.0	1	816	40%			\$936	\$79	\$857		\$857	\$857	\$857	10,284
2	1.0	11	816	60%			\$1,404	\$79	\$1,325		\$1,325	\$1,325	\$1,325	174,900
		86	54,562											1,095,168

1. The MMRN program does not impose any rent restriction. However, in conjunction with the MMRN the Development will be utilizing Housing Credits, SAIL, ELI, and NHTF which will impose rent restrictions. The rent levels are based on the 2025 maximum LIHTC rents published on FHFC's website for Alachua County less the applicable utility allowance. First Housing based the 2025 maximum 22% AMI rents on the appraisal since those are not published on the FHFC website yet.
2. First Housing has decreased the insurance expense from \$154,800 to \$111,800 which is supported by the Appraisal.
3. The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes. Beginning in 2026, the property must apply to Miami-Dade County Property Appraiser by March 1st of the tax year. Applying for this exemption requires a 99-year Total Compliance Period with annual certifications. If the property fails to provide affordable housing under the agreement before the end of the agreement term, there will be a penalty that is equal to 100% of the total amount financed by Florida Housing multiplied by each year remaining in the agreement. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption, is a condition to close.

**FHDC**

**Appraisal**

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Colliers International Valuation & Advisory Services	
Date of Report	4/21/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	96.5%	
Occupancy at Stabilization: Physical (%)	97.0%	
Value: As Is market value of the land	\$1,025,000	
As of date and type of interest (as if vacant land)	Fee Simple; 4/11/2025	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$17,600,000	
As of date and type of interest (unrestricted rents)	Leased Fee; 4/11/25	
Value: "As Complete and Stabilized", subject to restricted rents	\$11,650,000	
As of date and type of interest (restricted rents)	Leased Fee; 4/11/25	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

**Recommendation**

First Housing's review indicates the increase to 2025 rents, increase in the MMRN permanent first mortgage, change in Ad Valorem Property Tax Exemption, and decrease in the Housing Credit allocation have no substantial adverse impact to the Final CUR. First Housing recommends a MMRN in the amount of \$14,000,000, a total SAIL loan in the amount of \$7,794,600, comprised of a SAIL Base Loan in the amount of \$7,225,000 plus an ELI Loan in the amount of \$569,600, a NHTF Loan in the amount of \$870,000, and an annual 4% HC Allocation of \$1,199,107 for the construction and permanent financing of the Development.

Closing of the transaction is subject to the following conditions:

1. All closing conditions in the Final CUR must be met.
2. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption.
3. All other due diligence required by FHFC, its Legal Counsel and Servicer.

Prepared by:



Taylor Arruda  
Senior Credit Underwriter

Reviewed by:



Ed Busansky  
Senior Vice President

## HC Allocation Calculation

### Qualified Basis Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$25,656,915
Less: Land Cost	(\$482,225)
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$2,114,944)
Less: Disproportionate Standard	\$0
Total Eligible Basis	\$23,059,746
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$29,977,670
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$1,199,107

#### Notes to the Qualified Basis Calculation:

1. Other ineligible costs include: washers/dryers, site work, accounting fees, FHFC Fees, insurance, legal fees, market study, advertising/marketing, title work, soil test, financial costs, and operating reserves.
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 HUD-Designated QCT; therefore, the 130% basis boost 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.

### **GAP Calculation**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$25,656,915
Less: Mortgages	(\$15,204,600)
Less: Grants	\$0
Equity Gap	\$10,452,315
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.850
HC Required to Meet Gap	\$12,298,071
Annual HC Required	\$1,229,807

#### **Notes to the Gap Calculation:**

1. The pricing and syndication percentage was taken from a letter from Red Stone, dated December 3, 2024.

### **Summary**

<b>Section III: Summary</b>	
HC per Qualified Basis	\$1,199,107
HC per Gap Calculation	\$1,229,807
Annual HC Recommended	\$1,199,107

Syndication Proceeds Based on HC Recommended	\$10,191,389
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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.

**FHDC**

Total Depreciable Cost	\$23,059,746
Plus: Land Cost	\$482,225
Aggregate Basis	\$23,541,971
Tax-Exempt Bond Amount	\$14,000,000
Less: Debt Service Reserve	\$0
Less: Proceeds Used for Costs of Issuance	\$0
Plus: Tax-exempt GIC earnings	\$0
Tax-Exempt Proceeds Used for Building and Land	\$14,000,000
Proceeds Divided by Aggregate Basis	59.47%

1. Based on the budget, the Development appears to meet the 50% test for 4% Housing Credits.

**FLORIDA HOUSING FINANCE CORPORATION  
AMENDED AND RESTATED AUTHORIZATION RESOLUTION  
HAWTHORNE HEIGHTS**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AMENDING AND RESTATING RESOLUTION NO. 2025-011; AUTHORIZING THE ISSUANCE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS AND/OR NOTES, 2025 SERIES \_\_\_\_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (HAWTHORNE HEIGHTS) OF THE FLORIDA HOUSING FINANCE CORPORATION (“FLORIDA HOUSING”); PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE MULTIFAMILY MORTGAGE REVENUE BONDS AND/OR NOTES, 2025 SERIES \_\_\_\_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (HAWTHORNE HEIGHTS); 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, FINANCING AGREEMENTS, PROJECT LOAN AGREEMENTS AND/OR BORROWER LOAN AGREEMENTS BETWEEN FLORIDA HOUSING AND THE BORROWER NAMED THEREIN; AUTHORIZING ONE OR MORE LOANS MADE PURSUANT TO ONE OR MORE LOAN AGREEMENTS, FINANCING AGREEMENTS, PROJECT LOAN AGREEMENTS AND/OR BORROWER LOAN AGREEMENTS TO THE BORROWER NAMED THEREIN; AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF ALL DOCUMENTS NECESSARY FOR THE ISSUANCE AND SALE OF THE BONDS AND/OR NOTES, 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/OR NOTES AND THE FINANCING OF HAWTHORNE HEIGHTS 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 Bonds and/or Notes, 2025 Series \_\_\_\_\_ [one or more series or subseries to be designated] (Hawthorne Heights), as tax-exempt or taxable bonds and/or notes (the “Bonds”), for the purpose of making one or more loans to CORE Hawthorne Heights LLLP, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, new construction and equipping of an approximately 86-unit multifamily residential rental development named Hawthorne Heights located in Gainesville, Alachua County, Florida (the “Property”); provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$14,000,000 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 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 prepared by First Housing Development Corporation of Florida (the “Credit Underwriter”), presented to and approved by the Board on January 24, 2025, as amended and supplemented by that certain letter dated May 30, 2025 from the Credit Underwriter, presented to and approved by the Board on this date (collectively, 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, financing agreements, project loan agreements and/or borrower loan agreements, each as described below, by an Authorized Signatory 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) \$14,000,000 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 1.00x (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 “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, after 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, financing agreements, project loan agreements and/or borrower loan 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, financing agreements, project loan agreements and/or borrower 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.

5. If necessary, one or more preliminary official statements (or preliminary limited offering memorandums or memorandums of terms and conditions) and one or more final official statements (or final limited offering memorandums or memorandums of terms and conditions) 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 (or preliminary limited offering memorandum or memorandums of terms and conditions) and final official statement (or final limited offering memorandum or memorandums of terms and conditions), 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, in accordance with the terms and conditions contained in one or more trust indentures and/or funding loan agreements and loan agreements, financing agreements, project loan agreements and/or borrower loan 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), 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, financing agreements, project loan agreements and/or borrower loan 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 Florida Housing, the State or any of its units of local government and shall not be a debt of Florida Housing, the State or of any unit of local government thereof, and neither Florida Housing, 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 Florida Housing, 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 issuance 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 issuance 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 13<sup>th</sup> day of June, 2025.

(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

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Sandra Veszi Einhorn, 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 13th day of June, 2025, 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 June, 2025 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  
AMENDED AND RESTATED SALE RESOLUTION  
HAWTHORNE HEIGHTS**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AMENDING AND RESTATING RESOLUTION NO. 2025-012; AUTHORIZING AND APPROVING THE PRIVATE PLACEMENT OF THE MULTIFAMILY MORTGAGE REVENUE BONDS AND/OR NOTES, 2025 SERIES \_\_\_\_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (HAWTHORNE HEIGHTS) OF THE FLORIDA HOUSING FINANCE CORPORATION (“FLORIDA HOUSING”); AUTHORIZING THE NEGOTIATION AND EXECUTION OF ONE OR MORE BOND PURCHASE AGREEMENTS, BOND PLACEMENT AGREEMENTS, TRUST INDENTURES AND/OR FUNDING LOAN AGREEMENTS AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE PRIVATE PLACEMENT OF THE BONDS AND/OR NOTES; 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 AND/OR OTHER AUTHORIZED SIGNATORY TO TAKE ANY OTHER ACTIONS NECESSARY TO NEGOTIATE THE SALE OF THE BONDS AND/OR NOTES 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 Bonds and/or Notes, 2025 Series \_\_\_\_\_ [one or more series or subseries to be designated] (Hawthorne Heights), as tax-exempt or taxable bonds and/or notes (the “Bonds”), for the purpose of making one or more loans to CORE Hawthorne Heights LLLP, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, new construction and equipping of an approximately 86-unit multifamily residential rental development named Hawthorne Heights located in Gainesville, Alachua County, Florida; provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$14,000,000 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 issuance 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 private placement; and

WHEREAS, based on the foregoing, the Board has made the following findings of fact:

A private placement 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 private placement.

NOW, THEREFORE, BE IT RESOLVED BY FLORIDA HOUSING:

1. A private placement of the Bonds is in the best interest of Florida Housing and the public for the reasons herein described.
2. The private placement of the Bonds is to be negotiated by Florida Housing with or through RBC Capital Markets, LLC (hereinafter referred to as the “Placement Agent”) 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 Bonds and/or Notes,  
2025 Series \_\_\_\_\_ [one or more series or subseries to be designated]  
(Hawthorne Heights).

4. Florida Housing shall negotiate with or through the Placement Agent and shall execute such documents as are necessary to sell the Bonds to the Purchaser pursuant to this Resolution. 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 private placement of the Bonds and to execute a bond purchase agreement, a note placement agreement or funding loan agreement or funding loan agreements, as applicable, 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, a note placement agreement or funding loan agreement or funding loan agreements, as applicable, is predicated upon the bond purchase agreement, a note placement agreement or funding loan agreement or funding loan agreements, as applicable, 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 applicable 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 private placement 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 private placement 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 13<sup>th</sup> day of June, 2025.

(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

---

Sandra Veszi Einhorn, 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 13<sup>th</sup> day of June, 2025, 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 June, 2025 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:  
\_\_\_\_\_



April 25, 2025

Mr. Tim Kennedy  
Multifamily Loans & Bonds Director  
Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000  
Tallahassee, Florida 32301-3291

Re: Reserve at Indian Hill (“Development”) – Tax-Exempt Multifamily Mortgage Revenue Notes (“MMRN” or “Notes”), State Apartment Incentive Loan (“SAIL”) Program, and Extremely Low-Income Loan (“ELI”) RFA 2023-204 (2024-219BS) / 4% Non-Competitive Housing Credits (“HC”) 2023-536C

Credit Underwriting Report Update Letter (“CUR Update Letter”) – Changes to the Final Credit Underwriting Report, dated January 10, 2025 (“Final CUR”)

First Housing Development Corporation of Florida (“FHDC”, “First Housing”, or “Servicer”) received an email, dated March 6, 2025, from a representative of Indian Hill Senior Housing Limited Partnership (“Applicant”), requesting for the credit underwriting report to be updated due to an increase in the MMRN permanent first mortgage amount from \$3,965,000 to \$4,075,000. The amortization and loan terms of the MMRN changed and the loan terms of the SAIL Base Loan and ELI Loan have changed. Further, there is no change in the recommended Annual 4% HC Allocation of \$822,771. First Housing has prepared this CUR Update Letter to outline the changes.

On behalf of Florida Housing Finance Corporation (“FHFC” or “Florida Housing”), First Housing has performed certain due diligence and formulated a recommendation and closing conditions, which are contained at the end of this CUR Update Letter. For the purposes of this analysis, First Housing has reviewed the following:

1. Final CUR.
2. Term Sheet from Lument Real Estate Capital, LLC (“Lument”), dated March 5, 2025.

**FHDC**

**Construction Financing Sources:**

CONSTRUCTION FINANCING INFORMATION								
Lien Position	First	Second	Second	Third				Totals
Source	FHFC - MMRN	FHFC - SAIL	FHFC - SAIL ELI	Seller Financing	FHFC - HC 4%	Def. Dev. Fee	Aff. / Principal	
Lender/Grantor	FHFC/Huntington	FHFC	FHFC	National Church Residences of Indian Hill, Inc.	Walker & Dunlop Affordable Equity	National Church Residences	National Church Residences of Indian Hill, Inc.	
Construction Amount	\$10,490,000	\$1,599,814	\$440,300	\$5,115,000	\$1,088,153	\$75,192	\$403,806	\$19,212,265
All In Interest Rate	6.55%	1.00%	0.00%	7.00%				
Debt Service During Construction	\$57,226	\$1,333	\$0	\$29,838				\$88,396
Bond Structure (if applicable)	Private Placement							

First Mortgage:

The MMRN terms for the construction period have not changed from the Final CUR. As of March 13, 2025, the Floating One Month Term SOFR is 4.32%. Based on this index rate, the Note Interest Rate would be 6.30%. First Housing has included a 0.25% underwriting cushion for an overall interest rate of 6.55%.

FHFC SAIL Base Loan:

First Housing does not anticipate that the full SAIL Base Loan will be needed in order to balance the sources and uses during the construction period.



**FHDC**

**Permanent Financing Sources:**

PERMANENT FINANCING INFORMATION								
Lien Position	First	Second	Second	Third				Totals
Source	FHFC - MMRN	FHFC - SAIL	FHFC - SAIL ELI	Seller Financing	FHFC - HC 4%	Def. Dev. Fee	Aff. / Principal	
Lender/Grantor	FHFC/Lument/ Freddie Mac	FHFC	FHFC	National Church Residences of Indian Hill, Inc.	Walker & Dunlop Affordable Equity	National Church Residences	National Church Residences of Indian Hill, Inc.	
Permanent Amount	\$4,075,000	\$1,848,612	\$440,300	\$5,115,000	\$7,254,355	\$75,192	\$403,806	\$19,212,265
Permanent Funding Per Unit	\$58,214	\$26,409	\$6,290	\$73,071	\$103,634	\$1,074	\$5,769	\$274,461
% of Permanent Funding	21.2%	9.6%	2.3%	26.6%	37.8%	0.4%	2.1%	100.0%
Underwritten Interest Rate	6.20%	1.00%	0.00%	7.00%				
All In Interest Rate	6.20%	1.00%	0.00%	7.00%				
Loan Term	17	17.5	17.5	40				
Amortization	40	0	0	0				
Must Pay or Cash Flow	Must-Pay	Cash Flow	Cash Flow	Cash Flow				
Permanent Debt Service, No Fees	\$275,903	\$18,486	\$0	\$358,050				\$652,439
Permanent Debt Service, with Fees	\$297,039	\$25,290	\$0	\$358,050				\$680,379
Debt Service Coverage, with Fees	1.19x	1.10x	1.10x	0.52x				
Operating Deficit & Debt Service Reserves	\$284,000							
# of Months covered by the Reserves	4.0							
Market Rate/Market Financing LTV	59%	86%	92%	166%				
Restricted Market Financing LTV	60%	87%	94%	169%				
Loan to Cost - Cumulative	21%	31%	33%	60%				
Loan to Cost - SAIL Only	N/A	10%	N/A	N/A				

**FHDC**

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**First Mortgage:**

First Housing has received a term sheet, dated March 5, 2025, which indicates that Lument will provide a Funding Loan pursuant to the Freddie Mac Forward Tax-Exempt Loan Program. The loan amount is estimated at \$4,229,000, not to exceed the lesser of 75% loan-to-value ratio, or the loan amount able to support a 1.15 debt service coverage. The term is 17 years with a 40-year amortization period. The interest rate will be locked at closing of the construction loan. The indicative rate as of March 5, 2025, was 6.20%. First Housing has included a mortgage of \$4,075,000 in order to maintain a 1.10 DSC on the SAIL. If the permanent first mortgage is increased above \$4,075,000, it will be subject to a positive recommendation from the Credit Underwriter and FHFC's approval.

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 \$10,000 minimum annual fee, 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 \$250, and an hourly fee of \$210 for extraordinary services. The annual Compliance Monitoring Fee is based upon a total fee which is comprised of a base fee of \$193 per month plus an additional fee per set-aside unit of \$11.89 per year, subject to a minimum of \$303 per month.

The permanent Note will mature 17 years following the termination of the construction phase and conversion to the permanent phase. At maturity, the Applicant may satisfy the Note via refinancing or sale of the Development pending market feasibility. In the event the Applicant is unable to refinance or sell the Development, then an event of default would not be triggered under the loan documents. Instead, a "Mortgage Assignment Event" would occur whereby Lument agrees to cancel the Note 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 Note and discharge the lien of the Funding Loan Agreement. The Fiscal Agent would assign the mortgage loan and any other related documents and collateral to Lument, effectively ending the tax-exempt financing provided by FHFC. Under this scenario, the Note 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, Lument 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 Note would have been cancelled and would no longer be outstanding).

**FHDC**

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FHFC SAIL Base Loan and ELI Loan:

The SAIL Base Loan and ELI Loan term changed from a total term of 19 years, of which 2.5 years is for the construction/stabilization period and 16.5 years is for the permanent period to a total term of 20 years, of which 2.5 years is for the construction/stabilization period and 17.5 years is for the permanent period. As required by Freddie Mac and permitted by Rule 67-48 and the RFA, the SAIL Base Loan and ELI Loan will be coterminous with the first mortgage plus six months (total term of 20 years).

For the total SAIL Loan fees include an annual multiple program Compliance Monitoring Fee of \$1,082 and an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month.

The remaining terms of the SAIL Base Loan and ELI Loan are the same as presented in the Final CUR.

Seller Financing:

There have been no changes to the Seller Financing.

GP Capital Contribution:

There have been no changes to the GP Capital Contribution.

Housing Credit Equity:

There have been no changes to the Housing Credit Equity since the Final CUR.

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$75,192 or 3.48% of the total Developer Fee of \$2,162,983.

FHDC

# Operating Pro Forma: Reserve at Indian Hill

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
INCOME:	Gross Potential Rental Income	\$963,612	\$13,766	\$982,884	\$1,002,542	\$1,022,593	\$1,043,045	\$1,063,906	\$1,085,184	\$1,106,887	\$1,129,025	\$1,151,606	\$1,174,638	\$1,198,130	\$1,222,093	\$1,246,535	\$1,271,466
	Other Income: (0.17%)																
	Miscellaneous	\$1,680	\$24	\$1,714	\$1,748	\$1,783	\$1,818	\$1,855	\$1,892	\$1,930	\$1,968	\$2,008	\$2,048	\$2,089	\$2,131	\$2,173	\$2,217
	Gross Potential Income	\$965,292	\$13,790	\$984,598	\$1,004,290	\$1,024,376	\$1,044,863	\$1,065,760	\$1,087,076	\$1,108,817	\$1,130,993	\$1,153,613	\$1,176,686	\$1,200,219	\$1,224,224	\$1,248,708	\$1,273,682
	Less:																
	Physical Vac. Loss Percentage: 4.00%	\$38,612	\$552	\$39,384	\$40,172	\$40,975	\$41,795	\$42,630	\$43,483	\$44,353	\$45,240	\$46,145	\$47,067	\$48,009	\$48,969	\$49,948	\$50,947
	Collection Loss Percentage: 2.55%	\$24,615	\$352	\$25,107	\$25,609	\$26,122	\$26,644	\$27,177	\$27,720	\$28,275	\$28,840	\$29,417	\$30,005	\$30,606	\$31,218	\$31,842	\$32,479
	<b>Total Effective Gross Income</b>	<b>\$902,065</b>	<b>\$12,887</b>	<b>\$920,107</b>	<b>\$938,509</b>	<b>\$957,279</b>	<b>\$976,425</b>	<b>\$995,953</b>	<b>\$1,015,872</b>	<b>\$1,036,190</b>	<b>\$1,056,913</b>	<b>\$1,078,052</b>	<b>\$1,099,613</b>	<b>\$1,121,605</b>	<b>\$1,144,037</b>	<b>\$1,166,918</b>	<b>\$1,190,256</b>
	Annual Escalation Rate (Income): 2.00%																
	Fixed:																
EXPENSES:	Real Estate Taxes	\$2,093	\$30	\$2,156	\$2,220	\$2,287	\$2,356	\$2,426	\$2,499	\$2,574	\$2,651	\$2,731	\$2,813	\$2,897	\$2,984	\$3,074	\$3,166
	Insurance	\$84,000	\$1,200	\$86,520	\$89,116	\$91,789	\$94,543	\$97,379	\$100,300	\$103,309	\$106,409	\$109,601	\$112,889	\$116,276	\$119,764	\$123,357	\$127,058
	Variable:																
	Management Fee Percentage: 5.00%	\$45,103	\$644	\$46,005	\$46,925	\$47,864	\$48,821	\$49,798	\$50,794	\$51,809	\$52,846	\$53,903	\$54,981	\$56,080	\$57,202	\$58,346	\$59,513
	General and Administrative	\$45,500	\$650	\$46,865	\$48,271	\$49,719	\$51,211	\$52,747	\$54,329	\$55,959	\$57,638	\$59,367	\$61,148	\$62,983	\$64,872	\$66,818	\$68,823
	Payroll Expenses	\$210,000	\$3,000	\$216,300	\$222,789	\$229,473	\$236,357	\$243,448	\$250,751	\$258,274	\$266,022	\$274,002	\$282,222	\$290,689	\$299,410	\$308,392	\$317,644
	Utilities	\$52,500	\$750	\$54,075	\$55,697	\$57,368	\$59,089	\$60,862	\$62,688	\$64,568	\$66,505	\$68,501	\$70,556	\$72,672	\$74,852	\$77,098	\$79,411
	Marketing and Advertising	\$1,750	\$25	\$1,803	\$1,857	\$1,912	\$1,970	\$2,029	\$2,090	\$2,152	\$2,217	\$2,283	\$2,352	\$2,422	\$2,495	\$2,570	\$2,647
	Maintenance and Repairs/Pest Control	\$28,000	\$400	\$28,840	\$29,705	\$30,596	\$31,514	\$32,460	\$33,433	\$34,436	\$35,470	\$36,534	\$37,630	\$38,759	\$39,921	\$41,119	\$42,353
	Grounds Maintenance and Landscaping	\$24,500	\$350	\$25,235	\$25,992	\$26,772	\$27,575	\$28,402	\$29,254	\$30,132	\$31,036	\$31,967	\$32,926	\$33,914	\$34,931	\$35,979	\$37,058
	Contract Services	\$24,500	\$350	\$25,235	\$25,992	\$26,772	\$27,575	\$28,402	\$29,254	\$30,132	\$31,036	\$31,967	\$32,926	\$33,914	\$34,931	\$35,979	\$37,058
	Security	\$5,250	\$75	\$5,408	\$5,570	\$5,737	\$5,909	\$6,086	\$6,269	\$6,457	\$6,651	\$6,850	\$7,056	\$7,267	\$7,485	\$7,710	\$7,941
	Reserve for Replacements	\$24,290	\$347	\$25,019	\$25,769	\$26,542	\$27,339	\$28,159	\$29,004	\$29,874	\$30,770	\$31,693	\$32,644	\$33,623	\$34,632	\$35,671	\$36,741
	<b>Total Expenses</b>	<b>\$547,486</b>	<b>\$7,821</b>	<b>\$563,460</b>	<b>\$579,904</b>	<b>\$596,831</b>	<b>\$614,258</b>	<b>\$632,197</b>	<b>\$650,665</b>	<b>\$669,677</b>	<b>\$689,249</b>	<b>\$709,398</b>	<b>\$730,141</b>	<b>\$751,496</b>	<b>\$773,480</b>	<b>\$796,112</b>	<b>\$819,412</b>
	Annual Escalation Rate (Expenses): 3.00%																
<b>Net Operating Income</b>		<b>\$354,579</b>	<b>\$5,065</b>	<b>\$356,647</b>	<b>\$358,605</b>	<b>\$360,448</b>	<b>\$362,167</b>	<b>\$363,756</b>	<b>\$365,207</b>	<b>\$366,512</b>	<b>\$367,664</b>	<b>\$368,653</b>	<b>\$369,471</b>	<b>\$370,109</b>	<b>\$370,557</b>	<b>\$370,805</b>	<b>\$370,844</b>
<b>Debt Service Payments</b>																	
First Mortgage - FHFC/Lument/Freddie Mac		\$275,903	\$3,941	\$275,903	\$275,903	\$275,903	\$275,903	\$275,903	\$275,903	\$275,903	\$275,903	\$275,903	\$275,903	\$275,903	\$275,903	\$275,903	\$275,903
Second Mortgage - FHFC - SAIL		\$18,486	\$264	\$18,486	\$18,486	\$18,486	\$18,486	\$18,486	\$18,486	\$18,486	\$18,486	\$18,486	\$18,486	\$18,486	\$18,486	\$18,486	\$18,486
Third Mortgage - National Church Residences of Indian Hill, Inc.		\$358,050	\$5,115	\$358,050	\$358,050	\$358,050	\$358,050	\$358,050	\$358,050	\$358,050	\$358,050	\$358,050	\$358,050	\$358,050	\$358,050	\$358,050	\$358,050
First Mortgage Fees - FHFC/Lument/Freddie Mac		\$21,136	\$302	\$21,245	\$21,357	\$21,473	\$21,592	\$21,715	\$21,842	\$21,972	\$22,106	\$22,244	\$22,386	\$22,533	\$22,684	\$22,840	\$23,000
Second Mortgage Fees - FHFC - SAIL		\$6,804	\$97	\$6,804	\$6,804	\$6,804	\$6,804	\$6,804	\$6,804	\$6,804	\$6,804	\$6,804	\$6,804	\$6,804	\$6,804	\$6,804	\$6,804
Third Mortgage Fees - National Church Residences of Indian Hill, Inc.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Debt Service Payments</b>		<b>\$680,379</b>	<b>\$9,720</b>	<b>\$680,488</b>	<b>\$680,601</b>	<b>\$680,717</b>	<b>\$680,836</b>	<b>\$680,959</b>	<b>\$681,085</b>	<b>\$681,215</b>	<b>\$681,349</b>	<b>\$681,488</b>	<b>\$681,630</b>	<b>\$681,776</b>	<b>\$681,927</b>	<b>\$682,083</b>	<b>\$682,243</b>
Cash Flow after Debt Service		(\$325,800)	(\$4,654)	(\$323,842)	(\$321,996)	(\$320,269)	(\$318,669)	(\$317,203)	(\$315,878)	(\$314,703)	(\$313,685)	(\$312,834)	(\$312,159)	(\$311,667)	(\$311,370)	(\$311,277)	(\$311,399)
<b>Debt Service Coverage Ratios</b>																	
DSC - First Mortgage plus Fees		1.19x		1.20x	1.21x	1.21x	1.22x	1.22x	1.23x	1.23x	1.23x	1.24x	1.24x	1.24x	1.24x	1.24x	1.24x
DSC - Second Mortgage plus Fees		1.10x		1.11x	1.11x	1.12x	1.12x	1.13x	1.13x	1.13x	1.14x	1.14x	1.14x	1.14x	1.14x	1.14x	1.14x
DSC - Third Mortgage plus Fee		0.52x		0.52x	0.53x	0.53x	0.53x	0.53x	0.54x	0.54x	0.54x	0.54x	0.54x	0.54x	0.54x	0.54x	0.54x
<b>Financial Ratios</b>																	
Operating Expense Ratio		60.69%		61.24%	61.79%	62.35%	62.91%	63.48%	64.05%	64.63%	65.21%	65.80%	66.40%	67.00%	67.61%	68.22%	68.84%
Break-even Econ Occup Ratio (all debt)		127.53%		126.67%	125.84%	125.04%	124.28%	123.54%	122.84%	122.16%	121.51%	120.90%	120.31%	119.75%	119.21%	118.71%	118.23%
Break-even Econ Occup Ratio (must pay debt)		87.82%															

FHDC

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	7	535	40%			\$724	\$56	\$668	\$1,146	\$1,146	\$1,146	\$1,146	96,264
1	1.0	62	535	60%			\$1,086	\$56	\$1,030	\$1,146	\$1,146	\$1,146	\$1,146	852,624
2	1.0	1	789	60%			\$1,303	\$76	\$1,227		\$0	\$0	\$1,227	14,724
		70	37,704											963,612

**FHDC**

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**Recommendation**

First Housing's review indicates the increase in the MMRN permanent first mortgage, and change in the MMRN amortization and loan terms and SAIL Base Loan and ELI Loan terms have no substantial adverse impact to the Final CUR. First Housing recommends a MMRN in the amount of \$10,490,000, a total SAIL loan in the amount of \$2,288,912, comprised of a SAIL Base Loan in the amount of \$1,848,612 plus an ELI Loan in the amount of \$440,300, and an annual 4% HC Allocation of \$822,771 for the construction and permanent financing of the Development.

Closing of the transaction is subject to the following conditions:

1. All closing conditions in the Final CUR must be met.
2. All other due diligence required by FHFC, its Legal Counsel and Servicer.

Prepared by:



Taylor Arruda  
Senior Credit Underwriter

Reviewed by:



Ed Busansky  
Senior Vice President

## HC Allocation Calculation

### Qualified Basis Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$19,212,265
Less: Land Cost	(\$1,050,000)
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$1,232,821)
Less: Disproportionate Standard	\$0
Acquisition Eligible Basis	\$4,796,700
Rehabilitation Eligible Basis	\$12,132,744
Total Eligible Basis	\$16,929,444
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Acquisition HC Percentage	4.00%
Rehabilitation HC Percentage	4.00%
Annual HC on Acquisition	\$191,868
Annual HC on Rehabilitation	\$630,903
Annual Housing Credit Allocation (for Acq/Rehab)	\$822,771

#### Notes to the Qualified Basis Calculation:

1. Other ineligible costs include: accounting fees, FHFC Fees, legal fees, market study, title work, financial costs, and operating reserves.
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 HUD-Designated QCT; therefore, the 130% basis boost 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.

**FHDC**

**GAP Calculation**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$19,212,265
Less: Mortgages	(\$11,882,718)
Less: Grants	\$0
Equity Gap	\$7,329,547
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.8425840
HC Required to Meet Gap	\$8,699,762
Annual HC Required	\$869,976

Notes to the Gap Calculation:

1. The pricing and syndication percentage was taken from letter from Walker & Dunlop Affordable Equity, dated October 21, 2024.

**Summary**

<b>Section III: Summary</b>	
HC per Qualified Basis	\$822,771
HC per Gap Calculation	\$869,976
Annual HC Recommended	\$822,771

Syndication Proceeds Based on HC Recommended	\$6,931,841
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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.



**FHDC**

<b>Section III: Tax-Exempt Bond 50% Test</b>	
Total Depreciable Cost	\$16,929,444
Plus: Land Cost	\$1,050,000
Aggregate Basis	\$17,979,444
Tax-Exempt Bond Amount	<b>\$10,490,000</b>
Less: Debt Service Reserve	\$0
Less: Proceeds Used for Costs of Issuance	<b>\$0</b>
Plus: Tax-exempt GIC earnings	<b>\$0</b>
Tax-Exempt Proceeds Used for Building and Land	\$10,490,000
Proceeds Divided by Aggregate Basis	58.34%

1. Based on the budget, the Development appears to meet the 50% test for 4% Housing Credits.

**FLORIDA HOUSING FINANCE CORPORATION  
AMENDED AND RESTATED AUTHORIZATION RESOLUTION  
RESERVE AT INDIAN HILL**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AMENDING AND RESTATING RESOLUTION NO. 2025-009; AUTHORIZING THE ISSUANCE OF THE MULTIFAMILY MORTGAGE REVENUE BONDS AND/OR NOTES, 2025 SERIES \_\_\_\_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (RESERVE AT INDIAN HILL) OF THE FLORIDA HOUSING FINANCE CORPORATION (“FLORIDA HOUSING”); PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE MULTIFAMILY MORTGAGE REVENUE BONDS AND/OR NOTES, 2025 SERIES \_\_\_\_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (RESERVE AT INDIAN HILL); 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, FINANCING AGREEMENTS, PROJECT LOAN AGREEMENTS AND/OR BORROWER LOAN AGREEMENTS BETWEEN FLORIDA HOUSING AND THE BORROWER NAMED THEREIN; AUTHORIZING ONE OR MORE LOANS MADE PURSUANT TO ONE OR MORE LOAN AGREEMENTS, FINANCING AGREEMENTS, PROJECT LOAN AGREEMENTS AND/OR BORROWER LOAN AGREEMENTS TO THE BORROWER NAMED THEREIN; AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF ALL DOCUMENTS NECESSARY FOR THE ISSUANCE AND SALE OF THE BONDS AND/OR NOTES, 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/OR NOTES AND THE FINANCING OF RESERVE AT INDIAN HILL 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 Bonds and/or Notes, 2025 Series \_\_\_\_\_ [one or more series or subseries to be designated] (Reserve at Indian Hill), as tax-exempt or taxable bonds and/or notes (the “Bonds”), for the purpose of making one or more loans to Indian Hill Senior Housing Limited Partnership, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, rehabilitation and equipping of an approximately 70-unit multifamily residential rental development named Reserve at Indian Hill located in Orlando, Orange County, Florida (the “Property”); provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$10,490,000 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 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 prepared by First Housing Development Corporation of Florida (the “Credit Underwriter”), presented to and approved by the Board on January 24, 2025, as amended and supplemented by that certain letter dated April 25, 2025 from the Credit Underwriter, presented to and approved by the Board on this date (collectively, 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, financing agreements, project loan agreements and/or borrower loan agreements, each as described below, by an Authorized Signatory 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) \$10,490,000 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 1.00x (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 “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, after 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, financing agreements, project loan agreements and/or borrower loan 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, financing agreements, project loan agreements and/or borrower 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.

5. If necessary, one or more preliminary official statements (or preliminary limited offering memorandums or memorandums of terms and conditions) and one or more final official statements (or final limited offering memorandums or memorandums of terms and conditions) 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 (or preliminary limited offering memorandum or memorandums of terms and conditions) and final official statement (or final limited offering memorandum or memorandums of terms and conditions), 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, in accordance with the terms and conditions contained in one or more trust indentures and/or funding loan agreements and loan agreements, financing agreements, project loan agreements and/or borrower loan 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), 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, financing agreements, project loan agreements and/or borrower loan 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 Florida Housing, the State or any of its units of local government and shall not be a debt of Florida Housing, the State or of any unit of local government thereof, and neither Florida Housing, 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 Florida Housing, 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 issuance 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 issuance 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 13<sup>th</sup> day of June, 2025.

(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

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Melissa Levy, Assistant Secretary, Florida  
Housing Finance Corporation's Board of  
Directors

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Sandra Veszi Einhorn, 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 13th day of June, 2025, 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 June, 2025 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  
AMENDED AND RESTATED SALE RESOLUTION  
RESERVE AT INDIAN HILL**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AMENDING AND RESTATING RESOLUTION NO. 2025-010; AUTHORIZING AND APPROVING THE PRIVATE PLACEMENT OF THE MULTIFAMILY MORTGAGE REVENUE BONDS AND/OR NOTES, 2025 SERIES \_\_\_\_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (RESERVE AT INDIAN HILL) OF THE FLORIDA HOUSING FINANCE CORPORATION (“FLORIDA HOUSING”); AUTHORIZING THE NEGOTIATION AND EXECUTION OF ONE OR MORE BOND PURCHASE AGREEMENTS, BOND PLACEMENT AGREEMENTS, TRUST INDENTURES AND/OR FUNDING LOAN AGREEMENTS AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE PRIVATE PLACEMENT OF THE BONDS AND/OR NOTES; 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 AND/OR OTHER AUTHORIZED SIGNATORY TO TAKE ANY OTHER ACTIONS NECESSARY TO NEGOTIATE THE SALE OF THE BONDS AND/OR NOTES 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 Bonds and/or Notes, 2025 Series \_\_\_\_\_ [one or more series or subseries to be designated] (Reserve at Indian Hill), as tax-exempt or taxable bonds and/or notes (the “Bonds”), for the purpose of making one or more loans to Indian Hill Senior Housing Limited Partnership, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, rehabilitation and equipping of an approximately 70-unit multifamily residential rental development named Reserve at Indian Hill located in Orlando, Orange County, Florida; provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$10,490,000 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 issuance 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 private placement; and

WHEREAS, based on the foregoing, the Board has made the following findings of fact:

A private placement 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 private placement.

NOW, THEREFORE, BE IT RESOLVED BY FLORIDA HOUSING:

1. A private placement of the Bonds is in the best interest of Florida Housing and the public for the reasons herein described.
2. The private placement of the Bonds is to be negotiated by Florida Housing with or through RBC Capital Markets, LLC (hereinafter referred to as the “Placement Agent”) 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 Bonds and/or Notes,  
2025 Series \_\_\_\_\_ [one or more series or subseries to be designated]  
(Reserve at Indian Hill).

4. Florida Housing shall negotiate with or through the Placement Agent and shall execute such documents as are necessary to sell the Bonds to the Purchaser pursuant to this Resolution. 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 private placement of the Bonds and to execute a bond purchase agreement, a note placement agreement or funding loan agreement or funding loan agreements, as applicable, 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, a note placement agreement or funding loan agreement or funding loan agreements, as applicable, is predicated upon the bond purchase agreement, a note placement agreement or funding loan agreement or funding loan agreements, as applicable, 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 applicable 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 private placement 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 private placement 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 13<sup>th</sup> day of June, 2025.

(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

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Melissa Levy, Assistant Secretary, Florida  
Housing Finance Corporation's Board of  
Directors

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Sandra Veszi Einhorn, 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 13<sup>th</sup> day of June, 2025, 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 June, 2025 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:  
\_\_\_\_\_



**Seltzer Management Group, Inc.**  
*Dedicated to the Affordable Housing Industry*

www.SeltzerManagement.com  
17633 Ashley Drive, Building A  
Panama City Beach, FL 32413  
Tel: (850) 233-3616  
Fax: (850) 233-1429

May 30, 2025

Mr. Tim Kennedy  
Multifamily Loans & Bonds Director  
Florida Housing Finance Corporation  
227 North Bronough Street, Suite 5000  
Tallahassee, Florida 32301

Re: Catchlight Crossings – MMRN and SAIL RFA 2024-216 (2025-157BS / 4% HC 2021-562C)  
Credit Underwriting Report Update Letter (“CUL 2”) – Changes to the Final Credit Underwriting Report dated November 26, 2024, (“Final CUR”) and Credit Underwriting Report Update Letter (“CUL”) dated March 17, 2025

Dear Mr. Kennedy:

Seltzer Management Group, Inc. (“SMG” or “Seltzer”) is in receipt of correspondence dated April 30, 2025, from a representative of WHFT Affordable II, Ltd., (“Borrower” or “Applicant”) requesting Florida Housing Finance Corporation’s (“FHFC” or “Florida Housing”) consent to an increase of the proposed first mortgage permanent period Multifamily Mortgage Revenue Note (“MMRN” or “Note”) for Catchlight Crossings (“Development”). Also, FHFC has been requested to consent to an increase in the loan term of the first mortgage permanent period MMRN and the SAIL loan and the Recommended Annual 4% Housing Credit (“HC”) Allocation. The transaction has not yet closed.

Per Request For Applications 2024-216 (“RFA”), after accepting a preliminary commitment, the Borrower shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the Live Local SAIL mortgage without prior approval of Florida Housing’s Board of Directors. At your direction, SMG has reviewed the requests and formulated a recommendation, presented below.

The Final CUR contemplated a first mortgage construction period Note from JPMorgan Chase Bank (“Chase Bank”) in the amount of \$70,000,000, that at conversion to the permanent period, would be reduced to a loan amount of \$32,740,400. The CUL contemplated the \$70,000,000 in construction MMRN would be split between two purchasers, Chase Bank and Wells Fargo Bank, National Association (“Wells Fargo”). The Borrower has requested that the first mortgage permanent period Note be increased by \$4,259,600 from \$32,740,400 to \$37,000,000.

Seltzer reviewed the requests, performed certain due diligence and formulated an analysis for FHFC’s consideration. For purposes of this analysis, Seltzer reviewed the following due diligence:

- RFA 2024-216
- Request for MMRN Increase from Borrower, dated April 30, 2025
- Final CUR and CUL
- Correspondence from the Borrower and Florida Housing
- Email confirmation from Chase Bank dated May 12, 2025, regarding the updated terms of the First Mortgage financing

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- Email confirmation from Wells Fargo Community Lending and Investment (“WFCLI”) dated May 8, 2025, and May 13, 2025, regarding the updated HC Equity terms
- Updated Sources and Uses of Funds / Pro Forma provided by the Borrower
- An updated Appraisal dated May 19, 2025, completed by BBG, Inc. (“BBG”)
- Final Rule Waiver

### **Total Development Costs**

Total Development Costs have increased since the CUL from \$128,496,860 to \$136,833,055, an increase of \$8,336,195. The change in Total Development Costs is primarily due to increases in general development costs associated with legal fees and title and recording fees, as well as increases in financing costs, and Developer Fee.

### **Sources of Funds**

The revised sources are reflected below:

CONSTRUCTION FINANCING INFORMATION									
Lien Position	First	First	Second	Third	Fourth				Totals
Source	FHFC - MMRN	FHFC - MMRN	FHFC - SAIL	Reg. Mtg Lender	Reg. Mtg Lender	Op. Deficit Res.	FHFC - HC 4%	Def. Dev. Fee	
Lender/Grantor	Chase Bank	Wells Fargo	FHFC SAIL	FCLF Capital Magnet Funds	Orange County AHTF	Wells Fargo	Wells Fargo	Developer	
Construction Amount	\$37,000,000	\$33,000,000	\$25,000,000	\$1,000,000	\$7,000,000	\$1,060,000	\$11,863,591	\$19,954,120	\$136,833,055
All In Interest Rate	7.07%	6.57%	1.00%	1.00%	0.50%				
Debt Service During Construction	\$5,250,000	\$4,176,114	\$481,250	\$19,250	\$67,375				\$9,993,989
Bond Structure (if applicable)	Private Placement	Private Placement							

PERMANENT FINANCING INFORMATION								
Lien Position	First	Second	Third	Fourth				Totals
Source	FHFC - MMRN	FHFC - SAIL	Reg. Mtg Lender	Reg. Mtg Lender	FHFC - HC 4%	Def. Dev. Fee		
Lender/Grantor	FHFC / Chase Bank / Fannie Mae	FHFC SAIL	FCLF Capital Magnet Funds	Orange County AHTF	Wells Fargo	Developer		
Permanent Amount	\$37,000,000	\$25,000,000	\$1,000,000	\$7,000,000	\$59,317,955	\$7,515,100		\$136,833,055
Permanent Funding Per Unit	\$123,333	\$83,333	\$3,333	\$23,333	\$197,727	\$25,050		\$456,110
% of Permanent Funding	27.0%	18.3%	0.7%	5.1%	43.4%	5.5%		100.0%
Underwritten Interest Rate	5.67%	1.00%	1.00%	0.50%				
Loan Term	17.0	17.5	17.5	30.0				
Amortization	40	N/A	35	30				
Must Pay or Cash Flow Dependent	Must-Pay	Cash Flow	Must-Pay	Cash Flow				
Permanent Debt Service, No Fees	\$2,341,293	\$250,000	\$10,000	\$35,000				\$2,636,293
Permanent Debt Service, with Fees	\$2,448,986	\$262,962	\$10,000	\$35,000				\$2,756,948
Debt Service Coverage, with Fees	1.17x	1.06x	1.06x	1.04x				
Operating Deficit & Debt Service Reserves	\$1,060,000							
# of Months covered by the Reserves	6.8							
Market Rate/Market Financing LTV	45.6%	76.4%	77.6%	86.2%				
Restricted Market Financing LTV	78.9%	132.2%	134.3%	149.3%				
Loan to Cost - Cumulative	27.0%	45.3%	46.0%	51.2%				
Loan to Cost - SAIL Only		18.3%						

### ***Changes to the sources from Final CUR and CUL:***

1. The total FHFC MMRN first mortgage amount to be funded is \$70,000,000 during construction. As previously noted, the CUR reflected a maximum FHFC MMRN first mortgage permanent loan

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amount of \$32,740,400 at conversion. The maximum FHFC MMRN first mortgage permanent loan amount being requested has increased by \$4,259,600 to \$37,000,000.

- a. For the Chase Bank construction period financing, the One-Month Adjusted Term Secured Overnight Financing Rate ("SOFR") remained the same at 4.42%, resulting in an estimated interest rate of 7.07%.
  - b. For the Wells Fargo construction period financing, the 30-day SOFR decreased from 4.35% in the CUL to 4.32% as of May 21, 2025. The estimated interest rate has decreased from 6.60% to 6.57%.
  - c. For the Chase Bank permanent period financing, the 10-year SOFR Swap rate has increased from 3.79% in the Final CUR to 4.02% as of May 21, 2025. The estimated interest rate has increased from 5.44% to 5.67%.
  - d. For the permanent period financing, the term has increased from 15 years to 17 years.
  - e. Fees include an annual Issuer Fee of 24 bps of the outstanding loan balance, subject to an annual minimum of \$10,000, annual Fiscal Agent Fee of \$4,500, annual Permanent Loan Servicing Fee of 2.3 bps of the outstanding loan balance, subject to a minimum of \$250 per month, and a Compliance Monitoring Fee based on \$193 per month plus an additional fee per set-aside unit of \$11.89, subject to a monthly minimum of \$303.
2. The total term of the Live Local SAIL has increased from 18.5 years, including a 36-month construction/stabilization period and a 15.5-year permanent period, as reflected in the CUR to 20.5 years, including a 36-month construction/stabilization period and a 17.5-year permanent period. As required by Fannie Mae and permitted by Rule 67-48, the Live Local SAIL loan term will be co-terminus with the first mortgage plus six months (total term of 20.5 years). Live Local SAIL interest is required to be paid before any subordinate financing.

Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan balance up to a maximum of \$990 per month, subject to a minimum of \$250 per month, and an annual Compliance Monitoring Multiple Program Fee of \$1,082.

3. Based on the FCLF Capital Magnet Funds Promissory Note dated October 25, 2023, the loan will have a term of 15 years from closing with an option to extend for up to an additional five (5) years. The note has an initial five (5) year interest only period followed by principal and interest payments for the remaining term over a 35-year amortization period. Seltzer has updated the permanent financing chart above to reflect this loan being must-pay instead of cash flow dependent.

As this funding source has already closed, the term of 15 years would cause this financing to mature prior to the maturity of the superior first mortgage and Live Local SAIL. In order to ensure that this financing does not mature earlier than the first mortgage permanent loan and Live Local SAIL, confirmation that the option to extend the term for an additional 5.5 years is a condition to close.

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**Housing Credit Equity Investment**

The following equity installments are based on email correspondence with WFCLC dated May 8, 2025, and May 13, 2025:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$11,863,591	20.00%	At Closing
2nd Installment	\$17,795,386	30.00%	Later of (a) COs for 100% of the units, (b) lien free construction completion, (c) 50% test
3rd Installment	\$29,658,978	50.00%	Later of (a) permanent loan closing/conversion, (b) 1.15x DSC for 90 consecutive days, (c) 100% qualified occupancy, (d) cost certification, (e) receipt of 8609s
Total	\$59,317,955	100.00%	

Syndicator Name	Wells Fargo Community Lending and Investment
Date of LOI	6/1/2023, revised 5/13/2025
Total Credits Per Syndication Agreement:	\$65,915,430
Annual Credits Per Syndication Agreement:	\$6,591,543
Calculated HC Exchange Rate:	\$0.90
Limited Partner Ownership Percentage:	99.99%
Proceeds Available During Construction:	\$11,863,591
Annual Credits - Qualified in CUR:	\$6,546,219

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**Use of Funds**

Please note that the Applicant Costs column is based on Seltzer's conclusions in the Final CUR throughout the charts.

<b>CONSTRUCTION COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accessory Buildings	\$8,953,776		\$8,953,776	\$29,846	
Demolition				\$0	
New Commercial/Retail/Office Space				\$0	
New Rental Units	\$58,505,969	\$83,630,805	\$58,505,969	\$195,020	\$419,310
Off-Site Work				\$0	
Recreational Amenities				\$0	
Site Work	\$9,423,277	\$7,658,063	\$12,639,390	\$42,131	\$1,895,909
Swimming Pool				\$0	
Hard Cost Contingency - in Constr. Cont.	\$366,685		\$516,685	\$1,722	
Constr. Contr. Costs subject to GC Fee	\$77,249,707	\$91,288,868	\$80,615,820	\$268,719	\$2,315,219
General Conditions (8.1%)	\$6,039,883		\$6,503,691	\$21,679	
Overhead (0.0%)				\$0	
Profit (4.2%)	\$3,354,737		\$3,354,737	\$11,182	
Builder's Risk Insurance				\$0	
General Liability Insurance	\$30,185		\$30,237	\$101	
Payment and Performance Bonds	\$700,926		\$739,120	\$2,464	
Contract Costs not subject to GC Fee				\$0	
Total Construction Contract/Costs	\$87,375,437	\$91,288,868	\$91,243,604	\$304,145	\$2,315,219
Hard Cost Contingency (4.4%)	\$3,983,753	\$4,564,443	\$4,019,661	\$13,399	
PnP Bond paid outside Constr. Contr.				\$0	
Fees for LOC used as Constr. Surety				\$0	
Demolition paid outside Constr. Contr.				\$0	
FF&E paid outside Constr. Contr.	\$885,000	\$906,760	\$906,760	\$3,023	
Other:				\$0	
<b>Total Construction Costs:</b>	<b>\$92,244,190</b>	<b>\$96,760,071</b>	<b>\$96,170,025</b>	<b>\$320,567</b>	<b>\$2,315,219</b>

*Notes to Construction Costs:*

- The total construction costs stated in the Final CUR were as follows:
  - WelBro Building Corporation – Site Work: \$19,283,380  
The Applicant has allocated 30% of the site work contract to the Catchlight Crossings budget based on the portion of units associated with this phase (300 units out of 1,000 units or 30%).
  - WelBro Building Corporation – Hardscape and Site Finishes: \$13,926,078
  - LandSouth Construction LLC - Vertical: \$67,664,344.27
  - Total: \$87,375,437.27
- There have been increases in the WelBro Building Corporation Site Work contract associated with change orders for additional grading and fill as well as site utilities. These change orders total approximately \$12,893,892. This increases the total site work contract from \$19,283,380 as reflected in the Final CUR to \$32,177,272. The change orders have been provided to the PCA provider for their review of the costs. Receipt and satisfactory review of the PCA noting the reasonableness of the costs is a condition to close.

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The total construction costs, based on the change orders to the site work contract, are as follows:

- a. WelBro Building Corporation – Site Work: \$32,177,272

The Applicant has allocated 30% of the site work contract to the Catchlight Crossings budget based on the portion of units associated with this phase (300 units out of 1,000 units or 30%).

- b. WelBro Building Corporation – Hardscape and Site Finishes: \$13,926,078

- c. LandSouth Construction LLC - Vertical: \$67,664,344.27

- d. Total: \$91,243,604.27

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$20,737	\$23,596	\$23,596	\$79	\$11,798
Appraisal	\$20,250	\$20,250	\$20,250	\$68	
Architect's Fees	\$1,435,694	\$1,463,644	\$1,463,644	\$4,879	
Builder's Risk Insurance	\$1,473,746	\$1,473,746	\$1,473,746	\$4,912	
Building Permits	\$126,178	\$176,178	\$176,178	\$587	
Capital Needs Assessment/Rehab				\$0	
Engineering Fees	\$788,508	\$835,602	\$835,602	\$2,785	
Environmental Report	\$15,297	\$22,048	\$22,048	\$73	
Federal Labor Standards Monitoring				\$0	
FHFC Administrative Fees	\$556,101	\$606,000	\$589,160	\$1,964	\$589,160
FHFC Application Fee	\$9,000	\$12,000	\$9,000	\$30	\$9,000
FHFC SAIL Compliance Fee	\$4,900	\$4,900	\$4,900	\$16	\$4,900
FHFC Credit Underwriting Fee	\$49,868	\$49,868	\$49,868	\$166	\$49,868
FHFC Other Processing Fee(s)				\$0	\$0
Green Building Cert. (LEED, FGBC, NAHB)	\$105,000	\$77,441	\$77,441	\$258	
Impact Fee				\$0	
Insurance	\$685,384	\$685,387	\$685,387	\$2,285	
Legal Fees - Organizational Costs	\$865,972	\$1,504,339	\$1,504,339	\$5,014	\$752,170
Lender Inspection Fees / Const Admin	\$103,600	\$155,521	\$155,521	\$518	
Market Study	\$15,750	\$15,750	\$15,750	\$53	\$15,750
Marketing and Advertising	\$555,084	\$670,937	\$670,937	\$2,236	\$670,937
Plan and Cost Review Analysis	\$5,000		\$5,000	\$17	
Property Taxes				\$0	
Soil Test	\$19,871	\$19,871	\$19,871	\$66	
Survey	\$55,209	\$62,639	\$62,639	\$209	\$15,660
Tenant Relocation Costs				\$0	
Title Insurance and Recording Fees	\$362,500	\$405,809	\$405,809	\$1,353	\$101,452
Utility Connection Fees	\$1,088,930	\$1,088,930	\$1,088,930	\$3,630	
Soft Cost Contingency (4.9%)	\$250,000	\$500,000	\$500,000	\$1,667	
Other:				\$0	
<b>Total General Development Costs:</b>	<b>\$8,612,579</b>	<b>\$9,874,456</b>	<b>\$9,859,616</b>	<b>\$32,865</b>	<b>\$2,220,695</b>

*Notes to General Development Costs:*

1. FHFC Administrative Fees have increased due to increases in the total development budget.
2. FHFC Credit Underwriting Fees have increased due to the additional underwriting fee for this CUL2.
3. Other costs that have increased include building permit fees, engineering fees, legal fees, marketing and advertising, survey and title and recording fees.



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<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Application Fee				\$0	
Construction Loan Closing Costs	\$200,000	\$200,000	\$200,000	\$667	
Construction Loan Commitment Fee	\$650,000	\$700,000	\$700,000	\$2,333	
Construction Loan Interest	\$4,057,621	\$5,250,000	\$5,250,000	\$17,500	\$2,541,034
Construction Loan Servicing Fees				\$0	
Construction Loan Underwriting Fee				\$0	
Permanent Loan Application Fee				\$0	\$0
Permanent Loan Closing Costs	\$100,000	\$100,000	\$100,000	\$333	\$100,000
Permanent Loan Commitment Fee	\$327,404	\$365,000	\$370,000	\$1,233	\$370,000
Permanent Loan Interest				\$0	\$0
Permanent Loan Servicing Fee				\$0	\$0
Permanent Loan Subsidy Layering Rev.				\$0	\$0
Permanent Loan Underwriting Fee				\$0	\$0
FHFC Note Cost of Issuance	\$579,396	\$878,893	\$602,973	\$2,010	\$602,973
FHFC Note Credit Enhancement Fee				\$0	\$0
FHFC Note Interest				\$0	\$0
FHFC Note Servicing Fee				\$0	\$0
FHFC Note Short-Term Redemption Fee				\$0	\$0
FHFC Note Fiscal Agent Fee	\$13,500		\$13,500	\$45	\$13,500
SAIL Closing Costs				\$0	\$0
SAIL Commitment Fee	\$250,000	\$250,000	\$250,000	\$833	\$250,000
SAIL Interest				\$0	\$0
SAIL Servicing Fee				\$0	\$0
Misc Loan Application Fee				\$0	
Misc Loan Closing Costs	\$75,000	\$75,000	\$75,000	\$250	
Misc Loan Interest				\$0	
Misc Loan Servicing Fee				\$0	
Misc Loan Subsidy Layering Review				\$0	
Misc Loan Underwriting Fee				\$0	
Legal Fees - Financing Costs				\$0	
Negative Arbitrage				\$0	
Forward Rate Lock Fee				\$0	
Placement Agent/Underwriter Fee	\$35,000		\$35,000	\$117	\$35,000
Initial TEFRA Fee	\$2,000		\$2,000	\$7	\$2,000
FHA MIP (Prepayment)				\$0	
FHA Exam Fee				\$0	
Other: Syndicator Fees	\$100,000	\$100,000	\$100,000	\$333	\$100,000
Other: FHFC Issuer Fee	\$504,000		\$504,000	\$1,680	\$504,000
Other: Predev Loan Fees & Closing Costs	\$141,353	\$141,353	\$141,353	\$471	\$141,353
Other: Predev Loan Interest	\$500,404	\$668,427	\$688,427	\$2,295	\$688,427
<b>Total Financial Costs:</b>	<b>\$7,535,678</b>	<b>\$8,728,673</b>	<b>\$9,032,253</b>	<b>\$30,108</b>	<b>\$5,348,287</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$108,392,446</b>	<b>\$115,363,200</b>	<b>\$115,061,894</b>	<b>\$383,540</b>	<b>\$9,884,200</b>

*Notes to Financial Costs:*

1. Construction Loan Interest has increased based on the Borrower's estimate of capitalized interest.
2. Permanent Loan Commitment Fee has increased based on the increase in the permanent first mortgage from \$32,740,400 to \$37,000,000.

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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	\$18,447,373	\$20,901,639	\$19,954,120	\$66,514	
DF to Consultant Fees				\$0	
DF to fund Operating Debt Reserve				\$0	
DF to Brokerage Fees - Land				\$0	
DF to Excess Land Costs				\$0	
DF to Excess Bldg Acquisition Costs				\$0	
DF to Guaranty Fees				\$0	
Other: Developer Overhead	\$707,021	\$757,021	\$757,021	\$2,523	
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	<b>\$19,154,394</b>	<b>\$21,658,660</b>	<b>\$20,711,141</b>	<b>\$69,037</b>	<b>\$0</b>

*Notes to Other Development Costs:*

- Developer Fee has been limited to 18% of the Development's construction costs, exclusive of land acquisition costs and reserves, as required per the RFA and Rules.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Land				\$0	\$0
Land Acquisition Cost				\$0	\$0
Land				\$0	\$0
Land Lease Payment	\$20	\$20	\$20	\$0	\$20
Land Carrying Costs				\$0	\$0
Other:				\$0	\$0
<b>Total Acquisition Costs:</b>	<b>\$20</b>	<b>\$20</b>	<b>\$20</b>	<b>\$0</b>	<b>\$20</b>

*Notes to Land Acquisition Costs: None*

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Debt Service Coverage Reserves				\$0	\$0
Operating Deficit Reserves	\$950,000	\$1,060,000	\$1,060,000	\$3,533	\$1,060,000
Reserves - Real Estate Taxes/Insurance				\$0	\$0
Reserves - Start-Up/Lease-up Expenses				\$0	\$0
Reserves - Working Capital				\$0	\$0
Other:				\$0	\$0
<b>Total Reserve Accounts:</b>	<b>\$950,000</b>	<b>\$1,060,000</b>	<b>\$1,060,000</b>	<b>\$3,533</b>	<b>\$1,060,000</b>

*Notes to Reserve Accounts:*

- Operating Deficit Reserve ("ODR") is in the amount required by the Syndicator, WFCL, as confirmed in their email dated May 13, 2025.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$128,496,860</b>	<b>\$138,081,880</b>	<b>\$136,833,055</b>	<b>\$456,110</b>	<b>\$10,944,220</b>

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	12.31%	\$11,213,879	\$9,858,427
Hard Cost Contingency	5.00%	4.41%	\$4,562,180	\$4,019,661
Soft Cost Contingency	5.00%	4.87%	\$513,319	\$500,000
Developer Fee	18.00%	18.00%	\$20,711,141	\$20,711,141

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## 15-Year Operating Pro Forma

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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		\$4,733,088	\$15,777	\$4,827,750	\$4,924,305	\$5,022,791	\$5,123,247	\$5,225,712	\$5,330,226	\$5,436,830	\$5,545,567	\$5,656,478	\$5,769,608	\$5,885,000	\$6,002,700	\$6,122,754	\$6,245,209
	Rent Subsidy (ODR)																	
	Other Income: (5.73%)																	
	Miscellaneous		\$271,200	\$904	\$276,624	\$282,156	\$287,800	\$293,556	\$299,427	\$305,415	\$311,524	\$317,754	\$324,109	\$330,591	\$337,203	\$343,947	\$350,826	\$357,843
	Gross Potential Income		\$5,004,288	\$16,681	\$5,104,374	\$5,206,461	\$5,310,590	\$5,416,802	\$5,525,138	\$5,635,641	\$5,748,354	\$5,863,321	\$5,980,587	\$6,100,199	\$6,222,203	\$6,346,647	\$6,473,580	\$6,603,052
	Less:																	
	Physical Vac. Loss Percentage: 4.00%		\$200,172	\$667	\$204,175	\$208,258	\$212,424	\$216,672	\$221,006	\$225,426	\$229,934	\$234,533	\$239,223	\$244,008	\$248,888	\$253,866	\$258,943	\$264,122
	Collection Loss Percentage: 1.00%		\$50,043	\$167	\$51,044	\$52,065	\$53,106	\$54,168	\$55,251	\$56,356	\$57,484	\$58,633	\$59,806	\$61,002	\$62,222	\$63,466	\$64,736	\$66,031
	Total Effective Gross Income		\$4,754,074	\$15,847	\$4,849,155	\$4,946,138	\$5,045,061	\$5,145,962	\$5,248,881	\$5,353,859	\$5,460,936	\$5,570,155	\$5,681,558	\$5,795,189	\$5,911,093	\$6,029,315	\$6,149,901	\$6,272,899
	Annual Escalation Rate (Income): 2.00%																	
EXPENSES:	Fixed:																	
	Insurance		\$360,000	\$1,200	\$370,800	\$381,924	\$393,382	\$405,183	\$417,339	\$429,859	\$442,755	\$456,037	\$469,718	\$483,810	\$498,324	\$513,274	\$528,672	\$544,532
	Variable:																	
	Management Fee Percentage: 5.00%		\$237,704	\$792	\$242,458	\$247,307	\$252,253	\$257,298	\$262,444	\$267,693	\$273,047	\$278,508	\$284,078	\$289,759	\$295,555	\$301,466	\$307,495	\$313,645
	General and Administrative		\$75,000	\$250	\$77,250	\$79,568	\$81,955	\$84,413	\$86,946	\$89,554	\$92,241	\$95,008	\$97,858	\$100,794	\$103,818	\$106,932	\$110,140	\$113,444
	Payroll Expenses		\$450,000	\$1,500	\$463,500	\$477,405	\$491,727	\$506,479	\$521,673	\$537,324	\$553,443	\$570,047	\$587,148	\$604,762	\$622,905	\$641,592	\$660,840	\$680,665
	Utilities		\$287,000	\$957	\$295,610	\$304,478	\$313,613	\$323,021	\$332,712	\$342,693	\$352,974	\$363,563	\$374,470	\$385,704	\$397,275	\$409,193	\$421,469	\$434,113
	Marketing and Advertising		\$15,000	\$50	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572	\$20,159	\$20,764	\$21,386	\$22,028	\$22,689
	Maintenance and Repairs/Pest Control		\$247,500	\$825	\$254,925	\$262,573	\$270,450	\$278,563	\$286,920	\$295,528	\$304,394	\$313,526	\$322,931	\$332,619	\$342,598	\$352,876	\$363,462	\$374,366
	Grounds Maintenance and Landscaping		\$90,000	\$300	\$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
	Resident Programs		\$30,000	\$100	\$30,900	\$31,827	\$32,782	\$33,765	\$34,778	\$35,822	\$36,896	\$38,003	\$39,143	\$40,317	\$41,527	\$42,773	\$44,056	\$45,378
	Reserve for Replacements		\$90,000	\$300	\$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
	Total Expenses		\$1,882,204	\$6,274	\$1,936,293	\$1,991,957	\$2,049,243	\$2,108,197	\$2,168,870	\$2,231,312	\$2,295,574	\$2,361,711	\$2,429,777	\$2,499,830	\$2,571,927	\$2,646,130	\$2,722,499	\$2,801,099
	Annual Escalation Rate (Expenses): 3.00%																	
	Net Operating Income		\$2,871,870	\$9,573	\$2,912,862	\$2,954,181	\$2,995,818	\$3,037,765	\$3,080,011	\$3,122,547	\$3,165,362	\$3,208,444	\$3,251,781	\$3,295,359	\$3,339,166	\$3,383,185	\$3,427,402	\$3,471,800
Debt Service Payments																		
First Mortgage - FHFC / Chase Bank / Fannie Mae		\$2,341,293	\$7,804	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	\$2,341,293	
Second Mortgage - FHFC SAIL		\$250,000	\$833	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	
Third Mortgage - FCLF Capital Magnet Funds		\$10,000	\$33	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	
Fourth Mortgage - Orange County AHTF		\$35,000	\$117	\$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	
First Mortgage Fees - FHFC / Chase Bank / Fannie Mae		\$107,693	\$359	\$107,035	\$106,339	\$105,602	\$104,822	\$103,997	\$103,124	\$102,200	\$101,223	\$100,188	\$99,093	\$97,935	\$96,709	\$95,412	\$94,039	
Second Mortgage Fees - FHFC SAIL		\$12,962	\$43	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	
Third Mortgage Fees - FCLF Capital Magnet Funds																		
Fourth Mortgage Fees - Orange County AHTF																		
Total Debt Service Payments		\$2,756,948	\$9,190	\$2,756,290	\$2,755,594	\$2,754,857	\$2,754,078	\$2,753,253	\$2,752,379	\$2,751,456	\$2,750,478	\$2,749,443	\$2,748,349	\$2,747,190	\$2,745,965	\$2,744,667	\$2,743,295	
Cash Flow after Debt Service		\$114,921	\$383	\$156,572	\$198,587	\$240,961	\$283,687	\$326,759	\$370,168	\$413,906	\$457,966	\$502,337	\$547,011	\$591,975	\$637,221	\$682,735	\$728,506	
Debt Service Coverage Ratios																		
DSC - First Mortgage plus Fees		1.17x		1.19x	1.21x	1.22x	1.24x	1.26x	1.28x	1.30x	1.31x	1.33x	1.35x	1.37x	1.39x	1.41x	1.43x	
DSC - Second Mortgage plus Fees		1.06x		1.07x	1.09x	1.11x	1.12x	1.14x	1.15x	1.17x	1.19x	1.20x	1.22x	1.24x	1.25x	1.27x	1.29x	
DSC - Third Mortgage plus Fees		1.06x		1.07x	1.09x	1.11x	1.12x	1.13x	1.15x	1.17x	1.18x	1.20x	1.21x	1.23x	1.25x	1.26x	1.28x	
DSC - Fourth Mortgage plus Fee		1.04x		1.06x	1.07x	1.09x	1.10x	1.12x	1.13x	1.15x	1.17x	1.18x	1.20x	1.22x	1.23x	1.25x	1.27x	
Financial Ratios																		
Operating Expense Ratio		39.59%		39.93%	40.27%	40.62%	40.97%	41.32%	41.68%	42.04%	42.40%	42.77%	43.14%	43.51%	43.89%	44.27%	44.65%	
Break-even Econ Occup Ratio (all debt)		92.95%		92.18%	91.44%	90.71%	90.01%	89.34%	88.68%	88.05%	87.44%	86.85%	86.28%	85.74%	85.21%	84.70%	84.22%	
Break-even Econ Occup Ratio (must pay debt)		87.00%																

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*Notes to the Operating Pro Forma and Ratios:*

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

MSA/County: Orlando – Kissimmee – Sanford MSA / Orange 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	14	686	30%			\$592	\$61	\$531		\$531	\$531	\$531	\$89,208
1	1.0	9	686	50%			\$988	\$61	\$927		\$927	\$927	\$927	\$100,116
1	1.0	44	686	60%			\$1,185	\$61	\$1,124		\$1,124	\$1,124	\$1,124	\$593,472
1	1.0	26	686	80%			\$1,581	\$61	\$1,520		\$1,520	\$1,520	\$1,520	\$474,240
2	2.0	24	1,030	30%			\$711	\$82	\$629		\$629	\$629	\$629	\$181,152
2	2.0	15	1,030	50%			\$1,186	\$82	\$1,104		\$1,104	\$1,104	\$1,104	\$198,720
2	2.0	67	1,030	60%			\$1,423	\$82	\$1,341		\$1,341	\$1,341	\$1,341	\$1,078,164
2	2.0	42	1,030	80%			\$1,898	\$82	\$1,816		\$1,816	\$1,816	\$1,816	\$915,264
3	3.0	8	1,214	30%			\$822	\$96	\$726		\$726	\$726	\$726	\$69,696
3	3.0	6	1,214	50%			\$1,370	\$96	\$1,274		\$1,274	\$1,274	\$1,274	\$91,728
3	3.0	29	1,214	60%			\$1,644	\$96	\$1,548		\$1,548	\$1,548	\$1,548	\$538,704
3	3.0	16	1,214	80%			\$2,193	\$96	\$2,097		\$2,097	\$2,097	\$2,097	\$402,624
		300	287,864											\$4,733,088

Seltzer is in receipt of an updated appraisal from BBG dated May 19, 2025, with an effective date of May 15, 2025. Catchlight Crossings is projected to achieve 2025 Maximum Allowable HC Rents published by Florida Housing on all units based on the appraiser's estimate of achievable rents per comparable properties surveyed.

1. The First Mortgage plus Fees Debt Service Coverage ("DSC") ratio of 1.20 to 1.00 is based upon an interest rate that will be fixed prior to closing and based upon the 10-year SOFR Swap plus a spread of 1.65%. As of May 9, 2025, the 10-year SOFR Swap rate was 3.85%, resulting in an all-in interest rate of 5.50%.
2. In the Final CUR, the DSC for the first and second mortgage loans was calculated to be 1.05 to 1.00. Based on an increase in gross potential rental income and an increase in the underlying interest rate index, the DSC for the first mortgage and SAIL loan has improved and is now estimated at 1.08 to 1.00.
  - a. The DSC ratio for the permanent First Mortgage and SAIL Loan reflect a ratio that is lower than 1.10 to 1.00. According to Rule 67-48.0072(11), the minimum DSC shall be 1.10 to 1.00 for the SAIL, including all superior mortgages. However, the Rule indicates if the Applicant defers at least 35 percent of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation and when the primary expected source of repayment has been identified as projected cash flow, the minimum DSC shall be 1.00 for the SAIL, including all superior mortgages. The Applicant will be required to defer at least 35 percent of its Developer Fee as the permanent first mortgage and SAIL DSC is 1.06. The Applicant is currently deferring 37.66% of Developer Fee during the permanent period.

To ensure that the second mortgage SAIL meets or exceeds the minimum DSC of 1.00 to 1.00, based on the projections/estimates and loan amounts in this report, the interest rate of the permanent period first mortgage loan may not exceed 6.19%. Following the rate lock of the permanent period first mortgage loan, the Servicer will review and confirm if the Development is still able to support the proposed first mortgage loan amount of \$37,000,000, or if a reduction of the loan amount is necessary. The Servicer's DSC confirmation is a condition to close.

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**HC Allocation Calculation**

<b>Section I: Qualified Basis Calculation</b>	
Development Cost	\$136,833,055
Less: Land Cost	(\$20)
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$10,944,200)
Less: Disproportionate Standard	\$0
Total Eligible Basis	\$125,888,836
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$163,655,487
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$6,546,219

*Notes to the Qualified Basis Calculation:*

1. "Other ineligible costs" primarily include but are not limited to a portion of new rental units, site work, accounting fees, legal fees, permanent loan origination fees, FHFC loan commitment fees, FHFC administrative, application, and underwriting fees, market study and reserves.
2. The Borrower committed to a set aside of 100%; therefore, the Applicable Fraction is 100%.
3. The Development is located in a HUD-designated Small Area DDA ("SADDA"). Therefore, the 130% basis credit has been applied to the Eligible Basis.
4. Per the FY 2021 Omnibus Consolidated Appropriations Act passed by Congress as of December 21, 2020, a permanent 4% minimum HC rate was established. For purposes of this report, a HC percentage of 4.00% has therefore been applied.

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$136,833,055
Less: Mortgages	(\$70,000,000)
Less: Grants	\$0
Equity Gap	\$66,833,055
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.90
HC Required to Meet Gap	\$74,266,377
Annual HC Required	\$7,426,638

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*Notes to the GAP Calculation:*

1. Mortgages include the Chase Bank first mortgage, FHFC Live Local SAIL second mortgage, FCLF Capital Magnet Funds third mortgage and Orange County AHTF fourth mortgage.
2. HC Syndication Pricing and Percentage to Investment Partnership are based upon email correspondence dated May 13, 2025, from WFCL.

Section III: Tax-Exempt Note 50% Test	
Total Depreciable Cost	\$125,888,836
Plus: Land Cost	\$20
Aggregate Basis	\$125,888,856
Tax-Exempt Note Amount	\$70,000,000
Less: Debt Service Reserve	\$0
Less: Proceeds Used for Costs of Issuance	\$0
Plus: Tax-exempt GIC earnings	\$0
Tax-Exempt Proceeds Used for Building and Land	\$70,000,000
Proceeds Divided by Aggregate Basis	55.60%

*Notes to 50% Test:*

1. Seltzer estimates the Tax-Exempt MMRN amount to be 55.60% of Depreciable Development Costs plus Land Acquisition Costs.

Section III: Summary	
HC per Qualified Basis	\$6,546,219
HC per Gap Calculation	\$7,426,638
Annual HC Recommended	\$6,546,219

*Notes to the Summary:*

1. The Annual HC Recommended is based on the Qualified Basis calculation.

**Conclusion**

SMG's review indicates that the increase in the FHFC MMRN / Chase Bank first mortgage permanent loan to a maximum amount of \$37,000,000, the increase in the loan term of the first mortgage permanent period MMRN and the Live Local SAIL and the Recommended Annual 4% Housing Credit Allocation will not adversely impact the transaction and/or Florida Housing's security position. Accordingly, SMG recommends FHFC approve the requests and changes, subject to the following:

- Review and approval of all loan documents consistent with the terms outlined above by Florida Housing, its Legal Counsel and Servicer.

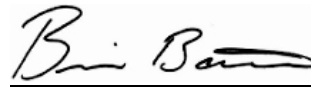
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- Receipt and satisfactory review of the updated PCA including a review of the change orders associated with the Welbro Building Corporation contract.
- Confirmation that the option to extend the term of the FCLF loan will be exercised by an additional six months.
- All closing conditions, as stated in the Final CUR and CUL, must be satisfied.
- All other due diligence required by FHFC, its Legal Counsel and Servicer.

Should you have any questions please feel free to contact me directly.

Sincerely,

SELTZER MANAGEMENT GROUP, INC.

A handwritten signature in black ink, appearing to read "Brian Barth", is written over a horizontal line.

Brian Barth  
Senior Credit Underwriter

**FLORIDA HOUSING FINANCE CORPORATION  
SECOND AMENDED AND RESTATED AUTHORIZATION RESOLUTION  
CATCHLIGHT CROSSINGS**

**RESOLUTION NO. 2025-\_\_\_\_**

**A RESOLUTION AMENDING AND RESTATING THE AMENDED AND RESTATED AUTHORIZATION RESOLUTION NO. 2025-035; AUTHORIZING THE ISSUANCE, EXECUTION, AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE NOTE, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (CATCHLIGHT CROSSINGS) OF THE FLORIDA HOUSING FINANCE CORPORATION; PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF MULTIFAMILY MORTGAGE REVENUE NOTE, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (CATCHLIGHT CROSSINGS); APPROVING THE PREPARATION, EXECUTION, AND DELIVERY OF ONE OR MORE FUNDING LOAN AGREEMENTS AND/OR TRUST INDENTURES BETWEEN THE FLORIDA HOUSING FINANCE CORPORATION AND A CORPORATE FISCAL AGENT AND/OR TRUSTEE NAMED THEREIN, AND ONE OR MORE LOAN AGREEMENTS AND/OR FINANCING AGREEMENTS BETWEEN THE FLORIDA HOUSING FINANCE CORPORATION 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, SALE, EXECUTION, AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE NOTE, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (CATCHLIGHT CROSSINGS); AUTHORIZING ALL ACTIONS NECESSARY FOR FINAL APPROVAL OF THE ISSUANCE, EXECUTION, AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE NOTE, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (CATCHLIGHT CROSSINGS), THE FINANCING OF CATCHLIGHT CROSSINGS, 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 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, execution, and delivery of its Multifamily Mortgage Revenue Note, 2025 Series \_\_ [one or more series or subseries to be designated] (Catchlight Crossings) (the "Note"), as a tax-exempt or taxable note, for the purpose of making one or more loans to WHFT Affordable II, Ltd., together with its predecessors, successors, assigns, affiliates, and/or related entities (the "Borrower"), to finance the acquisition, construction, and equipping of an approximately 300-unit multifamily residential rental development for persons of low, moderate, and middle income named Catchlight Crossings located in Orlando, Orange County, Florida (the "Property"); provided that the maximum aggregate principal amount of the Note shall not exceed (a) \$70,000,000, or (b) such greater maximum aggregate principal amount of the Note which, at the time of issuance, execution, and delivery, does not exceed a maximum aggregate principal amount which 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 1.00x (subject to receipt of 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, 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 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 herein) and to issue, execute, and deliver the Note 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, presented to and approved by the Board on December 13, 2024, as amended and supplemented by that certain letter from the Credit Underwriter approved by the Board on March 28, 2025, and as further amended and supplement by that certain update letter from the Credit Underwriter presented to and approved by the Board on this date (collectively the "Credit Underwriting Report"), with such changes, modifications, and deviations as an Authorized Signatory (as defined herein), in consultation with staff of Florida Housing, Bond Counsel, and/or Special Counsel may approve. Conclusive evidence of the approval of such changes, modifications, and deviations shall be evidenced by the approval and acceptance of the written confirmation, delivered prior to the

issuance of the Note, from the Florida Housing Credit Underwriter with respect to the Property that the conditions set forth in, and the requirements of, the Credit Underwriting Report have been satisfied (the "Credit Underwriter Confirmation") and the execution of one or more funding loan agreements and/or trust indentures and one or more loan agreements and/or financing agreements, each as described below, by an Authorized Signatory.

2. Florida Housing hereby authorizes the issuance, execution, and delivery of the Note 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 of not to exceed (a) \$70,000,000, or (b) such greater maximum aggregate principal amount of the Note which, at the time of issuance, execution, and delivery, does not exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Note, 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 Note and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended. Subject to the immediately preceding sentence, the maximum aggregate principal amount of the Note shall be determined by an Authorized Signatory after receipt of the Credit Underwriter Confirmation for the Property. Conclusive evidence of the determination and approval of any such increase in maximum aggregate principal amount of the Note shall be evidenced by a certificate of an Authorized Signatory.

3. One or more funding loan agreements and/or trust indentures between Florida Housing and a corporate fiscal agent and/or trustee named therein (the "Trustee"), setting out the terms and conditions of the Note is hereby authorized to be prepared and delivered, in such

forms as may be approved by any member of the Board, the Executive Director or Interim or Acting 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 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), and the execution of such funding loan agreements and/or trust indentures 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. 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 Note by Florida Housing to the Borrower (collectively, the "Loans"), and the payment and other obligations of the Borrower in respect of the Loans, including one or more promissory notes made by the Borrower to Florida Housing evidencing the Loans (collectively, the "Promissory Notes"), is 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, is hereby authorized, and the execution thereof by such persons shall be conclusive evidence of such approval.

5. If necessary, a private placement memorandum, memorandum of terms and conditions, or transaction summary is hereby authorized to be prepared and distributed in

connection with the Note in such form as shall be approved by an Authorized Signatory, and the execution of a final private placement memorandum, final memorandum of terms and conditions, or transaction summary, if necessary, by an Authorized Signatory shall be conclusive evidence of such approval.

6. The Note 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 Note shall be sold by negotiated sale and private placement, an Authorized Signatory is authorized to acknowledge and execute a note purchase agreement, note placement agreement, and funding loan agreements and/or trust indentures, as applicable, upon approval of the terms thereof by the staff of Florida Housing, Bond Counsel, and/or Special Counsel, and the execution of such note purchase agreement, note placement agreement, and funding loan agreements and/or trust indentures, as applicable, by an Authorized Signatory shall be conclusive proof of such approval.

7. An Authorized Signatory is authorized to cause to be prepared and to issue, execute, and deliver any additional documents necessary for the execution and delivery of the Note, the making of the Loans, and the security therefor, upon approval of the terms thereof by the staff of Florida Housing, Bond Counsel, and/or Special Counsel. All other actions by Florida Housing necessary for the final approval of the Property for financing, the issuance, execution, and delivery of the Note, and the making of the Loans, upon the approval of the terms of any credit enhancement, as applicable, and the security therefor (including, but not limited to, the changing of the title of the Note and the series designation of the Note, if desirable), are hereby authorized.

8. Upon the satisfaction of certain conditions to conversion, all or a portion of the Note will be converted to, or exchanged for, or amended and restated into, a bond that is credit enhanced by a credit facility issued by Fannie Mae. An Authorized Signatory is authorized to cause to be prepared and to issue, execute, and deliver any documents that may be required in connection therewith, including, but not limited to the amendment and restatement of certain of the Note documents, upon approval of the terms thereof by the staff of Florida Housing, Bond Counsel, and/or Special Counsel.

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 one or more funding loan agreements and/or trust indentures. 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; 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 Note.

10. The Note may be executed either manually or by facsimile signature by any 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 Note ceases to be an Authorized Signatory or officer before delivery of the Note, 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.

11. The maximum aggregate principal amount of the Note authorized to be issued, executed, and delivered 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.

13. This Resolution shall take effect immediately upon adoption.

ADOPTED THIS 13th DAY OF JUNE, 2025.

(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.

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Melissa Levy, Assistant Secretary, Florida  
Housing Finance Corporation's Board of  
Directors

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Sandra Veszi Einhorn, 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 13th day of June, 2025, 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: \_\_\_\_\_  
Name: Tim Kennedy  
Title: 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 13th day of June, 2025, 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



**FLORIDA HOUSING FINANCE CORPORATION  
SECOND AMENDED AND RESTATED SALE RESOLUTION  
CATCHLIGHT CROSSINGS**

**RESOLUTION NO. 2025-\_\_\_\_**

**A RESOLUTION AMENDING AND RESTATING THE AMENDED AND RESTATED SALE RESOLUTION NO. 2025-036; AUTHORIZING AND APPROVING THE NEGOTIATED SALE AND PRIVATE PLACEMENT OF THE MULTIFAMILY MORTGAGE REVENUE NOTE, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (CATCHLIGHT CROSSINGS) OF THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE ISSUANCE, EXECUTION, AND DELIVERY OF THE MULTIFAMILY MORTGAGE REVENUE NOTE, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (CATCHLIGHT CROSSINGS) BY THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE NEGOTIATION AND EXECUTION OF ONE OR MORE NOTE PURCHASE AGREEMENTS, PLACEMENT AGREEMENTS, AND/OR FUNDING LOAN AGREEMENTS AND/OR TRUST INDENTURES, AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE NEGOTIATED SALE AND PRIVATE PLACEMENT OF THE MULTIFAMILY MORTGAGE REVENUE NOTE, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (CATCHLIGHT CROSSINGS) OF THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE EXECUTIVE DIRECTOR OR INTERIM OR ACTING EXECUTIVE DIRECTOR, CHIEF FINANCIAL OFFICER, COMPTROLLER, OR ANY MEMBER OF THE BOARD OF DIRECTORS OF THE FLORIDA HOUSING FINANCE CORPORATION OR OTHER AUTHORIZED SIGNATORY TO TAKE ANY OTHER ACTIONS NECESSARY TO NEGOTIATE THE SALE OR PRIVATE PLACEMENT OF THE MULTIFAMILY MORTGAGE REVENUE NOTE, 2025 SERIES \_\_ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (CATCHLIGHT CROSSINGS) OF THE FLORIDA HOUSING FINANCE CORPORATION THROUGH A NEGOTIATED SALE AND 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 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 "Authorization Resolution") the issuance, execution, and delivery of its Multifamily Mortgage Revenue Note, 2025 Series \_\_ [one or more series or subseries to be designated] (Catchlight Crossings) (the "Note"), as a tax-exempt or taxable note, for the purpose of making one or more loans to WHFT Affordable II, Ltd., together with its predecessors, successors, assigns, affiliates, and/or related entities (the "Borrower"), to finance the acquisition, construction, and equipping of an approximately 300-unit multifamily residential rental development for persons of low, moderate, and middle income to be named Catchlight Crossings located in Orlando, Orange County, Florida (the "Property"); provided that the maximum aggregate principal amount of the Note shall not exceed (a) \$70,000,000, or (b) such greater maximum aggregate principal amount of the Note which, at the time of execution and delivery, does not exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Note, as reflected in the Credit Underwriter Confirmation (as defined in the Authorization Resolution) for the Property, of less than 1.00x (subject to receipt of 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 one or more purchasers designated by Florida Housing for a negotiated sale and private placement of the Note with one or more purchasers, if Florida Housing by official action at a public meeting determines that such negotiated sale and 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 execution, delivery, and negotiated sale and private placement of the Note; and

WHEREAS, Florida Housing has received a recommendation and reviewed and looked at the relative advantage of a negotiated sale and private placement of the Note 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 Note and the current and anticipated market conditions render the Note a candidate for a negotiated sale and private placement; and

WHEREAS, based on the foregoing, the Board hereby finds that a negotiated sale and private placement of the Note is in the best interest of the public and Florida Housing's based on the current market conditions and based upon the structure of the Note. Existing and projected market conditions and any lack of flexibility in the public sale of the Note could be prejudicial to Florida Housing and to the public. Additionally, the structure of the Note and the current demand for these types of obligations support a negotiated sale and private placement.

NOW, THEREFORE, BE IT RESOLVED BY FLORIDA HOUSING:

1. A negotiated sale and private placement of the Note is in the best interest of Florida Housing and the public for the reasons herein described.

2. The negotiated sale and private placement of the Note is to be negotiated by Florida Housing with or through RBC Capital Markets, LLC (the "Placement Agent") and JPMorgan Chase Bank, N.A., or an affiliate thereof, and/or Wells Fargo Bank, National Association, or an affiliate thereof, each as the purchasers of the Note (collectively, the "Purchaser").

3. The Note is to be generally described as follows:

Florida Housing Finance Corporation  
Multifamily Mortgage Revenue Note,  
2025 Series \_\_ [one or more series or subseries to be designated]  
(Catchlight Crossings).

4. Florida Housing shall negotiate with or through the Placement Agent with the Purchaser and execute such documents as are necessary to sell and privately place the Note with the Purchaser pursuant to this Resolution. Upon the satisfaction of certain conditions to conversion, all or a portion of the Note will be converted to, or exchanged for, or amended and restated into, a bond that is credit enhanced by a credit facility issued by Fannie Mae and the issuance, execution, and delivery of any documents that may be required in connection therewith, including, but not limited to, the amendment and restatement of certain of the Note documents, is hereby authorized. Any member of the Board, the Executive Director or Interim or Acting 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 and private placement of the Note and to execute one or more purchase agreements, placement agreements, and/or funding loan agreements and/or trust indentures, as applicable, 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 one or more purchase agreements, placement agreements, or funding loan agreements and/or trust indentures, as applicable, is predicated upon the purchase agreements, placement agreements, or funding loan agreements and/or trust indentures, as applicable, providing for an interest rate or rates on the Note that would not exceed the lesser of 10% or the maximum rate authorized under Florida law, and would provide for a negotiated sale and private placement of the Note 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, execution, delivery, and negotiated sale and private placement of the Note 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 are hereby superseded and repealed to the extent of such conflict.

9. This Resolution shall take effect immediately upon adoption.

ADOPTED THIS 13th DAY OF JUNE, 2025.

(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

---

Sandra Veszi Einhorn, 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 13th day of June, 2025, 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: \_\_\_\_\_  
Name: Tim Kennedy  
Title: 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 13th day of June, 2025, 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



60 Broad Street, 34<sup>th</sup> Floor  
New York, NY 10004  
212 686 8820 | [www.cainemitter.com](http://www.cainemitter.com)

May 27, 2025

Angie Sellers, Chief Financial Officer  
Florida Housing Finance Corporation  
227 North Bronough Street, Suite 5000  
Tallahassee, Florida 32301-1329

Re: **Arbours at Emerald Springs, 2025 Multifamily Mortgage Revenue Bond.**

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 April 25, 2025, relating to Arbours at Emerald Springs (the "Credit Underwriting Report"), and herein provide my recommendation for a public offering.

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,
- 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 tax-exempt bonds (MMRB) that are publicly offered. During the construction phase, the MMRB will bear interest at a fixed rate.

The Credit Underwriting Report proposes a public offering to be an effective method of sale for the tax-exempt bonds.

The following is a summary concerning this project and financing:

**Project Name:** Arbours at Emerald Springs

**Construction Bond Purchaser:** Publicly Offered

**Developer / Key Representative:** Arbour Valley Development, LLC / John O. Moore

**Recommended Method of Sale:** Public Offering

Based on the structure of the MMRB and prevailing market conditions, a public offering will be an



effective method of sale for the MMRB. 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,

*Samuel Rees*

**Caine Mitter & Associates Incorporated**

Samuel Rees  
Vice President

cc: Tim Kennedy, Multifamily Loans & Bonds Director



60 Broad Street, 34<sup>th</sup> Floor  
New York, NY 10004  
212 686 8820 | [www.cainemitter.com](http://www.cainemitter.com)

May 27, 2025

Angie Sellers, Chief Financial Officer  
Florida Housing Finance Corporation  
227 North Bronough Street, Suite 5000  
Tallahassee, Florida 32301-1329

Re: **Liberty Square Elderly, 2025 Multifamily Mortgage Revenue Bonds.**

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 May 2, 2025, relating to Liberty Square Elderly (the "Credit Underwriting Report"), and herein provide my recommendation for a publicly offered 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,
- 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 tax-exempt bonds (MMRB) that are publicly offered. The MMRBs will bear interest at a fixed rate.

The Credit Underwriting Report proposes a public offering to be an effective method of sale.

The following is a summary concerning this project and financing:

**Project Name:** Liberty Square Elderly

**Construction Bond Purchaser:** Publicly Offered

**Permanent Loan Purchaser:** Capital One, N.A. / Freddie Mac Bond Credit Enhancement

**Developer / Key Representative:** Liberty Square Elderly Developer, LLC / Alberto Milo, Jr.

**Recommended Method of Sale:** Public Offering

Based on the structure of the MMRB and prevailing market conditions, a public offering will be an

effective method of sale for the MMRB. 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,

*Samuel Rees*

**Caine Mitter & Associates Incorporated**

Samuel Rees  
Vice President

cc: Tim Kennedy, Multifamily Loans & Bonds Director



60 Broad Street, 34<sup>th</sup> Floor  
New York, NY 10004  
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May 27, 2025

Angie Sellers, Chief Financial Officer  
Florida Housing Finance Corporation  
227 North Bronough Street, Suite 5000  
Tallahassee, Florida 32301-1329

Re: **Ninth Street Apartments, 2025 Multifamily Mortgage Revenue Bonds.**

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 May 5, 2025, relating to Ninth Street Apartments (the "Credit Underwriting Report"), and herein provide my recommendation for a public offering 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,
- 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 tax-exempt bonds (MMRB) that are publicly offered. The MMRB will bear interest at a fixed rate.

The Credit Underwriting Report proposes a public offering to be an effective method of sale.

The following is a summary concerning this project and financing:

**Project Name:** Ninth Street Apartments

**Construction Note Purchaser:** Publicly Offered

**Permanent Note Purchaser:** Fannie Mae / Bellwether Enterprise Real Estate Capital

**Developer / Key Representative:** ECG Florida 2023 Developer, LLC / C. Hunter Nelson

**Recommended Method of Sale:** Public Offering

Based on the structure of the MMRB and prevailing market conditions, a public offering will be

effective method of sale for the MMRB during the construction and permanent phases, respectively. 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,

*Samuel Rees*

**Caine Mitter & Associates Incorporated**

Samuel Rees  
Vice President

cc: Tim Kennedy, Multifamily Loans & Bonds Director



60 Broad Street, 34<sup>th</sup> Floor  
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May 27, 2025

Angie Sellers, Chief Financial Officer  
Florida Housing Finance Corporation  
227 North Bronough Street, Suite 5000  
Tallahassee, Florida 32301-1329

Re: **Southward Village CNI Phase 2, 2025 Multifamily Mortgage Revenue Bond and Multifamily Mortgage Revenue Notes.**

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 May 5, 2025, relating to Southward Village CNI Phase 2 (the "Credit Underwriting Report"), and herein provide my recommendation for a public offering and 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 tax-exempt bonds (MMRB) that are publicly offered during the construction phase and tax-exempt notes (MMRN) privately placed during the permanent phase. During the construction phase the MMRB will bear interest at a fixed rate. During the permanent phase the MMRN will bear interest at a fixed rate.

The Credit Underwriting Report proposes a public offering and private placement to be an effective method of sale for the tax-exempt bonds and notes, respectively.

The following is a summary concerning this project and financing:

**Project Name:** Southward Village CNI Phase 2

**Construction Bond Purchaser:** Publicly Offered

**Permanent Note Purchaser:** KeyBank, N.A., or its Designee

**Developer / Key Representative:** Fort Myers Developer, LLC / Vincent Bennett  
Southwest Florida Affordable Development, LLC / Marcia Davis

**Recommended Method of Sale:** Public Offering & Negotiated Private Placement

Based on the structure of the MMRB and MMRN and prevailing market conditions, a public offering for the MMRB and a negotiated private placement for the MMRN will be an effective method of sale. 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,

*Samuel Rees*

**Caine Mitter & Associates Incorporated**

Samuel Rees  
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**  
**Wave at Chana**

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 OHG FL LEE 2 CHANA LP, OR AN AFFILIATE THEREOF OR ANY ENTITY IN WHICH OHG FL LEE 2 CHANA LP, 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 \$76,527,000 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 construction 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 OHG FL Lee 2 Chana LP, or an affiliate thereof or any entity in which OHG FL Lee 2 Chana LP is a general partner or managing member (the "Developer"), on a site located in Lee County, Florida, and known as Wave at Chana, 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 \$76,527,000 in tax-exempt financing for a portion of the cost of acquiring, constructing, and equipping approximately 378 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 Lee 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 2024 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, construction, 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 13th day of June 2025

(SEAL)

ATTEST:

---

Melissa Levy, Assistant Secretary, Florida  
Housing Finance Corporation Board of  
Directors

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

---

Sandra Veszi Einhorn, 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 13th day of June, 2025 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 \_\_\_\_\_, 2025 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: \_\_\_\_\_

**RESOLUTION**  
*of the*  
**Board of Directors of**  
**Florida Housing Finance Corporation**  
*pertaining to*  
**the Acknowledgement Resolution for**  
**Wave at Colonial**

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 OHG FL LEE III COLONIAL LP, OR AN AFFILIATE THEREOF OR ANY ENTITY IN WHICH OHG FL LEE III COLONIAL LP, 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 \$76,626,000 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 construction 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 OHG FL Lee III Colonial LP, or an affiliate thereof or any entity in which OHG FL Lee III Colonial LP is a general partner or managing member (the "Developer"), on a site located in Lee County, Florida, and known as Wave at Colonial, 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 \$76,626,000 in tax-exempt financing for a portion of the cost of acquiring, constructing, and equipping approximately 358 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 Lee 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 2024 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, construction, 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 13th day of June, 2025

(SEAL)

ATTEST:

---

Melissa Levy, Assistant Secretary, Florida  
Housing Finance Corporation Board of  
Directors

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

---

Sandra Veszi Einhorn, 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 13th day of June, 2025 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 \_\_\_\_\_, 2025 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: \_\_\_\_\_

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# **Florida Housing Finance Corporation**

## **Credit Underwriting Report**

### **Village of Valor**

**State Apartment Incentive Loan (“SAIL”), Extremely Low Income Loan (“ELI”), Home Investment Partnerships Program From The American Rescue Plan Act (“HOME-ARP”), and 4% Non-Competitive Housing Credits (“HC”)**

**RFA 2024-205 (2025-280SA / 2024-533C)**

**SAIL Financing of Affordable Multifamily Housing Development to be Used  
in Conjunction with Tax-Exempt Bond Financing and Non-Competitive  
Housing Credits**

#### **Section A: Report Summary**

#### **Section B: SAIL, ELI, HOME-ARP, and HC Special and General Conditions**

#### **Section C: Supporting Information and Schedules**

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**Prepared by**

**First Housing Development Corporation of Florida**

**FINAL REPORT**

**May 31, 2025**



**Village of Valor**

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**FHDC**

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**Section A**  
**Report Summary**

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**May 31, 2025**

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

**Recommendation**

First Housing Development Corporation of Florida (“First Housing”, “FHDC”, or “Servicer”) recommends a total SAIL Loan in the amount of \$2,776,100, comprised of a SAIL Base Loan in the amount of \$2,000,000 (“SAIL Base Loan”) plus an ELI Loan in the amount of \$776,100 (“ELI Loan”), a HOME-ARP Loan in the amount of \$1,458,500, and an annual 4% HC Allocation of \$1,380,739 for the construction and permanent financing of Village of Valor (“Development”). The recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:	Village of Valor		
RFA/Program Numbers:	RFA 2024-205	/	2025-280SA 2024-533C
Address:	2701, 2721, and 2751 Second Ave, N.		
City:	Palm Springs	Zip Code:	33461 County: Palm Beach County Size: Large
Development Category:	New Construction	Development Type:	Mid-Rise (4 Stories)
Construction Type:	Masonry	Number of Stories:	4
Demographic Commitment:			
Primary:	Family	for	100% of the Units
Link Units:	Persons with Special Needs	for	11.1% of the Units
Unit Composition:			
# of ELI Units:	12	ELI Units Are Restricted to	30% AMI, or less. Min % of Units @ ELI: 5%
# of Link Units:	6	# of Preference units:	0 IRS Minimum Set-Aside Commitment: AIT
# of NHTF Units:	0	# of units w/ PBRA?	0 TSP Approval Date: 01/28/2025
Buildings:	Residential -	2	Non-Residential - 1
Parking:	Parking Spaces -	117	Accessible Spaces - 6
DDA:	No	SADDA:	No QCT: Yes Multi-Phase Boost: No QAP Boost: No QAP Type:
Site Acreage:	4.670	Density:	11.5632 Flood Zone Designation: AE
Zoning:	RM Multiple-Family Residential		Flood Insurance Required?: Yes
Credit Underwriter:	First Housing Development Corporation		Date of Application: 09/12/2024
Date of Final CUR:		Minimum 1st Mortgage per Rule:	N/A
TDC PU Limitation at Application:	\$446,083	TDC PU Limitation at Credit Underwriting:	\$446,083
Actual TDC PU for Limitation:	\$444,191	Amount Dev. Fee Reduced for TDC Limit:	\$0

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

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The reader is cautioned to refer to all sections of this report for complete information.

Prepared by:



Stephanie Petty  
Senior Credit Underwriter

Reviewed by:



Ed Busansky  
Senior Vice President

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

**Set Asides & 15-Year Operating Proforma**

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRB	20%	11	50%	15
HOME	9.259%	5	22%	50
ELI	22.222%	12	30%	50
SAIL	11.111%	6	50%	50
SAIL	27.778%	15	60%	50
SAIL	38.889%	21	80%	50
HC-4%	22.222%	12	30%	50
HC-4%	11.111%	6	50%	50
HC-4%	27.778%	15	60%	50
HC-4%	38.889%	21	80%	50
Other Local	31.481%	17	30%	50
Other Local	11.111%	6	50%	50
Other Local	18.519%	10	60%	50
Other Local	38.889%	21	80%	50

Persons with Special Needs Set-Aside Commitment: The proposed Development must set aside 50% of all units that are set-aside below 50% Area Median Income (“AMI”) or below (6 units) as Link units for Persons with Special Needs. In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding (“MOU”) with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with Special Needs for the county where the proposed Development will be located (Palm Beach County). Florida Housing Finance Corporation (“Florida Housing”, “FHFC”, or “Corporation”) staff approved the MOU on May 29, 2025. The Persons with Special Needs set-aside commitment must be maintained throughout the entire 50- year Compliance Period.

HOME-ARP Units Set-Aside Commitment: The proposed Development must set aside 5 units as HOME-ARP Link units targeted for Persons with Special Needs. These units are required to be set aside for residents earning at or below 22% of AMI and are in addition to the fifty percent (50%) requirement for ELI set-aside units. Therefore, the Development will have a total of 11 units targeted for Link units for Persons with Special Needs (ELI - 6 units and HOME-ARP - 5 units). After 30 years, all of the HOME-ARP units may convert to serve residents at or below 60% AMI. The Persons with Special Needs set-aside commitment must be maintained throughout the entire 50- year Compliance Period.

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

Note regarding the term of the Set Asides:

Per Requests for Applications 2024-205 (“RFA”), Self-Sourced Applicants will retain the right to seek a qualified contract in accordance with Section 42 of the I.R.C., as amended and Rule Chapter 67-21 F.A.C. All other Applicants will waive the right to seek a qualified contract. Additionally, if a Self-Source Applicant transfers ownership of the Development within the first 15 years of the Compliance Period, the new owner must waive the right to seek a qualified contract.

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

**Palm Beach County, West Palm Beach-Boca Raton HMFA**

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	5	939	22%	\$1,205		\$578	\$89	\$489		\$489	\$489	\$489	29,340
2	2.0	6	939	30%			\$789	\$89	\$700		\$700	\$700	\$700	50,400
2	2.0	3	939	50%			\$1,315	\$89	\$1,226		\$1,226	\$1,226	\$1,226	44,136
2	2.0	2	939	60%			\$1,578	\$89	\$1,489		\$1,489	\$1,489	\$1,489	35,736
2	2.0	10	939	80%			\$2,104	\$89	\$2,015		\$2,015	\$2,015	\$2,015	241,800
3	2.0	6	1260	30%			\$912	\$106	\$806		\$806	\$806	\$806	58,032
3	2.0	3	1260	50%			\$1,520	\$106	\$1,414		\$1,414	\$1,414	\$1,414	50,904
3	2.0	8	1260	60%			\$1,824	\$106	\$1,718		\$1,718	\$1,718	\$1,718	164,928
3	2.0	11	1260	80%			\$2,432	\$106	\$2,326		\$2,326	\$2,326	\$2,326	307,032
		54	59,694											982,308

The 2-bedroom and 3-bedroom units have multiple unit square footages, First Housing is reflecting the minimum square footage for each unit type.

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

**15-Year Operating Pro Forma**

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
<b>INCOME:</b>	Gross Potential Rental Income	\$982,308	\$18,191	\$1,001,954	\$1,021,993	\$1,042,433	\$1,063,282	\$1,084,547	\$1,106,238	\$1,128,363	\$1,150,930	\$1,173,949	\$1,197,428	\$1,221,377	\$1,245,804	\$1,270,720	\$1,296,135
	Other Income: (4.07%)																
	Miscellaneous	\$39,960	\$740	\$40,759	\$41,574	\$42,406	\$43,254	\$44,119	\$45,001	\$45,901	\$46,820	\$47,756	\$48,711	\$49,685	\$50,679	\$51,693	\$52,726
	Gross Potential Income	\$1,022,268	\$18,931	\$1,042,713	\$1,063,568	\$1,084,839	\$1,106,536	\$1,128,666	\$1,151,240	\$1,174,265	\$1,197,750	\$1,221,705	\$1,246,139	\$1,271,062	\$1,296,483	\$1,322,413	\$1,348,861
	Less:																
	Physical Vac. Loss      Percentage:      5.00%	\$51,113	\$947	\$52,136	\$53,178	\$54,242	\$55,327	\$56,433	\$57,562	\$58,713	\$59,887	\$61,085	\$62,307	\$63,553	\$64,824	\$66,121	\$67,443
	<b>Total Effective Gross Income</b>	<b>\$971,155</b>	<b>\$17,984</b>	<b>\$990,578</b>	<b>\$1,010,389</b>	<b>\$1,030,597</b>	<b>\$1,051,209</b>	<b>\$1,072,233</b>	<b>\$1,093,678</b>	<b>\$1,115,551</b>	<b>\$1,137,862</b>	<b>\$1,160,620</b>	<b>\$1,183,832</b>	<b>\$1,207,509</b>	<b>\$1,231,659</b>	<b>\$1,256,292</b>	<b>\$1,281,418</b>
	Annual Escalation Rate (Income):	2.00%															
<b>EXPENSES:</b>	Fixed:																
	Real Estate Taxes	\$89,130	\$1,651	\$91,804	\$94,558	\$97,395	\$100,317	\$103,326	\$106,426	\$109,619	\$112,907	\$116,294	\$119,783	\$123,377	\$127,078	\$130,890	\$134,817
	Insurance	\$74,844	\$1,386	\$77,089	\$79,402	\$81,784	\$84,238	\$86,765	\$89,368	\$92,049	\$94,810	\$97,654	\$100,584	\$103,602	\$106,710	\$109,911	\$113,208
	Variable:																
	Management Fee      Percentage:      6.00%	\$58,269	\$1,079	\$59,435	\$60,623	\$61,836	\$63,073	\$64,334	\$65,621	\$66,933	\$68,272	\$69,637	\$71,030	\$72,451	\$73,900	\$75,378	\$76,885
	General and Administrative	\$32,400	\$600	\$33,372	\$34,373	\$35,404	\$36,466	\$37,560	\$38,687	\$39,848	\$41,043	\$42,275	\$43,543	\$44,849	\$46,195	\$47,580	\$49,008
	Payroll Expenses	\$84,520	\$1,565	\$87,056	\$89,667	\$92,357	\$95,128	\$97,982	\$100,921	\$103,949	\$107,067	\$110,279	\$113,588	\$116,995	\$120,505	\$124,120	\$127,844
	Utilities	\$32,400	\$600	\$33,372	\$34,373	\$35,404	\$36,466	\$37,560	\$38,687	\$39,848	\$41,043	\$42,275	\$43,543	\$44,849	\$46,195	\$47,580	\$49,008
	Maintenance and Repairs/Pest Control	\$74,250	\$1,375	\$76,478	\$78,772	\$81,135	\$83,569	\$86,076	\$88,658	\$91,318	\$94,058	\$96,879	\$99,786	\$102,779	\$105,863	\$109,039	\$112,310
	Reserve for Replacements	\$16,200	\$300	\$16,200	\$16,200	\$16,200	\$16,200	\$16,200	\$16,200	\$16,200	\$16,200	\$16,200	\$16,686	\$17,187	\$17,702	\$18,233	\$18,780
	<b>Total Expenses</b>	<b>\$462,013</b>	<b>\$8,556</b>	<b>\$474,805</b>	<b>\$487,969</b>	<b>\$501,516</b>	<b>\$515,457</b>	<b>\$529,804</b>	<b>\$544,568</b>	<b>\$559,763</b>	<b>\$575,401</b>	<b>\$591,494</b>	<b>\$608,543</b>	<b>\$626,089</b>	<b>\$644,147</b>	<b>\$662,732</b>	<b>\$681,860</b>
	Annual Escalation Rate (Expenses):	3.00%															
	<b>Net Operating Income</b>	<b>\$509,141</b>	<b>\$9,429</b>	<b>\$515,773</b>	<b>\$522,420</b>	<b>\$529,081</b>	<b>\$535,752</b>	<b>\$542,429</b>	<b>\$549,109</b>	<b>\$555,788</b>	<b>\$562,462</b>	<b>\$569,125</b>	<b>\$575,289</b>	<b>\$581,420</b>	<b>\$587,512</b>	<b>\$593,560</b>	<b>\$599,557</b>
<b>Debt Service Payments</b>																	
	First Mortgage - HFAPBC/ Merchants Bank /Freddie Mac	\$406,744	\$7,532	\$406,744	\$406,744	\$406,744	\$406,744	\$406,744	\$406,744	\$406,744	\$406,744	\$406,744	\$406,744	\$406,744	\$406,744	\$406,744	\$406,744
	Second Mortgage - FHFC - SAIL	\$20,000	\$370	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
	Third Mortgage - FHFC - HOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Fourth Mortgage - Palm Beach County	\$86,000	\$1,593	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000
	All Other Mortgages - Palm Beach County and Kathy Makino Leipsitz	\$60,000	\$1,111	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
	First Mortgage Fees - HFAPBC/ Merchants Bank /Freddie Mac	\$28,313	\$524	\$28,313	\$28,313	\$28,313	\$28,313	\$28,313	\$28,313	\$28,313	\$28,313	\$28,313	\$28,313	\$28,313	\$28,313	\$28,313	\$28,313
	Second Mortgage Fees - FHFC - SAIL	\$8,022	\$149	\$8,022	\$8,022	\$8,022	\$8,022	\$8,022	\$8,022	\$8,022	\$8,022	\$8,022	\$8,022	\$8,022	\$8,022	\$8,022	\$8,022
	Third Mortgage Fees - FHFC - HOME	\$4,728	\$88	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728
	Fourth Mortgage Fees - Palm Beach County	\$4,500	\$83	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
	All Other Mortgages Fees - Palm Beach County and Kathy Makino Leipsitz	\$3,500	\$65	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
	<b>Total Debt Service Payments</b>	<b>\$621,807</b>	<b>\$11,515</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>	<b>\$621,807</b>
	<b>Cash Flow after Debt Service</b>	<b>(\$112,666)</b>	<b>(\$2,086)</b>	<b>(\$106,034)</b>	<b>(\$99,387)</b>	<b>(\$92,726)</b>	<b>(\$86,055)</b>	<b>(\$79,378)</b>	<b>(\$72,698)</b>	<b>(\$66,019)</b>	<b>(\$59,346)</b>	<b>(\$52,682)</b>	<b>(\$46,518)</b>	<b>(\$40,387)</b>	<b>(\$34,295)</b>	<b>(\$28,247)</b>	<b>(\$22,250)</b>
<b>Debt Service Coverage Ratios</b>																	
	DSC - First Mortgage plus Fees	1.17x		1.19x	1.20x	1.22x	1.23x	1.25x	1.26x	1.28x	1.29x	1.31x	1.32x	1.34x	1.35x	1.36x	1.38x
	DSC - Second Mortgage plus Fees	1.10x		1.11x	1.13x	1.14x	1.16x	1.17x	1.19x	1.20x	1.21x	1.23x	1.24x	1.26x	1.27x	1.28x	1.29x
	DSC - Third Mortgage plus Fee	1.09x		1.10x	1.12x	1.13x	1.15x	1.16x	1.17x	1.19x	1.20x	1.22x	1.23x	1.24x	1.26x	1.27x	1.28x
	DSC - Fourth Mortgage plus Fees	0.91x		0.92x	0.94x	0.95x	0.96x	0.97x	0.98x	1.00x	1.01x	1.02x	1.03x	1.04x	1.05x	1.06x	1.07x
	DSC - All Mortgages and Fees	0.82x		0.83x	0.84x	0.85x	0.86x	0.87x	0.88x	0.89x	0.90x	0.92x	0.93x	0.94x	0.94x	0.95x	0.96x
<b>Financial Ratios</b>																	
	Operating Expense Ratio	47.57%		47.93%	48.30%	48.66%	49.03%	49.41%	49.79%	50.18%	50.57%	50.96%	51.40%	51.85%	52.30%	52.75%	53.21%
	Break-even Econ Occup Ratio (all debt)	106.32%		105.47%	104.64%	103.85%	103.08%	102.33%	101.61%	100.92%	100.25%	99.61%	99.03%	98.48%	97.95%	97.44%	96.95%
	Break-even Econ Occup Ratio (must pay debt)	88.05%		45.84%	46.18%	46.53%	46.88%	47.24%	47.60%	47.97%	48.34%	48.72%	49.13%	49.56%	49.98%	50.42%	50.85%

Payments on the Fourth Mortgage and Self-Sourced financing are based on available cash flow and are shown for illustrative purposes.

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

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Notes to the 15 Year Operating Pro Forma and Ratios:

1. The Development will be utilizing Housing Credits in conjunction with SAIL, ELI, and HOME-ARP which will impose rent restrictions. The rent levels are based on the 2025 maximum LIHTC rents published on FHFC's website for Palm Beach County less the applicable utility allowance. At this time the 22% AMI rents for 2025 are not available on FHFC's website, First Housing is relying on the rents in the appraisal. Since the 2025 HOME Rent Limits are not available, the Low HOME rent is based on the 2024 Rent Limits.
2. The Utility Allowances are based on an Energy Consumption Model ("ECM") prepared by Florida Solar Energy Center, dated March 31, 2025. FHFC's staff approved the utility allowances for credit underwriting purposes on May 22, 2025.
3. The appraisal included a vacancy and collection loss of 5.00%, which First Housing found acceptable.
4. The Appraisal projected Miscellaneous Income of \$39,960 which is comprised of revenue from washers/dryers, late fees, damages, and cleaning fees. The appraiser concluded to washer/dryer income of \$50/unit and a penetration rate of 90% penetration.
5. 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.
6. First Housing received a draft Management Agreement between Village of Valor, LTD. ("Owner") and Delray Housing Group, Inc. ("Agent"). According to the Agreement, the Agent shall receive a management fee equal to 6% of gross operating revenues during the month. However, the fee payable to the Agent will never be less than \$2,000 in a given month. First Housing concluded to a management fee of 6%.
7. The landlord will pay for trash, water, sewer, and common area electric. The tenant will be responsible for electricity, cable, and internet.
8. The Debt Service Coverage ("DSC") ratio for the permanent first mortgage, SAIL (Base) Loan, and HOME-ARP Loan reflects a ratio lower than 1.10x. Per Rule 67-48, the minimum DSC ratio shall be 1.10x for the HOME (ARP) Loan, including all superior mortgages. However, per Rule 67-48, if the Applicant defers 35% of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final



credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation, and when the primary expected source of repayment has been identified as projected cash flow, the minimum DSC shall be 1.00x for the HOME (ARP) Loan, including all superior mortgages. The Applicant will be required to defer at least 35% of its Developer Fee as the HOME-ARP Loan DSC is 1.09x.

9. Replacement Reserves of \$300 per unit per year are required which meets the RFA and Rules 67-21 and 67-48 minimum requirement.

## Sources Overview

### Construction Financing Information:

CONSTRUCTION FINANCING INFORMATION										
Lien Position	First	Second	Second	Third	Fourth	Fifth	Sixth			Totals
Source	Local HFA Note	FHFC - SAIL	FHFC - SAIL ELI	FHFC - HOME	Other Local	Other Local	Self-S'd: Non-Bond	FHFC - HC 4%	Def. Dev. Fee	
Lender/Grantor	HFAPBC / Merchants Bank	FHFC	FHFC	FHFC	Palm Beach County	Palm Beach County	Kathy Makino Leipsitz	Merchants Capital Investments, LLC	Development Partners Inc. and Delray Housing Group, Inc.	
Construction Amount	\$15,875,000	\$2,000,000	\$776,100	\$1,458,500	\$4,300,000	\$2,000,000	\$1,000,000	\$1,883,688	\$2,346,492	\$31,639,780
All In Interest Rate	6.82%	1.00%	0.00%	0.00%	0.00%	0.00%	6.00%			
Debt Service During Construction	\$1,082,675	\$20,000	\$0	\$0	\$0	\$0	\$60,000			\$1,162,675
Bond Structure (if applicable)	Private Placement									

### First Mortgage:

The Applicant has applied to the Housing Finance Authority of Palm Beach County (“HFAPBC”) for tax-exempt bond financing. According to Resolution R-2017-09, the principal bond amount shall not exceed \$17,000,000. Based on First Housing’s understanding, due to the age of the bond resolution, it will need to be amended or renewed, which will likely occur at the May 2025 Housing Finance Authority board meeting.

First Housing has received a letter from Merchants Bank of Indiana (“Merchants Bank”), dated April 22, 2025, which indicates that Merchants Bank will provide a construction loan in the amount of \$15,875,000, limited to the Freddie Mac Permanent loan plus 85% of LIHTC Equity. The loan will require interest only payments for the term of the loan, which is expected to be 30 months from the loan closing. The interest rate of the construction loan will be a floating rate based on the Secured Overnight Financing Rate (“SOFR”) plus

a spread of 2.25%. The construction loan interest is based on the CME one-month SOFR rate of 4.32% (as of May 30, 2025), a spread of 2.25%, plus a 0.25% underwriting cushion for an interest rate of 6.82%.

The annual HFAPBC Issuer Fee of 15 basis points of the initial principal amount of the Notes and the annual Fiscal Agent Fee of \$4,500 have been included in the uses section of the report.

## SAIL, ELI, HOME-ARP &amp; HC CREDIT UNDERWRITING REPORT

FHDC

## Permanent Financing Information:

PERMANENT FINANCING INFORMATION										
Lien Position	First	Second	Second	Third	Fourth	Fifth	Sixth			Totals
Source	Local HFA Note	FHFC - SAIL	FHFC - SAIL ELI	FHFC - HOME	Other Local	Other Local	Self-S'd: Non-Bond	FHFC - HC 4%	Def. Dev. Fee	
Lender/Grantor	HFAPBC/ Merchants Bank /Freddie Mac	FHFC	FHFC	FHFC	Palm Beach County	Palm Beach County	Kathy Makino Leipsitz	Merchants Capital Investments, LLC	Development Partners Inc. and Delray Housing Group, Inc.	
Permanent Amount	\$6,000,000	\$2,000,000	\$776,100	\$1,458,500	\$4,300,000	\$2,000,000	\$1,000,000	\$12,557,918	\$1,547,262	\$31,639,780
Permanent Funding Per Unit	\$111,111	\$37,037	\$14,372	\$27,009	\$79,630	\$37,037	\$18,519	\$232,554	\$28,653	\$585,922
% of Permanent Funding	19.0%	6.3%	2.5%	4.6%	13.6%	6.3%	3.2%	39.7%	4.9%	100.0%
Underwritten Interest Rate	6.21%	1.00%	0.00%	0.00%	0.00%	0.00%	6.00%			
All In Interest Rate	6.21%	1.00%	0.00%	0.00%	0.00%	0.00%	6.00%			
Loan Term	17	17.5	17.5	30	17.5	17.5	30.0			
Amortization	40	0	0	0	50	0	0			
Must Pay or Cash Flow Dependent	Must-Pay	Cash Flow	Cash Flow	Cash Flow	Cash Flow	Cash Flow	Cash Flow			
Permanent Debt Service, No Fees	\$406,744	\$20,000	\$0	\$0	\$86,000	\$0	\$60,000			\$572,744
Permanent Debt Service, with Fees	\$435,057	\$28,022	\$0	\$4,728	\$90,500	\$3,500	\$60,000			\$621,807
Debt Service Coverage, with Fees	1.17x	1.10x	1.10x	1.09x	0.91x	0.91x	0.82x			
Operating Deficit & Debt Service Reserves	\$424,113									
# of Months covered by the Reserves	5.7									
Market Rate/Market Financing LTV	34%	45%	49%	57%	81%	92%	98%			
Restricted Market Financing LTV	62%	82%	90%	106%	150%	170%	181%			
Loan to Cost - Cumulative	19%	25%	28%	32%	46%	52%	55%			
Loan to Cost - SAIL Only		6%								

First Mortgage:

First Housing has received a letter from Merchants Bank, dated May 28, 2025, for a loan under the Freddie Mac Unfunded Forward Tax-Exempt Loan (“TEL”) program. The proposed permanent loan amount is \$6,775,000, subject to maximum loan-to-value of 80% of the “as-stabilized” market value and a minimum debt service coverage ratio of 1.20x. The term of the loan is 17 years with principal and interest payments based on a 40-year amortization schedule. The interest rate will be locked at closing of the construction loan. The interest rate is estimated to be equal to the 10-year treasury rate plus a spread of 1.80%. The permanent loan interest rate is based on the 10-year treasury rate of 4.41% (as of May 30, 2025) plus a spread of 1.80% for an overall interest rate of 6.21%. First Housing has concluded to a permanent first mortgage of \$6,000,000 in order to defer 35% of the Developer Fee. According to the letter, interest only will be required for the first 5 years of the permanent loan period. However, First Housing is reflecting principal and interest payments within the 15-year proforma.

Additional fees included in the Debt Service calculation consist of an annual HFAPBC Issuer Fee of 15 basis points of the original aggregate amount (\$15,875,000) and the annual Fiscal Agent Fee of \$4,500.

FHFC SAIL Base Loan, ELI Loan and HOME-ARP Loan:

First Housing reviewed an invitation to enter credit underwriting, dated November 18, 2024, from FHFC that includes a preliminary total SAIL Loan in the amount of \$2,776,100, which consists of a preliminary SAIL Base Loan in the amount of \$2,000,000 plus a preliminary ELI Loan in the amount of \$776,100. The SAIL Base Loan and the ELI Loan will be closed as one loan and will have one set of closing documents. In addition, the invitation includes a preliminary HOME-ARP Loan in the amount of \$1,458,500.

The SAIL Base Loan is non-amortizing with an interest rate of 1% over the life of the loan and annual payments based upon available cash flow. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. The SAIL Base Loan will have a total term of 20 years, of which 2.5 years is for the construction/stabilization period and 17.5 years is for the permanent period. As required by Freddie Mac and permitted by Rule 67-48, the SAIL Base Loan will be coterminous with the first mortgage plus six months (total term of 20 years). Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the SAIL Base Loan, all principal and unpaid interest will be due.

The ELI Loan is non-amortizing with an interest rate of 0% per annum over the life of the loan with the principal forgivable at maturity provided the units for which the ELI Loan amount is awarded are targeted to ELI households. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. The ELI Loan will have a total term of 20 years, of which 2.5 years is for the construction/stabilization period and 17.5 years is for the permanent period. As required by Freddie Mac and permitted by the RFA, the ELI Loan term will be coterminous with the first mortgage plus six months (total term of 20 years).

The HOME-ARP Loan is a non-amortizing loan with an interest rate of 0% per annum over the life of the loan, with the principal forgivable at maturity provided the units for which the HOME-ARP Loan amount is awarded are targeted as HOME-ARP Link units for the first 30 years of the 50-year Compliance Period. The loan will have a total term of 32.5 years, of which 2.5 years is for the construction/ stabilization period and 30 years is for the permanent period.

Annual payments of all applicable fees will be required. For each of the total SAIL Loan and HOME-ARP Loan, fees include an annual multiple program Compliance Monitoring Fee of \$1,082 and an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month.

**Palm Beach County:**

First Housing received a Comprehensive Loan Term sheet from the Department of Housing and Economic Development. According to the Term Sheet, the Development will receive funding from the Housing Bond Loan Program in the amount of \$4,300,000. The loan will bear interest rate at 0%. The total term is 20 years. Payments of interest are deferred during construction. Principal payments will be based on a 50-year amortization schedule. Payments are subject to available cash flow and unpaid payments deferred to the end of the term. First Housing has assumed a 2.5-year construction period and a 17.5-year permanent period.

The additional fee included in the Debt Service calculation for the Palm Beach County loan is an annual monitoring fee of \$4,500, which is subject to change.

Palm Beach County:

First Housing received a Comprehensive Loan Term sheet from the Department of Housing and Economic Development. According to the Term Sheet, the Development will receive funding from the Neighborhood Stabilization Program 2 in the amount of \$2,000,000. The loan will bear interest rate at 0% and has a total term of 50 years. First Housing has assumed a 2.5-year construction period and a 47.5-year permanent period. No repayment of principal or interest is due during the 50-year term and is forgivable at the end of the term.

The additional fee included in the Debt Service calculation for the Palm Beach County loan is an annual monitoring fee of \$3,500, which is subject to change.

Self-Sourced Non-Bond:

First Housing received a draft Promissory Note, where Village of Valor, Ltd. promises to pay to the order of Kathy Makino Leipsitz the principal amount of \$1,000,000. The loan will bear interest at a rate of 6%, compounding. Payments of interest shall be paid from distributions of net cash flow. Verification that the loan is co-terminus with the SAIL Base Loan and ELI Loan, will be a condition to close. The RFA requires this Self-Sourced financing must be in an amount that is at least half of the Applicant's eligible SAIL request amount or \$1,000,000, whichever is greater. The Self-Sourced financing will be funded and dispersed pro rata along with SAIL Base funding. The Self-Sourced financing must be subordinate to the SAIL; no principal may be paid on the Self-Sourced financing prior to the payoff of the SAIL in full and any payments of Self-Sourced financing interest will be made subordinate to SAIL interest payments. Additionally, the Self-Sourced financing must remain as a source in the Development for a minimum of 15 years and may not be repaid to the Applicant from any funding source, including development cash flow per the RFA. If self-sourced financing is repaid to the Applicant prior to the payment of the SAIL Base Loan in full, the SAIL Base Loan will be in default and must be paid in full and the Applicant and any associated Applicant or Developer principals or affiliates may be subject to material misrepresentation consequences set forth in Rule 67-48.004(2), F.A.C.

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

**FHDC**

Housing Credit Equity:

**Syndication Contributions:**

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$1,883,688	15.00%	Closing
2nd Installment	\$4,395,271	35.00%	Lien-free construction completion
3rd Installment	\$5,525,484	44.00%	Stabilization - later of 93% economic occupancy and 100% qualified occupancy and DSCR of 1.15
4th Installment	\$753,475	6.00%	Receipt of Form 8609's for all buildings
Total	\$12,557,918	100.00%	

Syndicator Name Merchants Capital Investments, LLC

Date of LOI 4/14/2025

Total Credits Per Syndication Agreement: \$14,603,691

Annual Credits Per Syndication Agreement: \$1,460,369

Calculated HC Exchange Rate: \$0.86

Limited Partner Ownership Percentage: 99.99%

Proceeds Available During Construction: \$1,883,688

Annual Credits - Qualified in CUR: \$1,380,739

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$1,547,262 or 35.12% of the total Developer Fee of \$4,405,352.



**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

**Changes from the Application and Additional Information**

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 - 5.
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?		6
Do the site plans/architectural drawings account for all amenities/features listed in the Application?		6
Does the applicant have site control at or above the level indicated in the Application?	7	
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?		8
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?		9 - 12.

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

1. Since the Application, the Applicant submitted a request, dated March 15, 2025, requesting an update to the Board of Directors of Delray Housing Group, Inc. FHFC's staff approval of this change is a condition to close.

Board of Directors From:	Board of Directors To:
Ivan Gomez Shirley Erazo Robert Cantwell Krystina Buckley Marcus Metcalf Robert Townsend John Macatangay Ezra Krieg	Ivan Gomez Shirley Erazo Robert Cantwell Krystina Buckley Marcus Metcalf Robert Townsend Andrea Keiser Noah Hale

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

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2. Since the Application, the Applicant submitted a request, dated March 15, 2025, requesting to remove Harry Leipzitz from being listed as a shareholder of Development Partners, Inc. and replace with Harry Leipsitz Legacy Trust. In addition, Harry Leipsitz will be a Beneficiary and Kathy Makino a Trustee of Harry Leipsitz Legacy Trust. FHFC's staff approval of these changes are a condition to close.
3. The Application indicated Self-Sourced: Bond-Financing; however, the Self-Sourced financing will be Non-Bond Financing.
4. Since the Application, the permanent first mortgage has decreased from \$10,000,000 to \$6,000,000.
5. Since the Application, a loan with Palm Beach County from the Department of Housing and Economic Development in the amount of \$4,300,000 has been included as a source of financing.
6. Receipt of a final Document and Costs Review Report verifying all features and amenities are within the Development is a condition to close.
7. The Application included a Warranty Deed, dated November 7, 2014, showing the Applicant owned the land. Since then, the land has been transferred out of the Applicant's name and the Applicant has entered into a purchase and sale agreement.
8. The Total Development Cost ("TDC") has increased by a total of \$2,946,510 from \$28,693,270 to \$31,639,780 or 10.27% since the Application. The change is mainly due to an increase in construction and financial costs.
9. The Application indicated the Applicant wished to qualify for an exemption from the ad valorem tax pursuant to 196.1978(4); however, the Applicant does not qualify since it has 54 units.
10. Since the Application, the Applicant submitted a letter dated, March 5, 2025, requesting to change the Green Building Certification program from ICC 700 National Green Building Standard to Florida Green Building Coalition ("FGBC"). FHFC's staff approved the change on March 17, 2025.
11. The 21-Day Requirements listed NEI General Contracting Inc. as the General Contractor ("GC"); however, the GC is Megen Construction Company, Inc. First Housing received the General Contractor Certification for Megen Construction Company, Inc., along with the prior experience chart.

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

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12. Since the Application, the address has changed from 2nd Ave N, 2nd Ave N and Engle Rd, Palm Springs to 2701, 2721, and 2751 Second Ave, N. Palm Springs.

The above changes have no substantial material impact to the SAIL, ELI, HOME-ARP 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 April 18, 2025, the Development has the following noncompliance item(s) not in the correction period:

- None

According to the FHFC Past Due Report, dated April 18, 2025, 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 have sufficient experience and substantial financial resources to develop and operate the proposed Development.

Waiver Requests/Special Conditions:

None

Issues and Concerns:

1. First Housing received a Statement of Financial/Credit Affairs for both Kathy Makino and Mark Leipsitz. The statements revealed that they have been involved in loans that were considered in technical default, had loans restructured, had loan workouts, and had principal and/or interest payments deferred.

Mitigating Factors:

1. The Statement of Financial/Credit Affairs forms did not indicate that 5% or more of the affordable housing developments (prior to August 1, 2010) or that any of the party's affordable housing developments have been subject of a foreclosure or deed in lieu of foreclosure, or in financial arrearage or other material default and such arrearage or material default remained uncured for a period of 60 days or more (on or after August 1, 2010).

Additional Information:

1. The Applicant has applied to Merchants Bank for construction financing and Merchants Bank/Freddie Mac for permanent financing. During the construction period, Merchants Bank will be the note holder and will provide a tax-exempt loan to the Applicant. At conversion to permanent financing, Merchants Bank will sell the Note to Freddie Mac who will provide permanent funding ("Funding Loan") in the form of a tax-exempt loan. 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 on behalf of HFAPBC ("Governmental Lender") for subsequent purchase by and delivery to the permanent lender, shortly after closing. The proceeds of the Funding Loan will be used by HFAPBC 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 HFAPBC 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 the construction and permanent lenders of tax-exempt bonds.
2. Since the equity provider, Merchants Capital Investments ("Merchants Capital"), is related to the first mortgage construction lender, it will cause the interest on the MMRN to be taxable, while held by Merchants Bank. Additionally, IRS regulations related to the substantial user issue will not allow the Note Issuer, HFAPBC, to receive its full standard Issuer Fees during construction (when Merchants Bank is the Noteholder). There will not be a substantial user issue during the permanent phase since Merchants Bank will no longer be the Noteholder.
3. The Development will consist of approximately 9,700 square feet of ground floor office and community space of one of its buildings. The office and community space will be occupied by Faith-Hope-Love-Charity, Inc., a non-profit organization that provides services to displaced and at-risk veterans and their families. According to the a draft lease agreement, between Faith-Hope-Love-Charity, Inc. and Village of Valor Ltd., the

commercial space will be rented for \$7,560 monthly. However, the Appraisal does not take into consideration this income. According to an email, dated February 28, 2025, the plans provided do outline a ground floor space that will be used for supportive services. However, when Novogradac & Company LLP (“Novogradac”) spoke with the Planning, Zoning and Building Director for the Village of Palm Springs, he indicated the space is not approved for commercial use, but rather as ground floor offices and multi-purpose rooms to serve the residents and would not be open to the public. The Development’s site is solely zoned Residential Multifamily, which does not permit commercial use. The layout of the site and the location of the space isn’t conducive to a typical commercial use. It does not have the visibility or frontage that commercial typically offers. Therefore, the likely use of the space would be a community use which would likely have a very discounted rent. Novogradac believes that if the lease agreement with Faith-Hope-Love-Charity, Inc. were to end, it is not likely the Development could replace that income.

4. The Applicant is required to provide a certification executed by the General Contractor for compliance with debarment and suspension regulations. First Housing has been in receipt of this certification.
5. The Applicant is required to comply with the HUD environmental requirements as provided in 24 CFR 93.301(f)(1) and (2). Receipt of a satisfactory HUD environmental that finds that the Development to be in compliance with the Property Standards at 24 CFR 93.301(f)1 for new construction, is a condition to close.
6. The Applicant is required to provide evidence demonstrating that the Development is consistent with the applicable Consolidated Plan. First Housing has been in receipt of this certification.

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

**Uses of Funds**

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$14,891,993	\$14,665,614	\$12,439,670	\$230,364	\$561,738
Site Work	\$0	\$1,080,000	\$2,930,316	\$54,265	\$293,032
Swimming Pool	\$0	\$0	\$180,000	\$3,333	\$0
Constr. Contr. Costs subject to GC Fee	\$14,891,993	\$15,745,614	\$15,549,986	\$287,963	\$854,770
General Conditions (6.0%)	\$2,084,879	\$944,737	\$932,999	\$17,278	\$0
Overhead (2.0%)	\$0	\$314,912	\$311,000	\$5,759	\$0
Profit (6.0%)	\$0	\$944,737	\$932,999	\$17,278	\$0
General Liability Insurance	\$0	\$0	\$98,195	\$1,818	\$0
Payment and Performance Bonds	\$0	\$0	\$124,821	\$2,312	\$0
Total Construction Contract/Costs	\$16,976,872	\$17,950,000	\$17,950,000	\$332,407	\$854,770
Hard Cost Contingency (5.0%)	\$848,843	\$897,500	\$897,499	\$16,620	\$0
FF&E paid outside Constr. Contr.	\$210,000	\$210,000	\$210,000	\$3,889	\$0
<b>Total Construction Costs:</b>	<b>\$18,035,715</b>	<b>\$19,057,500</b>	<b>\$19,057,499</b>	<b>\$352,917</b>	<b>\$854,770</b>

Allowances:

Total \$0

Notes to the Total Construction Costs:

1. The Applicant has provided an executed construction contract, dated April 11, 2025, in the amount of \$17,950,000 and a First Amendment to AIA Document A102 and A201, dated April 16, 2025. This is a Standard Form of Agreement between Owner, Village of Valor LTD and Contractor, Megen Construction Company where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price ("GMP"). Per the contract, substantial completion is to be achieved not later than fourteen months (424 calendar days) from commencement.
2. First Housing used the Schedule of Values ("SOV") to break out the construction costs.
3. Receipt of all GC Section 3 contract requirements is a condition to close.
4. The ineligible cost of \$561,738 includes \$487,866 for the construction of the 9,700 square feet of commercial space and \$73,872 to purchase the washers/dryers.
5. The GC Contract does not include any allowances.

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$0	\$35,000	\$35,000	\$648	\$17,500
Appraisal	\$0	\$8,500	\$10,700	\$198	\$0
Architect's Fees	\$0	\$925,000	\$925,000	\$17,130	\$0
Builder's Risk Insurance	\$162,327	\$234,625	\$234,625	\$4,345	\$0
Building Permits	\$0	\$280,000	\$280,000	\$5,185	\$0
Engineering Fees	\$0	\$150,000	\$150,000	\$2,778	\$0
Environmental Report	\$0	\$20,000	\$20,000	\$370	\$0
FHFC Administrative Fees	\$0	\$76,385	\$75,941	\$1,406	\$75,941
FHFC Application Fee	\$157,112	\$3,000	\$3,000	\$56	\$3,000
FHFC Compliance Fee	\$0	\$243,770	\$243,077	\$4,501	\$243,077
FHFC Credit Underwriting Fee	\$0	\$75,000	\$26,421	\$489	\$26,421
Green Building Cert. (LEED, FGBC, NAHB)	\$0	\$27,100	\$27,100	\$502	\$0
Impact Fee	\$0	\$270,000	\$270,000	\$5,000	\$0
Legal Fees - Organizational Costs	\$0	\$255,000	\$255,000	\$4,722	\$63,750
Lender Inspection Fees / Const Admin	\$0	\$68,980	\$68,980	\$1,277	\$0
Market Study	\$0	\$6,500	\$4,050	\$75	\$4,050
Marketing and Advertising	\$0	\$54,000	\$54,000	\$1,000	\$54,000
Plan and Cost Review Analysis	\$0	\$5,300	\$5,250	\$97	\$0
Property Taxes	\$0	\$279,820	\$279,820	\$5,182	\$0
Soil Test	\$0	\$15,000	\$15,000	\$278	\$0
Survey	\$0	\$25,000	\$25,000	\$463	\$10,000
Title Insurance and Recording Fees	\$0	\$100,000	\$100,000	\$1,852	\$20,000
Traffic Study	\$0	\$17,500	\$17,500	\$324	\$0
Utility Connection Fees	\$420,000	\$27,000	\$27,000	\$500	\$0
Soft Cost Contingency (5.0%)	\$113,519	\$116,920	\$168,698	\$3,124	\$0
Other: Construction Materials Testing/Threshold Inspections	\$0	\$200,000	\$200,000	\$3,704	\$0
Other: UA Study/Printing/Shipping/Travel	\$0	\$16,500	\$16,500	\$306	\$10,000
Other: Third Party Reports	\$0	\$0	\$5,000	\$93	\$0
Other: Professional Fees	\$1,320,950	\$0	\$0	\$0	\$0
<b>Total General Development Costs:</b>	<b>\$2,173,908</b>	<b>\$3,535,900</b>	<b>\$3,542,662</b>	<b>\$65,605</b>	<b>\$527,739</b>

Notes to the General Development Costs:

- General Development Costs are the Applicant's updated estimates, which appear reasonable.
- First Housing has utilized actual costs for: Appraisal, FHFC Credit Underwriting, Market Study, and Plan and Cost Review Analysis.
- The FHFC Administrative Fee is based on 5.5% of the recommended annual 4% Housing Credit allocation.
- FHFC Compliance Fee of \$243,077 is based on the 2025 compliance fee calculator spreadsheet provided by FHFC.

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

5. The FHFC Credit Underwriting Fee includes an underwriting fee of \$26,421 for the SAIL, ELI, HOME-ARP, and Housing Credits.
6. The Applicant provided a proposal from BMC Consulting, LLC, dated December 18, 2023, for Professional FGBC Certification Services and FGBC Certification for the Development.
7. The construction materials testing/threshold inspections of \$200,000 includes construction materials testing such as footing concrete testing, on-grade concrete testing, elevating deck concrete testing, and utility backfill testing and threshold inspections such as footing reinforcing steel inspection, roof diaphragm inspection, structural steel inspection and on-grade reinforcing steel inspection.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Closing Costs	\$0	\$20,000	\$20,000	\$370	\$0
Construction Loan Commitment Fee	\$627,747	\$158,750	\$158,750	\$2,940	\$0
Construction Loan Interest	\$0	\$1,060,040	\$1,111,546	\$20,584	\$444,619
Permanent Loan Closing Costs	\$0	\$57,181	\$57,181	\$1,059	\$57,181
Permanent Loan Commitment Fee	\$140,250	\$67,750	\$60,000	\$1,111	\$60,000
Local HFA Note Cost of Issuance	\$0	\$150,313	\$150,313	\$2,784	\$150,313
Local HFA Note Fiscal Agent Fee	\$0	\$0	\$8,250	\$153	\$8,250
Local HFA Note Underwriting Fee	\$0	\$0	\$23,578	\$437	\$23,578
SAIL Closing Costs	\$0	\$0	\$20,000	\$370	\$20,000
SAIL Commitment Fee	\$0	\$60,000	\$27,761	\$514	\$27,761
Misc Loan Underwriting Fee	\$0	\$0	\$16,984	\$315	\$16,984
Legal Fees - Financing Costs	\$0	\$140,000	\$140,000	\$2,593	\$56,000
Placement Agent/Underwriter Fee	\$0	\$0	\$35,000	\$648	\$35,000
Initial TEFRA Fee	\$0	\$1,000	\$1,000	\$19	\$1,000
Other: <b>Bond Issuance Fee</b>	\$0	\$76,068	\$43,656	\$808	\$43,656
Other:	\$1,079,614	\$0	\$0	\$0	\$0
<b>Total Financial Costs:</b>	<b>\$1,847,611</b>	<b>\$1,791,102</b>	<b>\$1,874,020</b>	<b>\$34,704</b>	<b>\$944,342</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$22,057,234</b>	<b>\$24,384,502</b>	<b>\$24,474,181</b>	<b>\$453,226</b>	<b>\$2,326,850</b>

Notes to the Financial Costs:

1. The Construction Loan Commitment Fee is based on 1% of the construction loan amount of \$15,875,000.
2. The Construction Loan Interest of \$1,111,546 is based on an interest rate of 6.82%, a 22-month term, and an average outstanding loan balance of 56%. The GC Contract specifies a substantial completion of not later than 424 calendar days (or approximately 14 months) and considering a 8-month lease-up/stabilization period, First Housing has estimated that a construction term of 22-months is reasonable.



**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

3. The Permanent Loan Commitment Fee is based on 1% of the permanent loan amount of \$6,000,000.
4. The Local HFA Note Cost of Issuance (“COI”) was provided by Stifel and includes the placement agent/underwriting fee.
5. The Local HFA Fiscal Agent Fee represents 22 months of the annual Fiscal Agent fee of \$4,500 during construction.
6. The Local HFA Note Underwriting includes an underwriting fee of \$15,117 and a refresh underwriting fee of \$8,461.
7. The SAIL Commitment Fee is based on 1% of the total SAIL Loan.
8. First Housing included FHFC closing costs of \$20,000 for the SAIL/ELI loan for FHFC legal counsel fees.
9. The Misc. Loan Underwriting Fee of \$16,984 is associated with the Palm Beach County Loan.
10. First Housing included a Placement Agent/Underwriter Fee of \$35,000.
11. HFA Issuer Fee includes 22 months of the HFAPBC Issuer Fee of 0.15% of the total Note issuance.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>Total Non-Land Acquisition Costs:</b>	\$0	\$0	\$0	\$0	\$0

Notes to the 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	\$3,947,036	\$4,413,714	\$4,405,352	\$81,581	\$0
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	\$3,947,036	\$4,413,714	\$4,405,352	\$81,581	\$0

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$2,500,000	\$2,200,000	\$2,200,000	\$40,741	\$2,200,000
<b>Total Acquisition Costs:</b>	<b>\$2,500,000</b>	<b>\$2,200,000</b>	<b>\$2,200,000</b>	<b>\$40,741</b>	<b>\$2,200,000</b>

Notes to Acquisition Costs:

1. First Housing received a Vacant Land Contract, dated April 10, 2025, by and between KSM Holdings Florida, LLC (“Seller”) and Village of Valor LTD. (“Buyer”). The purchase price is \$2,200,000 and has a closing date of no later than December 31, 2025.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Debt Service Coverage Reserves	\$189,000	\$424,113	\$424,113	\$7,854	\$424,113
Other: Taxes and Insurance Escrow	\$0	\$136,134	\$136,134	\$2,521	\$136,134
<b>Total Reserve Accounts:</b>	<b>\$189,000</b>	<b>\$560,247</b>	<b>\$560,247</b>	<b>\$10,375</b>	<b>\$560,247</b>

Notes to Reserve Accounts:

1. It is anticipated that Merchants Capital will require an Operating Deficit Reserve (“ODR”) estimated in the amount of \$424,113, subject to change at closing.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$28,693,270</b>	<b>\$31,558,463</b>	<b>\$31,639,780</b>	<b>\$585,922</b>	<b>\$5,087,097</b>

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	14.00%	\$2,176,998	\$2,176,998
Hard Cost Contingency	5.00%	5.00%	\$897,500	\$897,499
Soft Cost Contingency	5.00%	5.00%	\$168,698	\$168,698
Developer Fee	18.00%	18.00%	\$4,405,352	\$4,405,352

## **Section B**

### **SAIL, ELI, HOME-ARP and HC Special and General Conditions**

### **Special Conditions**

This recommendation is contingent upon the review and approval of the following items by Florida Housing Finance Corporation (“Florida Housing” or “FHFC”) and First Housing **at least two weeks prior to Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the SAIL, ELI, and HOME-ARP closing date.

1. Firm Commitment or final loan documents from Merchants Bank (construction) and Merchants Bank/Freddie Mac (permanent financing) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
2. Final loan documents for the fourth, fifth, and sixth mortgages with terms which are not substantially different than those utilized in this credit underwriting report.
3. Receipt and satisfactory review of the Final signed, sealed “approved for construction” plans and specifications by the Construction Consultant and the Servicer. If the Construction Consultant does not have time to review prior to closing, this condition can be satisfied prior to the first post-closing draw.
4. Self-Sourced financing in the amount of \$1,000,000 will be funded at closing and dispersed pro-rata with the SAIL Base Loan.
5. FHFC’s staff approval of the principal disclosure changes.
6. Receipt of a final Development Agreement.
7. Satisfactory receipt of the Affirmative Fair Housing Marketing Plan.
8. Satisfactory receipt of a final Document and Cost Review Report, verifying all features and amenities.
9. Receipt and satisfactory review of updated financials for the Guarantors, dated within 90 days of closing or Audited Financial Statements within one year.
10. Receipt of the environmental review confirming compliance with the HUD environmental requirements as provided in 24 CFR Part 92 and 24 CFR Part 58.
11. Receipt of all GC Section 3 contract requirements.
12. Completion of the HUD Section 3 pre-construction conference.

13. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 75).
14. Per Rule 67-48, the minimum DSC ratio shall be 1.10x for the HOME (ARP) Loan, including all superior mortgages. However, per Rule 67-48, if the Applicant defers 35% of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation, and when the primary expected source of repayment has been identified as projected cash flow, the minimum DSC shall be 1.00x for the HOME (ARP) Loan, including all superior mortgages. The Applicant will be required to defer at least 35% of its Developer Fee as the HOME-ARP Loan DSC is 1.09x.
15. Upon conversion, if the permanent first mortgage loan is increased above the principal amount at closing, it will be subject to FHFC's approval and a positive recommendation from First Housing.
16. 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 two weeks prior to 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. and 67-48.0075 (5) F.A.C. of an Applicant or a Developer).
2. Moran 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 Loan Agreement as the approved development budget.

9. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. SAIL Base, ELI, and HOME-ARP loan proceeds shall be disbursed during the construction phase in an amount per draw that does not exceed the ratio of the SAIL, ELI, and HOME-ARP loans, respectively, to the Total Development Costs, unless approved by First Housing. The closing draw must include appropriate backup and ACH wiring instructions.
10. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
11. 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.
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 Document and Cost Review, prepared by Moran.
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 a Partnership/Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Partnership/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 two weeks prior to Loan Closing**. Failure to submit and 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 Merchants Capital 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 partnership/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 RFA 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/Operating 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, including HC as Applicable**

This recommendation is also contingent upon satisfaction of the following additional conditions:

1. Compliance with all provisions of Sections 420.507, 420.5087, and 420.5089, Florida Statutes, Rule Chapter 67-21, F.A.C. (Non-Competitive 4% Housing Credits), Rule 67-48 F.A.C. (SAIL and HOME Program), Rule Chapter 67-53, F.A.C., Rule Chapter 67-60 F.A.C., RFA 2024-205, 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 SAIL Base, ELI, and HOME-ARP loans 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 Merchants Capital or an affiliate, that requires funding of all HC Equity Installments during construction, even if the Borrower is in default under the Limited Partnership 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 MMRB 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 SAIL Base Loan, 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 on the combined permanent first mortgage and SAIL Base Loan as determined by FHFC, or the Servicer, and 90% occupancy, and 90% of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all as 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. 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.
10. 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.
11. 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, Fiscal Agent, or Florida Housing's Loan(s) servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per Rule Chapters 67-21 and 67-48 F.A.C., in the amount of \$16,200 (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. 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 15<sup>th</sup> year after the initial Replacement Reserve Date and subsequently every five (5) years thereafter.

12. 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 on all payments until 50% completion of the project, at which time, no further retainage will be withheld from subsequent progress payments unless Owner determined to reinstate the 10% retainage. This meets the RFA and Rule Chapters 67-48 and 67-21 minimum requirements.
13. Closing of all funding sources prior to or simultaneous with the SAIL Base/ELI and HOME-ARP loans.
14. Satisfactory completion of a pre-loan closing compliance audit conducted by FHFC or Servicer, if applicable.
15. Satisfactory resolution of any outstanding past due and/or noncompliance items.
16. Housing Credits – Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
17. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.
18. HOME funds are subject to the National Environmental Policy Act of 1969 and related federal environmental authorities and regulations at 24 CFR Part 58 “Environmental Review Procedures”. No HOME funds may be committed to development before completion of the environmental review process and HUD approval of the environmental review and Request for Release of Funds.

## **Section C**

### **Supporting Information & Schedules**

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

**Additional Development & Third Party Supplemental Information**

Appraisal Summary:

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Novogradac & Company LLP	
Date of Report	5/13/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	95.0%	
Occupancy at Stabilization: Physical (%)	95.0%	
Value: As Is market value of the land	\$2,200,000	
As of date and type of interest (as if vacant land)	4/25/2025, fee simple	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$17,900,000	
As of date and type of interest (unrestricted rents)	4/25/2025, leased fee	
Value: "As Complete and Stabilized", subject to restricted rents	\$9,700,000	
As of date and type of interest (restricted rents)	4/25/2025, leased fee	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

Market Study Summary:

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Novogradac & Company LLP	
Date of Report	4/15/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	14	
Short Term and Long Term Impact to existing like-kind developments	N	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	99.7%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 5 mile radius:		
Capture Rate (%)	0.5%	
Absorption Rate	30	
Will the development achieve maximum allowable HC Rents? (Y/N)	Y	
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

The Market Study was completed with 2024 rent limits.

Environmental Report Summary:

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	SES Environmental	
Date of Report	9/13/2024	
Type of Report	Phase I Environmental Site Assessment	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	N	
Is any further investigation required? (Y/N)	N	

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

Soils Test Report Summary:

Soils Test Report Summary Questions	Responses	Note
Preparer Firm Name	Ardaman & Associates, Inc.	
Date of Report	8/18/2023	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

Document and Cost Review Summary:

Property Conditions Report (PCR) Summary Questions	Responses	Note
Preparer Firm Name	Moran Consultants, LLC	
Date of Report	4/24/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	N	1.
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$17,950,000	
Cost per Unit	\$332,407	
Costs for Similar Type Developments (Include Range)	\$189,870.92 - \$255,550.30	2.
Is the Cost per Unit reasonable? (Y/N)	Y	2.
Construction schedule to substantial completion	424	
Is the development timeline considered feasible? (Y/N)	Y	3.
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	4.

1. Receipt of a final Document and Cost Review Report verifying all features and amenities is a condition to close.
2. While the cost per unit is not supported by the comparables, the cost per gross square foot ("GSF") is supported by the comparables. The Developments cost per GSF is \$216.36, while the comparables range from \$204.05 - \$225.52.



**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

3. The listed Construction Duration is generally in line with the Contract Duration; however, the Schedule lacks industry standard detail and dates. Therefore, Moran was unable to determine whether the Schedule is in accordance with the Contract.
4. The contract documents, inclusive of the drawings and engineering reports, appear to include adequate detail to complete the proposed scope of work. The construction documents were prepared by licensed architects and engineers; and do appear to address governing codes and ordinances. The materials, systems, and assemblies are considered appropriate with regards to FHA standards, project type and are generally of adequate quality; however, they remain to be signed / stamped by their respective Professional of Records. Moran recommends the finalized Documents be provided for review to ensure details align with the provided Set.

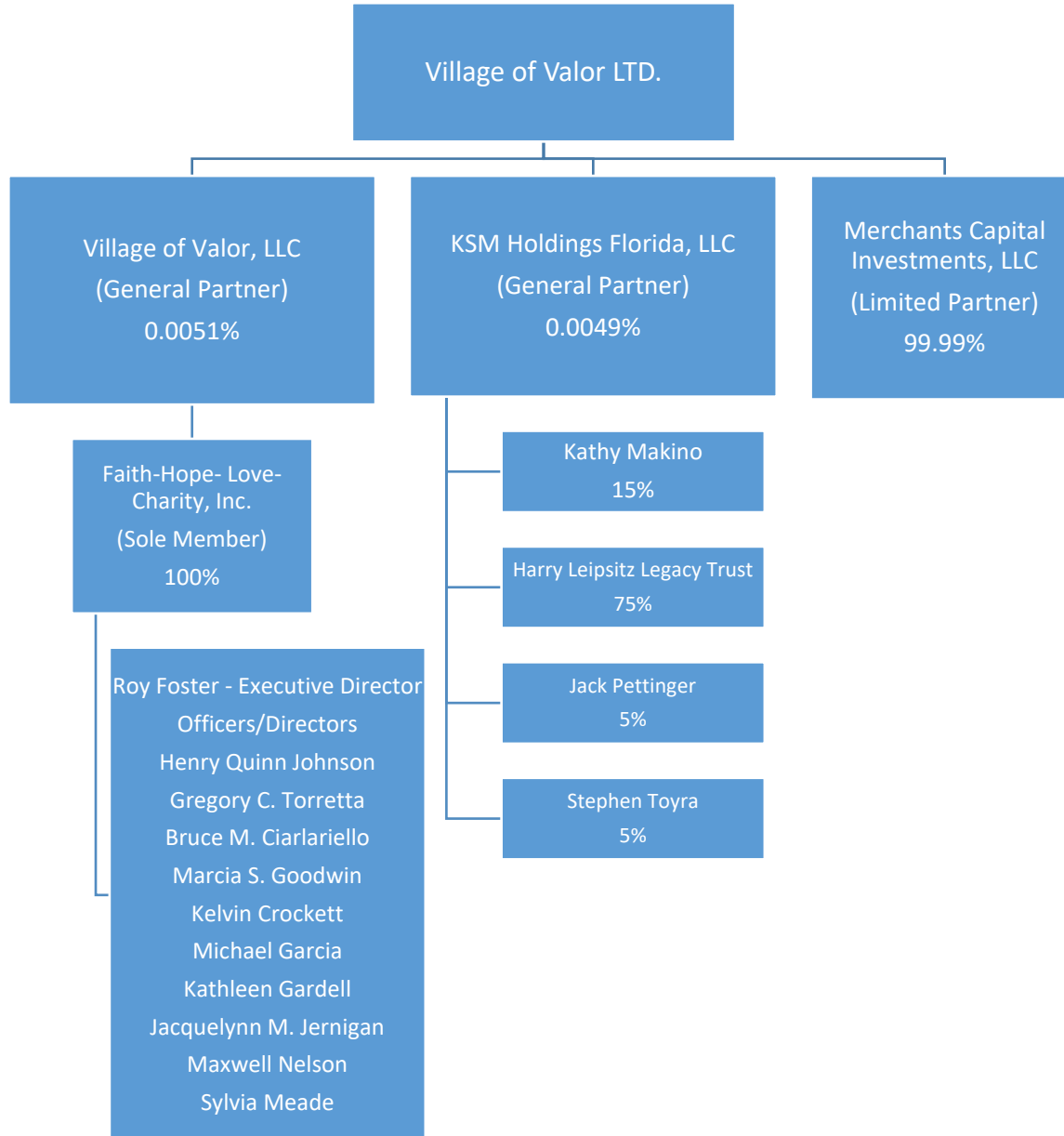
Site Inspection Summary:

Site Visit Summary Questions	Responses	Note
Name of Inspector	First Housing	
Date of Inspection	5/8/2025	
Were the observation(s) of the inspector in line with the Market Study? (Y/N)	Y	

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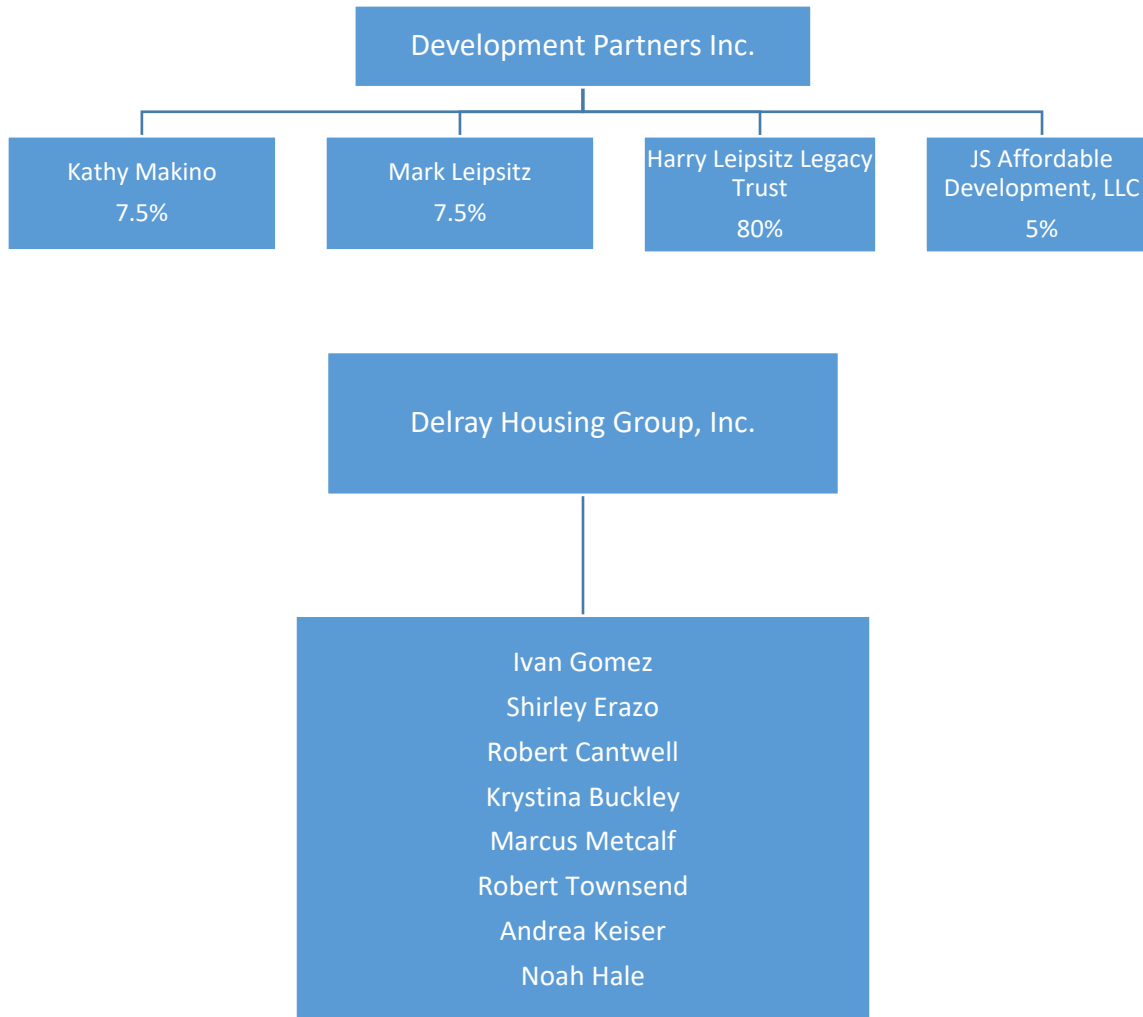
**Applicant & Related Party Information:**

Applicant Organizational Chart:



**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

Developer Organizational Charts:



According to the draft Development Agreement, the Developer Fee will be paid as follows:

- 46% of the total developer fee shall be paid to Faith-Hope-Love-Charity, Inc.
- 44% of the total developer fee shall be paid to Development Partners, Inc.
- 10% of the total developer fee shall be paid to the Delray Housing Group, Inc.

Receipt of a final Development Agreement is a condition to close.

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	MCI Village of Valor, LLC	Megen Construcion Company, Inc.	Delray Housing Group, Inc.	Village of Valor, LTD.	Village of Valor, LLC	Faith-Hope-Love-Charity, Inc.	KSM Holdings Florida, LLC	Kathy Susan Makino-Leipsitz	Harry Leipsitz Legacy Trust	Development Partners Inc.	Mark Leipsitz	Note
Relationship Type	Syndicator	General Contractor	Management Company	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Principal	Guarantor	Guarantor	
Contact Person Name & Title	Josh Reed, EVP LIHTC Acquisitions	Bob Frick, GC	Shirley Erazon, President/CEO	Kathy Makino, Managing Partner								
Contact Information	410 Monon Blvd. Carmel, IN 46032 317-324-4852 jreed@merchantscapital.com	11130 Ashburn Road, Cincinnati, OH 45240 bfricke@megenconstruction.com 513-742-9191	82 NW 5th Avenue Delray Beach, FL 33444 561-272-6766 serazo@dbha.org	8445 E. Jefferson Street Detroit, MI 48214 734-905-8323 Kathy@shelbornedevlopment.com								
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	N	N	N	Y	Y	Y	Y	Y	N	Y	Y	
Does entity have the necessary experience?	Y	Y	Y	Single Purpose	Single Purpose	Y	N/A	Y	N/A	N/A	Y	
Has a credit evaluation been completed and is it satisfactory?	N	Y	Y	N/A	Y	Y	Y	Y	N/A	N/A	Y	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	N/A	N/A	N/A	N/A	Y	N/A	Y	N/A	N/A	Y	
Have all financial statements been reviewed and are they adequate?	Y	Y	N/A	N/A	N/A	Y	N/A	Y	N/A	N/A	Y	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	N/A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	Closing Condition	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1
Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	

Notes:

1. Receipt of an executed Management Agreement.
2. Approval of the selection of the management company by FHFC's Asset Management Department is required. As the Development is proposed to be constructed, said approval is not required at closing.

Village of Valor  
RFA 2024-205 (2025-280SA) / (2024-533C)  
DESCRIPTION OF FEATURES AND AMENITIES

**A.** The Development will consist of:

54 Units located in 2 Mid-Rise residential buildings

Unit Mix:

Twenty-six (26) two bedroom/two bath units;

Twenty-eight (28) three bedroom/two bath units;

54 Total Units

**B.** All units are expected to meet all requirements as outlined below. All features and amenities committed to and proposed by the Applicant that are not unit specific shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.

The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act ("ADA") of 1990 as implemented by 28 CFR 35.

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.

**C.** The Development must provide the following General Features:

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in at least 100 Mbps download and 20 Mbps upload accessibility in each unit;
2. Termite prevention;
3. Pest control;
4. Window covering for each window and glass door inside each unit;

5. Wireless, 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;
6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility open 7 days a week for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
  - There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Developments' 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;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both;
7. At least two full bathrooms in all 3 bedroom or larger units;
8. Bathtub with shower in at least one bathroom in at least 90 percent of the new construction non-Elderly units;
9. All Family Demographic Developments must provide a full-size range and oven in all units.

**D. Required Accessibility Features, regardless of the age of the Development:**

Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. Florida Housing 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 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, (including all dwelling units that can be accessed by elevators), 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.

**E. The Development must provide the following Accessibility Features in all units:**

1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
2. All door handles on primary entrance door and interior doors must have lever handles;
3. Lever handles on all bathroom faucets and kitchen sink faucets;

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

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4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

**F.** In addition to the 5 percent mobility requirement outlined above, all Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed 2010 ADA Standards for Accessible Design.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

**G.** Green Building Features required in all Developments:

All new construction units and, as applicable, all common areas must have the features listed below:

- a. 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);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
  - i. Toilets: 1.28 gallons/flush or less,
  - ii. Urinals: 0.5 gallons/flush,
  - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;
- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
  - Residential Electric:
    - i. Up to 55 gallons = 0.95 EF or 0.92 UEF; or
    - ii. More than 55 gallons = Energy Star certified; or
    - iii. Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  over a 67° rise;
  - Residential Gas (storage or tankless/instantaneous): Energy Star certified



- Commercial Gas Water Heater: Energy Star certified;
  - g. Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
  - h. Air Conditioning (in-unit or commercial):
    - i. Air-Source Heat Pumps – Energy Star certified:
      - a.  $\geq 7.8$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER2 for split systems
      - b.  $\geq 7.2$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 10.6$  EER2 for single package equipment including gas/electric package units
    - ii. Central Air Conditioners – Energy Star certified:
      - a.  $\geq 15.2$  SEER2/  $\geq 12.0$  EER2 for split systems
      - b.  $\geq 15.2$  SEER2/  $\geq 11.5$  EER2\* 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 one-bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments must commit to achieve one of the following Green Building Certification programs:

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

**H. The Applicant must provide at least three Resident Programs:**

The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

**1. Health and Wellness Program**

The Applicant or its Management Company shall provide, at no cost to the resident, on-site health and wellness services quarterly. Services should include but not be limited to, clinical health care needs such as blood pressure monitoring, pulse, temperature, cholesterol, glucose and other wellness screenings, as well as healthcare education and nutrition. Applicant or it's Management Company shall partner with community healthcare providers and provide space for services to be delivered, including offices for a service coordinator, nurse and other health or social services providers. Space must also be provided for group health education.

**2. Employment Assistance Program**

The Applicant or its Management Company must provide, at no cost to the resident, a minimum of quarterly scheduled Employment Assistance Program workshops/meetings offering employment counseling by a knowledgeable employment counselor. Such a program includes employability skills workshops providing instruction in the basic skills necessary for

getting, keeping, and doing well in a job. The instruction must be held between the hours of 8:00 a.m. and 7:00 p.m. and include, but not be limited to, the following:

- Evaluation of current job skills;
- Assistance in setting job goals;
- Assistance in development of and regular review/update of an individualized plan for each participating resident;
- Resume assistance;
- Interview preparation; and
- Placement and follow-up services.

If the training is not provided on-site, transportation at no cost to the resident must be provided. Electronic media, if used, must be used in conjunction with live instruction.

3. Financial Management Program

The Applicant or its Management Company shall provide a series of classes to provide residents training in various aspects of personal financial management. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. If the Development consists of Scattered Sites, the Resident Program must be held on the Scattered Site with the most units. Residents residing at the other sites of a Scattered Site Development must be offered transportation, at no cost to them, to the classes.

The topic areas must include, but not be limited to:

- Financial budgeting and bill-paying including training in the use of technologies and web-based applications;
- Tax preparation including do's and don'ts, common tips, and how and where to file, including electronically;
- Fraud prevention including how to prevent credit card and banking fraud, identity theft, computer hacking and avoiding common consumer scams;
- Retirement planning & savings options including preparing a will and estate planning; and
- Homebuyer education including how to prepare to buy a home, and how to access to first-time homebuyer programs in the county in which the development is located.

Different topic areas must be selected for each session, and no topic area may be repeated consecutively

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

## Housing Credit Allocation Calculation

### Qualified Basis Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$31,639,780
Less: Land Cost	(\$2,200,000)
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$2,887,097)
Less: Disproportionate Standard	\$0
Total Eligible Basis	\$26,552,682
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$34,518,487
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$1,380,739

#### Notes to the Qualified Basis Calculation:

1. Other ineligible costs include commercial space, washer/dryers, site work, accounting fees, FHFC Fees, legal fees, market study, advertising/marketing fees, title work, survey, printing/shipping/travel, financial costs, operating reserves, and taxes/insurance escrows.
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 HUD-designated QCT for Palm Beach; therefore, the 130% basis boost 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.

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

**GAP Calculation**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$31,639,780
Less: Mortgages	(\$17,534,600)
Less: Grants	\$0
Equity Gap	\$14,105,180
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.860
HC Required to Meet Gap	\$16,403,012
Annual HC Required	\$1,640,301

Notes to the Gap Calculation:

1. The pricing and syndication percentage was taken from the letter from Merchants Capital, dated April 14, 2025.

**Summary**

<b>Section III: Summary</b>	
HC per Applicant Request	\$1,460,369
HC per Qualified Basis	\$1,380,739
HC per Gap Calculation	\$1,640,301
Annual HC Recommended	\$1,380,739

Syndication Proceeds Based on HC Recommended	\$11,873,172
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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.

**SAIL, ELI, HOME-ARP & HC CREDIT UNDERWRITING REPORT**

**50% Test**

<b>Section III: Tax-Exempt Bond 50% Test</b>	
Total Depreciable Cost	\$26,552,682
Plus: Land Cost	\$2,200,000
Aggregate Basis	\$28,752,682
Tax-Exempt Bond Amount	\$15,875,000
Less: Debt Service Reserve	(\$424,113)
Less: Proceeds Used for Costs of Issuance	(\$150,313)
Plus: Tax-exempt GIC earnings	\$0
Tax-Exempt Proceeds Used for Building and Land	\$15,300,574
Proceeds Divided by Aggregate Basis	53.21%

1. Based on the budget, the Development appears to meet the 50% test for 4% Housing Credits.



**SMITH & HENZY**  
AFFORDABLE GROUP

(561) 859-8250

98 SE 6th Ave Delray Beach, FL 33483

May 21, 2025

Tim Kennedy  
Assistant Director of Multifamily Programs  
Florida Housing Finance Corporation  
227 N. Bronough St., Suite 5000  
Tallahassee, FL 32301

**RE: RIVERSIDE PARK APARTMENTS (2025-288S/2024-546C)**

Mr. Kennedy,

Please consider this letter as Riverside Park Apartments, LLLP (the “Applicant”) formal request to receive a waiver on the Features and Amenities as set forth in RFA 2024-204.

Riverside Park Apartments (the “Development” or “Project”) consists of a rehabilitation of 90 units. As part of the renovation, the Applicant is replacing the air-conditioning units in the common areas and units of the Project. The equipment currently installed on the Project is water source heat pumps (“WSHP”) and the new systems that will be provided will be water source heat pumps. RFA 2024-204 Construction Features and Amenities does not include language on WSHP but only air-sourced heat pumps, which are not applicable to the Project.

Commercial grade WSHP are not available with an Energy Star certification label, however, the equipment that will be installed in the Development is Air-Conditioning, Heating, and Refrigeration Institute (“AHRI”) certified with an EER rating of 16.00, which exceeds the current requirements found in the Features and Amenities for the (i) air-source heat pumps and (ii) central air conditioners.

Therefore, the Applicant is formally requesting FHFC to approve the usage of water source heat pumps in the Riverside Park Apartments development.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Darren Smith  
Riverside Park Apartments, LLLP  
[dsmith@smithhenzy.com](mailto:dsmith@smithhenzy.com)  
(561) 859-8520

Enclosures:

Cc: Michael Henzy, [mhenzy@smithhenzy.com](mailto:mhenzy@smithhenzy.com)

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# **Florida Housing Finance Corporation**

## **Credit Underwriting Report**

### **Riverside Park Apartments**

#### **State Apartment Incentive Loan (“SAIL”) and 4% Non-Competitive Housing Credits (“HC”)**

**RFA 2024-204 (2025-288S) / 2024-546C**

#### **SAIL Financing for the Preservation of Elderly Developments**

##### **Section A: Report Summary**

##### **Section B: SAIL Loan Special and General Conditions HC Allocation Recommendation and Contingencies**

##### **Section C: Supporting Information and Schedules**

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**Prepared by**

**First Housing Development Corporation of Florida**

**FINAL REPORT**

**June 1, 2025**



**Riverside Park Apartments**

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**Section A**

**Report Summary**

**SAIL & HC CREDIT UNDERWRITING REPORT**

**Recommendation**

First Housing Development Corporation of Florida (“First Housing”, “FHDC”, or “Servicer”) recommends a SAIL Loan in the amount of \$3,675,000 and an annual 4% HC Allocation of \$1,220,771 for the acquisition/preservation and permanent financing of Riverside Park Apartments (“Development”). The recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:	Riverside Park Apartments		
RFA/Program Numbers:	RFA 2024-204	/	2025-288S 2024-546C
Address:	750 Oak Street		
City:	Jacksonville	Zip Code:	32204 County: Duval County Size: Large
Development Category:	Acquisition and Rehabilitation	Development Type:	High-Rise
Development Subcategory:	Preservation		
Construction Type:	Masonry	Number of Stories:	9
Demographic Commitment:			
Primary:	Elderly, Non-ALF	for	100% of the Units
Link Units:	Persons with Special Needs	for	7.7% of the Units
Unit Composition:			
# of ELI Units:	14	ELI Units Are Restricted to	30% AMI, or less. Min % of Units @ ELI: 15%
# of Link Units:	7	# of Preference units:	0 IRS Minimum Set-Aside Commitment: AIT
# of NHTF Units:	0	# of units w/ PBRA?	90 TSP Approval Date: 04/11/2025
Buildings:	Residential -	1	Non-Residential - 0
Parking:	Parking Spaces -	42	Accessible Spaces - 2
DDA:	No	SADDA:	No QCT: No Multi-Phase Boost: No QAP Boost: No QAP Type:
Site Acreage:	0.86	Density:	104.6512 Flood Zone Designation: X
Zoning:	CRO, Commercial Residential Office		Flood Insurance Required?: No
Credit Underwriter:	First Housing Development Corporation		Date of Application: 12/05/2024
Date of Final CUR:		Minimum 1st Mortgage per Rule:	N/A
TDC PU Limitation at Application:	TBD	TDC PU Limitation at Credit Underwriting:	\$214,297
Actual TDC PU for Limitation:	\$192,720	Amount Dev. Fee Reduced for TDC Limit:	\$0

**SAIL & HC CREDIT UNDERWRITING REPORT**

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The reader is cautioned to refer to all sections of the report for complete information.

Prepared by:



Stephanie Petty  
Senior Credit Underwriter

Reviewed by:



Ed Busansky  
Senior Vice President

**SAIL & HC CREDIT UNDERWRITING REPORT**

**Set Asides & 15-Year Operating Proforma**

Set Asides:	<b>Program</b>	<b>% of Units</b>	<b># of Units</b>	<b>% AMI</b>	<b>Term (Years)</b>
	ELI	15.556%	14	30%	99
	SAIL	61.111%	55	60%	99
	SAIL	23.333%	21	80%	99
	MMRB	15.556%	14	30%	50
	MMRB	61.111%	55	60%	50
	MMRB	23.333%	21	80%	50

Persons with Special Needs Set-Aside Commitment: The proposed Development must set aside 50% of the ELI set-aside units (7 units) as Link units for Persons with Special Needs. In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding (“MOU”) with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with Special Needs for the county where the proposed Development will be located (Duval County). The MOU was approved by Florida Housing Finance Corporation (“Florida Housing” or “FHFC”) on April 11, 2025.

As required by the Federal Fair Housing Act, at least 80% of the total units will be rented to residents that qualify as Elderly.

The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes, which requires a ninety-nine (99) year total compliance period under a Land Use Restriction Agreement. Therefore, after the initial 50-year Compliance Period required by the RFA ("Compliance Period) expires, all SAIL/ELI set-aside units within the Development shall be rented to households who shall have a household income less than or equal to one hundred and twenty percent (120%) of the Area Median Income for a period of forty-nine (49) years (“Ad Valorem Compliance Period”). The Ad Valorem Compliance Period, together with the Compliance Period shall have a term of ninety-nine (99) years (the “Total Compliance Period”) which will be defined under the SAIL/ELI Land Use Restriction Agreement. The Applicant will be responsible for compliance monitoring fees for 50 years which is to be paid to the Servicer, for years 51-99, compliance monitoring will be self-certified by the Applicant to FHFC. The Applicant will also be responsible for the compliance monitoring fee of \$4,900 (\$100 per year) for years 51-99 Ad Valorem Compliance Period, to be paid at closing to FHFC.

**SAIL & HC CREDIT UNDERWRITING REPORT**

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

**Duval County, Jacksonville HMFA**

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	14	675	30%			\$547	\$73	\$474	\$1,750	\$1,750	\$1,750	\$1,750	294,000
1	1.0	55	675	60%			\$1,095	\$73	\$1,022	\$1,750	\$1,750	\$1,750	\$1,750	1,155,000
1	1.0	21	675	80%			\$1,460	\$73	\$1,387	\$1,750	\$1,750	\$1,750	\$1,750	441,000
		90	60,750											1,890,000

## SAIL &amp; HC CREDIT UNDERWRITING REPORT

FHDC

## 15-Year Operating Pro Forma

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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		\$1,890,000	\$21,000	\$1,927,800	\$1,966,356	\$2,005,683	\$2,045,797	\$2,086,713	\$2,128,447	\$2,171,016	\$2,214,436	\$2,258,725	\$2,303,899	\$2,349,977	\$2,396,977	\$2,444,917	\$2,493,815	
	Other Income: (0.53%)																		
	Miscellaneous		\$10,000	\$111	\$10,200	\$10,404	\$10,612	\$10,824	\$11,041	\$11,262	\$11,487	\$11,717	\$11,951	\$12,190	\$12,434	\$12,682	\$12,936	\$13,195	
	Gross Potential Income		\$1,900,000	\$21,111	\$1,938,000	\$1,976,760	\$2,016,295	\$2,056,621	\$2,097,754	\$2,139,709	\$2,182,503	\$2,226,153	\$2,270,676	\$2,316,089	\$2,362,411	\$2,409,659	\$2,457,853	\$2,507,010	
	Less:																		
	Physical Vac. Loss	Percentage: 3.00%	\$57,000	\$633	\$58,140	\$59,303	\$60,489	\$61,699	\$62,933	\$64,191	\$65,475	\$66,785	\$68,120	\$69,483	\$70,872	\$72,290	\$73,736	\$75,210	
	Collection Loss	Percentage: 1.00%	\$19,000	\$211	\$19,380	\$19,768	\$20,163	\$20,566	\$20,978	\$21,397	\$21,825	\$22,262	\$22,707	\$23,161	\$23,624	\$24,097	\$24,579	\$25,070	
	Total Effective Gross Income		\$1,824,000	\$20,267	\$1,860,480	\$1,897,690	\$1,935,643	\$1,974,356	\$2,013,843	\$2,054,120	\$2,095,203	\$2,137,107	\$2,179,849	\$2,223,446	\$2,267,915	\$2,313,273	\$2,359,538	\$2,406,729	
Annual Escalation Rate (Income): 2.00%																			
EXPENSES:	Fixed:																		
	Real Estate Taxes		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Insurance		\$166,500	\$1,850	\$171,495	\$176,640	\$181,939	\$187,397	\$193,019	\$198,810	\$204,774	\$210,917	\$217,245	\$223,762	\$230,475	\$237,389	\$244,511	\$251,846	
	Variable:																		
	Management Fee		Percentage: 4.50%	\$82,080	\$912	\$83,722	\$85,396	\$87,104	\$88,846	\$90,623	\$92,435	\$94,284	\$96,170	\$98,093	\$100,055	\$102,056	\$104,097	\$106,179	\$108,303
	General and Administrative			\$54,000	\$600	\$55,620	\$57,289	\$59,007	\$60,777	\$62,601	\$64,479	\$66,413	\$68,406	\$70,458	\$72,571	\$74,749	\$76,991	\$79,301	\$81,680
	Payroll Expenses			\$270,000	\$3,000	\$278,100	\$286,443	\$295,036	\$303,887	\$313,004	\$322,394	\$332,066	\$342,028	\$352,289	\$362,857	\$373,743	\$384,955	\$396,504	\$408,399
	Utilities			\$117,000	\$1,300	\$120,510	\$124,125	\$127,849	\$131,685	\$135,635	\$139,704	\$143,895	\$148,212	\$152,658	\$157,238	\$161,955	\$166,814	\$171,818	\$176,973
	Marketing and Advertising			\$7,200	\$80	\$7,416	\$7,638	\$7,868	\$8,104	\$8,347	\$8,597	\$8,855	\$9,121	\$9,394	\$9,676	\$9,966	\$10,265	\$10,573	\$10,891
	Maintenance and Repairs/Pest Control			\$108,000	\$1,200	\$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
	Grounds Maintenance and Landscaping			\$108,000	\$1,200	\$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
	Other			\$107,100	\$1,190	\$110,313	\$113,622	\$117,031	\$120,542	\$124,158	\$127,883	\$131,719	\$135,671	\$139,741	\$143,933	\$148,251	\$152,699	\$157,280	\$161,998
	Reserve for Replacements			\$36,247	\$403	\$37,334	\$38,454	\$39,608	\$40,796	\$42,020	\$43,280	\$44,579	\$45,916	\$47,294	\$48,712	\$50,174	\$51,679	\$53,229	\$54,826
	Total Expenses		\$1,056,127	\$11,735	\$1,086,990	\$1,118,762	\$1,151,471	\$1,185,144	\$1,219,810	\$1,255,498	\$1,292,239	\$1,330,063	\$1,369,003	\$1,409,092	\$1,450,364	\$1,492,855	\$1,536,600	\$1,581,636	
	Annual Escalation Rate (Expenses): 3.00%																		
Net Operating Income		\$767,873	\$8,532	\$773,490	\$778,928	\$784,172	\$789,212	\$794,033	\$798,622	\$802,964	\$807,044	\$810,846	\$814,354	\$817,550	\$820,418	\$822,939	\$825,094		
Debt Service Payments																			
First Mortgage - JHFA / Grandbridge / Freddie Mac		\$619,081	\$6,879	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	\$619,081	
Second Mortgage - FHFC - SAIL		\$36,750	\$408	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	\$36,750	
Third Mortgage - Riverside Park Methodist Apartments, Inc.		\$19,600	\$218	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	\$19,600	
Fourth Mortgage - Riverside Park Methodist Apartments, Inc.		\$308,087	\$3,423	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	\$308,087	
Fifth Mortgage - Riverside Park Methodist Apartments, Inc.		\$13,907	\$155	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	\$13,907	
First Mortgage Fees - JHFA / Grandbridge / Freddie Mac		\$31,958	\$355	\$31,916	\$31,868	\$31,815	\$31,756	\$31,690	\$31,618	\$31,539	\$31,452	\$31,356	\$31,251	\$31,137	\$31,012	\$30,876	\$30,729	\$30,582	
Second Mortgage Fees - FHFC - SAIL		\$10,270	\$114	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	\$10,270	
Third Mortgage Fees - Riverside Park Methodist Apartments, Inc.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fourth Mortgage Fees - Riverside Park Methodist Apartments, Inc.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fifth Mortgage Fees - Riverside Park Methodist Apartments, Inc.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Debt Service Payments		\$1,039,652	\$11,552	\$1,039,609	\$1,039,562	\$1,039,509	\$1,039,449	\$1,039,384	\$1,039,312	\$1,039,233	\$1,039,145	\$1,039,050	\$1,038,945	\$1,038,831	\$1,038,706	\$1,038,570	\$1,038,422	\$1,038,274	
Cash Flow after Debt Service		(\$271,779)	(\$3,020)	(\$266,119)	(\$260,634)	(\$255,336)	(\$250,237)	(\$245,351)	(\$240,690)	(\$236,269)	(\$232,102)	(\$228,204)	(\$224,591)	(\$221,280)	(\$218,288)	(\$215,631)	(\$213,329)	(\$211,026)	
Debt Service Coverage Ratios																			
DSC - First Mortgage plus Fees		1.18x		1.19x	1.20x	1.20x	1.21x	1.22x	1.23x	1.23x	1.24x	1.25x	1.25x	1.26x	1.26x	1.27x	1.27x	1.28x	
DSC - Second Mortgage plus Fees		1.10x		1.11x	1.12x	1.12x	1.13x	1.14x	1.14x	1.15x	1.16x	1.16x	1.17x	1.17x	1.18x	1.18x	1.19x	1.20x	
DSC - Third Mortgage plus Fees		1.07x		1.08x	1.09x	1.09x	1.10x	1.11x	1.11x	1.12x	1.13x	1.13x	1.14x	1.14x	1.15x	1.15x	1.16x	1.17x	
DSC - Fourth Mortgage plus Fee		0.75x		0.75x	0.76x	0.76x	0.77x	0.77x	0.78x	0.78x	0.79x	0.79x	0.79x	0.80x	0.80x	0.80x	0.81x	0.82x	
DSC - Fifth Mortgage plus Fees		0.74x		0.74x	0.75x	0.75x	0.76x	0.76x	0.77x	0.77x	0.78x	0.78x	0.78x	0.79x	0.79x	0.79x	0.80x	0.81x	
Financial Ratios																			
Operating Expense Ratio		57.90%		58.43%	58.95%	59.49%	60.03%	60.57%	61.12%	61.68%	62.24%	62.80%	63.37%	63.95%	64.53%	65.12%	65.72%	66.32%	
Break-even Econ Occup Ratio (all debt)		110.48%		109.91%	109.36%	108.84%	108.35%	107.88%	107.43%	107.01%	106.61%	106.23%	105.88%	105.55%	105.24%	104.95%	104.69%	104.43%	
Break-even Econ Occup Ratio (must pay debt)		90.03%		86.27%	86.78%	87.29%	87.81%	88.33%	88.86%	89.39%	89.93%	90.47%	91.02%	91.57%	92.13%	92.70%	93.27%	93.84%	

Payments on the Second, Third, Fourth, and Fifth Mortgages are based on available cash flow and are shown for illustrative purposes.

Notes to the 15 Year Operating Pro Forma and Ratios:

1. The Development will be utilizing Housing Credits and SAIL which will impose rent restrictions. The net Housing Credit rent levels are based on the 2024 maximum LIHTC rents published on FHFC's website for Duval County, less the applicable utility allowance. However, the Development will be receiving rental assistance for 100% of the units. First Housing received a draft Project Based Section 8 Housing Assistance Payment ("HAP") Renewal Contract for Mark-Up-to-Market Project, which reflect net rents of \$1,750. Receipt of an executed HAP contract is a condition to close.
2. The Utility Allowances are based on the utility allowances within the rent schedule of the draft HAP contract.
3. The appraisal included a vacancy and collection loss rate of 4%, which First Housing found to be acceptable.
4. The Appraisal projected Miscellaneous Income of \$10,000 which is comprised of revenue from forfeited deposits, vending machines, laundry income, and late charges.
5. The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes. Beginning in 2026, the property must apply to Duval County Property Appraiser by March 1st of the tax year. Applying for this exemption requires a 99-year Total Compliance Period with annual certifications. If the property fails to provide affordable housing under the agreement before the end of the agreement term, there will be a penalty that is equal to 100% of the total amount financed by Florida Housing multiplied by each year remaining in the agreement. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption, is a condition to close.
6. 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.
7. First Housing received a draft Tax Credit/HUD Management Agreement between Riverside Park Apartments, LLLP ("Owner") and SPM, LLC ("Agent"). According to the Agreement, the Agent shall receive a management fee equal to 4.5% of monthly gross residential income and monthly gross miscellaneous income. Additionally, the Agreement outlines the Agent will receive compensation for performing various services and will be reimbursed for technology services, SPM building services, compliance services, and SPM



accounting services. However, the additional compensations per unit per month have been left blank. First Housing has utilized a management fee of 4.5% and is considering the additional compensations will be covered under the General and Administrative line item.

8. The landlord will pay for water, sewer, trash, and common area electric. The tenant will be responsible for electricity, cable, and internet.
9. Replacement Reserves of \$402.74 per unit per year are required based on the replacement reserve schedule from GLE Associates, Inc. (“GLE”), which meets the RFA and Rules 67-21 and 67-48 minimum requirement of \$300 per unit per year. According to the equity letter from Truist Community Capital, LLC (“Truist Community Capital”), dated April 15, 2025, replacement reserve will be increasing by 3% annually.

## Sources Overview

### Construction Financing Information:

CONSTRUCTION FINANCING INFORMATION								
Lien Position	First	Second	Third	Fourth	Fifth			Totals
Source	Local HFA Note	FHFC - SAIL	Aff. / Principal	Seller Financing	Aff. / Principal	FHFC - HC 4%	Def. Dev. Fee	
Lender/Grantor	JHFA / Truist Bank	FHFC	Riverside Park Methodist Apartments, Inc.	Riverside Park Methodist Apartments, Inc.	Riverside Park Methodist Apartments, Inc.	Truist Community Capital, LLC	SHAG Riverside Developer, LLC	
Construction Amount	\$17,000,000	\$3,675,000	\$500,000	\$7,859,356	\$354,759	\$1,703,626	\$2,517,043	\$33,609,784
All In Interest Rate	7.17%	1.00%	3.92%	3.92%	3.92%			
Debt Service During Construction	\$1,218,900	\$36,750	\$19,600	\$308,087	\$13,907			\$1,597,243
Bond Structure (if applicable)	Private Placement							

### First Mortgage:

The Applicant has applied to the Jacksonville Housing Finance Authority (“JHFA”) for tax-exempt financing. According to a Resolution, dated January 8, 2025, the JHFA can issue bonds in an aggregate principal amount not to exceed \$20,000,000.

First Housing received a letter, dated April 22, 2025, which indicates Truist Bank would provide a tax-exempt loan in the maximum amount of \$17,000,000. The anticipated loan amount will be limited to 70% of the “as stabilized” appraised value that also include the tax credit value. The term of the loan is up to 24 months. Interest only payments will be required for the term of the construction loan. The interest rate of the construction loan will be a variable rate based on Term Secured Overnight Financing Rate (“SOFR”) plus 2.60%. The construction loan interest is based on the one-month Term SOFR rate of 4.32% (as of April 22, 2025), a spread of 2.60%, plus a 0.25% underwriting cushion for an overall interest rate of 7.17%.

The annual JHFA Issuer Fee is the greater of \$20,000 or 20 bps of the outstanding principal amount and the Fiscal Agent Fee of \$4,500 are included in the Uses section of this report.

**Permanent Financing Information:**

PERMANENT FINANCING INFORMATION								
Lien Position	First	Second	Third	Fourth	Fifth			Totals
Source	Local HFA Note	FHFC - SAIL	Aff. / Principal	Seller Financing	Aff. / Principal	FHFC - HC 4%	Def. Dev. Fee	
Lender/Grantor	JHFA / Grandbridge / Freddie Mac	FHFC	Riverside Park Methodist Apartments, Inc.	Riverside Park Methodist Apartments, Inc.	Riverside Park Methodist Apartments, Inc.	Truist Community Capital, LLC	SHAG Riverside Developer, LLC	
Permanent Amount	\$9,224,000	\$3,675,000	\$500,000	\$7,859,356	\$354,759	\$11,357,505	\$639,164	\$33,609,784
Permanent Funding Per Unit	\$102,489	\$40,833	\$5,556	\$87,326	\$3,942	\$126,195	\$7,102	\$373,442
% of Permanent Funding	27.4%	10.9%	1.5%	23.4%	1.1%	33.8%	1.9%	100.0%
Underwritten Interest Rate	6.13%	1.00%	3.92%	3.92%	3.92%			
All In Interest Rate	6.13%	1.00%	3.92%	3.92%	3.92%			
Loan Term	15	15.5	63	63	63			
Amortization	40	0	0	0	0			
Must Pay or Cash Flow Dependent	Must-Pay	Cash Flow	Cash Flow	Cash Flow	Cash Flow			
Permanent Debt Service, No Fees	\$619,081	\$36,750	\$19,600	\$308,087	\$13,907			\$997,424
Permanent Debt Service, with Fees	\$651,039	\$47,020	\$19,600	\$308,087	\$13,907			\$1,039,652
Debt Service Coverage, with Fees	1.18x	1.10x	1.07x	0.75x	0.74x			
Operating Deficit & Debt Service Reserves	\$419,332							
# of Months covered by the Reserves	2.9							
Market Rate/Market Financing LTV	71%	99%	103%	164%	166%			
Restricted Market Financing LTV	65%	91%	95%	151%	153%			
Loan to Cost - Cumulative	27%	38%	40%	63%	64%			
Loan to Cost - SAIL Only		11%						

**First Mortgage:**

First Housing has received a Term Sheet, dated April 11, 2025, which indicates that Grandbridge Real Estate Capital LLC (“Grandbridge”) will provide a Funding Loan pursuant to the Freddie Mac Tax-Exempt Loan Program. First Housing received an Index Lock Agreement, dated April 23, 2025, which reflects a maximum index-lock loan amount of \$10,260,000. The term is 15 years with a 40-year amortization period. The interest rate will be equal to the spread of 1.80% over the 10-year U.S. Treasury security, subject to a treasury floor of 3.71%. The permanent loan interest is based on the index lock of 4.33% and a spread of 1.80% for an overall interest

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rate of 6.13%. First Housing has concluded to a permanent loan amount of \$9,224,000 in order to maintain a debt service coverage ratio of 1.10x on the SAIL Loan.

Additional fees included in the Debt Service calculation consist of an annual Permanent Loan Servicing Fee, an annual Compliance Monitoring Fee, an annual Financial Monitoring Fee, an annual Issuer Fee of the greater of \$20,000 or 20 bps, 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 \$250. The annual Compliance Monitoring Fee is based on 4 bps, with a minimum annual fee of \$3,636. The annual Financial Monitoring Fee is based on 1.5 bps of the outstanding loan amount, with a minimum of \$2,380 per annum.

**FHFC SAIL Loan:**

First Housing reviewed an invitation to enter credit underwriting, dated January 31, 2025, from FHFC with a preliminary SAIL Loan in the amount of \$3,675,000.

The SAIL Loan is non-amortizing with an interest rate of 1% over the life of the loan and annual payments based upon available cash flow. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. The SAIL Loan will have a total term of 17.5 years, of which 2 years is for the construction/stabilization period and 15.5 years is for the permanent period. As required by Freddie Mac and permitted by the Rule, the SAIL Loan will be coterminous with the first mortgage plus six months (total term of 17.5 years). Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the SAIL Loan, all principal and unpaid interest will be due.

Annual payments of all applicable fees will be required. The SAIL Loan fees include an annual multiple program Compliance Monitoring Fee of \$1,082 and an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month.

**Affiliate/Principal – General Partner (“GP”) Loan:**

First Housing received a letter, April 16, 2025, from Riverside Park Methodist Apartments, Inc. for a Taxable GP Loan in the amount of \$500,000. The loan will bear interest of 3.92% simple interest, for a term of 65 years. Interest payments shall be paid from available

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cash flow. Upon maturity, the loan balance will be payable in full. First Housing has assumed a 2-year construction period and a 63-year permanent period.

**Seller Financing:**

First Housing received an Agreement of Sale and Purchase, dated December 3, 2024, between Riverside Park Methodist Apartments, Inc. (“Seller”) and Riverside Park Apartments, LLLP (“Purchaser”). According to the agreement, a portion of the purchase price shall be financed by the Seller. Based on the Developer’s budget, the Applicant is projecting a Seller Loan in the amount of \$7,859,356, which is subject to change based upon the closing date. The Purchaser shall execute a promissory note in favor of the Seller, which shall bear interest at 3.92% per annum and shall have a term of 65 years. First Housing received a draft Promissory Note, where Riverside Park Apartments, LLLP promises to pay to the order of Riverside Park Methodist Apartments, Inc. The annual payments of interest shall be payable only to the extent of 75% of available cash flow. First Housing has assumed a 2-year construction period and a 63-year permanent period.

**Affiliate/Principal - Reserve Loan:**

First Housing received a letter, March 28, 2025, from Riverside Park Methodist Apartments, Inc. for a reserve loan in the amount of \$354,759. The loan will bear interest of 3.92% simple interest, for a term of 65 years. Interest payments shall be paid from available cash flow. Upon maturity, the loan balance will be payable in full. First Housing has assumed a 2-year construction period and a 63-year permanent period.

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Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$1,703,626	15.00%	Closing
2nd Installment	\$7,382,378	65.00%	Construction Completion
3rd Installment	\$2,271,501	20.00%	Stabilization/Receipt of 8609s
Total	\$11,357,505	100.00%	

Syndicator Name                      Truist Community Capital, LLC

Date of LOI                              4/15/2025

Total Credits Per Syndication Agreement:    \$12,083,660

Annual Credits Per Syndication Agreement:    \$1,208,366

Calculated HC Exchange Rate:                    \$0.94

Limited Partner Ownership Percentage:        99.99%

Proceeds Available During Construction:       \$1,703,626

Annual Credits - Qualified in CUR:              \$1,220,771

**Deferred Developer Fee:**

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$639,164 or 13.03% of the total Developer Fee of \$4,905,641.

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**Changes from the Application and Additional Information**

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?		1-2.
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?		3-6.
Do the site plans/architectural drawings account for all amenities/features listed in the Application?		3-6.
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?		7
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?	8	
Is the Development in all other material respects the same as presented in the Application?	X	

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

1. Since the Application, a Reserve Loan in the amount of \$354,759 has been added as a source of financing.
2. Since the Application, a GP Loan in the amount of \$500,000 has been added as a source of financing.
3. The Applicant submitted a request, dated February 10, 2025, to swap two of the green building features and remove a green building feature. FHFC's staff approved these changes on February 27, 2025.

Features From:	Features To:
- Humidistat in each unit – 2 points - High Efficiency HVAC with SEER of at least 16 – 2 points	- Cool roofing materials* (metal, shingles, thermoplastic polyolefin (TPO), or tiles) – 3 points

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-FL Yards and Neighborhoods certification on all landscaping – 2 points <b>Total – 6 points</b>	- Energy efficient windows in each unit - 3 points <b>Total – 6 points</b>
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4. The Applicant submitted a request, dated April 23, 2025, for a waiver on the 2010 ADA Standard requirement of reinforced walls for future horizontal grab bars for a corporation-approved alternative approach. FHFC’s staff approval of this request is a condition to close.
5. The Applicant submitted a request, dated May 21, 2025, for a waiver to provide water source heat pumps in the place of air source heat pumps. FHFC’s staff approval of this request is a condition to close.
6. Receipt of a final PCA verifying all features and amenities is a condition to close.
7. The Total Development Cost (“TDC”) has increased by a total of \$1,062,906 from \$32,546,878 to \$33,609,784 or 3.27% since the Application. The change is mainly due to an increase in construction costs.
8. Since the Application, the syndication rate has increased from \$0.88 to \$0.94. The Housing Credit Syndicator has changed from Raymond James Tax Credit Funds, Inc. to Truist Community Capital, LLC (“Truist Community Capital”).

The above changes have no substantial material impact to the SAIL 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 April 18, 2025, the Development has the following noncompliance item(s) not in the correction period:

- None

According to the FHFC Past Due Report, dated April 18, 2025, the Development Team has the following past due item(s):

- None



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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 Developer, General Contractor, and Management Company are experienced in affordable multifamily housing.
2. The Principals have sufficient experience and the financial resources to develop and operate the proposed Development.

Waiver Requests/Special Conditions:

None

Issues and Concerns:

None

Mitigating Factors:

None

Additional Information:

1. The Applicant has applied to Truist Bank for construction financing and Grandbridge/Freddie Mac for permanent financing. During the construction period, Truist Bank will be the note holder and will provide a tax-exempt loan to the Applicant. At conversion to permanent financing, Truist Bank will sell the Note to Grandbridge/Freddie Mac who will provide permanent funding ("Funding Loan") in the form of a tax-exempt loan. 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 on behalf of JHFA ("Governmental Lender") for subsequent purchase by and delivery to the permanent lender, shortly after closing. The proceeds of the Funding Loan will be used by JHFA 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 JHFA 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 the construction and permanent lenders of tax-exempt bonds.

2. Since the equity provider, Truist Community Capital, is related to the first mortgage construction lender, it will cause the interest on the MMRN to be taxable, while held by Truist Bank. Additionally, IRS regulations related to the substantial user issue will not allow the Note Issuer, JHFA, to receive its full standard Issuer Fees during construction (when Truist Bank is the Noteholder). There will not be a substantial user issue during the permanent phase since Truist Bank will no longer be the Noteholder.
3. First Housing received a letter, dated April 10, 2025, from the Applicant requesting FHFC's approval to allow more than 20 percent of the construction cost be subcontracted to one entity. Under Rule 67-48.0072(17)(h) and 67-21.026(13)(g) the General contractor must meet the following condition:

For Developments with a Development category of Rehabilitation or Substantial Rehabilitation, unless otherwise approved by the Corporation for a specific Development, ensure that not more than 20 percent of the construction cost, not to include the General Contractor fee or pass-through fees paid by the General Contractor, is subcontracted to any one entity or any group of entities that have common ownership or are Affiliates of any other subcontractor, with the exception of a subcontractor (or any group of entities that have common ownership or are Affiliates of any other subcontractor) contracted to perform work on both the HVAC and electrical components of a building of at least seven (7) stories which may not have more than 31 percent of the construction cost in a subcontract, unless otherwise approved by the Corporation for a specific Development. With regard to said approval, the Corporation shall require an analysis from the Credit Underwriter and consider the facts and circumstances of each Applicant's request, inclusive of construction costs and the General Contractor's fees. For purposes of this paragraph, "Affiliate" has the meaning given in Rule subsection 67-48.002(5) and 67-21.002(5), F.A.C., except that the term "Applicant" therein shall mean "subcontractor"

The General Contractor requested bids from three different electrical companies. Pomeroy Electric Incorporated ("Pomeroy") was the only company to respond to the electrical bid request. According to Pomeroy's electrical bid, dated February 28, 2025, the total electrical proposal is \$2,611,790. However, after some value engineering options, the cost of work is \$2,405,596.62, which is 24.50% of the construction cost costs subject to a GC Fee of \$9,817,916. The cost of work to be performed by Pomeroy includes replacement of the electrical switchgear that has passed its useful and costs \$1,100,000 for the replacement. The overall cost to be performed by Pomeroy exceeds the 20 percent limit. According to the draft Plan and Cost Analysis ("PCA"), dated May 1, 2025, it is GLE's opinion that the

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20% threshold increase is reasonable based on the age of the building and the findings of the Capital Needs Analysis (“CNA”). First Housing recommends that FHFC approve the General Contractor’s use of a subcontractor whose work will exceed the 20% requirement. FHFC’s staff approved this request on May 19, 2025.

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**Uses of Funds**

<b>CONSTRUCTION COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Rehab of Existing Rental Units	\$8,289,474	\$10,055,606	\$9,817,916	\$109,088	\$0
Constr. Contr. Costs subject to GC Fee	\$8,289,474	\$10,055,606	\$9,817,916	\$109,088	\$0
General Conditions (6.0%)	\$1,160,526	\$1,364,461	\$589,074	\$6,545	\$0
Overhead (2.0%)	\$0	\$0	\$196,358	\$2,182	\$0
Profit (6.0%)	\$0	\$0	\$589,074	\$6,545	\$0
General Liability Insurance	\$0	\$0	\$139,905	\$1,555	\$0
Payment and Performance Bonds	\$0	\$0	\$171,814	\$1,909	\$0
Total Construction Contract/Costs	\$9,450,000	\$11,420,067	\$11,504,141	\$127,824	\$0
Hard Cost Contingency (10.0%)	\$945,000	\$1,142,006	\$1,150,414	\$12,782	\$0
FF&E paid outside Constr. Contr.	\$300,000	\$200,000	\$200,000	\$2,222	\$19,790
<b>Total Construction Costs:</b>	<b>\$10,695,000</b>	<b>\$12,762,073</b>	<b>\$12,854,555</b>	<b>\$142,828</b>	<b>\$19,790</b>

**Allowances:**

Landscape and Irrigation Repairs	\$5,000
Concrete	\$10,000
EFIS Repairs	\$10,000
Total	\$25,000

**Notes to the Total Construction Costs:**

1. The Applicant has provided an executed construction contract, dated March 25, 2025, in the amount of \$11,420,067.47. This is a Standard Form of Agreement between Owner, Riverside Park Apartments, LLLP and Contractor, Affordable Group Construction, LLC c/o Candor Construction Group LLC, where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price ("GMP"). Per the contract, substantial completion is to be achieved no later than 458 calendar days from the date of commencement of work. First Housing received Amendment No. 1 to Agreement between Owner and Contractor, dated May 19, 2025. According to the Amendment, the GMP has increased to \$11,504,140.54.
2. First Housing used the Schedule of Values to break out the construction costs.
3. The allowances included in the GC Contract are approximately 0.22% of the GMP. GLE finds the allowances reasonable.

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4. First Housing verified there are no income producing items within the GC Contract.
5. The FF&E line item includes \$19,790 for the cost of purchasing the washer/dryers for the on-site laundry room and is considered ineligible.

<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accounting Fees	\$0	\$40,000	\$40,000	\$444	\$10,000
Appraisal	\$0	\$15,000	\$4,500	\$50	\$0
Architect's Fees	\$0	\$575,000	\$575,000	\$6,389	\$0
Builder's Risk Insurance	\$428,400	\$333,000	\$333,000	\$3,700	\$0
Building Permits	\$0	\$180,000	\$180,000	\$2,000	\$0
Capital Needs Assessment/Rehab	\$0	\$15,000	\$6,250	\$69	\$0
Engineering Fees	\$0	\$50,000	\$50,000	\$556	\$0
Environmental Report	\$0	\$50,000	\$50,000	\$556	\$0
FHFC Administrative Fees	\$309,322	\$66,626	\$67,142	\$746	\$67,142
FHFC Application Fee	\$0	\$3,000	\$3,000	\$33	\$3,000
FHFC Compliance Fee	\$0	\$222,535	\$242,799	\$2,698	\$242,799
FHFC Credit Underwriting Fee	\$0	\$19,329	\$18,717	\$208	\$18,717
Lender Inspection Fees / Const Admin	\$0	\$40,000	\$40,000	\$444	\$0
Market Study	\$0	\$5,000	\$4,000	\$44	\$4,000
Marketing and Advertising	\$0	\$22,500	\$22,500	\$250	\$22,500
Plan and Cost Review Analysis	\$0	\$7,500	\$3,950	\$44	\$0
Property Taxes	\$180,000	\$0	\$0	\$0	\$0
Survey	\$0	\$25,000	\$25,000	\$278	\$10,000
Tenant Relocation Costs	\$540,000	\$540,000	\$540,000	\$6,000	\$0
Title Insurance and Recording Fees	\$160,000	\$165,000	\$165,000	\$1,833	\$33,000
Soft Cost Contingency (5.0%)	\$137,011	\$128,724	\$119,538	\$1,328	\$0
Other: Professional Fees	\$1,331,500	\$0	\$0	\$0	\$0
Other: Third Party Reports	\$0	\$0	\$15,000	\$167	\$0
Other: FHFC SAIL Compliance Monitoring Fee years 51-99	\$0	\$0	\$4,900	\$54	\$4,900
<b>Total General Development Costs:</b>	<b>\$3,086,233</b>	<b>\$2,503,214</b>	<b>\$2,510,296</b>	<b>\$27,892</b>	<b>\$416,058</b>

Notes to the General Development Costs:

1. First Housing has utilized actual costs for: Appraisal, Capital Needs Assessment, Market Study and Plan and Cost Analysis.
2. The FHFC Administrative Fee is based on 5.5% of the recommended annual 4% Housing Credit allocation as the Applicant is a non-profit.

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3. The FHFC Credit Underwriting Fee includes an underwriting fee of \$16,248 for the SAIL and Housing Credits as well as a Capital Needs Review Fee of \$2,469.
4. FHFC Compliance Fee of \$242,799 is based on the 2025 compliance fee calculator spreadsheet provided by FHFC.
5. First Housing received a Relocation Plan for the Development. All 90 units will be rehabilitated, which will require existing residents to be temporarily relocated from their unit. It is anticipated that each unit will take approximately 45 days to rehabilitate. Residents will be temporarily relocated in phases by floor. All current and newly vacant units will remain vacant. If necessary, some residents may need to temporarily relocate offsite to extended stay hotels or temporarily move in with friends/family. As floors are completed, residents may return to their original unit.
6. The FHFC SAIL Compliance Fee of \$4,900 is based on \$100 per year for years 51-99 Ad Valorem Compliance Period. FHFC Compliance Fees through the initial 50-year Compliance period will be ongoing and are incorporated in the operating pro forma and debt service analysis within this report.

<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Commitment Fee	\$0	\$123,750	\$127,500	\$1,417	\$0
Construction Loan Interest	\$2,065,978	\$1,203,340	\$1,251,404	\$13,904	\$359,528
Permanent Loan Closing Costs	\$10,000	\$46,600	\$46,600	\$518	\$46,600
Permanent Loan Commitment Fee	\$126,000	\$91,500	\$92,240	\$1,025	\$92,240
Bridge Loan Closing Costs	\$319,250	\$0	\$0	\$0	\$0
Local HFA Note Cost of Issuance	\$0	\$210,750	\$247,883	\$2,754	\$247,883
Local HFA Note Fiscal Agent Fee	\$0	\$0	\$8,250	\$92	\$8,250
Local HFA Note Underwriting Fee	\$0	\$19,000	\$0	\$0	\$0
SAIL Closing Costs	\$0	\$0	\$30,000	\$333	\$30,000
SAIL Commitment Fee	\$0	\$36,750	\$36,750	\$408	\$36,750
Legal Fees - Financing Costs	\$0	\$528,000	\$528,000	\$5,867	\$281,500
Placement Agent/Underwriter Fee	\$0	\$35,000	\$35,000	\$389	\$35,000
Initial TEFRA Fee	\$0	\$4,000	\$4,000	\$44	\$4,000
Other: <u>Predevelopment loan interest</u>	\$0	\$50,000	\$50,000	\$556	\$0
Other: <u>JHFA Issuer Fee</u>	\$0	\$0	\$62,333	\$693	\$62,333
<b>Total Financial Costs:</b>	<b>\$2,521,228</b>	<b>\$2,348,690</b>	<b>\$2,519,960</b>	<b>\$28,000</b>	<b>\$1,204,085</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$16,302,461</b>	<b>\$17,613,977</b>	<b>\$17,884,811</b>	<b>\$198,720</b>	<b>\$1,639,933</b>

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Notes to the Financial Costs:

1. The Construction Loan Commitment Fee is based on 0.75% of the construction loan amount.
2. The Construction Loan Interest of \$1,251,404 is based on an interest rate of 7.17%, a 22-month term, and an average outstanding loan balance of 56%. The GC Contract specifies a substantial completion of not later than 458 calendar days (or approximately 15 months) and considering an 7-month lease-up/stabilization period, First Housing has estimated that a construction term of 22-months is reasonable.
3. The Permanent Loan Commitment Fee is based on 1% of the permanent loan amount.
4. The FHFC Note Fiscal Agent Fee is based on 22 months of the Fiscal Agent fee of \$4,500.
5. The Local HFA Note Cost of Issuance is an estimate provided by the RBC, which includes the JHFA credit underwriting fee of \$17,443.
6. The SAIL Commitment Fee is based on 1% of the SAIL Loan.
7. The SAIL Closing Costs include \$30,000 for the SAIL Loan.
8. The JHFA MMRN Issuer Fee is based on 22 months of the JHFA Issuer Fee of 20 basis points on the MMRN during construction.
9. First Housing received a Secured Revolving Credit Note, dated March 23, 2020, where Smith & Henzy Advisory Group Inc. promises to pay to the order of Raza Development Fund, Inc. ("Lender") an aggregate amount not to exceed \$1,000,000. The unpaid principal balance outstanding shall accrue interest at a fixed rate of 6.25% per annum simple interest. Receipt of an interest invoice from Raza Development Fund, Inc. will be required in order to include the interest expense within the closing draw schedule.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Building Acquisition Cost	\$10,138,750	\$9,368,750	\$9,368,750	\$104,097	\$0
Dev. Fee on Non-Land Acq. Costs (18.0%)	\$1,824,975	\$0	\$1,686,375	\$18,738	\$0
<b>Total Non-Land Acquisition Costs:</b>	<b>\$11,963,725</b>	<b>\$9,368,750</b>	<b>\$11,055,125</b>	<b>\$122,835</b>	<b>\$0</b>

**SAIL & HC CREDIT UNDERWRITING REPORT**

Notes to the Non-Land Acquisition Costs:

1. First Housing received an Agreement of Sale and Purchase, dated December 3, 2024, between Riverside Park Methodist Apartments, Inc. (“Seller”) and Riverside Park Apartments, LLLP (“Purchaser”). Closing shall occur on or before December 31, 2025. The aggregate purchase price is \$11,170,000, subject to adjustments: a) the outstanding principal balance at closing of the first mortgage loan encumbering the property together with accrued interest and b) the balance of the purchase price shall be financed by Seller. Notwithstanding, the parties acknowledge that the Purchase Price is subject to adjustment and shall be the “As-Is” value determined by an appraisal of the property. First Housing is reflecting a purchase price of \$10,400,000, based on the appraisal. The Building Acquisition cost of \$9,368,750 is the purchase price (\$10,400,000) minus the land value (\$1,031,250).

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	\$2,934,442	\$4,856,890	\$3,219,266	\$35,770	\$0
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	<b>\$2,934,442</b>	<b>\$4,856,890</b>	<b>\$3,219,266</b>	<b>\$35,770</b>	<b>\$0</b>

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$1,031,250	\$1,031,250	\$1,031,250	\$11,458	\$1,031,250
<b>Total Acquisition Costs:</b>	<b>\$1,031,250</b>	<b>\$1,031,250</b>	<b>\$1,031,250</b>	<b>\$11,458</b>	<b>\$1,031,250</b>

Notes to Acquisition Costs:

1. The Duval County Property Appraiser’s website indicated that the 2024 land value for the Development is \$1,031,250. According to the appraisal, the estimated fee simple interest in the Development as if vacant, as of March 13, 2025, is \$1,800,000. First Housing has utilized the lesser value of \$1,031,250 for the land acquisition cost.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserves	\$315,000	\$419,332	\$419,332	\$4,659	\$419,332
<b>Total Reserve Accounts:</b>	<b>\$315,000</b>	<b>\$419,332</b>	<b>\$419,332</b>	<b>\$4,659</b>	<b>\$419,332</b>



**SAIL & HC CREDIT UNDERWRITING REPORT**

Notes to Reserve Accounts:

1. Based on a letter, dated April 15, 2025, Truist Community Capital will require an Operating Deficit Reserve (“ODR”) estimated in the amount of \$419,332.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$32,546,878</b>	<b>\$33,290,199</b>	<b>\$33,609,784</b>	<b>\$373,442</b>	<b>\$3,090,515</b>

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	14.00%	\$1,374,508	\$1,374,506
Hard Cost Contingency	15.00%	10.00%	\$1,725,621	\$1,150,414
Soft Cost Contingency	5.00%	5.00%	\$119,538	\$119,538
Developer Fee	18.00%	18.00%	\$4,905,641	\$4,905,641

**Section B**

**SAIL Loan 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 two weeks prior to Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the SAIL closing date.

1. Firm Commitment or final documents from Truist Bank (construction) and Grandbridge/Freddie Mac (permanent financing) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
2. Final loan documents for the Seller Financing, Reserve Loan, GP Loan (construction/permanent financing) with terms which are not substantially different than those utilized in this credit underwriting report.
3. Receipt and satisfactory review of a final, executed Management Agreement.
4. HAP Contract with contract rents consistent with credit underwriting assumptions.
5. Receipt of a final PCA.
6. HUD approval of the Tenant Selection Plan.
7. FHFC's staff approval of a corporation-approved alternative approach for grab bar installation and use of water source heat pumps.
8. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption.
9. Receipt of the Compliance Monitoring Fee of \$4,900 for Ad Valorem Compliance Period.
10. Receipt and satisfactory review of the Final signed, sealed "approved for construction" plans and specifications by the Construction Consultant and the Servicer. If the Construction Consultant does not have time to review prior to closing, this condition can be satisfied prior to the first post-closing draw.
11. 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.

**SAIL & HC CREDIT UNDERWRITING REPORT**

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12. Upon conversion, if the permanent first mortgage loan is increased above the principal amount at closing, it will be subject to FHFC's approval and a positive recommendation from First Housing.
13. 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 two weeks prior to 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 Rules 67-21.0025 (5) and 67-48.0075(5) F.A.C. of an Applicant or a Developer).
2. GLE 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 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

**SAIL & HC CREDIT UNDERWRITING REPORT**

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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 Loan Agreement as the approved development budget.
9. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. SAIL Loan proceeds shall be disbursed during the rehabilitation phase in an amount per draw that does not exceed the ratio of the SAIL Loan to the Total Development Costs, unless approved by First Housing. The closing draw must include appropriate backup and ACH wiring instructions.
10. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
11. 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

**SAIL & HC CREDIT UNDERWRITING REPORT**

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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 Document and Cost Review, prepared by GLE.
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 a Partnership/Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Partnership/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 two weeks prior to Loan Closing**. Failure to submit and 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.

**SAIL & HC CREDIT UNDERWRITING REPORT**

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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 Truist Community Capital 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 partnership/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 RFA 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;

**SAIL & HC CREDIT UNDERWRITING REPORT**

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- 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/Operating 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, including HC as Applicable**

This recommendation is also contingent upon satisfaction of the following additional conditions:

- 1. Compliance with all provisions of Sections 420.507 and 420.5087 Florida Statutes, Rule Chapter 67-21, F.A.C. (Non-Competitive 4% Housing Credits), Rule Chapter 67-48 F.A.C. (SAIL), Rule Chapter 67-53, F.A.C., Rule Chapter 67-60 F.A.C., RFA 2024-204, 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 SAIL loan 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.



**SAIL & HC CREDIT UNDERWRITING REPORT**

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3. Receipt and satisfactory review of a Joint Funding Agreement between Applicant and Truist Community Capital or an affiliate, that requires funding of all HC Equity Installments during construction, even if the Borrower is in default under the Limited Partnership 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 SAIL Loan, 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 on the combined permanent first mortgage and SAIL Loan as determined by FHFC, or the Servicer, and 90% occupancy, and 90% of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all as 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. 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.
10. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgage Lender, Fiscal Agent, or the Servicer. In the event the reserve account is

**SAIL & HC CREDIT UNDERWRITING REPORT**

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held by Florida Housing's Loan(s) servicing agent, the release of funds shall be at Florida Housing's sole discretion.

11. Replacement Reserves in the amount of \$402.74 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, Fiscal Agent, or Florida Housing's Loan(s) servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per Rule Chapters 67-21 and 67-48 F.A.C., in the amount of \$36,246.60 (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 \$402.74 per unit per year for years 1 and 2, followed by \$402.74 per unit per year thereafter. The initial replacement reserve will have limitations on the ability to be drawn. Rehabilitation Developments (with or without acquisition) shall not be allowed to draw until the start of the scheduled replacement activities as outlined in the pre-construction capital needs assessment ("CNA") report subject to the activities completed in the scope of the rehabilitation, but no sooner than the third year. The amount established as a replacement reserve shall be adjusted based on a 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.
12. 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 retainage of 10% shall be withheld on all draws, except for insurance and bond premiums, through 50% completion of the entire work. Such retainage shall be withheld until 100% lien free completion. Provided the Contractor is not in default, only 5% shall be withheld on amounts due after 50% completion. This meets the RFA and Rules 67-21 and 67-48 minimum requirements.
13. Closing of all funding sources prior to or simultaneous with the SAIL Loan.
14. Satisfactory completion of a pre-loan closing compliance audit conducted by FHFC or Servicer, if applicable.
15. Satisfactory resolution of any outstanding past due and/or noncompliance items.

**SAIL & HC CREDIT UNDERWRITING REPORT**

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16. Housing Credits – Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
17. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

## **Section C**

### **Supporting Information & Schedules**

## **Additional Development & Third Party Supplemental Information**

### Appraisal Summary:

<b>Appraisal Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Appraisal Firm Name	CBRE, Inc.	
Date of Report	4/11/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	96.0%	
Occupancy at Stabilization: Physical (%)	97.0%	
Value: As Is market value of the land	\$1,800,000	
As of date and type of interest (as if vacant land)	3/13/2025, Fee Simple	
Value: As Is market value (as improved)	\$10,400,000	
As of date and type of interest (as improved)	3/13/2025, Leased Fee	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$13,000,000	
As of date and type of interest (unrestricted rents)	3/13/2025, Leased Fee	
Value: "As Complete and Stabilized", subject to restricted rents	\$14,100,000	
As of date and type of interest (restricted rents)	3/13/2025, Leased Fee	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

**SAIL & HC CREDIT UNDERWRITING REPORT**

**FHDC**

Market Study Summary:

Market Study Summary Questions	Responses	Note
Market Study Firm Name	CBRE, Inc.	
Date of Report	4/11/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	6	
Short Term and Long Term Impact to existing like-kind developments	N	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	92.4%	
Number of Guarantee Fund Properties in PMA?	None	
Metrics for 5 mile radius:		
Capture Rate (%)	1.2%	
Absorption Rate	21.6	
Will the development achieve maximum allowable HC Rents? (Y/N)	Y	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

**SAIL & HC CREDIT UNDERWRITING REPORT**

**FHDC**

Environmental Report Summary:

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	Partner Engineering and Science, Inc.	
Date of Report	4/14/2025	
Type of Report	Phase I Environmental Site Assessment	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	N	1.
Is any further investigation required? (Y/N)	Y	2.

1. This assessment has revealed no evidence of Recognized Environmental Conditions or Controlled Recognized Environmental Conditions in connection with the subject property; however, a Historical Recognized Environmental Condition (“HREC”) was identified.
  - According to regulatory records, the subject property formerly maintained a 287-gallon Underground Storage Tank (“UST”) containing diesel fuel associated with an emergency generator. The UST was installed in 1982 and removed on November 5, 1998. The former UST is considered an HREC based on the removal of the UST, removal of contaminated soil, analytical results and regulatory closure.
2. Based on the conclusions of this assessment, Partner recommends the following:
  - Maintain the site-specific Operations and Maintenance Plan (“O&M Plan”) prepared from the 2024 Asbestos Survey to manage the identified Asbestos Containing Materials (“ACM”) in place until removed.

**SAIL & HC CREDIT UNDERWRITING REPORT**

**FHDC**

Capital Needs Assessment Summary:

Capital Needs Assessment (CNA) Report Summary Questions	Responses	Note
Preparer Firm Name	GLE Associates, Inc.	
Date of Report	4/25/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Is the preparer on the list of FHFC approved providers? (Y/N)	Y	
Was the CNA completed before underwriting started? (Y/N)	N	
General Physical Condition	Fair	
Critical Repairs (\$)	\$1,167,092	
ADA Repair Costs (\$)	\$278,100	
Deferred Maintenance (\$)	\$2,467,586	
Upfront Replacement Reserves Recommended (\$)	\$0	
Replacement Reserves Recommended per Unit (\$)	\$402.74	1.
Is additional evaluation required? (Y/N)	Y	2-3.
Were all features, amenities, and repairs within the scope of the project? (Y/N)	N	4.

1. According to a revised Replacement Reserve Schedule, provided by GLE on May 13, 2025, the required replacement reserve amount is \$402.74/unit.
2. GLE recommends that an assessment/scoping be conducted to the stormwater and sewer system to determine potential damage/deterioration of the system lines. Please note, First Housing received a Sanitary Sewer Stack and Underground Inspection, prepared by Pipe Restoration Solutions, dated May 7, 2025. According to this report, cleaning and repairs are needed. The GC Contract was amended to include this work.
3. It is required that an ACM survey be conducted prior to any major renovation. Please note, First Housing received a Pre-Renovation Asbestos Survey Report prepared by Partner Engineering and Science, Inc. ("Partner"), dated March 12, 2024. According to the report, asbestos was found. First Housing further received an Asbestos-Containing Material Operations and Maintenance Plan prepared by Partner, dated March 12, 2024.
4. Please refer to Changes from Application section of the report for information on the waiver requests.



**SAIL & HC CREDIT UNDERWRITING REPORT**

**FHDC**

Plan and Cost Review Report Summary:

Property Conditions Report (PCR) Summary Questions	Responses	Note
Preparer Firm Name	GLE Associates, Inc.	
Date of Report	5/28/2025	1.
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	Y	2.-3.
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$11,504,141	
Cost per Unit	\$127,824	
Costs for Similar Type Developments (Include Range)	\$110,000 - \$130,808	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	458 calendar days	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	

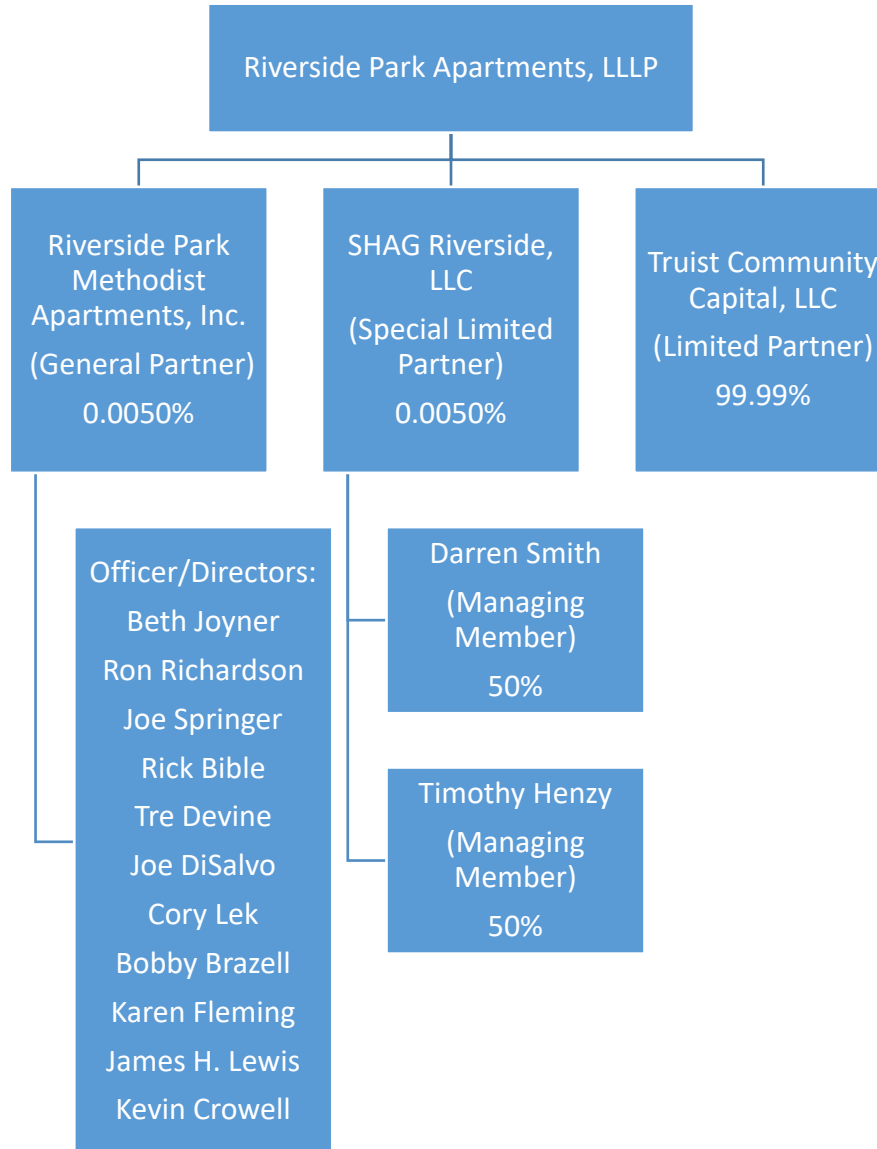
1. Receipt of a final PCA is a condition to close.
2. FHFC's staff approval of the fold down grab bar and the use of water source heat pumps are pending.
3. See the change in application section for more information on the features and amenities waiver and requests.

Site Inspection Summary:

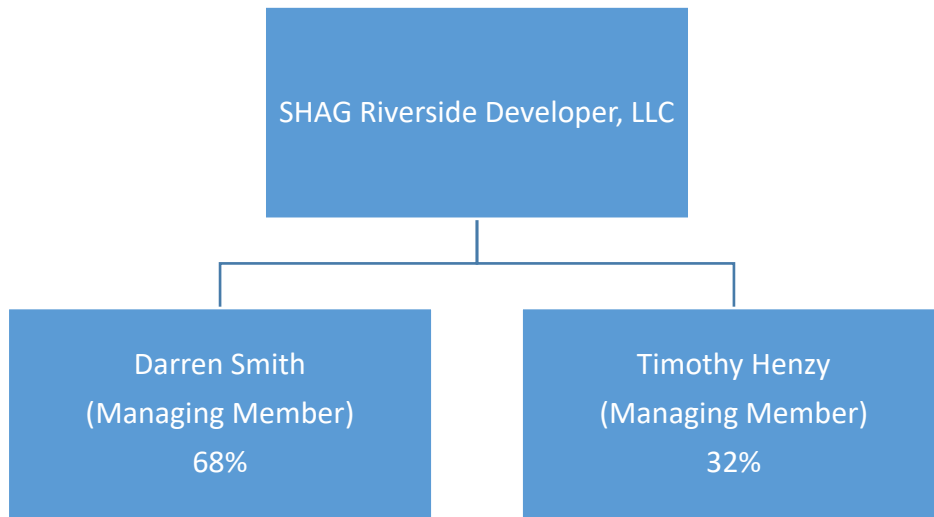
Site Visit Summary Questions	Responses	Note
Name of Inspector	First Housing	
Date of Inspection	2/25/2025	
Were the observation(s) of the inspector in line with the Market Study? (Y/N)	Y	

**Applicant & Related Party Information:**

Applicant Organizational Chart:



Developer Organizational Chart:



First Housing received a Development Partner Services Agreement, dated July 12, 2023, between SHAG Development, LLC and Riverside Park Methodist Apartments, Inc. According to the agreement, 75% of the developer fee shall be paid to SHAG Development, LLC and 25% of the developer fee shall be paid to Riverside Park Methodist Apartments, Inc. Please note, based on an email, dated April 17, 2025, the agreement was entered into prior to the formation of SHAG Riverside Developer, LLC, so the team utilized another affiliate entity. The Development Partner Services Agreement will be included as an exhibit in the Limited Partnership Agreement.

First Housing verified that the Applicant and Developer have an active status of Sunbiz.

	Truist Community Capital, LLC	Affordable Group Construction, LLC	SPM, LLC	Riverside Park Apartments, LLP	Riverside Park Methodist Apartments, Inc.	SHAG Riverside, LLC	Darren Smith	Timothy Henzy	SHAG Riverside Developer, LLC	Note
Relationship Type	Syndicator	General Contractor	Management Company	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	
Contact Person Name & Title	Lesli Carroll, Senior Vice President	Matthew Muldoon, GC	Charee Russell, Vice President	Darren Smith						
Contact Information	333 S Garland Ave., Suite 1700 Orlando, FL 32801 352-874-4375 lesli.carroll@truist.com	17207 131st Terrace N Jupiter, FL 33478 954-553-3025 mmuldoon@agcfl.net	913 South Parsons Ave, Suite A Brandon, FL 33511 205-639-5192 charee.russell@spm.net	1100 NW 4th Ave Delray Beach, FL 33444 561-8599-8520 dsmith@smithhenzy.com						
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	N/A	N/A	N/A	Y	Y	Y	Y	Y	Y	
Does entity have the necessary experience?	Y	Y	Y	Single Purpose Entity	Y	Single Purpose Entity	Y	Y	Single Purpose Entity	
Has a credit evaluation been completed and is it satisfactory?	N/A	Y	N/A	Y	Y	Y	Y	Y	Y	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	Y	N/A	N/A	Y	N/A	Y	Y	N/A	
Have all financial statements been reviewed and are they adequate?	N/A	Y	N/A	N/A	Y	N/A	Y	Y	N/A	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	N/A	Y	N/A	Y	Y	Y	Y	Y	Y	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	closing condiiton	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	closing condition	N/A	N/A	N/A	N/A	N/A	N/A	
Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	Y	N/A	N/A	N/A	N/A	N/A	N/A	
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	Y	Y	Y	Y	Y	Y	

Riverside Park Apartments  
RFA 2024-204 (2025-288S) / (2024-546C)  
DESCRIPTION OF FEATURES AND AMENITIES

**A.** The Development will consist of:

90 Units located in 1 High-Rise residential building

Unit Mix:

Ninety (90) one bedroom/one bath units;

90 Total Units

**B.** All units are expected to meet all requirements as outlined below. If the proposed Development consists of rehabilitation, the proposed Development's ability to provide all construction features will be confirmed as outlined in Exhibit F of the RFA.

The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act ("ADA") of 1990 as implemented by 28 CFR 35.

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.

**C.** The Development must provide the following General Features:

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in at least 100 Mbps download and 20 Mbps upload accessibility in each unit;
2. Termite prevention
3. Pest control;
4. Window covering for each window and glass door inside each unit;
5. Wireless, 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;

6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility open 7 days a week for resident use. If the proposed Development will have an on-site 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 on-site 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;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both;
7. Developments must have a minimum of one elevator per residential building provided for all units that are located on a floor higher than the first floor;
8. All units are expected to have a full-size range and oven unless found to be not physically feasible within the scope of the rehabilitation work utilizing a capital needs assessment as further explained in Exhibit F of the RFA

**D. Required Accessibility Features, regardless of the age of the Development:**

Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. Florida Housing 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 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, (including all dwelling units that can be accessed by elevators), 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) The Development must provide the following Accessibility Features in all units:

- Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
- All door handles on primary entrance door and interior doors must have lever handles;
- Lever handles on all bathroom faucets and kitchen sink faucets;
- Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and

- Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

(2) Required Accessibility Features

- 20 Percent of the new construction units must have roll-in showers
- Horizontal grab bars in place around each tub and/or shower, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design, Section 609. In addition, the following standards for grab bars are required:
  - If a bathtub/shower combination with a permanent seat is provided, grab bars shall be installed to meet or exceed the 2010 ADA Standards for Accessible Design, Section 607.4.1.
  - If a bathtub/shower combination without a permanent seat is provided, grab bars shall be installed to meet or exceed the 2010 ADA Standards for Accessible Design, Section 607.4.2.
  - If a roll-in shower is provided, grab bars shall be installed to meet or exceed the 2010 ADA Standards for Accessible Design, Section 608.3.2.
- Reinforced walls for future installation of horizontal grab bars in place around each toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design;
- All bathrooms in all new construction units must have vanity cabinets with at least one roll-out shelf or drawer in bottom of cabinet;
- Adjustable shelving in master bedroom closets (must be adjustable by resident); and
- In one of the kitchen's base cabinets, there shall be a large bottom drawer that opens beyond full extension, also referred to as an "over-travel feature". Drawers with the over-travel feature allow drawers to extend completely past the cabinet front so all the contents can be accessed. The drawer shall be deep and wide enough to store pots and pans and the drawers slides shall have a weight load rating of a minimum of 100 pounds. The drawers shall be mounted on a pair of metal side rails that are ball-bearing.

**E.** Emergency operations for all developments:

The following Emergency Operations Features must be provided in all Developments:

- There must be a community building/dedicated space within the Development; and
- There must be a minimum of one permanent, stand by generator in good working order, to operate at least one elevator per residential building serving residents that are located on a floor higher than the first floor in addition to the lights, HVAC and other electrical appliances in the community room/dedicated space, throughout the duration of a power outage. The generators must be maintained in good working order and the Applicant must maintain an executed written contract with a vendor certified to service and test the installed generator and system; the generator and system shall be serviced and tested at least annually.

**F.** Green Building Features required in all Developments:

All common areas must have the features listed below and all rehabilitation units are expected to have all of the following required Green Building features unless found to be not appropriate or feasible within the scope of the rehabilitation work utilizing a capital needs assessment as further explained in Exhibit F of the RFA:

- a. 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);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
  - i. Toilets: 1.28 gallons/flush or less,
  - ii. Urinals: 0.5 gallons/flush,
  - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;
- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
  - Residential Electric:
    - i. Up to 55 gallons = 0.95 EF or 0.92 UEF; or
    - ii. More than 55 gallons = Energy Star certified; or
    - iii. Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  over a 67° rise;
  - Residential Gas (storage or tankless/instantaneous): Energy Star certified
  - Commercial Gas Water Heater: Energy Star certified;
- g. Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
- h. Air Conditioning (in-unit or commercial):
  - i. Air-Source Heat Pumps – Energy Star certified:
    - a.  $\geq 7.8$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER2 for split systems
    - b.  $\geq 7.2$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 10.6$  EER2 for single package equipment including gas/electric package units
  - ii. Central Air Conditioners – Energy Star certified:
    - a.  $\geq 15.2$  SEER2/  $\geq 12.0$  EER2 for split systems
    - b.  $\geq 15.2$  SEER2/  $\geq 11.5$  EER2\* 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 one-bedroom units;

In addition to the required Green Building Features outlined above, all borrowers must select enough additional Green Building features in Exhibit A of the RFA so that the total point value of the features selected equals at least 10 points.

- a. ☒ Programmable thermostat in each unit (2 points)
- b. ☐ Humidistat in each unit (2 points)
- c. ☐ Water Sense certified dual flush toilets in all bathrooms (2 points)



- d. \_\_\_\_\_ Light colored concrete pavement instead of or on top of asphalt to reduce the heat-island effect (2 points)
- e. \_\_\_\_\_ Cool roof coating\* (2 points)
- f.   X   Cool roofing materials\* (metal, shingles, thermoplastic polyolefin (TPO), or tiles) (3 points)
- g. \_\_\_\_\_ Eco-friendly cabinets – formaldehyde free and material must be certified by the Forest Stewardship Council, the Environmental Stewardship Program, or a certification program endorsed by the Programmer for the Endorsement of Forest Certification (3 points)
- h. \_\_\_\_\_ Eco-friendly flooring – Carpet and Rug Institute Green Label certified carpet and pad, FloorScore certified flooring, bamboo, cork, 80% recycled content tile, and/or natural linoleum (3 points)
- i. \_\_\_\_\_ High Efficiency HVAC with SEER of at least 16\*\* (2 points)
- j.   X   Energy efficient windows in each unit as provided below: (3 points)
  - For all Development Types except Mid-Rise and High-Rise: Energy Star rating for all windows in each unit;
  - For Development Type of Mid-Rise and High-Rise:
    - U-Factor of 0.50 or less and a SHHGC of 0.25 or less where the fenestration is fixed; and
    - i. U-Factor of 0.65 or less and a SHHGC of 0.25 or less where the fenestration is operable (i.e., the window opens)
- k. \_\_\_\_\_ FI Yards and Neighborhoods certification on all landscaping (2 Points)
- l.   X   Install daylight sensors, timers or motion detectors on all outdoor lighting attached to buildings (2 points)

\*Borrower may choose only one option related to Cool roofing.

\*\*Borrowers who choose high efficiency HVAC's must meet the standards listed here, which exceed the minimum Green Building Features required of all Developments Section Four A.8 of the RFA.

**G. Resident Programs**

The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

- a. Required Resident Program for all Applicants that select the Elderly Demographic of ALF or Non-ALF.

24 Hour Support to Assist Residents In Handling Urgent Issues.

An important aging in place best practice is providing the residents access to property management support 24 hours per day, 7 days a week to assist them to appropriately and

efficiently handle urgent issues or incidents that may arise. These issues may include, but are not limited to, an apartment maintenance emergency, security or safety concern, or a health risk incident in their apartment or on the property. The management's assistance will include a 24/7 approach to receiving residents' requests for assistance that will include a formal written process for relevant property management staff to effectively assess and provide assistance for each request.

This assistance may include staff:

- Visiting or coordinating a visit to a resident's apartment to address an urgent maintenance issue;
- Responding to a resident being locked out of their apartment;
- Contacting on-site security or the police to address a concern;
- Providing contact information to the resident and directing or making calls on a resident's behalf to appropriate community-based emergency services or related resources to address an urgent health risk incident;
- Calling the resident's informal emergency contact; or
- Addressing a resident's urgent concern about another resident.

Property management staff shall be on site at least 8 hours daily, but the 24-hour support approach may include contracted services or technology to assist the management in meeting this commitment, if these methods adequately address the intent of this service. The Development's owner and/or designated property management entity shall develop and implement policies and procedures for staff to immediately receive and handle a resident's call and assess the call based on a resident's request and/or need.

At a minimum, residents shall be informed by the property management, at move-in and via a written notice(s)/instructions provided to each resident and displayed in the Development's common or public areas, that staff are available to receive resident calls at all times. These notices shall also provide contact information and direction to first contact the community-based emergency services if they have health or safety risk concerns.

b. The Applicant must provide at least three Resident Programs:

1. Financial Management for Elderly Residents

The Applicant or its Management Company must provide, at no cost to the resident, a series of classes to provide residents training in various aspects of personal financial management on issues appropriate to elderly households. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. The topics should include, but not be limited to:

- Tax issues for elders and retirees;
- Budgeting tips for fixed income households;
- Avoiding scams that target elders;
- Strategies to maximize Social Security benefits;
- Preparing a will and estate planning

2. Computer Training

The Applicant or its Management Company shall make available computer and internet training classes (basic and/or advanced level depending on the needs and requests of the residents). The training classes must be provided at least once a week, at no cost to the resident, in a dedicated space on site. Training must be held between the hours of 8:00 a.m. and 7:00 p.m., and 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.

3. Assistance with Light Housekeeping, Grocery Shopping and/or Laundry

The Applicant or its Management Company must provide residents with a list of qualified service providers for (a) light housekeeping, and/or (b) grocery shopping, and/or (c) laundry and will coordinate, at no cost to the resident, the scheduling of services. The Developer or Management Company shall verify that the services referral information is accurate and up-to-date at least once every six months.

## Housing Credit Allocation Calculation

### Qualified Basis Calculation

<b>Section I: Qualified Basis Calculation</b>	
Development Cost	\$33,609,784
Less: Land Cost	(\$1,031,250)
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$2,059,265)
Less: Disproportionate Standard	\$0
Acquisition Eligible Basis	\$11,055,125
Rehabilitation Eligible Basis	\$19,464,144
Total Eligible Basis	\$30,519,269
Applicable Fraction	100.00%
DDA/QCT Basis Credit	100.00%
Acquisition HC Percentage	4.00%
Rehabilitation HC Percentage	4.00%
Annual HC on Acquisition	\$442,205
Annual HC on Rehabilitation	\$778,566
Annual Housing Credit Allocation (for Acq/Rehab)	\$1,220,771

#### Notes to the Qualified Basis Calculation:

1. Other ineligible costs include washers/dryers, accounting fees, FHFC Fees, legal fees, market study, marketing, title work, financial costs, and operating reserves.
2. The Development has a 100% set-aside. Therefore, the Applicable Fraction is 100%.
3. For purposes of this analysis, the Development is not located in a QCT or DDA; therefore no basis boost 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.

## GAP Calculation

Section II: Gap Calculation	
Total Development Cost (Including Land and Ineligible Costs)	\$33,609,784
Less: Mortgages	(\$21,613,115)
Less: Grants	\$0
Equity Gap	\$11,996,669
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.94
HC Required to Meet Gap	\$12,763,690
Annual HC Required	\$1,276,369

### Notes to the Gap Calculation:

- The pricing and syndication percentage was taken from letter from Truist Community Capital, dated April 15, 2025.

## Summary

Section III: Summary	
HC per Applicant Request	\$1,208,366
HC per Qualified Basis	\$1,220,771
HC per Gap Calculation	\$1,276,369
Annual HC Recommended	\$1,220,771

Syndication Proceeds Based on HC Recommended	\$11,474,098
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- 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.

**50% Test**

Section III: Tax-Exempt Bond 50% Test	
Total Depreciable Cost	\$30,519,269
Plus: Land Cost	\$1,031,250
Aggregate Basis	\$31,550,519
Tax-Exempt Bond Amount	\$17,000,000
Less: Debt Service Reserve	\$0
Less: Proceeds Used for Costs of Issuance	(\$247,883)
Plus: Tax-exempt GIC earnings	\$0
Tax-Exempt Proceeds Used for Building and Land	\$16,752,117
Proceeds Divided by Aggregate Basis	53.10%

1. Based on the budget, the Development appears to meet the 50% test for 4% Housing Credits.

YAEGER PLAZA PARTNERS, LLC

**Tim Kennedy**

Director of Multifamily Loans and Bonds  
Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000  
Tallahassee, FL 32301

Re: Extension Request for Yaeger Plaza CUR (2024-012SN / 2023-528C)  
Original Deadline: June 14, 2025 to New Deadline: September 12, 2025

Dear Mr. Kennedy,

On behalf of Yaeger Plaza Partners, LLC, we respectfully request a 90 day extension to the current closing deadline for the Yaeger Plaza affordable housing development. This extension will allow us to finalize outstanding financing and permitting requirements in preparation for closing.

We have encountered unforeseen delays in the permitting process related to required foundation design changes. Although all required permit application documents have been submitted to both the City of Miami and Miami-Dade County, comments received from each agency have required revisions to the building foundation plans to accommodate agencies having jurisdiction. These revisions, while essential for compliance, have extended the timeline for receiving a building permit-ready letter.

We remain fully committed to advancing the project and are actively working with our design and permitting teams to resolve all outstanding issues. We are confident that this extension will provide the time necessary to satisfy all conditions and proceed with closing and construction.

We appreciate your consideration of this request and your continued support of affordable housing development in Miami-Dade County and the State of Florida.

Sincerely,

A handwritten signature in blue ink, appearing to read 'K. Brantley', is written over a light blue horizontal line.

Kareem T. Brantley

Yaeger Plaza Partners, LLC

# **Florida Housing Finance Corporation**

*Credit Underwriting Report*

## **Ekos Pembroke Park**

**SAIL Funding for Live Local Mixed Income, Mixed-Use, and Urban Infill Developments**

**SAIL and 4% HC**

**RFA 2023-213 (2024-248S / 2023-510C)**

**Section A      Report Summary**

**Section B      Loan Conditions and HC Allocation Recommendation and Contingencies**

**Section C      Supporting Information and Schedules**

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*Prepared by*

***Seltzer Management Group,  
Inc.***

*Final Report*

*June 2, 2025*



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**EKOS PEMBROKE PARK**

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SMG

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**Section A**  
**Report Summary**

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**JUNE 2, 2025**

## Recommendation

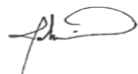
Seltzer Management Group, Inc. ("SMG" or "Seltzer" or "Servicer") recommends a a Florida Housing Finance Corporation ("FHFC" or "Florida Housing") Live Local State Apartment Incentive Loan ("SAIL") in the amount of \$9,995,000, and an annual allocation of 4% non-competitive Housing Credits ("HC") in the amount of \$2,856,692 to MHP Broward I, Ltd. ("Applicant") for the construction and permanent financing of Ekos Pembroke Park (the "Development"). This recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:	<u>Ekos Pembroke Park</u>		
RFA/Program Numbers:	<u>RFA 2023-213</u>	<u>/</u>	<u>2024-248S</u> <u>2023-510C</u>
Address:	<u>East side of SW 56th Ave, northeast of the intersection of SW 56th Avenue and SW 41st Street (County Line Road)</u>		
City:	<u>Pembroke Park</u>	Zip Code:	<u>33023</u> County: <u>Broward</u> County Size: <u>Large</u>
Development Category:	<u>New Construction</u>	Development Type:	<u>High-Rise</u>
Construction Type:	<u>Masonry</u>	Number of Stories:	<u>10</u>
Demographic Commitment:			
Primary:	<u>Elderly, Non-ALF</u>	for	<u>100%</u> of the Units
Unit Composition:			
# of ELI Units:	<u>23</u>	ELI Units Are Restricted to	<u>30%</u> AMI, or less.    Min % of Units @ ELI: <u>5%</u>
# of Link Units:	<u>12</u>	# of Preference units:	<u>0</u> IRS Minimum Set-Aside Commitment: <u>AIT</u>
# of NHTF Units:	<u>0</u>	# of units w/ PBRA?	<u>0</u> TSP Approval Date: <u>05/29/2025</u>
Buildings:	Residential - <u>1</u>	Non-Residential -	<u>0</u>
Parking:	Parking Spaces - <u>168</u>	Accessible Spaces -	<u>9</u>
DDA:	<u>No</u>	SADDA:	<u>No</u> QCT: <u>Yes</u> Multi-Phase Boost: <u>Yes</u> QAP Boost: <u>No</u> QAP Type: _____
Site Acreage:	<u>1.63</u>	Density:	<u>91.9118</u> Flood Zone Designation: <u>X</u>
Zoning:	<u>B-1 (Business District) / Future Land Use - C (Commercial)</u>		Flood Insurance Required?: <u>No</u>
Credit Underwriter:	<u>Seltzer Management Group, Inc.</u>		Date of Application: <u>12/19/2023</u>
Date of Final CUR:	<u>06/02/2025</u>	Minimum 1st Mortgage per Rule:	<u>N/A</u>
TDC PU Limitation at Application:	<u>\$420,833.33</u>	TDC PU Limitation at Credit Underwriting:	<u>\$446,083.33</u>
Actual TDC PU for Limitation:	<u>\$430,848.75</u>	Amount Dev. Fee Reduced for TDC Limit:	<u>\$0</u>

Prepared by: Frank Sforza, Senior Credit Underwriter



Reviewed by: Joshua Scribner, Credit Underwriting Manager



## Set-Asides and 15 Year Pro Forma

Set Asides:	<b>Program</b>	<b>% of Units</b>	<b># of Units</b>	<b>% AMI</b>	<b>Term (Years)</b>
	MMRN	40.000%	60	60%	30
	ELI	15.333%	23	30%	99
	SAIL	34.000%	51	50%	99
	SAIL	10.667%	16	60%	99
	SAIL	40.000%	60	80%	99
	HC-4%	15.333%	23	30%	50
	HC-4%	34.000%	51	50%	50
	HC-4%	10.667%	16	60%	50
	HC-4%	40.000%	60	80%	50
	Local HOME*	6.667%	10	30%	99
	Local HOME*	8.667%	13	30%	99
	Local HOME*	18.000%	27	50%	99

Persons with Special Needs Set-Aside Commitment: The proposed Development must set aside 50% of the ELI set-aside units (12 units) as Link units for Persons with Special Needs. In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding (“MOU”) with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with Special Needs for the county where the proposed Development will be located (Broward County). The MOU was approved by Florida Housing on March 17, 2025. The Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes, which requires a ninety-nine (99) year total compliance period under a Land Use Restriction Agreement (“LURA”). Therefore, after the initial 50-year Compliance Period required by the RFA (“Compliance Period”) expires, all SAIL set-aside units within the Development shall be rented to households who shall have a household income less than or equal to one hundred and twenty percent (120%) of the Area Median Income (“AMI”) for a period of forty-nine (49) years (“Ad Valorem Compliance Period”). The Ad Valorem Compliance Period, together with the Compliance Period, shall have a term of ninety-nine (99) years (the “Total Compliance Period”) which will be defined under the SAIL LURA. The Applicant will be responsible for compliance monitoring fees for 50 years which is to be paid to the Servicer; for years 51-99, compliance monitoring will be self-certified by the Applicant to FHFC. The Applicant will also be responsible for the compliance monitoring fee of \$4,900 (\$100 per year) for years 51-99 associated with the Ad Valorem Compliance Period, which is to be paid at closing to FHFC.

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

Broward County: (Fort Lauderdale HMFA)

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	10	557	30%	989		648	109	539		539	539	539	\$ 64,680
1	1.0	13	557	30%		1,268	648	109	539		539	539	539	\$ 84,084
1	1.0	24	557	50%			1,080	109	971		971	971	971	\$ 279,648
1	1.0	27	557	50%		1,268	1,080	109	971		971	971	971	\$ 314,604
1	1.0	16	557	60%			1,296	109	1,187		1,187	1,187	1,187	\$ 227,904
1	1.0	60	557	80%			1,729	109	1,620		1,620	1,620	1,620	\$ 1,166,400
		150	83,550											\$ 2,137,320

**15-YEAR OPERATING PRO FORMA**

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
<b>INCOME:</b>	Gross Potential Rental Income	\$2,137,320	\$14,249	\$2,180,066	\$2,223,668	\$2,268,141	\$2,313,504	\$2,359,774	\$2,406,969	\$2,455,109	\$2,504,211	\$2,554,295	\$2,605,381	\$2,657,489	\$2,710,639	\$2,764,851	\$2,820,148
	Miscellaneous	\$132,300	\$882	\$134,946	\$137,645	\$140,398	\$143,206	\$146,070	\$148,991	\$151,971	\$155,011	\$158,111	\$161,273	\$164,498	\$167,788	\$171,144	\$174,567
	Gross Potential Income	\$2,269,620	\$15,131	\$2,315,012	\$2,361,313	\$2,408,539	\$2,456,710	\$2,505,844	\$2,555,961	\$2,607,080	\$2,659,222	\$2,712,406	\$2,766,654	\$2,821,987	\$2,878,427	\$2,935,995	\$2,994,715
	Less:																
	Economic Loss Percentage: 0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Physical Vac. Loss Percentage: 4.00%	\$90,785	\$605	\$92,600	\$94,453	\$96,342	\$98,268	\$100,234	\$102,238	\$104,283	\$106,369	\$108,496	\$110,666	\$112,879	\$115,137	\$117,440	\$119,789
	Collection Loss Percentage: 1.00%	\$22,696	\$151	\$23,150	\$23,613	\$24,085	\$24,567	\$25,058	\$25,560	\$26,071	\$26,592	\$27,124	\$27,667	\$28,220	\$28,784	\$29,360	\$29,947
<b>Total Effective Gross Income</b>		\$2,156,139	\$14,374	\$2,199,262	\$2,243,247	\$2,288,112	\$2,333,874	\$2,380,552	\$2,428,163	\$2,476,726	\$2,526,260	\$2,576,786	\$2,628,321	\$2,680,888	\$2,734,506	\$2,789,196	\$2,844,980
Annual Escalation Rate (Income): 2.00%																	
<b>EXPENSES:</b>	Fixed:																
	Real Estate Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Insurance	\$180,000	\$1,200	\$185,400	\$190,962	\$196,691	\$202,592	\$208,669	\$214,929	\$221,377	\$228,019	\$234,859	\$241,905	\$249,162	\$256,637	\$264,336	\$272,266
	Variable:																
	Management Fee Percentage: 4.00%	\$86,246	\$575	\$87,970	\$89,730	\$91,524	\$93,355	\$95,222	\$97,127	\$99,069	\$101,050	\$103,071	\$105,133	\$107,236	\$109,380	\$111,568	\$113,799
	General and Administrative	\$52,500	\$350	\$54,075	\$55,697	\$57,368	\$59,089	\$60,862	\$62,688	\$64,568	\$66,505	\$68,501	\$70,556	\$72,672	\$74,852	\$77,098	\$79,411
	Payroll Expenses	\$210,000	\$1,400	\$216,300	\$222,789	\$229,473	\$236,357	\$243,448	\$250,751	\$258,274	\$266,022	\$274,002	\$282,222	\$290,689	\$299,410	\$308,392	\$317,644
	Utilities	\$90,000	\$600	\$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
	Marketing and Advertising	\$7,500	\$50	\$7,725	\$7,957	\$8,195	\$8,441	\$8,695	\$8,955	\$9,224	\$9,501	\$9,786	\$10,079	\$10,382	\$10,693	\$11,014	\$11,344
	Maintenance and Repairs/Pest Control	\$120,000	\$800	\$123,600	\$127,308	\$131,127	\$135,061	\$139,113	\$143,286	\$147,585	\$152,012	\$156,573	\$161,270	\$166,108	\$171,091	\$176,224	\$181,511
	Grounds Maintenance and Landscaping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Resident Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Contract Services	\$0	\$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	\$0
	Reserve for Replacements	\$22,500	\$150	\$23,175	\$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
<b>Total Expenses</b>		\$768,746	\$5,125	\$790,945	\$837,664	\$861,897	\$886,839	\$912,510	\$938,933	\$966,130	\$994,123	\$1,022,937	\$1,052,594	\$1,083,120	\$1,114,542	\$1,146,884	\$1,180,175
Annual Escalation Rate (Expenses): 3.00%																	
<b>Net Operating Income</b>		\$1,387,393	\$9,249	\$1,408,316	\$1,405,583	\$1,426,215	\$1,447,036	\$1,468,041	\$1,489,229	\$1,510,596	\$1,532,137	\$1,553,849	\$1,575,728	\$1,597,767	\$1,619,964	\$1,642,312	\$1,664,805
<b>Debt Service Payments</b>																	
First Mortgage - R4 Capital Funding LLC		\$1,112,121	\$7,414	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121	\$1,112,121
Second Mortgage - FHFC SAIL		\$99,950	\$666	\$99,950	\$99,950	\$99,950	\$99,950	\$99,950	\$99,950	\$99,950	\$99,950	\$99,950	\$99,950	\$99,950	\$99,950	\$99,950	\$99,950
Third Mortgage - Broward Co HOME-ARP		\$0	\$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	\$0
First Mortgage Fees - R4 Capital Funding LLC		\$36,136	\$241	\$35,907	\$35,664	\$35,408	\$35,138	\$34,852	\$34,550	\$34,231	\$33,894	\$33,539	\$33,163	\$32,766	\$32,347	\$31,904	\$31,436
Second Mortgage Fees - FHFC SAIL		\$12,962	\$86	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962
Third Mortgage Fees - Broward Co HOME-ARP		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
All Other Mortgage Fees -		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Debt Service Payments</b>		\$1,261,169	\$8,408	\$1,260,940	\$1,260,697	\$1,260,441	\$1,260,171	\$1,259,885	\$1,259,583	\$1,259,264	\$1,258,928	\$1,258,572	\$1,258,196	\$1,257,799	\$1,257,380	\$1,256,937	\$1,256,469
<b>Cash Flow after Debt Service</b>		\$126,224	\$841	\$147,376	\$144,885	\$165,774	\$186,865	\$208,156	\$229,646	\$251,331	\$273,210	\$295,277	\$317,531	\$339,968	\$362,584	\$385,375	\$408,336
<b>Debt Service Coverage Ratios</b>																	
DSC - First Mortgage plus Fees		1.208x		1.23x	1.22x	1.24x	1.26x	1.28x	1.30x	1.32x	1.34x	1.36x	1.38x	1.40x	1.42x	1.44x	1.46x
DSC - Second Mortgage plus Fees		1.100x		1.12x	1.11x	1.13x	1.15x	1.17x	1.18x	1.20x	1.22x	1.23x	1.25x	1.27x	1.29x	1.31x	1.32x
DSC - Third Mortgage plus Fees		1.100x		1.12x	1.11x	1.13x	1.15x	1.17x	1.18x	1.20x	1.22x	1.23x	1.25x	1.27x	1.29x	1.31x	1.32x
DSC - All Mortgages and Fees		1.100x		1.12x	1.11x	1.13x	1.15x	1.17x	1.18x	1.20x	1.22x	1.23x	1.25x	1.27x	1.29x	1.31x	1.32x
<b>Financial Ratios</b>																	
Operating Expense Ratio		35.65%		35.96%	37.34%	37.67%	38.00%	38.33%	38.67%	39.01%	39.35%	39.70%	40.05%	40.40%	40.76%	41.12%	41.48%
Break-even Econ Occup Ratio (all debt)		89.64%		88.83%	89.06%	88.32%	87.59%	86.89%	86.22%	85.56%	84.93%	84.31%	83.72%	83.15%	82.60%	82.07%	81.56%
Break-even Econ Occup Ratio (must pay debt)		84.66%															

*Notes to the 15 Year Operating Pro Forma and Ratios:*

1. This Development will be utilizing Housing Credits in conjunction with SAIL which will impose rent restrictions. Overall, the maximum Housing Credit rents for 2025 published on FHFC's website for the Development are achievable as confirmed by the appraiser. The Applicant engaged Enercon Services, Inc. to prepare a UA Energy Consumption Model that was approved by FHFC on February 7, 2025. The model reflects the residents paying for electricity, water and sewer service.
2. Miscellaneous income is based upon the Appraiser's estimate and includes application fees, late fees, forfeited security deposits, bad debt recoveries, pet fees, cancellation fees, damages recovered, and others fees in addition to projected income from washer/dryer monthly fees.
3. Seltzer utilized a physical vacancy of 4.00% and a 1.00% collection loss which is more conservative than the Appraiser's estimate, resulting in a physical occupancy of 96% and an economic occupancy of 95%.
4. Real estate tax expense is based on the Applicant's estimate and plan to apply for the 100% Ad Valorem Property Tax Exemption passed under Section 196.1978(4), Florida Statutes. Beginning in 2026, the property must apply to the Broward County Property Appraiser by March 1<sup>st</sup> of the tax year. Applying for this exemption requires a 99-year Total Compliance Period with annual certifications. If the property fails to provide affordable housing under the agreement before the end of the agreement term, there will be a penalty equal to 100% of the total amount financed by Florida Housing multiplied by each year remaining in the agreement. The lenders/parties involved in the transaction, approved of the terms of the Ad Valorem Property Tax Exemption.
5. Seltzer utilized a \$1,200 per unit per year Insurance expense.
6. The Applicant submitted a Draft, undated and unexecuted, Property Management Agreement ("Management Agreement") wherein Bryten Real Estate Partners, LLC ("Bryten") will manage the Development. The Agreement provides for a one-year term to commence on the effective date and the date that is no earlier than 90 days prior to delivery of the first unit at the Project to a tenant. The Management Agreement shall be automatically be renewed on a year-to-year basis, unless terminated in accordance with the Agreement. The management fee payable each month by Owner to Bryten shall be an amount equal to 3.00% (three percent) or \$3,000, whichever is greater of gross collections per month. In addition, the following fees are also applicable:
  - Property Software - \$1.15 per unit per month plus \$0.25 per unit for texting = \$1.40 per unit per month for a total of \$2,520 annually
  - IT Support - \$0.62 per unit annually for a total of \$93
  - Education Costs - \$0.65 per unit per month for a total of \$1,170 annually
  - Marketing Involvement - \$0.45 per unit annually for a total of \$67.50Seltzer utilized a minimum 4% management fee.
7. In order to meet the required 1.10x to 1.00 Debt Service Coverage ("DSC") as required by the RFA and Rules 67-21 and 67-48, the Applicant has elected to pay 50% of years 1 and 2 of replacement reserve costs (as permitted by Rule), reducing the replacement reserve cost to \$150 per unit in year one and \$155 per unit in year two. The Syndicator, U.S. Bancorp Community Corporation ("US Bancorp") requires the replacement reserves to be increased annually at 3.00%.
8. Other operating expense estimates are based on comparable properties and are supported by the Appraisal.

9. The DSC ratio for the combined permanent first mortgage and SAIL reflect a ratio 1.100x to 1.00 which meets Rule 67-48.0072 (11) requiring a minimum DSC of 1.10x to 1.00 for the SAIL, including all superior mortgages.

To ensure that the SAIL meets or exceeds a minimum DSC ratio of at least 1.00x to 1.00 based on the net operating income ("NOI") and the permanent first mortgage loan and SAIL amount assumptions of this Recommendation, the permanent first mortgage loan interest rate may not exceed 6.33%. Following rate lock of the permanent first mortgage, Seltzer will review and confirm that DSC meets or exceeds the minimum required DSC ratio at the loan amounts reflected in the Permanent Financing Information above, or if a reduction in the permanent first mortgage loan amount is necessary. The confirmation of such is a condition to close.

## Sources Overview

### Construction Financing Information:

CONSTRUCTION FINANCING INFORMATION						
Lien Position	First	Second	Third	Fourth	Fifth	Totals
Source	Local HFA Note	FHFC - SAIL	Local HOME	HC Equity	Def. Dev. Fee	
Lender/Grantor	R4 Capital Funding LLC	FHFC SAIL	Broward HOME-ARP	U.S. Bancorp Community Development Corporation, or its designee	MHP Broward I Dev LLC MJHS Broward I Dev LLC Magellan Housing LLC	
Construction Amount	\$34,150,000	\$9,995,000	\$7,799,880	\$8,786,127	\$3,896,305	\$64,627,312
All In Interest Rate	5.86%	1.00%	0.00%	0.00%	0.00%	
Debt Service During	\$2,386,267	\$174,663	\$0	\$0	\$0	\$2,560,930
Bond Structure (if applicable)	Private Placement	N/A	N/A	N/A		

### First Mortgage Loan:

The Applicant provided a Note Financing Letter of Intent (“LOI”) from R4 Capital Funding, LLC (“R4 Funding”) dated January 16, 2025, last revised February 3, 2025, for the purchase of an estimated \$34,150,000 of construction-permanent Tax-Exempt Note under its Direct Bond Purchase Program. The Housing Finance Authority of Broward County (“HFABC”) intends to issue a multifamily housing revenue note in an amount not to exceed \$34,150,000 (the “Note”) for the purposes of financing the acquisition, construction and equipping of a development known as Ekos Pembroke Park (the “Project”). The HFABC intends to issue its Note to Allianz Life Insurance Company of North America, a Minnesota corporation, as funding lender (the “Funding Lender”), which will evidence a loan to the HFABC (the “Funding Loan”), and which Funding Loan proceeds will be used by the HFABC, to make a loan to the Borrower (the “Borrower Loan”) to finance the acquisition, construction and equipping of the Project. The HFABC will enter into a Borrower Loan Agreement with the Borrower, to evidence the terms and conditions of the Borrower Loan.

The Funding Loan will be originated on a draw-down basis and shall be advanced to The Bank of New York Mellon Trust Company, N.A., a national banking association, as fiscal agent, for the account of the HFABC. Upon each advance of the Funding Loan a like amount of principal under the Borrower Note shall be deemed concurrently and simultaneously advanced under the Borrower Note.

Pursuant to the Borrower Loan Agreement, the Borrower agrees to make loan payments to the HFABC in an amount which, when added to other funds available under the Funding Loan and to pay all costs and expenses related thereto when due.

The construction-period loan interest rate will be fixed based upon the 10-Year Treasury Index, published by Thomson Reuters, plus a spread of 1.30% and is subject to a floor rate of 5.40%. The 10-Year Treasury as of April 29, 2025 was 4.31%. Due to the potential for increases in interest rates, SMG included a 25 basis point cushion resulting in an estimated overall rate of 5.86%. The payments will be interest only until 36 months from stabilization. Upon construction completion and conversion to permanent financing, there will be a mandatory redemption of the Bonds, in part, on a monthly basis sufficient to fully amortize such Bonds over 40 years.

See Permanent Financing for details on other mortgages and sources.



**MMRN, SAIL AND HC CREDIT UNDERWRITING REPORT**

**SMG**

**Permanent Financing Information:**

PERMANENT FINANCING INFORMATION						
Lien Position	First	Second	Third	Fourth	Fifth	Totals
Source	Local HFA Note	FHFC - SAIL	Local HOME	HC Equity	Def. Dev. Fee	
Lender/Grantor	R4 Capital Funding LLC	FHFC SAIL	Broward Co HOME-ARP	U.S. Bancorp Community Development Corporation, or its designee	MHP Broward I Dev LLC / MJHS Broward I Dev LLC Magellan Housing LLC	
Permanent Amount	\$17,992,343	\$9,995,000	\$9,749,850	\$25,103,220	\$1,786,899	\$64,627,312
Permanent Funding Per Unit	\$119,949	\$66,633	\$64,999	\$167,355	\$11,913	\$430,849
% of Permanent Funding	27.8%	15.5%	15.1%	38.8%	2.8%	100.0%
Underwritten Interest Rate	5.49%	1.00%	0.00%	0.00%	0.00%	
Loan Term	16	16	27	N/A	N/A	
Amortization	40	N/A	N/A	N/A	N/A	
Must Pay or Cash Flow Dependent	Must-Pay	Cash Flow	Cash Flow			
Permanent Debt Service, No Fees	\$1,112,121	\$99,950				\$1,212,071
Permanent Debt Service, with Fees	\$1,148,257	\$112,912				\$1,261,169
Debt Service Coverage, with Fees	1.21x	1.10x	1.10x			
Operating Deficit & Debt Service Reserves	\$504,578					
# of Months covered by the Reserves	7.9					
Market Rate/Market Financing LTV	54%	83%	112%			
Restricted Market Financing LTV	62%	97%	130%			
Loan to Cost - Cumulative	27.8%	43.3%	58.4%			
Loan to Cost - SAIL Only		15.5%				

**First Mortgage Loan:**

The Applicant provided a Note Financing Letter of Intent (“LOI”) from R4 Funding dated January 16, 2025, last revised February 3, 2025, for the purchase of an estimated \$34,150,000 of construction-permanent Tax-Exempt Note under its Direct Bond Purchase Program. The construction loan will be provided to HFABC in connection with the financing of the Subject Development. The Tax-Exempt loan will be advanced to the Government Lender and loaned to the Applicant (directly or through a Fiscal Agent, at Government Lender’s discretion).

Upon construction completion and conversion to permanent financing, there will be a one-time Partial Redemption of the Bonds. The permanent first mortgage loan is currently estimated to be \$17,992,343.

The permanent period loan interest rate will be fixed based upon the 10-Year Treasury Index, published by Thomson Reuters, plus a spread of 1.30% and is subject to a floor rate of 5.40%. The 10-Year Treasury as of April 29, 2025 was 4.19%% for overall rate of 5.49% amortized over a 40-year period. Upon the 16th anniversary of stabilization, the noteholder shall have the option to require a mandatory tender of the Bond Note and will be required to provide six months’ notice for such mandatory tender.

The Development shall be required to achieve stabilization prior to 36 months from closing. R4 Funding’s stabilization requirements include: (i) the ratio of net operating income of the property for the prior three months to the maximum debt service in any three-month period equals or exceeds 1.15x to 1.00, (ii) the average economic occupancy in each of the three months equals at least 90%, and (iii) the property has achieved Final Completion.

Annual payments of all applicable fees will be required and are included in the debt service coverage ratio. HFA BC Fees include an 18-basis point Issuer Fee, an annual Fiscal Agent Fee of \$3,750 and a Closing Fee of 50 basis points of the Tax-Exempt Multifamily Mortgage Revenue Note (“MMRN”) amount, subject to a minimum fee of \$10,000.

**MMRN, SAIL AND HC CREDIT UNDERWRITING REPORT**

**SMG**

Second Mortgage Loan – FHFC SAIL:

The Applicant applied to FHFC under RFA 2023-213 for a Live Local SAIL loan in the amount of \$9,995,000.

The Live Local SAIL loan will have a total term of 19 years, including a 36-month construction/stabilization period and a 16-year permanent period. As permitted by Rule 67-48, the Live Local SAIL loan term will be co-terminus with the first mortgage. The Loan shall be non-amortizing with a 1.00% interest rate over the life of the loan with annual payments based upon available cash flow. Any unpaid interest will be deferred until cash flow is available. However, at maturity of the Live Local SAIL loan, all principal and accrued 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 \$990 per month, subject to a minimum of \$250 per month, and an annual Compliance Monitoring Multiple Program Fee of \$1,082.

Third Mortgage - HOME-ARP:

The Applicant applied to Broward County's Housing Finance Division ("BC HFD") under Home Investment Partnerships Program From The American Rescue Plan Act ("HOME-ARP") FY 2023 Request for Application for HOME-ARP funds in the amount of \$9,749,850. The HOME-ARP Loan will be non-amortizing at 0 percent simple interest per annum over the life of the HOME-ARP Loan, with the principal forgivable at maturity, provided the units for which the HOME-ARP Loan amount is awarded are targeted as HOME-ARP Units for the 30 years of the Compliance Period. The term of the agreement will include a minimum of a Ninety-nine (99) year affordable housing land use restriction. The total term of the HOME-ARP Loan is 30 years of which 3 years is for the construction/stabilization period and 27 years is for the permanent period. The County will release no more than 80% of the funds during construction (\$7,799,880); with the remainder held back until construction completion and final construction cost determination.

Housing Credit Equity:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$3,765,483	15.00%	Admission, closing construction loans
2nd Installment	\$5,020,644	20.00%	95% completion
3rd Installment	\$11,798,513	47.00%	Perm CO
4th Installment	\$4,418,580	17.60%	Stabilization, 3 mos 1.15x DSCR
5th Installment	\$100,000	0.40%	Receipt of 8609
Total	\$25,103,220	100.00%	

Syndicator Name	US Bancorp Community Development Corporation
Date of LOI	1/30/2025
Total Credits Per Syndication Agreement:	\$29,277,820
Annual Credits Per Syndication Agreement:	\$2,927,782
Calculated HC Exchange Rate:	\$0.8575
Limited Partner Ownership Percentage:	99.99%
Proceeds Available During Construction:	\$8,786,127
Annual Credits - Qualified in CUR:	\$2,856,692

Deferred Developer Fee:

In order to balance the sources and uses of funds after all loan proceeds and capital contributions payable under the US Bancorp LOI have been received, the Developer will have to defer \$1,786,898.64 (19.82%).

## Changes from the Application and Additional Information

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?		2
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?		3
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?		1
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. Changes in Sources of Funds:

- The Applicant, following submission of the application, provided a Letter of Intent ("LOI") from R4 Funding dated January 16, 2025 (revised February 3, 2025) for the purchase of an estimated \$34,150,000 of a construction-permanent tax-exempt note under its Direct Bond Purchase Program.
- The Application included an LOI for Housing Credit equity from CREA, LLC ("CREA") purchasing \$16,206,584 of Housing Credits at a \$0.95 HC Exchange rate per dollar of Housing Credits. The Applicant subsequently provided an LOI from U.S. Bancorp Community Development Corporation ("US Bancorp") replacing CREA as the Equity Provider syndicating \$25,103,220 Housing Credits at a \$0.8575 HC Exchange rate per dollar of Housing Credits.

### 2. Site Plan/Architectural Drawings Comparison to Features and Amenities ("F&A")

- Based on the Plan and Cost Analysis ("PCA") prepared by Moran Construction Consultants, LLC ("Moran"), the following F&A items were either not in the Plans and Specifications, not referenced in the Plans and Specifications, or did not comply with F&A requirements:
  - Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms
  - Energy Star certified Air Conditioning (SEER 15 HVAC Systems)
  - All Units will provide side-by-side washers and dryers (BC HFD requirement)
  - Energy Star qualified Water Heaters

### 3. Change in Development Costs:

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**SMG**

- Total Development Costs have increased by \$15,493,761 from \$49,133,551 in the application to \$64,627,312.07 primarily due to increases in construction and financing costs as well as the developer fee.

4. Other Material Changes from Application:

- The Applicant submitted a request, dated February 24, 2025 for changes in the Applicant and Developer entities as described below. FHFC staff approved the request on March 27, 2025.:  
Co-Developer - MHP Broward I Developer, LLC:
  - organizational structure to remove Sariol Development, LLC and assigning it's 1% ownership interest to WPM Developers, LLC (bringing its total ownership interest to 80%)
  - remove Shear Development Company, LLC as a Manager of MHP Broward I Developer, LLC

Applicant – MHP Broward I, LTD:

- remove Shear Holdings, LLC as a Manager of MHP Broward I SLP, LLC

Co-Developer and Applicant:

- replace Officer/Director: Michael X. Durr for Douglas Gardens Senior Housing, Inc. with Officer/Director: Alan Goldsmith

- The Applicant submitted a request dated April 17, 2025 to Florida Housing staff to change the 501 (c)(3) not-for-profit Mixed-Use Institutional Space Partner from Miami Jewish Health Systems, Inc. ("MJHS") to Areawide Council on Aging of Broward County, Inc. ("ACA of BC"), a 501 (c)(3) not-for-profit. The Applicant executed a Memorandum of Understanding between the Applicant and ACA of BC, dated March 27, 2025, whereby the Applicant will dedicate and ACA of BC will lease 727 square feet of ground level space. ACA of BC's MOU specifies the non-profit shall use the mixed-use space solely for the purpose of providing charitable, educational, healthcare services, and/or civic programs and services for seniors within Broward County. The Services may include, but not limited to, meal and food assistance, health and wellness classes, caregiver support, legal services, Medicare counseling, transportation services, and senior technology programs and the services will be operational in the dedicated, leased space at the Development no less than five days each week. FHFC Staff approved this change on May 13, 2025.
- The Management Company changed from JMG Realty, LLC to Bryten Real Estate Partners, LLC. Bryten Real Estate Partners, LLC provided the management company prior experience chart.
- The General Contractor named in the 21-day items was MHP-ANF Group Construction, LLC. The Applicant subsequently provided a Draft Construction Contract changing the General Contractor ("GC") to MHP-JWR Construction, LLC ("MHP-JWR"), a newly created entity. In addition, the Applicant provided a copy of MHP-JWR's Operating Agreement, dated April 3, 2025, listing MHP Builders, LLC as the MHP Member ("MHPB") with 49% ownership interest and JWR Construction Services, Inc. ("JWR") as the GC Member with 51% ownership interest. The Operating Agreement indicates that the GC Member will have exclusive management, control, and responsibility for the construction activities for the Project. JWR and the qualifying agent/licensed contractor (Dustin J. Dubois) have the prerequisite experience to complete construction of Ekos Pembroke Park. MHP-JWR is listed as the Contractor on the Draft P&P Bonds for Ekos Pembroke Park.

Note: If, for any reason, JWR were to exit as the GC Member of MHP-JWR, MHP-JWR would not meet the FHFC requirements noted in the FHFC GC or Qualifying Agent of GC Certification form.

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At that point, construction would need to be paused until a new GC/Qualifying Agent of GC, with the appropriate experience and qualifications that meet FHFC requirements, was selected.

The above changes have no material impact to the MMRN, SAIL or HC recommendation for the Development.

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

According to the FHFC Past Due Report dated April 18, 2025, the Development Team has the following past due item(s):

1. Ekos Cadenza II fka Allegro at Hacienda – McDowell Housing Partners LLC  
Past Due MMRB Issuer Fee of \$27,000.00, due Feb 1, 2025.  
  
First Housing
2. Ekos Allegro fka Allegro at Hacienda Lakes – Christopher Shear / Patrick McDowell  
MMRB - Owes 5% late fee of \$57.60 for late payment of draw processing fee due 3/5/2025. Reminder notice sent 4/17/2025.  
  
First Housing
3. Ekos Cadenza fka Cadenza at Hacienda Lakes – W. Patrick McDowell  
Past due MMRN Governmental Lender Fee of \$15,312.00, due Feb 1, 2025.  
  
First Housing
4. Ekos at Arbor Park fka Arbor Park– McDowell Housing Partners LLC / Christopher Shear  
Past due MMRN Governmental Lender Fee of \$13,437.50, due March 1, 2025  
  
AmeriNat

According to the FHFC Asset Management Noncompliance Report dated April 18, 2025, the Development Team has the following noncompliance item(s): None

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

Strengths:

1. The Development Team has demonstrated the ability to successfully develop and operate affordable multifamily rental communities using a variety of different subsidies.
2. The Appraiser indicated the property was in a good location with a good supply of basic supporting services in general area (i.e., restaurants, employment, hotels, medical facilities and shopping). In addition, the Appraiser indicated the design of the improvements is functional for the intended use and will appeal to the target resident.

Other Considerations: None

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Issues and Concerns:

1. The Applicant provided a Phase I Environmental Site Assessment ("ESA") Report from Hydrologic Associates U.S.A., Inc. ("HAI"), dated February 26, 2025, revealed one Recognized Environmental Condition ("REC") in connection with an unknown disposition of fill material identified in aerial photos. HAI stated their understanding was that the owner would remove this fill material prior to development of the site. HAI prepared a remediation plan.

The Applicant provided a Phase II ESA Report from HAI, dated April 14, 2025, indicating soil concentrations of benzo(a)pyrene equivalency (BAP Equivalency) exceeding the residential Soil (or alternative) Cleanup Target Levels (SCTLs) in two of the soil sample borings at the southern and central portions of the subject site. HAI recommended "Hot Spot" excavation of the isolated impacted soil.

The Applicant incorporated the remediation activities into the scope of the project and added the costs (\$30,000) into the schedule of values and construction contract. Receipt of HUD's environmental clearance to complete the recommended excavation of the "Hot Spot," followed by HUD's formal approval to proceed with sitework and construction is a requirement prior to those activities beginning. In addition, receipt of a Permit Ready Letter indicating all permits will be issued upon receipt of payment will be a Condition to Close.

Waiver Requests: None

Additional Information:

1. The Applicant provided a Development Order from the Town of Pembroke Park's Development Review Committee ("DRC") approving the development of Ekos Pembroke Park on March 3, 2025. The Development Order included a Final DRC Certificate of Compliance approving with conditions the site plan application for the development of a 10-story building with 150 affordable senior housing units, exclusively serving residents aged 62 and older with rent restrictions at or below 80% of the Area Median Income. All units will be designed as affordable housing which exceeds the administrative review requirement in the Live Local Act. The development is zoned as B-1 (Business) and Future Land Use as Commercial.
2. The Applicant provided a Resolution of the Town Commission of the Town of Pembroke Park approving a parking reduction application reducing the required number of spaces for Ekos Pembroke Park from 305 to 168 parking spaces.
3. Based on a letter from Tidwell Group LLC (a Certified Public Accounting Firm), dated March 17, 2025, that concluded the Development's 2024 Qualified Census Tract ("QCT") designation (Tract 1008.04) was still applicable based on the 2024 Bond application submitted to the Housing Finance Authority of Broward County on February 29, 2024 as long as certain requirements are met. Therefore, the 130% basis credit has been applied to the Eligible Basis.
4. The HOME-ARP assisted rental units are NOT only based on tenant income, 70 percent of all HOME-ARP units will serve households based only upon their status as qualifying households.

HOME-ARP funds must be used to primarily benefit individuals or families from the following qualifying populations:

- Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));

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- At-risk of homelessness, as defined in section 401 (1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C.11360(1));
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by the Secretary;
- In other populations where providing supportive services or assistance under section 212(a) of the Act (42 U.S.C.12742(a)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability;

Veterans and families that include a veteran family member that meet one of the preceding criteria.

## Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accessory Buildings				\$0	
Demolition				\$0	
Installation of Pre Fab Units				\$0	
New Commercial/Retail/Office Space	\$375,000	\$113,317	\$113,317	\$755	\$113,317
New Rental Units	\$24,771,842	\$31,397,577	\$31,395,077	\$209,301	\$182,662
Off-Site Work				\$0	
Recreational Amenities				\$0	
Rehab of Existing Common Areas				\$0	
Rehab of Existing Rental Units				\$0	
Site Work		\$2,019,820	\$2,022,320	\$13,482	\$303,348
Swimming Pool				\$0	
Furniture, Fixture, & Equipment				\$0	
Hard Cost Contingency - in Constr. Cont.				\$0	
Constr. Contr. Costs subject to GC Fee	\$25,146,842	\$33,530,714	\$33,530,714.00	\$223,538	\$599,327
General Conditions (6.0%)	\$3,520,557	\$2,011,843	\$2,011,843	\$13,412	
Overhead (2.0%)		\$670,612	\$670,612	\$4,471	
Profit (6.0%)		\$2,011,843	\$2,011,843	\$13,412	
Builder's Risk Insurance				\$0	
General Liability Insurance		\$493,102	\$493,102	\$3,287	
Payment and Performance Bonds		\$387,181	\$387,181	\$2,581	
Contract Costs not subject to GC Fee				\$0	
Total Construction Contract/Costs	\$28,667,399	\$39,105,295	\$39,105,295.00	\$260,702	\$599,327
Hard Cost Contingency (5.0%)	\$1,414,619	\$1,955,265	\$1,955,264.75	\$13,035	
PnP Bond paid outside Constr. Contr.				\$0	
Fees for LOC used as Constr. Surety				\$0	
Demolition paid outside Constr. Contr.				\$0	\$0
FF&E paid outside Constr. Contr.	\$245,000	\$261,900	\$261,900.00	\$1,746	\$0
<b>Total Construction Costs:</b>	<b>\$30,327,018</b>	<b>\$41,322,460.00</b>	<b>\$41,322,459.75</b>	<b>\$275,483</b>	<b>\$599,327</b>

### Notes to Actual Construction Costs:

- The Applicant has provided a Draft AIA Document A102-2017 Standard Form of Agreement between Owner and Contractor where the basis of payment is the Cost of the Work plus a Fee with a Guaranteed Maximum Price dated April 1, 2025, in the amount of \$39,105,295. The contract provides for achievement of substantial completion within 610 days (approx. 20 months) from the date of commencement. Ten (10%) percent retainage will be withheld on all work performed up to 50% completion, then 0% thereafter.

### Allowances in the GMP Agreement

REC Remediation	\$30,000
FF&E	\$10,000
Utility Relocation	\$25,000
Code Required Signage	\$27,500
Vehicular Gate and Grass	\$50,000
Surface and Street Repair	\$57,653
5' Aluminum Fence	\$42,700
FAA Crane Permit	\$10,000
FPL Transformer	\$25,000
<b>Total</b>	<b>\$277,853</b>



The allowances included in the GC Contract are approximately \_0.0071% of the GMP. Moran Construction Consultants, LLC (“Moran”) indicated the specified Allowances were reasonable for this Development.

2. Seltzer received the General Contractor’s Certification of Requirements, whereby the General Contractor(s) acknowledged and committed to adhere to all requirements related to a General Contractor as published within Rule Chapters 67-21 and 67-48.
3. The HC ineligible costs related to the New Commercial/Retail/Office Space are associated with the Mixed-Use Institutional Space that will be utilized by the ACA of BC to provide charitable, education, healthcare, and/or civic services for seniors within Broward County.
4. The portion of new rental unit costs reflected as HC ineligible are in connection with the income producing washers and dryers.
5. Costs associated with General Liability Insurance and Payment and Performance Bonds are contained within the contracts but no GC Fee was taken on these costs.
6. FF&E outside the Construction Contract are costs associated with Interior Art and Accessories, Exterior Furnishings, Computers, Fitness Equipment, Parcel Lockers, Signage, and Water Sub-Meters.

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<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accounting Fees		\$40,000.00	\$40,000.00	\$267	\$20,000
Appraisal		\$9,250.00	\$9,250.00	\$62	
Architect's Fees		\$731,500.00	\$731,500.00	\$4,877	
Builder's Risk Insurance	\$246,799	\$293,289.71	\$293,289.71	\$1,955	
Building Permits		\$848,878.12	\$848,878.12	\$5,659	
Capital Needs Assessment/Rehab				\$0	
Engineering Fees		\$308,190.00	\$308,190.00	\$2,055	
Environmental Report		\$122,200.00	\$122,200.00	\$815	
Federal Labor Standards Monitoring				\$0	
FHFC Administrative Fees		\$263,202.83	\$257,103.00	\$1,714	\$257,103
FHFC Application Fee		\$3,000.00	\$3,000.00	\$20	\$3,000
FHFC Compliance Fee		\$275,054.00	\$275,054.00	\$1,834	\$275,054
FHFC Credit Underwriting Fee		\$21,121.00	\$21,121.00	\$141	\$21,121
FHFC Other Processing Fee(s)	\$313,874	\$99,950.00	\$0.00	\$0	\$0
Green Building Cert. (LEED, FGBC, NAHB)		\$31,250.00	\$31,250.00	\$208	
Home Energy Rating System (HERS)				\$0	
Impact Fee		\$310,932.00	\$310,932.00	\$2,073	
Insurance		\$165,000.00	\$165,000.00	\$1,100	
Legal Fees - Organizational Costs		\$380,000.00	\$380,000.00	\$2,533	\$190,000
Lender Inspection Fees / Const Admin		\$94,318.00	\$94,318.00	\$629	
Market Study		\$12,250.00	\$20,250.00	\$135	\$20,250
Marketing and Advertising		\$112,500.00	\$112,500.00	\$750	\$112,500
Plan and Cost Review Analysis		\$5,850.00	\$5,850.00	\$39	
Property Taxes		\$30,000.00	\$30,000.00	\$200	
Soil Test		\$15,000.00	\$15,000.00	\$100	
Survey		\$10,000.00	\$10,000.00	\$67	\$2,500
Tenant Relocation Costs				\$0	
Title Insurance and Recording Fees		\$200,000.00	\$200,000.00	\$1,333	\$50,000
Traffic Study		\$14,100.00	\$14,100.00	\$94	
Utility Connection Fees		\$124,529.78	\$124,529.78	\$830	
Soft Cost Contingency (3.6%)	\$170,022	\$171,272.9948	\$171,272.99	\$1,142	
Other: Professional-Local Govt-Misc Fees	\$2,839,785			\$0	
Other: Specialty Design & Engineering Services		\$133,530.00	\$133,530.00	\$890	
Other: Utility Allowance Study		\$8,000.00		\$0	
Other: Planning/Zoning/Entitlement Fee		\$160,000.00	\$160,000.00	\$1,067	\$149,135
Other: FHFC SAIL Compliance Fee			\$4,900.00	\$33	\$4,900
<b>Total General Development Costs:</b>	<b>\$3,570,480</b>	<b>\$4,994,168.43</b>	<b>\$4,893,018.60</b>	<b>\$32,620</b>	<b>\$1,105,563</b>

*Notes to the General Development Costs:*

1. Appraisal, Market Study, and Plan and Cost Review fees reflect the actual cost of the reports engaged by SMG and other third-party lenders. Market Study costs also includes fees associated with a Utility Allowance Study Energy Consumption Model approved by Florida Housing on February 7, 2025.
2. Architect's Fees are consistent on the Proposal between the Owner and REPRTWAR, LLC dated April 24, 2024 and includes Landscape - \$21,500, Site/Building - \$600,000, Supervision - \$88,000, Interior - \$22,000.
3. Engineering Fees are based on a Proposal for Professional Services by and between the Owner and HSQ Group, LLC dated May 3, 2024 and includes Construction Material Testing costs (\$216,990) associated with Construction threshold testing, Vibro Replacement Monitoring, and Threshold Inspection Services during construction.
4. The FHFC Administrative Fee is based on 9% of the recommended annual allocation of HC. The FHFC Application Fee is reflective of the application fees stated in RFA 2023-213. The total FHFC Credit

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Underwriting Fee is \$21,121. The FHFC Compliance Fee is the estimated future 4% HC compliance fees based on the 2025 FHFC Compliance Calculator.

5. Green Building Certification Fee is based on the proposal between the Applicant and GreenBuilt Solutions, LLC dated May 9, 2024 for Florida Green Building Coalition ("FGBC") certification.
6. Impact Fees and Utility Connection Fees are based on a letter from Broward County dated October 1, 2024 indicating a suspension of impact fees for transportation concurrency assessments, road impact fees, regional park impact fees and local park impact fees and confirming impact fees for public schools. In addition, the Applicant provided charts from the Town of Pembroke Park outlining Impact Fees and Utility Cost Estimates.
7. Legal Fees – Organization Costs include Legal Land Use fees associated with the Land Use Attorney to assist with Live Local to work with the Town of Pembroke Park (this is first live local development within town).
8. Other: Specialty Design & Engineering includes costs associated with ADA Consultant Fees, Waterproofing Consultant Fees, Low Voltage/BDA Voltage/BDA Design Fees, Archeological Report Fees, and Photovoltaic Design Fees.
9. Other: Utility Allowance Study costs were reallocated into Market Study costs.
10. Other: Planning/Zoning/Entitlement Fee includes costs associated Pacific Engineering for permit review of plans - Private Provider.
11. Other: SAIL Compliance Fee of \$4,900 is based on \$100 per year for years 51-99 Ad Valorem Compliance Period. FHFC Compliance Fees through the initial 50-year Compliance period will be ongoing and are incorporated in the operating pro forma and debt service analysis within this report.
12. Other General Development Costs are based on the Applicant's estimates, which appear reasonable.

<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Application Fee		\$40,000	\$40,000	\$267	
Construction Loan Closing Costs				\$0	
Construction Loan Commitment Fee	\$405,045	\$341,500	\$341,500	\$2,277	\$170,750
Construction Loan Interest		\$2,386,266.66	\$2,560,930	\$17,073	\$1,576,880
Construction Loan Servicing Fees				\$0	
Construction Loan Underwriting Fee				\$0	
Permanent Loan Application Fee				\$0	\$0
Permanent Loan Closing Costs			\$25,000	\$167	\$25,000
Permanent Loan Commitment Fee	\$270,575	\$170,750	\$89,962	\$600	\$89,962
Local HFA Note Cost of Issuance		\$354,650	\$354,650	\$2,364	\$354,650
Local HFA Note Fiscal Agent Fee		\$11,250	\$12,750	\$85	\$12,750
Local HFA Note Underwriting Fee		\$16,984	\$16,984	\$113	\$16,984
SAIL Closing Costs		\$12,500	\$30,000	\$200	\$30,000
SAIL Commitment Fee		\$99,950	\$199,900	\$1,333	\$199,900
Misc Loan Underwriting Fee		\$5,443	\$5,443	\$36	\$5,443
Legal Fees - Financing Costs		\$125,000	\$125,000	\$833	
Placement Agent/Underwriter Fee		\$35,000	\$35,000	\$233	\$35,000
Initial TEFRA Fee		\$7,000	\$7,000	\$47	\$7,000
Other: Cap Int-Const Ln-Bond Issuance-Tefra-Trustee Fees	\$2,637,519			\$0	
Other: Broward County Issuer Fee		\$153,675	\$153,675	\$1,025	\$61,470
<b>Total Financial Costs:</b>	<b>\$3,313,139</b>	<b>\$3,759,968.66</b>	<b>\$3,997,793.72</b>	<b>\$26,652</b>	<b>\$2,585,788</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$37,210,637</b>	<b>\$50,076,597.09</b>	<b>\$50,213,272.07</b>	<b>\$334,755</b>	<b>\$4,290,678</b>

*Notes to the Financial Costs:*

1. The Construction Loan Application Fee (\$40,000), Commitment/Origination Fee (0.50% of the Note amount), and Servicing Fee (1.00% of the Note amount) are based on the R4 Funding LOI January 16, 2025, revised February 3, 2025.
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 estimate assumes an "all-in" interest rate of 5.86% for the first mortgage construction loan and an interest rate of 1.00% for the SAIL Mortgage Loan, a construction/stabilization period of 30 months, and 57% of the MMRN outstanding (on average) during the construction schedule.
3. Permanent Loan Closing Costs (\$25,000) and Commitment/Origination Fee (0.50% of the Note amount) are based on the R4 Funding LOI January 16, 2025, revised February 3, 2025.
4. HFABC Note Cost of Issuance ("COI") based on the estimate provided by Raymond James & Associates, Inc. ("RJAI"). The COI includes Note Counsel fees, Financial Advisor fees, Issuer Closing fees, Broward County Attorney's fees, and Fiscal Agent fees.
5. Local HFABC Note Fiscal Agent represents 30 months of the annual Fiscal Agent fee of \$3,750 during the construction period.
6. Local HFA Note Underwriting Fee represents the Broward County Credit Underwriting Report fee.
7. SAIL Closings Costs for FHFC Legal Counsel fees are \$30,000 for the SAIL Loan.
8. SAIL Commitment Fee consists of the SAIL commitment fee and firm loan commitment issuance deadline extension fee each based on 1% of the SAIL Loan.
9. Misc Loan Underwriting Fee represents the Broward County Housing Finance Division Credit Underwriting Report fee associated with the HOME-ARP loan.
10. Legal Fees – Financing Costs are estimates of construction lender legal fees provided by the Applicant.
11. Placement Agent/Underwriter Fee represents the Co-Placement Agent fees from RJAI and RBC Capital Markets, LLC ("RBC").
12. Other: Broward County Issuer Fee represents 30 months of the annual Issuer Fee of 18 basis points during the construction period.
13. Other Financial Costs are based on the Applicant's estimates, which appear reasonable.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Building				\$0	
Building Acquisition Cost				\$0	
Dev. Fee on Non-Land Acq. Costs (0.0%)			\$0	\$0	
<b>Total Non-Land Acquisition Costs:</b>	\$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.

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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	\$6,697,914	\$9,013,787	\$9,013,787	\$60,092	
DF to Consultant Fees				\$0	
DF to fund Operating Debt Reserve				\$0	
DF to Brokerage Fees - Land				\$0	
DF to Excess Land Costs				\$0	
DF to Excess Bldg Acquisition Costs				\$0	
DF to Guaranty Fees				\$0	
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	<b>\$6,697,914</b>	<b>\$9,013,787</b>	<b>\$9,013,787</b>	<b>\$60,092</b>	<b>\$0</b>

*Notes to the Other Development Costs: None*

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Land				\$0	\$0
Land Acquisition Cost				\$0	\$0
Land	\$4,700,000	\$4,850,000	\$4,850,000	\$32,333	\$4,850,000
Land Lease Payment				\$0	\$0
Land Carrying Costs				\$0	\$0
<b>Total Acquisition Costs:</b>	<b>\$4,700,000</b>	<b>\$4,850,000</b>	<b>\$4,850,000</b>	<b>\$32,333</b>	<b>\$4,850,000</b>

*Notes to the Land Acquisition Costs:*

- The Applicant provided a Purchase and Sale Agreement ("PSA") dated July 31, 2023, an Assignment of PSA dated July 31, 2023, a 1st Amendment to the PSA dated October 23, 2023, a 2nd Amendment to the PSA dated November 9, 2023, a 3rd Amendment to the PSA dated November 27, 2023, a 4th Amendment to the PSA dated September 4, 2024, and a 5<sup>th</sup> Amendment to the PSA dated April 9, 2025.

Fourth Amendment to the Purchase and Sale Agreement ("PSA"), dated September 4, 2024, increasing the purchase price to \$4,850,000 and extending the Closing Date to October 10, 2024 with the option for additional Closing Date extensions by up to six (6) additional successive thirty-day (30) periods (depositing \$25,000 for each extension). All extension fees are applicable/included in the purchase price.

Fifth Amendment to the PSA, dated April 9, 2025, extending the Closing Date to the earlier of 15 days after environmental clearance or August 20, 2025. To avoid a Choice Limiting Action ("CLA"), the Applicant loaned the outstanding purchase price proceeds to the Seller secured by a Mortgage and Security Agreement dated April 9, 2025 and a Promissory Note dated April 9, 2025 in the amount of \$4,000,000 with an interest rate of 0.01% accruing annually. The note has an automatic forgiveness provision once the title has been transferred to the Applicant.

- The appraised value of the vacant land is \$4,850,000.

**MMRN, SAIL AND HC CREDIT UNDERWRITING REPORT**

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
ACC Reserves				\$0	\$0
Debt Service Coverage Reserves				\$0	\$0
Operating Deficit Reserves	\$525,000	\$472,638.39	\$504,578	\$3,364	\$504,578
Replacement Reserves				\$0	\$0
Reserves - Real Estate Taxes/Insurance				\$0	\$0
Reserves - Start-Up/Lease-up Expenses				\$0	\$0
Reserves - Working Capital				\$0	\$0
Other: Replacement Reserves			\$45,675	\$305	\$45,675
<b>Total Reserve Accounts:</b>	<b>\$525,000</b>	<b>\$472,638.39</b>	<b>\$550,253</b>	<b>\$3,668</b>	<b>\$550,253</b>

*Notes to Reserve Accounts:*

1. The Operating Deficit Reserve (Syndicator) is based on US Bancorp's LOI, dated January 30, 2025.
2. Other: Replacement Reserve – 50% of years 1 and 2 costs are based on the Applicant's option to pay half of the replacement reserves from years 1 and 2 as permitted by Rule. The Replacement Reserve amount is subject to change based on the Final PCA Report.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$49,133,551</b>	<b>\$64,413,022.49</b>	<b>\$64,627,312.07</b>	<b>\$430,849</b>	<b>\$9,690,931</b>

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	14.00%	\$4,694,300	\$4,694,298
Hard Cost Contingency	5.00%	5.00%	\$1,955,265	\$1,955,265
Soft Cost Contingency	5.00%	3.63%	\$236,087	\$171,273
Developer Fee	18.00%	17.95%	\$9,038,388	\$9,013,787

**Section B**

**MMRN and SAIL Loan Special and General Conditions**  
**HC Allocation Contingencies**

Special Conditions

This recommendation is contingent upon receipt of the following items by Florida Housing at least two weeks prior to real estate loan closing. Failure to submit this item within this time frame may result in postponement of the loan closing date.

1. Receipt and satisfactory review of the Final PCA Report confirming all recommendations and pended items have been resolved.
2. Receipt and satisfactory review of an executed Management Agreement with terms and conditions not substantially different from those utilized herein.
3. Receipt and satisfactory review of an executed Construction Contract with terms and conditions not substantially different from those utilized herein.
4. Confirmation of the SAIL Debt Service Coverage Ratio of a minimum of 1.00x to 1.00.
5. Receipt of the SAIL Compliance Monitoring Fee of \$4,900 for the Ad Valorem Compliance Period.
6. Receipt of updated appraisal incorporating details related to the mixed-use institutional space.
7. Receipt and satisfactory review of Aligned “As-Designed” 504/ADA Certification Forms from Architect, Developer, and Construction Consultant

General Conditions

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

1. Applicant 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. SAIL Loan Proceeds shall be disbursed in an amount per Draw that does not exceed the ratio of the SAIL loan to the Total Development Cost 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 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.
10. Architect, Construction Consultant, and Applicant 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 a Partnership / Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Partnership / 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 issues.
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 Rule Chapters 67-21.0025(5) and 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 Applicant 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 Real Estate 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 Applicant, the general partner/member(s)/principal(s)/manager(s) of the Applicant, the guarantors, and any limited partners/members of the Applicant.
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 SAIL loan closing, unless otherwise approved by Florida Housing, and Legal Counsel, based upon the particular circumstances of the transaction. Applicant 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 SAIL loan 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 Partnership / 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 Applicant's Legal Counsel acceptable to Florida Housing addressing the following matters:
  - a. The legal existence and good standing of the Applicant and of any partnership or limited liability company that is the general partner of the Applicant (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 Applicant 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 Applicant'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 Applicant is a party or to which the Development is subject to the Applicant's 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 Applicant, 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, including HC as Applicable:

This recommendation is also contingent upon the following additional conditions:

1. Compliance with all provisions of Sections 420.507, 420.5087, and 420.509, Florida Statutes, Rule Chapters 67-21, 67-48, 67-53, and 67-60, F.A.C., RFA 2023-213, Section 42 I.R.C., and any other State and Federal requirements.
2. Acceptance by the Applicant and execution of all documents evidencing and securing the SAIL 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 SAIL 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 combined permanent First Mortgage and SAIL 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 Certified Public Accountant ("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. 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 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 Fiscal Agent, or Florida Housing's loan servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per RFA and Rule Chapters 67-21 and 67-48, in the amount of \$45,675 (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 year, increasing 3% per unit 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. Moran or other construction inspector acceptable for Florida Housing is to act as Florida Housing's inspector during the construction period.
12. Under the Ekos Pembroke Park construction contract, 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, which satisfies the RFA and Rule Chapters 67-21 and 67-48 minimum requirements.
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 SAIL loan.
15. MMRN Loan - All amounts necessary to complete construction/rehabilitation, must be deposited with the Fiscal Agent 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.

16. Housing Credits - Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
17. Any other reasonable requirements of the Servicer, Florida Housing or its Legal Counsel.

**SMG**

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**Section C**

**Supporting Information and Schedules**

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**JUNE 2, 2025**

### Additional Development and Third Party Supplemental Information

#### Appraisal Summary:

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Walter Duke & Partners	
Date of Report	4/17/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	95.0%	98% in Appraisal - See 1.
Occupancy at Stabilization: Physical (%)	96.0%	98% in Appraisal - See 1.
Value: As Is market value of the land	\$4,850,000	
As of date and type of interest (as if vacant land)	3/4/2025, Fee Simple	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$33,600,000	
As of date and type of interest (unrestricted rents)	3/4/2025, Leased Fee	
Value: "As Complete and Stabilized", subject to restricted rents	\$29,000,000	Factors in Ad Valorem Tax Exemption / Abatement
As of date and type of interest (restricted rents)	3/4/2025, Leased Fee	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

1. Seltzer utilized a physical vacancy of 4.00% and a 1.00% collection loss, which is more conservative than the Appraiser's estimate of 2.0% total.

#### Market Study Summary:

**MMRN, SAIL AND HC CREDIT UNDERWRITING REPORT**

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Walter Duke & Partners	
Date of Report	4/17/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	6	
Short Term and Long Term Impact to existing like-kind developments	None	
Weighted Average Occupancy of like-kind developments (submarket) (must be ? 92%)	100.0%	
Number of Guarantee Fund Properties in PMA?	None	
Metrics for 5 mile radius:		
Level of Effort (%)	22.0%	647 existing units / 2936 total households
Capture Rate (%)	7.47%	Avg capture for 30%,50%,60% and 80%
Remaining Potential Demand	2,289	
Absorption Rate	38 units/month	
Will the development achieve maximum allowable HC Rents? (Y/N)	Yes	
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Yes	LIHTC rents at 30% to 80% AMI are 15% to 72% below market.
For Live Local Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of the highest percent Area Median Income rental rate?	Yes	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Yes	



## Environmental Report Summary:

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	Hydrolic Associates U.S.A., Inc. ("HAI")	
Date of Report	2/26/2025	
Type of Report	Phase I Environmental Site Assessment	
Confirm certified and prepared for FHFC (Y/N)	N	
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	Y	1.
Is any further investigation required? (Y/N)	Y	1.

Refer to the "Issues and Concerns" section of this report.

## Soils Test Report Summary:

Soils Test Report Summary Questions	Responses	Note
Preparer Firm Name	Professional Service Industries, Inc. ("PSI")	
Date of Report	9/27/2024	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	N	1.
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

1. The PCA Provider recommended that Intertek PSA provide a letter stating that the Paving design within the Civil Drawings is adequate for its intended use.

**MMRN, SAIL AND HC CREDIT UNDERWRITING REPORT**

Plan and Cost Analysis Report Summary:

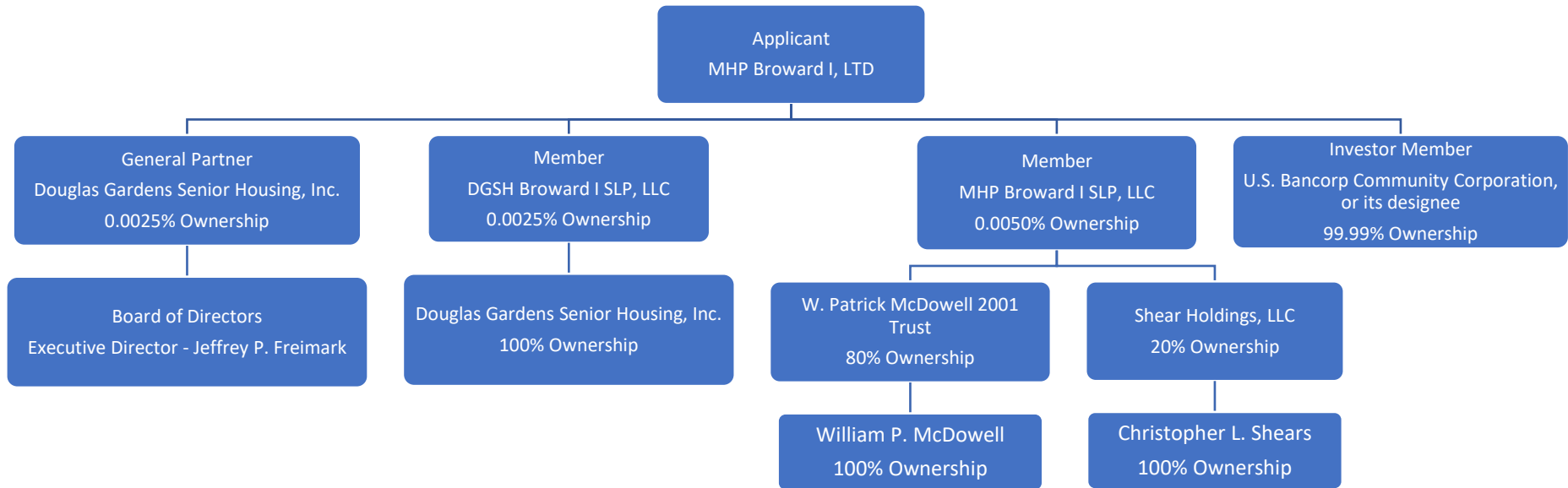
Property Conditions Report (PCR) Summary Questions	Responses	Note
Preparer Firm Name	Moran Construction Consultants, LLC	
Date of Report	4/29/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	N	Applicant reviewing and will remedy
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$39,105,295	
Cost per Unit	\$260,702	320.07 GSF
Costs for Similar Type Developments (Include Range)	\$280 per GSF - \$350 per GSF	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	610 calendar days	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certificaiton Forms 121, 126, and 128 been received? (Y/N)	Y	Reconciliation of "As-Designed" 504/ADA Forms is Required - Condition to Close
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	N	PCA Provider recommended an itemized list of all energy star rated systems, appliances, and materials be provided and AHRI certs for approved Material Systems which shall substitute the Energy Star Certification Requirement

Site Inspection Summary:

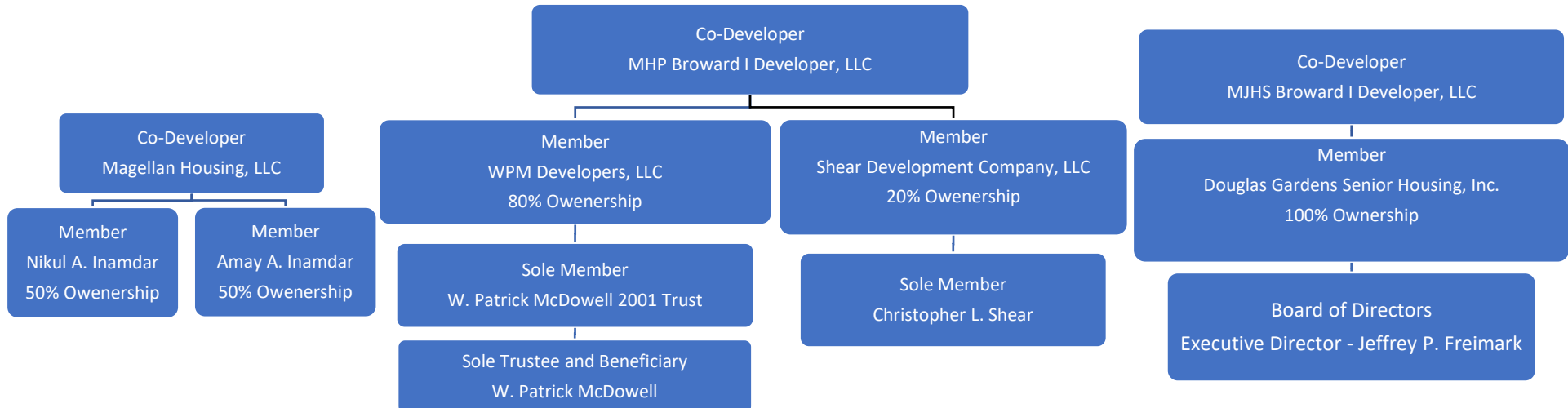
Site Visit Summary Questions	Responses	Note
Name of Inspector	Erika Martinez	
Date of Inspection	8/13/2024	
Were the observation(s) of the insepector in line with the Market Study? (Y/N)	Y	

**Applicant and Related Party Table**

Borrower Organization Chart:



**Developer Organizational Chart**



**MMRN, SAIL AND HC CREDIT UNDERWRITING REPORT**

	MHP Broward I Ltd	Douglas Gardens Senior Housing Inc.	DGSH Broward I SLP LLC	MHP Broward I SLP LLC	MHP Broward I Developer LLC	William P. McDowell	W. Patrick McDowell 2001 Trust	U.S. Bancorp Community Development Corporation, or its designee	MHP-JWR Construction LLC JWR Construction Services, Inc.	Bryten Real Estate Partners, LLC	Note
Relationship Type	Applicant / Guarantor	General Partner / Guarantor	Special Limited Partner / Member / Guarantor	Special Limited Partner / Member / Guarantor	Co-Developer / Guarantor	Natural Person / Guarantor	Guarantor	Syndicator	General Contractor	Management Company	
Contact Person Name & Title	Christopher L. Shear							Karl Batalden	Dustin DuBois	David Gates	
Contact Information	cshear@mcdhousing.com 786-577-9837 McDowell Housing Partners LLC 777 Brickelly Ave, Suite 1300 Miami, FL 33131							karl.batalden@usbank.com 651-497-6026 800 Nicollet Mall, Ste 800 Minneapolis, MN 55402	ddubois@jwrconstruction.com 216-297-2170 1311 W Newport Center Dr, Ste C Deerfield Beach, FL 33442	david.gates@livebryten.com 727-498-8823 150 2nd Ave North St. Petersburg, FL 33701	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y	Y	Y	Y	N/A	N/A	N/A	
Does entity have the necessary experience?	N	Y	N	N	N	Y	Y	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	N/A	Y	N/A	N/A	N/A	Y	N/A	Y	Y	N/A	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	Y	N/A	N/A	N/A	Y	Y	N/A	Y	N/A	
Have all financial statements been reviewed and are they adequate?	N/A	Y	N/A	N/A	N/A	Y	Y	Y	Y	N/A	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y	Y	Y	Y	N/A	Y	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y	N/A	
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N	1.
Has the Property Manager been approved by FHFC's Asset Mgmt Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N	2.
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	N	Y	N	N	N	Y	Y	Y	Y	Y	

1. Approval of an executed Management Agreement is a condition to close.
2. Approval of the selection of the management company by FHFC's Asset Management Department is required. As the Development is proposed to be constructed, said approval is not required at closing. Continued approval is subject to ongoing satisfactory performance.

Ekos Pembroke Park  
RFA 2023-213 (2024-248S / 2023-510C)  
Description of Features and Amenities

- A.** The Development will consist of:
- 150 Units located in 1 High-Rise residential building
- Unit Mix:
- One hundred fifty (150) one bedroom/one bath units;
- 150 Total Units
- B.** 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.
- The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act ("ADA") of 1990 as implemented by 28 CFR 35.
- 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.
- C.** The Development must provide the following General Features:
1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in at least 100 Mbps download and 20 Mbps upload accessibility in each unit;
  2. Termite prevention;
  3. Pest control;
  4. Window covering for each window and glass door inside each unit;
  5. 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;
  6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
    - There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required

number of washers and dryers for the on-site laundry facility; divide the total number of the Developments' 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;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both;
  - At least two full bathrooms in all 3 bedroom or larger units;
7. Bathtub with shower in at least one bathroom in at least 90 percent of the non-Elderly units;
8. All Developments must provide a full-size range and oven in all units.

**D. Required Accessibility Features, regardless of the age of the Development:**

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

**E. The Development must provide the following Accessibility Features in all units:**

1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
2. All door handles on primary entrance door and interior doors must have lever handles;
3. Lever handles on all bathroom faucets and kitchen sink faucets;
4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

**F. All Elderly Demographic Developments must also provide the following Accessibility Features:**

- 20 percent of the new construction units must have roll-in showers.
- Horizontal grab bars in place around each tub and/or shower, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed 2010 ADA Standards for Accessible Design, Section 609. In addition, the following standards for grab bars are required:
  - If a bathtub/shower combination with a permanent seat is provided, grab bars shall be installed to meet or exceed 2010 ADA Standards for Accessible Design, Section 607.4.1.

- If a bathtub/shower combination without a permanent seat is provided, grab bars shall be installed to meet or exceed 2010 ADA Standards for Accessible Design, Section 607.4.2.
- If a roll-in shower is provided, grab bars shall be installed to meet or exceed 2010 ADA Standards for Accessible Design, Section 608.3.2;
- Reinforced walls for future installation of horizontal grab bars in place around each toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design;
- All bathrooms in all units must have vanity cabinets with at least one roll-out shelf or drawer in bottom of cabinet;
- Adjustable shelving in master bedroom closets (must be adjustable by resident); and
- In one of the kitchen's base cabinets, there shall be a large bottom drawer that opens beyond full extension, also referred to as an "over-travel feature." Drawers with the over-travel feature allow drawers to extend completely past the cabinet front so all the contents can be accessed. The drawer shall be deep and wide enough to store pots and pans and the drawer slides shall have a weight load rating of a minimum of 100 pounds. The drawers shall be mounted on a pair of metal side rails that are ball-bearing.

**G. Green Building Features required in all Developments:**

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

- a. 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);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
  - i. Toilets: 1.28 gallons/flush or less,
  - ii. Urinals: 0.5 gallons/flush,
  - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;
- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
  - Residential Electric:
    - i. Up to 55 gallons = 0.95 EF or 0.92 UEF; or
    - ii. More than 55 gallons = Energy Star certified; or
    - iii. Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  over a 67° rise;
  - Residential Gas (storage or tankless/instantaneous): Energy Star certified;
  - Commercial Gas Water Heater: Energy Star certified;
- g. Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
- h. Air Conditioning (in-unit or commercial):

- i. Air-Source Heat Pumps – Energy Star certified:
  - a.  $\geq 7.8$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER2 for split systems
  - b.  $\geq 7.2$  HSPF2  $\geq 15.2$  SEER2/  $\geq 10.6$  EER2 for single package equipment including gas/electric package units
- ii. Central Air Conditioners – Energy Star certified:
  - a.  $\geq 15.2$  SEER2/  $\geq 12.0$  EER2 for split systems
  - b.  $\geq 15.2$  SEER2/  $\geq 11.5$  EER2\* 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 one-bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments must commit to achieve one of the following Green Building Certification programs:

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

**H.** Applicants who select the Elderly Demographic must provide the required following Resident Program:

**24 Hour Support to Assist Residents In Handling Urgent Issues**

An important aging in place best practice is providing the residents access to property management support 24 hours per day, 7 days a week to assist them to appropriately and efficiently handle urgent issues or incidents that may arise. These issues may include, but are not limited to, an apartment maintenance emergency, security or safety concern, or a health risk incident in their apartment or on the property. The management's assistance will include a 24/7 approach to receiving residents' requests for assistance that will include a formal written process for relevant property management staff to effectively assess and provide assistance for each request.

This assistance may include staff:

- visiting or coordinating a visit to a resident's apartment to address an urgent maintenance issue;
- responding to a resident being locked out of their apartment;
- contacting on-site security or the police to address a concern;
- providing contact information to the resident and directing or making calls on a resident's behalf to appropriate community-based emergency services or related resources to address an urgent health risk incident;
- calling the resident's informal emergency contact; or
- addressing a resident's urgent concern about another resident.

Property management staff shall be on site at least 8 hours daily, but the 24- hour support approach may include contracted services or technology to assist the management in meeting this commitment, if these methods adequately address the intent of this service. The Development's owner and/or designated property management entity shall develop and



implement policies and procedures for staff to immediately receive and handle a resident's call and assess the call based on a resident's request and/or need.

At a minimum, residents shall be informed by the property management, at move-in and via a written notice(s)/instructions provided to each resident and displayed in the Development's common or public areas, that staff are available to receive resident calls at all times. These notices shall also provide contact information and direction to first contact the community-based emergency services if they have health or safety risk concerns.

**I. The Applicant must provide the following Resident Programs:**

The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

**1. Financial Management for Elderly Residents**

Applicant or its Management Company must provide, at no cost to the resident, a series of classes to provide residents training in various aspects of personal financial management on issues appropriate to elderly households. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. The topics should include, but not be limited to:

- Tax issues for elders and retirees
- Budgeting tips for fixed income households
- Avoiding scams that target elders
- Strategies to maximize Social Security benefits
- Preparing a will and estate planning

**2. Computer Training**

The Applicant or its Management Company shall make available computer and internet training classes (basic and/or advanced level depending on the needs and requests of the residents). The training classes must be provided at least once a week, at no cost to the resident, in a dedicated space on site. Training must be held between the hours of 8:00 a.m. and 7:00 p.m., and 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.

**3. Assistance with Light Housekeeping, Grocery Shopping and/or Laundry**

The Applicant or its Management Company must provide residents with a list of qualified service providers for (a) light housekeeping, and/or (b) grocery shopping, and/or (c) laundry and will coordinate, at no cost to the resident, the scheduling of services. The Developer or Management Company shall verify that the services referral information is accurate and up-to-date at least once every six months.

Ekos Pembroke Park  
Broward County Housing Finance Department  
Description of Features and Amenities

The standards outlined by Ekos Pembroke Park ("EPP") would be the guideline to follow (and must comply with federal standards on top of that). The EPP application to the RFA will have additional details regarding their plans on how to meet those energy efficiency requirements.

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.

The Development must meet all federal requirements to include but not limited to 24 CFR Part 92 (as defined in 24 CFR 92.2), Notice CPD-21-10: Requirements, Environmental Review 24 CFR part 58, Property Standards: HOME-ARP rental units must comply with all rental property standards required in 24 CFR 92.251 paragraphs (a), (b), (c)(1) and (2), (e), and (f), Davis-Bacon Act 29 CFR Parts 1, 3 and 5(46 Stat. 1494; chapter 411; (40 U.S.C. 3141) , as amended (40 U.S.C. 276a-276a-5), Section 3, 24 CFR part 75, and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act ("ADA") of 1990 as implemented by 28 CFR 35 and 24 CFR part 8.

The points for the green building techniques and EPP dwelling units will all feature:

- solid surface countertops;
- plywood cabinets;
- luxury vinyl tile flooring;
- full-size energy star appliances including range; refrigerator; microwave; garbage disposal; and dishwashers

All units will provide side-by-side washer and dryers (unitized instead of side by side).

The Development Team is committed to going above and beyond FHFC's requirement to secure a green building certification at Florida Green High-Rise Residential Building Standard - Silver Level.

Energy efficiency requirements for appliances (refrigerator, dishwasher, ventilation and ceiling fans, water heater, HVAC units, bathroom fixtures, etc.), to ensure such efficiency level EPP will implement:

- low-flow plumbing fixtures;
- SEER 15 HVAC systems;
- high efficiency (low-e or insulated) impact windows;
- Energy-Star qualified water heaters;
- LED lighting throughout the facility at a minimum
- Energy star ventilation fans in all bathrooms

Supportive services were committed to but not a rating tool category. Developer committed to the following:

Services to be verified by MHP Broward I, LTD

## HOUSE CREDIT ALLOCATION CALCULATION

### Qualified Basis Calculation

<b>Section I: Qualified Basis Calculation</b>	
Development Cost	\$64,627,312
Less: Land Cost	(\$4,850,000)
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$4,840,931)
Less: Disproportionate Standard	\$0
Total Eligible Basis	\$54,936,381
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$71,417,295
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$2,856,692

#### *Notes to the Qualified Basis Calculation:*

1. "Other Ineligible Costs" include but are not limited to a portion of new rental units cost associated with income-producing Washer/Dryer, site work, accounting fees, FHFC underwriting, application, compliance and administrative fees, a portion of legal fees, market study, a portion of survey fees, a portion of title insurance and recording fees, financial and closing costs, and reserves.
2. The Development is 100% set-aside; therefore, the Applicable Fraction is 100%.
3. A letter from the Tidwell Group LLC (a Certified Public Accounting Firm), dated March 17, 2025, concluded that although the development is not in a 2025 Qualified Census Tract ("QCT"), the 2024 QCT (Tract 1008.04) designation is still applicable based on the 2024 Bond application submitted to the Housing Finance Authority of Broward County on February 29, 2024 as long as certain requirements are met. Therefore, the 130% basis credit has been applied to the Eligible Basis.
4. Per the FY 2021 Omnibus Consolidated Appropriations Act passed by Congress as of December 21, 2020, a permanent 4% minimum HC rate was established. For purposes of this report, a HC percentage of 4.00% has therefore been applied.

**GAP Calculation**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$64,627,312
Less: Mortgages	(\$37,737,193)
Less: Grants	\$0
Equity Gap	\$26,890,119
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.8575
HC Required to Meet Gap	\$31,361,876
Annual HC Required	\$3,136,188

*Notes to the GAP Calculation:*

1. Mortgages include the R4 Funding, the FHFC Live Local SAIL second mortgage, and the HFA Broward County HOME-ARP third mortgage.
2. The HC Syndication Pricing and Percentage to Investment Partnership are based upon the January 30, 2025, LOI from US Bancorp.

**Tax Credit 50% Test**

<b>Section III: Tax-Exempt Bond 50% Test</b>	
Total Depreciable Cost	\$54,936,381
Plus: Land Cost	\$4,850,000
Aggregate Basis	\$59,786,381
Tax-Exempt Bond Amount	\$34,150,000
Less: Debt Service Reserve	\$0
Less: Proceeds Used for Costs of Issuance	\$0
Plus: Tax-exempt GIC earnings	\$0
Tax-Exempt Proceeds Used for Building and Land	\$34,150,000
Proceeds Divided by Aggregate Basis	57.12%

*Notes to Tax Credit 50% Test:*

1. Based upon this analysis, the 50% Test is satisfactory.

**Summary**

Section III: Summary	
HC per Qualified Basis	\$2,856,692
HC per Gap Calculation	\$3,136,188
Annual HC Recommended	\$2,856,692

*Notes to Summary:*

1. The Annual HC Recommended based on the Qualified Basis Calculation.

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**Florida Housing Finance Corporation**

*Credit Underwriting Report (“CUR”)*

**Oakhurst Trace**

**RFA 2023-213 (2024-255S / 2023-553C)**

**State Apartment Incentive Loan (“SAIL”) and Non-Competitive Housing Credits  
 (“HC”)**

**SAIL Funding for Live Local Mixed Income,  
Mixed-Use, and Urban Infill  
Developments**

**Section A: Report Summary**

**Section B: Loan Conditions and HC Allocation Recommendation and Contingencies**

**Section C: Supporting Information and Schedules**

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**Prepared by**

**AmeriNat®**

***Final Report***

**June 2, 2025**

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## **Oakhurst Trace**

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**Section A**  
**Report Summary**



**SAIL & HC CREDIT UNDERWRITING REPORT**

**Recommendation**

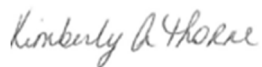
AmeriNat® (“AmeriNat”) recommends Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) fund a Live Local SAIL Loan in the amount of \$11,200,000 and an annual 4% HC allocation in the amount of \$4,060,397 to SP Pinellas III LLC (“Applicant”) for the construction and permanent phase financing of Oakhurst Trace (the proposed “Development”). This recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:	<u>Oakhurst Trace</u>		
RFA/Program Numbers:	<u>RFA 2023-213</u>	/	<u>2024-255S</u> <u>2023-553C</u>
Address:	<u>West side of US Hwy 19 N approximately 500 feet west of the intersection of Mainlands Blvd W and US Hwy 19 N</u>		
City:	<u>Pinellas Park</u>	Zip Code:	<u>33782</u> County: <u>Pinellas</u> County Size: <u>Large</u>
Development Category:	<u>New Construction</u>	Development Type:	<u>Mid-Rise (4 Stories)</u>
Construction Type:	<u>Wood Frame</u>	Number of Stories:	<u>4</u>
Demographic Commitment:	Primary: <u>Family</u> for <u>100%</u> of the Units		
Unit Composition:	<div> # of ELI Units: <u>23</u>      ELI Units Are Restricted to <u>30%</u> AMI, or less.      Min % of Units @ ELI: <u>10%</u>  # of Link Units: <u>0</u>      # of Preference units: <u>0</u>      IRS Minimum Set-Aside Commitment: <u>AIT</u>  # of NHTF Units: <u>0</u>      # of units w/ PBRA?: <u>0</u>      TSP Approval Date: <u>05/31/2024</u> </div>		
Buildings:	Residential - <u>5</u>	Non-Residential -	<u>0</u>
Parking:	Parking Spaces - <u>352</u>	Accessible Spaces -	<u>20</u>
DDA:	<u>No</u> SADD: <u>Yes</u> QCT: <u>No</u> Multi-Phase Boost: <u>No</u> QAP Boost: <u>No</u> QAP Type: <u>LG-AofO</u>		
Site Acreage:	<u>10.14</u> Density: <u>22.1981</u>	Flood Zone Designation:	<u>AE</u>
Zoning:	<u>MPUD - Master Planned Unit Development</u>	Flood Insurance Required?:	<u>Yes</u>
Credit Underwriter:	<u>AmeriNat Loan Services</u>	Date of Application:	<u>12/20/2023</u>
Date of Final CUR:		Minimum 1st Mortgage per Rule:	<u>N/A</u>
TDC PU Limitation at Application:	<u>\$347,150</u>	TDC PU Limitation at Credit Underwriting:	<u>\$347,150</u>
Actual TDC PU for Limitation:	<u>\$309,796</u>	Amount Dev. Fee Reduced for TDC Limit:	<u>\$0</u>

While the Development’s site is within Flood Zones AE, its construction includes building above the Base Flood Elevation, according to the Developer. The Applicant intends to obtain a Letter of Map Revision following construction completion.



Prepared by Kyle Kuenn, Multifamily Chief Credit Underwriter



Reviewed by Kimberly A. Thorne, Sr. Credit Underwriter

**SAIL & HC CREDIT UNDERWRITING REPORT**

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
ELI	10.222%	23	30%	99
SAIL	9.778%	22	40%	99
SAIL	30.222%	68	50%	99
SAIL	9.778%	22	60%	99
SAIL	40.000%	90	80%	99
HC-4%	10.222%	23	30%	50
HC-4%	9.778%	22	40%	50
HC-4%	30.222%	68	50%	50
HC-4%	9.778%	22	60%	50
HC-4%	40.000%	90	80%	50

Youths Aging Out of Foster Care Goal: The proposed Development must set-aside at least 10% of the ELI set-aside units (23 units) as units for Youth Aging Out of Foster Care. In order to meet the commitment to set aside ELI units for Youth Aging Out of Foster Care, the Applicant must develop and execute a Memorandum of Agreement ("MOA") with at least one designated Community-based Care Lead Agency that provides supportive services for the county where the Development is located (Pinellas County). The fully executed MOA was approved by FHFC on June 19, 2024. The Youth Aging Out Of Foster Care set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes, which requires a ninety-nine (99) year total compliance period under a Land Use Restriction Agreement. Therefore, after the initial 50-year Compliance Period required by the RFA ("Compliance Period") expires, all SAIL set-aside units within the Development shall be rented to households who shall have a household income less than or equal to one hundred and twenty percent (120%) of the Area Median Income for a period of forty-nine (49) years ("Ad Valorem Compliance Period"). The Ad Valorem Compliance Period, together with the Compliance Period shall have a term of ninety-nine (99) years (the "Total Compliance Period") which will be defined under the SAIL Land Use Restriction Agreement. The Applicant will be responsible for compliance monitoring fees for 50 years which is to be paid to the Servicer, for years 51-99, compliance monitoring will be self-certified by the Applicant to FHFC. The Applicant will also be responsible for the compliance monitoring fee of \$4,900 (\$100 per year) for years 51-99 Ad Valorem Compliance Period, to be paid at closing to FHFC.

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

**SAIL & HC CREDIT UNDERWRITING REPORT**

MSA (County): Tampa-St. Petersburg-Clearwater (Pinellas)

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	3	782	30%			586	71	515		462	515	515	18,540
1	1.0	4	782	40%			782	71	711		641	711	711	34,128
1	1.0	12	782	50%			977	71	906		820	906	906	130,464
1	1.0	4	782	60%			1,173	71	1,102		999	1,102	1,102	52,896
1	1.0	16	782	80%			1,564	71	1,493		1,358	1,493	1,493	286,656
2	2.0	14	1,037	30%			704	81	623		555	623	623	104,664
2	2.0	14	1,037	40%			939	81	858		770	858	858	144,144
2	2.0	42	1,037	50%			1,173	81	1,092		985	1,092	1,092	550,368
2	2.0	14	1,037	60%			1,408	81	1,327		1,200	1,327	1,327	222,936
2	2.0	56	1,037	80%			1,878	81	1,797		1,630	1,797	1,797	1,207,584
3	2.0	6	1,247	30%			813	84	729		640	729	729	52,488
3	2.0	4	1,247	40%			1,085	84	1,001		888	1,001	1,001	48,048
3	2.0	14	1,247	50%			1,356	84	1,272		1,136	1,272	1,272	213,696
3	2.0	4	1,247	60%			1,627	84	1,543		1,385	1,543	1,543	74,064
3	2.0	18	1,247	80%			2,170	84	2,086		1,882	2,086	2,086	450,576
		225	233,040											3,591,252

The two-bedroom units range in size from 1,011 sf to 1,045 sf and average 1,037 sf, which is used in the table above.

When calculating an average market rental rate based on the unit mix and annualized rent concessions, the rent advantage for all of the units at the Development is in excess of 110% of the applicable maximum Housing Credit rental rate.

**SAIL & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

**15 Year Operating Pro Forma**

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
<b>INCOME:</b>	Gross Potential Rental Income	\$3,591,252	\$15,961	\$3,663,077	\$3,736,339	\$3,811,065	\$3,887,287	\$3,965,032	\$4,044,333	\$4,125,220	\$4,207,724	\$4,291,879	\$4,377,716	\$4,465,270	\$4,554,576	\$4,645,667	\$4,738,581
	Miscellaneous	\$95,625	\$425	\$97,538	\$99,488	\$101,478	\$103,508	\$105,578	\$107,689	\$109,843	\$112,040	\$114,281	\$116,566	\$118,898	\$121,276	\$123,701	\$126,175
	Gross Potential Income	\$3,686,877	\$16,386	\$3,760,615	\$3,835,827	\$3,912,543	\$3,990,794	\$4,070,610	\$4,152,022	\$4,235,063	\$4,319,764	\$4,406,159	\$4,494,282	\$4,584,168	\$4,675,852	\$4,769,369	\$4,864,756
	Less:																
	Physical Vac. Loss Percentage: 4.00%	\$147,475	\$655	\$150,425	\$153,433	\$156,502	\$159,632	\$162,824	\$166,081	\$169,403	\$172,791	\$176,246	\$179,771	\$183,367	\$187,034	\$190,775	\$194,590
	Collection Loss Percentage: 1.00%	\$36,869	\$164	\$37,606	\$38,358	\$39,125	\$39,908	\$40,706	\$41,520	\$42,351	\$43,198	\$44,062	\$44,943	\$45,842	\$46,759	\$47,694	\$48,648
<b>Total Effective Gross Income</b>		\$3,502,533	\$15,567	\$3,572,584	\$3,644,035	\$3,716,916	\$3,791,255	\$3,867,080	\$3,944,421	\$4,023,310	\$4,103,776	\$4,185,851	\$4,269,568	\$4,354,960	\$4,442,059	\$4,530,900	\$4,621,518
Annual Escalation Rate (Income): 2.00%																	
<b>EXPENSES:</b>	Fixed:																
	Ground Lease	\$68,175	\$303	\$70,220	\$72,327	\$74,497	\$76,732	\$79,034	\$81,405	\$83,847	\$86,362	\$88,953	\$91,621	\$94,370	\$97,201	\$100,117	\$103,121
	Real Estate Taxes	\$16,875	\$75	\$17,381	\$17,903	\$18,440	\$18,993	\$19,563	\$20,150	\$20,754	\$21,377	\$22,018	\$22,679	\$23,359	\$24,060	\$24,782	\$25,525
	Insurance	\$298,125	\$1,325	\$307,069	\$316,281	\$325,769	\$335,542	\$345,609	\$355,977	\$366,656	\$377,656	\$388,986	\$400,655	\$412,675	\$425,055	\$437,807	\$450,941
	Variable:																
	Management Fee Percentage: 5.00%	\$175,127	\$778	\$178,629	\$182,202	\$185,846	\$189,563	\$193,354	\$197,221	\$201,165	\$205,189	\$209,293	\$213,478	\$217,748	\$222,103	\$226,545	\$231,076
	General and Administrative	\$118,125	\$525	\$121,669	\$125,319	\$129,078	\$132,951	\$136,939	\$141,047	\$145,279	\$149,637	\$154,126	\$158,750	\$163,513	\$168,418	\$173,471	\$178,675
	Payroll Expenses	\$308,100	\$1,369	\$317,343	\$326,863	\$336,669	\$346,769	\$357,172	\$367,888	\$378,924	\$390,292	\$402,001	\$414,061	\$426,482	\$439,277	\$452,455	\$466,029
	Utilities	\$163,125	\$725	\$168,019	\$173,059	\$178,251	\$183,599	\$189,107	\$194,780	\$200,623	\$206,642	\$212,841	\$219,226	\$225,803	\$232,577	\$239,555	\$246,741
	Marketing and Advertising	\$5,625	\$25	\$5,794	\$5,968	\$6,147	\$6,331	\$6,521	\$6,717	\$6,918	\$7,126	\$7,339	\$7,560	\$7,786	\$8,020	\$8,261	\$8,508
	Maintenance and Repairs/Pest Control	\$196,875	\$875	\$202,781	\$208,865	\$215,131	\$221,585	\$228,232	\$235,079	\$242,131	\$249,395	\$256,877	\$264,584	\$272,521	\$280,697	\$289,118	\$297,791
	Reserve for Replacements	\$67,500	\$300	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$69,525	\$71,611	\$73,759	\$75,972	\$78,251
<b>Total Expenses</b>		\$1,417,652	\$6,301	\$1,456,405	\$1,496,286	\$1,537,327	\$1,579,564	\$1,623,030	\$1,667,762	\$1,713,798	\$1,761,175	\$1,809,934	\$1,862,139	\$1,915,868	\$1,971,167	\$2,028,081	\$2,086,658
Annual Escalation Rate (Expenses): 3.00%																	
<b>Net Operating Income</b>		\$2,084,881	\$9,266	\$2,116,179	\$2,147,750	\$2,179,589	\$2,211,691	\$2,244,050	\$2,276,659	\$2,309,512	\$2,342,601	\$2,375,918	\$2,407,430	\$2,439,092	\$2,470,892	\$2,502,819	\$2,534,860
<b>Debt Service Payments</b>																	
First Mortgage - HFA / Berkadia		\$1,522,829	\$6,768	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829	\$1,522,829
Second Mortgage - FHFC SAIL		\$112,000	\$498	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000
First Mortgage Fees - HFA / Berkadia		\$69,491	\$309	\$69,237	\$68,965	\$68,672	\$68,357	\$68,019	\$67,657	\$67,268	\$66,852	\$66,406	\$65,929	\$65,419	\$64,872	\$64,289	\$63,665
Second Mortgage Fees - FHFC SAIL		\$12,962	\$58	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962
<b>Total Debt Service Payments</b>		\$1,717,282	\$7,632	\$1,717,029	\$1,716,756	\$1,716,463	\$1,716,148	\$1,715,810	\$1,715,448	\$1,715,059	\$1,714,643	\$1,714,197	\$1,713,720	\$1,713,210	\$1,712,664	\$1,712,080	\$1,711,456
<b>Cash Flow after Debt Service</b>		\$367,599	\$1,634	\$399,150	\$430,994	\$463,126	\$495,543	\$528,240	\$561,211	\$594,452	\$627,957	\$661,720	\$693,709	\$725,882	\$758,229	\$790,740	\$823,405
<b>Debt Service Coverage Ratios</b>																	
DSC - First Mortgage plus Fees		1.31x		1.33x	1.35x	1.37x	1.39x	1.41x	1.43x	1.45x	1.47x	1.50x	1.52x	1.54x	1.56x	1.58x	1.60x
DSC - Second Mortgage plus Fees		1.21x		1.23x	1.25x	1.27x	1.29x	1.31x	1.33x	1.35x	1.37x	1.39x	1.40x	1.42x	1.44x	1.46x	1.48x
<b>Financial Ratios</b>																	
Operating Expense Ratio		40.48%		40.77%	41.06%	41.36%	41.66%	41.97%	42.28%	42.60%	42.92%	43.24%	43.61%	43.99%	44.38%	44.76%	45.15%
Break-even Econ Occup Ratio (all debt)		85.28%		84.64%	84.01%	83.41%	82.83%	82.27%	81.73%	81.21%	80.71%	80.23%	79.81%	79.42%	79.03%	78.67%	78.32%
Break-even Econ Occup Ratio (must pay debt)		81.89%															

*Notes to the Operating Pro forma and Ratios:*

1. The Development will be utilizing Housing Credits in conjunction with a SAIL Loan which will impose rent restrictions. Overall, the maximum Housing Credit and rents for 2025 published on FHFC's website for the Development are achievable as confirmed by the appraiser. Utility allowances were derived from a Consumption Model prepared by Matern Professional Engineering, Inc., dated February 3, 2025. The Consumption Model was approved by Florida Housing Asset Management and Compliance Department as of March 10, 2025.
2. A 5% total economic vacancy rate, consisting of physical vacancy (4%) and collection loss (1%), was used for underwriting, which is more conservative than the appraiser's estimate of physical vacancy (3%) and collection loss (1%).
3. Ancillary Income is comprised of income related to multifamily operations in the form of vending income, late charges, and forfeited security deposits, etc.
4. Real estate tax expense is based on the Appraiser's estimate of Non-Ad Valorem Taxes (\$16,875). The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption passed under Section 196.1978(4), Florida Statutes. Beginning in 2026, the property must apply to the Pinellas County Property Appraiser by March 1st of the tax year. Applying for this exemption requires a 99-year Total Compliance Period with annual certifications. If the property fails to provide affordable housing under the agreement before the end of the agreement term, there will be a penalty equal to 100% of the total amount financed by Florida Housing multiplied by each year remaining in the agreement. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption, is a condition to close.
5. The Development is subject to a Ground Lease, with an annual payment \$68,182.
6. AmeriNat utilized an estimate of \$1,333 per unit for insurance based upon the Development budget, which is supported by the appraisal. The figure is within the range of insurance expenses for restricted rent comparables presented by the appraiser, which ranged from \$419 to \$1,889 per unit. The Development's site is located in flood zone "AE" which is a FEMA high risk flood zone. Flood insurance would be required. However, as noted previously, the Development's construction includes building all buildings above the Base Flood Elevation, according to the Developer. The Applicant intends to obtain a Letter of Map Revision following construction completion.
7. The Applicant submitted an undated draft Management Agreement, between the Applicant and Cambridge Management, Inc. dba Cambridge Management of Washington, Inc. ("Agent"), which provides for monthly compensation in the amount of 5% of the gross rental collections received during the preceding month. The term of this Agreement shall commence on the Commencement Date through the Final Date of the Initial Period and automatically renew for period that will be included in the executed Management Agreement. The Management Agreement may be terminated by either the Owner or the Agent, with or without cause, any time after the end of the initial term. The Owner will be required to give not less than thirty-(30) days advance written notice to the Agent. The Agent will be required to give no less than ninety-(90) days advance written notice to the Owner. AmeriNat utilized 5% per the Management Agreement and supported by the appraisal.
8. Replacement Reserves are budgeted at \$300 per unit per year, which is consistent with RFA and Rule 67-48 minimum requirement.

9. The Break-even Economic Occupancy Ratio includes all debt and fees and is 85.28%, however, interest payments on the SAIL Loan are based on based on available cash flow. The ratio would improve to 81.89% if this interest payment was not included.

## Financing Overview

CONSTRUCTION FINANCING INFORMATION								
Lien Position	First	NA	Second	NA	NA	NA	NA	Totals
Source	Reg. Mtg Lender	Reg. Mtg Lender	FHFC - SAIL	HC Equity	Def. Dev. Fee	Def. Costs - Other	Other	
Lender/Grantor	HFA / Berkadia	HFA / Berkadia	FHFC	BATCS	Developer	ODR	Bond Reinvestment Income	Cash Collateral / U.S. Bankcorp
Construction Amount	\$24,000,000	\$15,050,000	\$11,200,000	\$16,810,000	\$10,324,978	\$722,000	\$4,865,895	\$82,972,873
All In Interest Rate	4.67%	3.33%	1.00%					
Debt Service During Construction	\$746,892	\$532,581						\$2,031,259
Bond Structure (if applicable)	Public Offering	Public Offering						

### MMRB:

The Applicant initially applied for \$22,000,000 of MMRB from the Housing Finance Authority of Pinellas County ("HFA") and subsequently requested to increase the MMRB to \$39,050,000. Per a Summary of Financing Assumptions ("Summary") dated February 11, 2025, the MMRB will be underwritten and marketed by RBC Capital Markets ("RBC") via public offering. The MMRB will be comprised of two series:

Series A shall be in the amount of \$24,000,000 with an estimated Bond interest rate of 4.67%, as of February 11, 2025, maturing 15 years from conversion ("Permanent MMRB"). The Permanent MMRB will be secured by US Treasuries held in a Collateral Fund during the construction phase and following conversion to permanent will be secured by a first mortgage on the property.

Series B shall be in the amount of \$15,050,000 with an estimated Bond interest rate of 3.3%, as of February 11, 2025, maturing in 48 months and subject to Mandatory Tender in 36 Months ("Construction MMRB"). The Construction MMRB will not be secured by a mortgage, but will be secured by US Treasuries.

Proceeds of the MMRB will be used to pay acquisition and development costs. The Permanent MMRB will be secured by the mortgage loan on the Development and will have a Freddie Mac Bond Credit Enhancement following conversion. The Construction Bonds will remain outstanding until the Mandatory Tender Date, or upon a remarketing, a later Mandatory Tender Date or Maturity Date, at which time the Bonds will be redeemed.

### Construction Loan:

U.S. Bancorp Impact Finance ("USBIF") will provide a taxable Construction Loan in an amount of the total MMRB (\$39,050,000). Proceeds of the Construction Loan will be drawn and deposited to the Collateral Fund held by the Trustee as security for the MMRB during the Construction Phase. Upon completion of requirements to convert to the permanent phase, the Construction Loan will be repaid in part with HC equity and in part with amounts released from the Series A Collateral Fund.

The Applicant provided an executed term sheet (the "Term Sheet") issued by USBIF, dated January 31, 2025, which illustrates the proposed terms of a Construction Loan between the Applicant and USBIF in the amount of \$39,050,000 for the construction financing of the Development. The initial term of the construction loan is 36 months, with one six-month extension available. During construction, the loan will be interest-only with payments due monthly. The interest rate will float, and be based on the 30-day Average Daily Secured Overnight Financing Rate ("SOFR"), currently 4.31% plus a spread of 250 basis points ("bps"). USBIF includes a total interest rate floor of 5.50%. AmeriNat added an additional 0.25% underwriting cushion for an all-in interest rate of 7.06%. A 1% construction loan origination fee will be paid at closing.

**SAIL & HC CREDIT UNDERWRITING REPORT**

Simultaneously with the provision of financing in connection with the Construction Loan, Berkadia Commercial Mortgage LLC ("BCM") will procure a forward permanent loan commitment with Freddie Mac which will be used to convert the Construction Loan to a permanent loan upon satisfaction of the conditions of conversion. The annual HFA Issuer Fee of 25 bps and Trustee Fee of \$4,500 are included in the Uses section of this report.

Deferred Costs - Other:

Per a Letter of Interest ("LOI") dated March 6, 2025, from Berkadia Affordable Tax Credit Solutions ("Berkadia"), an Operating Deficit Reserve ("ODR") of \$722,000 is required to be established at or prior to closing of the permanent loan; therefore, the ODR will be deferred during the construction phase and is shown as a construction period source.

PERMANENT FINANCING INFORMATION						
Lien Position	First	Second	NA	NA	NA	Totals
Source	Local HFA Bond	FHFC - SAIL	HC Equity	Def. Dev. Fee	Other	
Lender/Grantor	HFA / Berkadia / Freddie Mac	FHFC	BATCS	Developer	Bond Reinvestment Income	
Permanent Amount	\$24,000,000	\$11,200,000	\$33,618,742	\$9,288,236	\$4,865,895	\$82,972,873
Permanent Funding Per Unit	\$106,667	\$49,778	\$149,417	\$41,281	\$21,626	\$368,768
% of Permanent Funding	28.9%	13.5%	40.5%	11.2%	5.9%	100.0%
Underwritten Interest Rate	5.69%	1.00%				
All In Interest Rate	5.69%	1.00%				
Loan Term	15	15				
Amortization	40	0				
Must Pay or Cash Flow	Must-Pay	Cash Flow				
Permanent Debt Service, No Fees	\$1,522,829	\$112,000				\$1,634,829
Permanent Debt Service, with Fees	\$1,592,320	\$124,962				\$1,717,282
Debt Service Coverage, with Fees	1.31x	1.21x				
Operating Deficit & Debt Service Reserves	\$722,000					
# of Months covered by the	2.76					
Market Rate/Market Financing	29.45%	43.19%				
Restricted Market Financing LTV	61.54%	90.26%				
Restricted Favorable Financing	52.52%	77.02%				
Loan to Cost - Cumulative	28.9%	42.4%				
Loan to Cost - SAIL Only	-	13.5%				

Proposed First Mortgage Loan:

The Applicant provided a forward commitment application ("Application"), dated January 8, 2025, issued by BCM for a fixed rate Freddie Mac CME Program / Bond Credit Enhancement for the first lien loan in an amount up to \$24,000,000. AmeriNat is sizing the permanent loan in an amount of \$24,000,000. The interest rate will be fixed at interest rate lock, prior to the issuance of the MMRB. The all-in interest rate is estimated to be 5.69% and is based on the 18-year MMD of 3.48% plus Investor Spread of 1.10% plus Credit Enhancement of 1.11%. The loan term will be 15 years with a 40-year amortization. Fees include a 1% origination fee, Freddie Mac Application fee in the amount of \$25,200 (the greater of \$3,000 or 0.10% of the permanent loan) and a conversion fee in the amount of \$10,000.



**SAIL & HC CREDIT UNDERWRITING REPORT**

Proposed Second Mortgage Loan:

The Applicant applied to Florida Housing for a \$11,200,000 SAIL Loan under RFA 2023-213 for the construction of the Development. The SAIL Loan shall be non-amortizing with a 1.00% interest rate over the life of the loan with annual payments based upon available cash flow. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. Any unpaid interest will be deferred until cash flow is available. However, at maturity of the SAIL Loan, all principal and accrued interest will be due. The SAIL Loan total term will be 19 years, including a 42-month construction/stabilization period and a 15.5-year permanent period. As required by Freddie Mac and permitted by Rule 67-48, the SAIL Loan term will be coterminous with the first mortgage plus six months (total term is 19 years). SAIL Loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the SAIL Loan to Total Development Costs, unless approved by the credit underwriter.

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 \$990 per month, subject to a minimum of \$250 per month and an annual Compliance Monitoring Multiple Program Fee of \$1,082.

Deferred Developer Fee:

The Applicant will be required to permanently defer \$9,288,236 or 74% of the total Developer Fee after stabilization subject to the terms outlined in Section B of this report.

Additional Permanent Sources of Funds:

**Syndication Contributions:**

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$5,043,000	15.00%	At Closing
2nd Installment	\$1,681,000	5.00%	The later of January 1, 2026 or 25% Construction Completion
3rd Installment	\$1,681,000	5.00%	The later of April 1, 2026 or 50% Construction Completion
4th Installment	\$1,681,000	5.00%	The later of July 1, 2026 or 75% Construction Completion
5th Installment	\$6,724,000	20.00%	The later of January 1, 2027, 99% substantial construction completion
6th Installment	\$15,683,686	46.65%	The later of October 1, 2027, 100% lien-free construction completion, receipt of the final cost certification and 50% Test, achievement of DSC of 1.15x for 3 consecutive months, and other funding milestones
7th Installment	\$1,125,056	3.35%	The later of January 1, 2028, or receipt of Form 8609
<b>Total</b>	<b>\$33,618,742</b>	<b>100.00%</b>	

Syndicator Name	Berkadia Affordable Tax Credit Solutions
Date of LOI	3/6/2025
Total Credits Per Syndication Agreement:	\$39,095,470
Annual Credits Per Syndication Agreement	\$3,909,547
Calculated HC Exchange Rate:	\$0.86
Limited Partner Ownership Percentage:	99.99%
Proceeds Available During Construction:	\$16,810,000
Annual Credits - Qualified in CUR:	\$4,060,397

Bond Investment Income:

RBC provided a schedule of projected interest earnings to occur during the construction period for the Bond Collateral account. The earnings are based on an estimated interest rates of 4.67% during the construction term. The earnings are projected to total \$4,865,895.

## 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?		2
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?		3
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?	x	

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

- The Applicant initially represented MMRB from the HFA in the amount of \$28,000,000 in the SAIL Loan application. The MMRB has now increased to \$39,050,000 as a construction source.  
  
The construction and permanent period lender were not identified in the FHFC Application. The current structure includes Berkadia as the permanent loan lender through a Freddie Mac program, as previously noted. U.S. Bancorp Impact Finance will be the construction lender.  
  
Berkadia Affordable Tax Credit Solutions ("BATCS") replaced Synovus Bank as the HC Syndicator and Limited Partner of the Applicant. Additionally, the per credit pricing increased from \$0.82/dollar to \$0.86/dollar. The HC equity contribution increased from \$20,497,950 to 33,618,742.
- The site structure has changed from the time of application. Instead of owning the Development's site, the Applicant will now sell the site to the HFA and lease it back. The annual payment is \$68,182 and is included in the pro forma.
- Total Development Costs have increased by \$26,223,732 from \$56,749,141 to \$82,972,873. The increase is mostly due to increases in Construction Costs, General Development Costs, Financial Costs, the inclusion of an operating reserve and Developer Fee.

These changes have no substantial material impact to the HC and SAIL Loan recommendations for the Development.

**SAIL & HC CREDIT UNDERWRITING REPORT**

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

According to the FHFC Asset Management Noncompliance Report, dated April 18, 2025, the Development Team has no past due items.

According to the April 18, 2025, Florida Housing Past Due Report, the Development Team has no past due items.

This recommendation is subject to satisfactory resolution of any outstanding noncompliance items and/or past due items prior to or at the time of loan closing and the issuance of the Annual HC allocation recommendation herein.

Strengths:

1. The Development Team has demonstrated the ability to successfully develop and operate affordable multifamily rental communities using a variety of different subsidies.
2. In the market study, Meridian Appraisal Group, Inc. identified six properties with a total of 795 units as comparable to the Development that are located in the Competitive Market Area. The comparable properties have a weighted average occupancy rate of 95.8%.

Other Considerations:

1. In accordance with RFA, FHFC limits the Total Development Cost ("TDC") per unit for all Developments categorized by the construction type of the units as indicated by the Applicant in the RFA. The maximum TDC per unit for the construction specified by the Applicant (Mid-Rise Non-ESS, 4 Stories, New Construction), inclusive of a \$7,500/unit add-on for using tax-exempt bonds, and an 6.00% escalation rate applied to the base \$240,000 per unit, is \$347,150.00 per unit. With a total of 225 units, the maximum TDC for the Development is therefore \$78,108,750.00. The TDC as underwritten equals \$69,704,130.00. As such, the Development does not exceed the per unit maximum TDC and is eligible for funding as a result.
2. To the underwriter's knowledge, no construction cost exceeding 20% 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:

None.

Waiver Requests:

None.

Additional Information:

None.

## Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$32,250,000	\$45,910,267	\$44,692,267	\$198,632	
Site Work			\$1,218,000	\$5,413	\$182,700
Constr. Contr. Costs subject to GC Fee	\$32,250,000	\$45,910,267	\$45,910,267	\$204,046	\$182,700
General Conditions (6.0%)	\$4,500,000	\$6,427,437	\$2,754,616	\$12,243	
Overhead (6.0%)			\$2,754,616	\$12,243	
Profit (2.0%)			\$918,205	\$4,081	
Total Construction Contract/Costs	\$36,750,000	\$52,337,704	\$52,337,704	\$232,612	\$182,700
Hard Cost Contingency (5.0%)	\$1,800,000	\$2,616,885	\$2,616,885	\$11,631	
PnP Bond paid outside Constr. Contr.		\$412,159	\$412,159	\$1,832	
<b>Total Construction Costs:</b>	<b>\$38,550,000</b>	<b>\$55,366,748</b>	<b>\$55,366,748</b>	<b>\$246,074</b>	<b>\$182,700</b>

### Allowances:

Rain Leader Collection	\$45,000
Underground Radon Mitigation	\$100,000
Boardwalk Over Pond	\$100,000
Monument Sign	\$25,000
Trash Compactor	\$50,000
Steel Shelter	\$38,950
Splash Pad	\$150,000
Generators	\$471,665
Generators - Gas Hookup/Design	\$45,000
Primary Conduit	\$65,000
Fire Alarm	\$235,250
<b>Total</b>	<b>\$1,325,865</b>

### *Notes to Actual Construction Costs:*

1. The Allowances in the GC Contract are approximately 2.53% of the GMP. The defined Allowances do not exceed Moran's typical recommendation of 5% of the Contract Sum. As such, Moran found the Allowances acceptable.
2. A 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 \$52,337,704 (the "Construction Contract") has been provided. The Construction Contract was executed as of January 9, 2025 and is executed by the Applicant and Newco Construction Company dba Wichman Construction ("General Contractor"). It indicates construction completion within 669 calendar days from the date of commencement. The Construction Contract indicates retainage of ten percent (10%) will be withheld until 50% of the work is complete, at which point no additional retainage shall be withheld. The Construction Contract excludes General Conditions Costs, General Requirements, Direct purchase items for which Contractor does not withhold retainage, Insurance Costs, and Bond Costs. Receipt of an amendment to or a revised Construction Contract that removes General Conditions Costs, General Requirements, and the Direct purchase items for which Contractor does not withhold retainage from the exclusion items is a condition precedent to Loan closing.

**SAIL & HC CREDIT UNDERWRITING REPORT**

2. The General Contractor will secure a Payment and Performance Bond to secure the Construction Contract, and an estimate of its cost is included in the Development Cost Budget.
3. The Development will include laundry closets (washer/dryer hookups). Tenants may provide their own with no cost paid to the Development. Thus, the laundry closets are not excluded from HC Eligible Basis. The cost of purchasing washers and dryers for lease is not included in the Construction Contract, and are therefore not excluded from HC Eligible Basis as well.

<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accounting Fees		\$40,000	\$40,000	\$178	\$20,000
Appraisal		\$10,000	\$10,000	\$44	
Architect's Fees	\$957,500	\$425,000	\$425,000	\$1,889	
Builder's Risk Insurance	\$175,000	\$300,000	\$300,000	\$1,333	
Building Permits		\$549,546	\$549,546	\$2,442	
Engineering Fees		\$200,000	\$200,000	\$889	
Environmental Report		\$27,500	\$27,500	\$122	
FHFC Administrative Fees	\$302,652	\$360,000	\$365,436	\$1,624	\$365,436
FHFC Application Fee		\$3,000	\$3,000	\$13	\$3,000
FHFC Compliance Fee		\$205,415	\$338,663	\$1,505	\$338,663
FHFC Credit Underwriting Fee		\$28,489	\$21,496	\$96	\$21,496
Green Building Cert. (LEED, FGBC, NAHB)			\$17,500	\$78	
Impact Fee		\$286,244	\$286,244	\$1,272	
Insurance		\$300,000	\$300,000	\$1,333	
Legal Fees - Organizational Costs		\$50,000	\$50,000	\$222	
Lender Inspection Fees / Const Admin		\$125,000	\$125,000	\$556	
Market Study		\$12,500	\$5,500	\$24	\$5,500
Marketing and Advertising		\$75,000	\$75,000	\$333	
Plan and Cost Review Analysis		\$17,500	\$5,850	\$26	
Property Taxes	\$1,057,489	\$195,000	\$195,000	\$867	\$45,000
Soil Test		\$50,000	\$50,000	\$222	
Survey		\$50,000	\$50,000	\$222	
Title Insurance and Recording Fees		\$200,000	\$200,000	\$889	\$150,000
Utility Connection Fees		\$250,000	\$250,000	\$1,111	
Soft Cost Contingency (5.0%)		\$100,000	\$203,531	\$905	
Other: Material Testing & Private Inspections		\$75,000	\$75,000	\$333	
Other: Security		\$100,000	\$100,000	\$444	
Other: FHFC SAIL Compliance Fee			\$4,900	\$22	\$4,900
<b>Total General Development Costs:</b>	<b>\$2,492,641</b>	<b>\$4,035,194</b>	<b>\$4,274,166</b>	<b>\$18,996</b>	<b>\$953,995</b>

*Notes to the General Development Costs:*

1. AmeriNat reflects the costs associated with the architect's and engineer's fees, as stated in agreements between the Applicant and the professionals, which were reviewed by AmeriNat. The engineer agreement dated November 27, 2024, with Native Engineering, PLLC to provide civil/site design services. The architect agreement is dated May 19, 2022, and is between the Applicant and Forum Architecture & Interior Design, Inc., where Forum will provide architectural, structural, mechanical, electrical and plumbing design services.
2. FHFC Administrative Fee is based upon a fee of 9% of the annual HC allocation recommendation made herein.
3. The FHFC Credit Underwriting Fee includes the SAIL Loan Underwriting Fee (\$15,821), multiple program fee for 4% Housing Credits (\$5,300), and a credit reporting fee (\$375).
4. Impact Fees are net fees provided by the Applicant.

**SAIL & HC CREDIT UNDERWRITING REPORT**

5. Lender Inspection Fees / Construction Admin costs are based 23 site inspections by Moran and the construction loan administration for draw processing.
6. The Applicant provided an executed agreement for Green Building Standard Certification ("NGBS") between the Applicant and Steve Armstrong of Ekocentric LLC, dated September 20, 2024.
7. The FHFC SAIL Compliance Fee of \$4,900 is based on \$100 per year for years 51-99 Ad Valorem Compliance Period. FHFC Compliance Fees through the initial 50 year Compliance period will be ongoing and are incorporated in the operating pro forma and debt service analysis within this report.
8. The remaining general development costs appear reasonable.

<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Closing Costs		\$25,000	\$25,000	\$111	
Construction Loan Commitment Fee	\$1,080,000	\$292,875	\$390,500	\$1,736	
Construction Loan Interest		\$3,500,000	\$3,500,000	\$15,556	\$875,000
Construction Loan Servicing Fees		\$15,000	\$15,000	\$67	
Permanent Loan Closing Costs		\$10,000	\$10,000	\$44	\$10,000
Permanent Loan Commitment Fee	\$235,000	\$240,000	\$243,000	\$1,080	\$243,000
Local HFA Bond Application Fee		\$72,500	\$72,500	\$322	\$44,298
Local HFA Bond Cost of Issuance	\$241,500	\$225,000	\$220,000	\$978	\$111,937
Local HFA Bond Interest		\$4,605,810	\$4,865,895	\$21,626	\$1,216,474
Local HFA Bond Trustee Fee		\$5,000	\$13,500	\$60	\$13,500
Local HFA Bond Underwriting Fee			\$15,821	\$70	\$15,821
SAIL Closing Costs			\$30,000	\$133	\$30,000
SAIL Commitment Fee		\$112,500	\$112,500	\$500	\$112,500
Legal Fees - Financing Costs		\$285,000	\$285,000	\$1,267	\$135,000
Placement Agent/Underwriter Fee		\$253,500	\$253,500	\$1,127	\$211,250
Initial TEFRA Fee		\$1,000	\$1,000	\$4	\$833
Other: Conversion fee			\$10,000	\$44	\$10,000
<b>Total Financial Costs:</b>	<b>\$1,556,500</b>	<b>\$9,643,185</b>	<b>\$10,063,216</b>	<b>\$44,725</b>	<b>\$3,029,613</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$42,599,141</b>	<b>\$69,045,127</b>	<b>\$69,704,130</b>	<b>\$309,796</b>	<b>\$4,166,308</b>

*Notes to the Financial Costs*

1. An interest reserve for the Construction Loans is supported by the Construction Loan terms illustrated in the Letter of Interest provided by the construction lender, 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.
2. Per the RBC Summary, the Bonds will bear interest at a fixed rate of 4.31% and are payable semiannually.
3. The Cost of Issuance was prepared by RBC and does not include the ongoing HFA Issuer Fee during the construction period.
4. The Construction Loan Commitment Fee is based on 1.0% of the Construction Loan amount.
5. The Permanent Loan Commitment Fees include a 1% origination fee of the permanent loan amount plus the Freddie Mac Application fee based on the greater of \$3,000 or 0.10% of the Permanent Loan.

**SAIL & HC CREDIT UNDERWRITING REPORT**

6. Trustee Fee is based on 3 years of Trustee Fee (\$4,500 / year).
7. The SAIL Closing Costs is \$30,000 for FHFC legal fees.
8. The SAIL Commitment Fee is based on 1% of the total SAIL loan.
9. 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	\$7,400,000	\$12,378,123	\$12,496,743	\$55,541	
DF to Consultant Fees		\$50,000	\$50,000	\$222	
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	<b>\$7,400,000</b>	<b>\$12,428,123</b>	<b>\$12,546,743</b>	<b>\$55,763</b>	<b>\$0</b>

*Notes to the Developer Fee on Non-Acquisition Costs:*

1. The Consultant Fee is payable to The Community Concepts Group, Inc. per an undated agreement.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$6,750,000	\$0	\$0	\$0	\$0
Land Lease Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Acquisition Costs:</b>	<b>\$6,750,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*Notes to Land Acquisition:*

1. An undated draft Ground Lease between the Pinellas County Land Assembly Trust – Oakhurst Trace (“Lessor”), and Applicant (“Lessee”), was provided. The term of the Ground Lease is ninety-nine (99) years from the Commencement Date (closing of the construction financing), which meets the term requirements noted in the RFA. The base rent is \$68,182 and is due annually. The base rent will be recalculated on the 8<sup>th</sup> anniversary of the Ground Lease, and every 5 years thereafter, based on the CPI, but will not decrease and is limited to a 1% increase. An initial payment is not required; thus, no payment is included in the Source and Use.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserves		\$703,000	\$722,000	\$3,209	\$722,000
<b>Total Reserve Accounts:</b>	<b>\$0</b>	<b>\$703,000</b>	<b>\$722,000</b>	<b>\$3,209</b>	<b>\$722,000</b>

*Notes to Reserve Accounts*

1. The Operating Deficit Reserve is based on the amount included in the BATCS LOI.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$56,749,141</b>	<b>\$82,176,250</b>	<b>\$82,972,873</b>	<b>\$368,768</b>	<b>\$4,888,308</b>

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	14.00%	\$6,427,437	\$6,427,437
Hard Cost Contingency	5.00%	5.00%	\$2,616,885	\$2,616,885
Soft Cost Contingency	5.00%	5.00%	\$203,532	\$203,531
Developer Fee	18.00%	18.00%	\$12,546,743	\$12,546,743



**Section B**  
**Live Local SAIL Loan Special and General Conditions**

## **Special Conditions**

This recommendation is contingent upon receipt of the following item by Florida Housing **at least two weeks prior to real estate loan closing**. Failure to submit this item within this time frame may result in postponement of the loan closing date.

1. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption.
2. Receipt of an amendment to or a revised Construction Contract that removes General Conditions Costs, General Requirements, and the Direct purchase items for which Contractor does not withhold retainage from the exclusion items.
3. Receipt of the FHFC SAIL Compliance Monitoring Fee of \$4,900 for Ad Valorem Compliance Period.
4. Receipt of a satisfactory executed Management Agreement.

## **General Conditions**

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

1. Applicant 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. SAIL Loan Proceeds shall be disbursed in an amount per Draw that does not exceed the ratio of the SAIL Loan to the Total Development Cost 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 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.

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 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.
10. Architect, Construction Consultant, and Applicant 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 a Partnership/Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Partnership/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 issues.
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 Rule Chapters 67-21.0025(5) and 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 Applicant 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 Real Estate 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 Applicant, the general partner/member(s)/principal(s)/manager(s) of the Applicant, the guarantors, and any limited partners/members of the Applicant.
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 SAIL Loan closing, unless otherwise approved by Florida Housing, and Legal Counsel, based upon the particular circumstances of the transaction. Applicant 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 SAIL Loan 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 Amended and Restated Limited Partnership 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 Applicant's Legal Counsel acceptable to Florida Housing addressing the following matters:
  - a. The legal existence and good standing of the Applicant and of any partnership or limited liability company that is the general partner of the Applicant (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 Applicant 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 Applicant'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 Applicant is a party or to which the Development is subject to the Applicant's Partnership/Operating Agreement;
  - e. Development is eligible for the real estate tax exemption; and
  - f. 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 Applicant, 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.

This recommendation is also contingent upon the following additional conditions:

- 1. Compliance with all provisions of Sections 420.507, 420.5087, and 420.509, Florida Statutes, Rule Chapters 67-21, 67-48, 67-53, and 67-60, F.A.C., RFA 2023-213, Section 42 I.R.C., and any other State and Federal requirements.
- 2. Acceptance by the Applicant and execution of all documents evidencing and securing the Sail 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 SAIL Loan 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 combined permanent First Mortgage and SAIL 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 Certified Public Accountant ("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.
- 7. Guarantors are to provide the standard FHFC Environmental Indemnity Guaranty.
- 8. Guarantors are to provide the standard FHFC Guaranty of Recourse Obligations.
- 9. A mortgagee title insurance lender's policy naming Florida Housing as the insured 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.

10. 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.
11. 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 Fiscal Agent, or Florida Housing's loan servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per RFA and Rule Chapters 67-21 and 67-48, in the amount of \$67,500 (one-half the required Replacement Reserves for Years 1 and 2), in order to meet the applicable DSC loan requirements. Applicants 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. 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.
12. Moran Consultants, LLC or other construction inspector acceptable for Florida Housing is to act as Florida Housing's inspector during the construction period.
13. Under the terms of the 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 Chapters 67-21 and 67-48 minimum requirement.
14. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or its Servicer, if applicable.
15. Closing of all funding sources prior to or simultaneous with the closing of the SAIL Loan.
16. Housing Credits - Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
17. Any other reasonable requirements of the Servicer, Florida Housing or its Legal Counsel.

## **Section C**

### **Supporting Information & Schedules**

## Additional Development & Third-Party Information

### Appraisal Summary:

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Novogradac	
Date of Report	5/16/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	95.0%	
Occupancy at Stabilization: Physical (%)	96.0%	
Value: As Is market value of the land	\$6,800,000	
As of date and type of interest (as if vacant land)	January 15, 2025 / Fee Simple Estate	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$81,500,000	1.
As of date and type of interest (unrestricted rents)	January 15, 2025 / Leased Fee	
Value: "As Complete and Stabilized", subject to restricted rents	\$39,000,000	1.
As of date and type of interest (restricted rents)	January 15, 2025 / Leased Fee	
Value: "As Complete and Stabilized", subject to favorable financing	\$45,700,000	2.
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

1. The Appraiser's concluded value includes the benefit of the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes.
2. The Appraiser concluded the value of the Favorable Financing of the SAIL Loan to be \$6,700,000.



**SAIL & HC CREDIT UNDERWRITING REPORT**

**Market Study:**

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Meridian Appraisal Group, Inc.	
Date of Report	10/25/2024	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	795	
Short Term and Long Term Impact to existing like-kind developments	Weak	1.
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	95.8%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 10 mile radius:		
Level of Effort (%)	26.3%	
Capture Rate (%)	0.1%	
Remaining Potential Demand	19851	
Metrics for 5 mile radius:		
Level of Effort (%)	19.2%	
Capture Rate (%)	0.2%	
Remaining Potential Demand	8603	
Metrics for 3 mile radius:		
Level of Effort (%)	11.5%	
Capture Rate (%)	0.7%	
Remaining Potential Demand	2908	
Absorption Rate	30	
Will the development achieve maximum allowable HC Rents? (Y/N)	Y	
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
For Live Local Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of the highest percent Area Median Income rental rate?	Y	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

1. It is anticipated that the Development will have a weak impact on occupancy for all properties in the CMA in the short run and over the long run.

**Environmental Report Summary:**

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	NOVA Engineering and Environmental, LLC	
Date of Report	10/2/2018	
Type of Report	Phase I	
Confirm certified and prepared for FHFC (Y/N)	N	1.
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	N	
Is any further investigation required? (Y/N)	N	

1. Receipt of an acceptable updated Environmental Audit Report, together with a reliance letter to Florida Housing and the HFA, prepared within 90 days of the SAIL Loan closing is a condition precedent to the loan closing.

**SAIL & HC CREDIT UNDERWRITING REPORT**

**Soils Test Report Summary:**

Soils Test Report Summary Questions	Responses	Note
Preparer Firm Name	Terracon Consultants, Inc.	
Date of Report	1/10/2022	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

**Plan & Cost Review Summary:**

Property Conditions Report (PCR) Summary Questions	Responses	Note
Preparer Firm Name	Moran Consultants, LLC	
Date of Report	4/16/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	Y	
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$52,337,704	
Cost per Unit	\$232,612	
Costs for Similar Type Developments (Include Range)	\$183,386 - \$196,386	
Is the Cost per Unit reasonable? (Y/N)	Y	1.
Construction schedule to substantial completion	669 days	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	

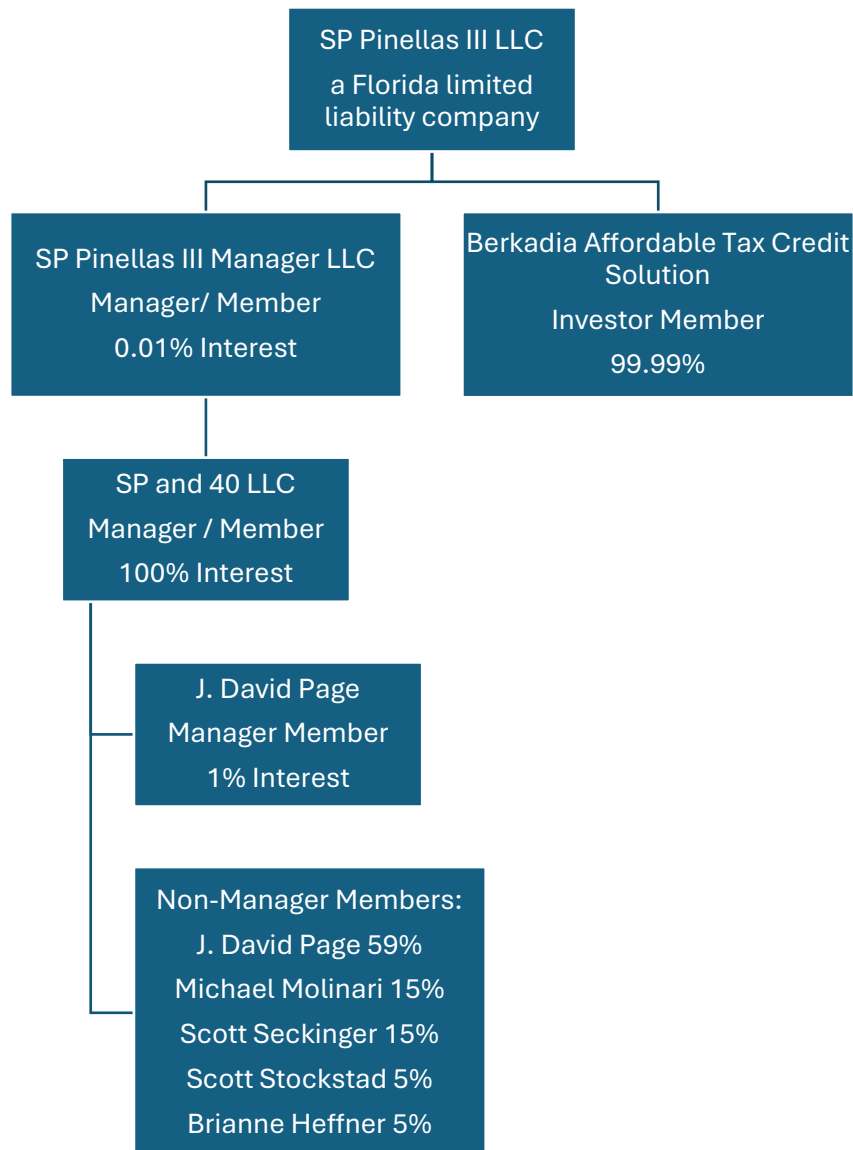
1. Moran concludes the cost per GSF and per unit cost is within a typical range when compared with projects of similar size and scope and does appear adequate to complete the proposed scope of work.

**Site Inspection Summary:**

Site Visit Summary Questions	Responses	Note
Name of Inspector	Kyle Kuenn	
Date of Inspection	1/15/2025	
Were the observation(s) of the inspector in line with the Market Study? (Y/N)	Y	

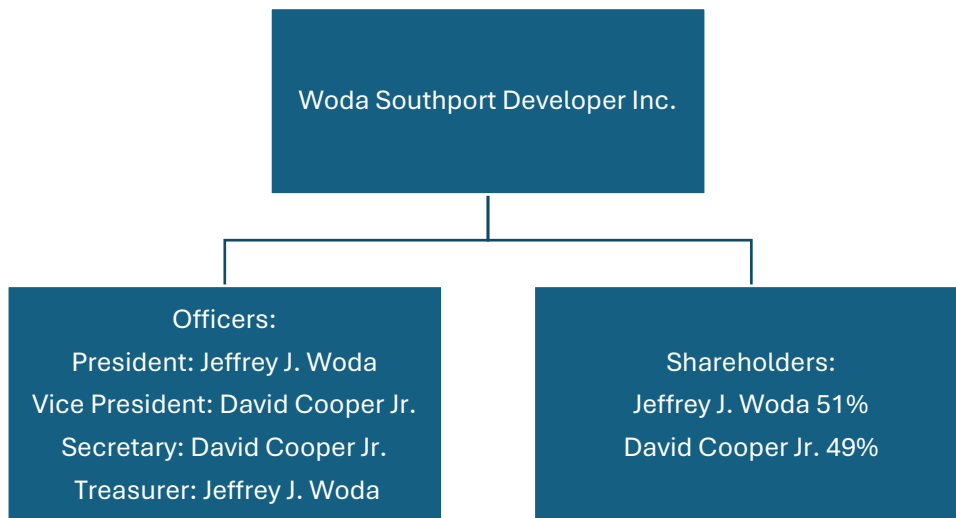
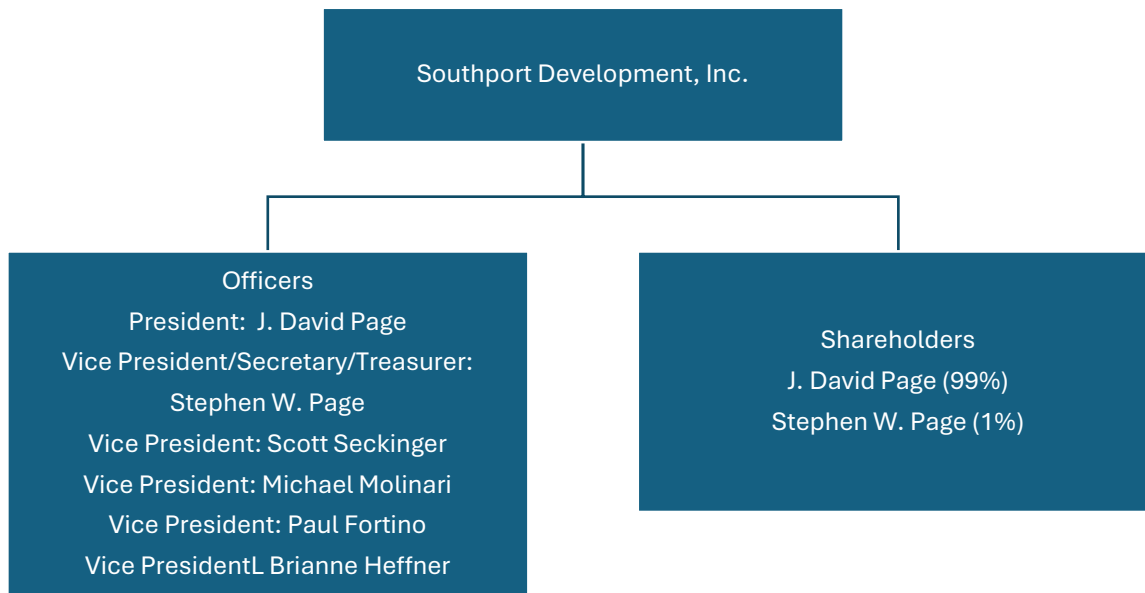
## Applicant & Related Party Information:

Borrower Org Chart:



SAIL & HC CREDIT UNDERWRITING REPORT

Developer Org Charts:



**SAIL & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

	SP Pinellas III LLC	SP Pinellas III Manager LLC	J. David Page	Southport Development, Inc	Newco Construction dba Wichman Construction	Cambridge Management, Inc. dba Cambridge Management of Washington, Inc.	Berkadia Affordable Tax Credit Solutions	Note
Relationship Type	Guarantor	Guarantor	Guarantor	Guarantor	General Contractor	Property Management Company	Limited Partner (HC Syndicator)	
Contact Person Name & Title	J. David Page	J. David Page	J. David Page	J. David Page	Mike Wichman	Steve Sterquell	Justin Sigmon Director Acquisitions Tax Credit Syndication	
Contact Information	5403 West Gray St Tampa, FL 33609 (813) 288-6988 jdpage@sphome.com	5403 West Gray St Tampa, FL 33609 (813) 288-6988 jdpage@sphome.com	5403 West Gray St Tampa, FL 33609 (813) 288-6988 jdpage@sphome.com	5403 West Gray St Tampa, FL 33609 (813) 288-6988 jdpage@sphome.com	5029 West Gray St Tampa, FL 33607 (813) 282-1179	1916 64th Avenue W Tacoma, WA 97466 sssterquell@cmiweb.net	4201 Congress Street, Suite 200 Charlotte, NC 28209 (980) 218-0624 justin.sigmon@berkadia.com	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y	N	N	N	
Does entity have the necessary experience?	N/A	N/A	Y	Y	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	Y	Y	Y	Y	Y	N/A	N/A	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	N/A	Y	Y	Y	N/A	N/A	
Have all financial statements been reviewed and are they adequate?	N/A	N/A	Y	Y	Y	N/A	Y	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y	N/A	N/A	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?					Closing Condition			
Have the Management Agreement and Plans been received, dated, and executed?						Y		1.
Has the Property Manager been approved by FHFC's Asset Mgmt Dept (and if Rehab have they been approved prior to or at closing)?								2.
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	N/A	N/A	Y	Y	Y	Y	Y	

1. A draft Management Agreement was received. Receipt of an executed Management Agreement is a condition precedent to the loan closing.
2. The selection of Cambridge Management, Inc. dba Cambridge Management of Washington, Inc. to manage the Development must be approved by FHFC's Asset Management Department prior to lease-up activity pursuant to Rule Chapter 67-53 F.A.C. As the Development is proposed to be constructed, said approval is not required at closing.

**Oakhurst Trace RFA 2023-213 (2024-255S / 2023-553C)**  
**DESCRIPTION OF FEATURES AND AMENITIES**

- A.** The Development will consist of:  
225 Units located in 5 Mid-Rise residential buildings
- Unit Mix:
- Thirty-nine (39) one bedroom/one bath units;
  - One hundred forty (140) two bedroom/two bath units;
  - Forty-six (46) three bedroom/two bath units;
- 225 Total Units
- B.** 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.
- The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act ("ADA") of 1990 as implemented by 28 CFR 35.
- 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.
- C.** The Development must provide the following General Features:
1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in at least 100 Mbps download and 20 Mbps upload accessibility in each unit;
  2. Termite prevention;
  3. Pest control;
  4. Window covering for each window and glass door inside each unit;
  5. 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;
  6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:

- There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Developments' 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;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both;
7. At least two full bathrooms in all 3 bedroom or larger units;
  8. Bathtub with shower in at least one bathroom in at least 90 percent of the non-Elderly units;
  9. All Developments must provide a full-size range and oven in all units.
- D.** Required Accessibility Features, regardless of the age of the Development:  
Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. Florida Housing 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 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.
- E.** The Development must provide the following Accessibility Features in all units:
1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
  2. All door handles on primary entrance door and interior doors must have lever handles;
  3. Lever handles on all bathroom faucets and kitchen sink faucets;
  4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
  5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.
- F.** All Family Demographic Developments must also provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed 2010 ADA Standards for Accessible Design.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

**G. Green Building Features required in all Developments:**

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

- a. 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);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
  - i. Toilets: 1.28 gallons/flush or less,
  - ii. Urinals: 0.5 gallons/flush,
  - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;
- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
  - Residential Electric:
    - i. Up to 55 gallons = 0.95 EF or 0.92 UEF; or
    - ii. More than 55 gallons = Energy Star certified; or
    - iii. Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  over a 67° rise;
  - Residential Gas (storage or tankless/instantaneous): Energy Star certified
  - Commercial Gas Water Heater: Energy Star certified;
- g. Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
- h. Air Conditioning (in-unit or commercial):
  - i. Air-Source Heat Pumps – Energy Star certified:
    - a.  $\geq 7.8$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER2 for split systems
    - b.  $\geq 7.2$  HSPF2  $\geq 15.2$  SEER2/  $\geq 10.6$  EER2 for single package equipment including gas/electric package units
  - ii. Central Air Conditioners – Energy Star certified:
    - a.  $\geq 15.2$  SEER2/  $\geq 12.0$  EER2 for split systems
    - b.  $\geq 15.2$  SEER2/  $\geq 11.5$  EER2\* 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 one-bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments must commit to achieve one of the following Green Building Certification programs:

\_\_\_\_\_ Leadership in Energy and Environmental Design (LEED); or

  X   Florida Green Building Coalition (FGBC); or

\_\_\_\_\_ ICC 700 National Green Building Standard (NGBS); or

\_\_\_\_\_ Enterprise Green Communities.

**H.** The Applicant must provide at least three Resident Programs:

The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

**1. Health and Wellness Program**

Applicant or its Management Company must provide, at no cost to the resident, on-site health and wellness services quarterly. Services should include, but not be limited to, clinical health care needs such as blood pressure monitoring, pulse, temperature, cholesterol, glucose and other wellness screenings, as well as health education and nutrition. Applicant or its Management Company must partner with community health care providers and provide the space for services to be delivered, including offices for a service coordinator, nurse and other health or social services providers. Space must also be provided for group health education.

**2. Homeownership Opportunity Program – Applicant commits to provide a financial incentive which includes the following provisions:**

- the incentive must be applicable to the home selected and may not be restricted to or enhanced by the purchase of a home in which the Applicant, Developer, or other related party has an interest;
- the incentive must be not less than 5 percent of the rent received by the owner for the unit during the entire occupancy by the household (Note: The incentive will be paid for all months for which the household is in compliance with the terms and conditions of the lease. Damages to the unit in excess of the security deposit will be deducted from the incentive.);
- the benefit must be in the form of a gift or grant and may not be a loan of any nature;
- the benefits of the incentive must accrue from the beginning of occupancy;
- the vesting period can be no longer than 2 years of continuous residency; and
- no fee, deposit or any other such charge can be levied against the household as a condition of participation in this program.

**3. Employment Assistance Program**

The Applicant or its Management Company must provide, at no cost to the resident, a minimum of quarterly scheduled Employment Assistance Program workshops/meetings offering employment counseling by a knowledgeable employment counselor. Such a program includes employability skills workshops providing instruction in the basic skills necessary for getting, keeping, and doing well in a job. The instruction must be held between the hours of 8:00 a.m. and 7:00 p.m. and include, but not be limited to, the following:

- Evaluation of current job skills;
- Assistance in setting job goals;
- Assistance in development of and regular review/update of an individualized plan for each participating resident;
- Resume assistance;
- Interview preparation; and
- Placement and follow-up services.

If the training is not provided on-site, transportation at no cost to the residents must be provided. Electronic media, if used, must be used in conjunction with live instruction.

## HOUSE CREDIT ALLOCATION CALCULATION

### Qualified Basis Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$82,972,873
Less: Land Cost	\$0
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$4,888,308)
Less: Disproportionate Standard	\$0
Total Eligible Basis	\$78,084,565
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$101,509,935
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$4,060,397

Notes to the Eligible Basis Calculation:

1. "Other Ineligible Costs" include, but are not limited to, accounting fees, legal fees, market study, Florida Housing administrative, application, and underwriting fees, marketing/advertising fees, various fees associated with the SAIL funding, a portion of construction loan interest, permanent loan related costs, a portion of HFA Bond cost of issuance costs, and reserves
2. The Development is 100% set-aside; therefore, the applicable fraction is 100%.
3. Per the Application, the Development is located in a HUD-designated SADDA for Pinellas County, and qualifies for basis boost; therefore, a 130% basis credit was applied. The proposed Development is located in SADDA 33782.
4. Per the FY 2021 Omnibus Consolidated Appropriations Act passed by Congress as of December 21, 2020, a permanent 4% minimum HC rate was established. For the purposes of this report, a HC percentage of 4.00% has therefore been applied.

**GAP Calculation**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$82,972,873
Less: Mortgages	(\$35,200,000)
Less: Grants	\$0
Equity Gap	\$47,772,873
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.860
HC Required to Meet Gap	\$55,555,408
Annual HC Required	\$5,555,541

Notes to the GAP Calculation:

1. Mortgages include the first mortgage provided by Berkadia and the second mortgage SAIL Loan to be provided by FHFC.
2. The HC Syndication Pricing of \$0.8600 per dollar and HC Percentage to Investment Partnership are based upon the LOI from Berkadia included herein.

**Tax Credit 50% Test**

<b>Section III: Tax-Exempt Bond 50% Test</b>	
Total Depreciable Cost	\$78,084,565
Plus: Land Cost	\$0
Aggregate Basis	\$78,084,565
Tax-Exempt Bond Amount	\$39,050,000
Tax-Exempt Proceeds Used for Building and Land	\$39,050,000
Proceeds Divided by Aggregate Basis	50.01%

Notes to the Tax Credit 50% Test:

1. Based upon this analysis, the 50% Test is satisfactory.

**Summary**

<b>Section III: Summary</b>	
HC per Qualified Basis	\$4,060,397
HC per Gap Calculation	\$5,555,541
Annual HC Recommended	\$4,060,397

Syndication Proceeds Based on HC Recommended	\$34,915,926
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Notes to the Summary:

1. The Annual HC recommendation is based upon the lesser of the Qualified Basis or Gap Calculation; therefore, the Qualified Basis amount applies.

**Florida Housing Finance Corporation**

*Credit Underwriting Report (“CUR”)*

**Cedar Cove**

**RFA 2024-103 (2024-291CSN)**

**State Apartment Incentive Loan (“SAIL”), Extremely Low-Income (“ELI”) Loan,  
National Housing Trust Fund (“NHTF”) Loan and  
Competitive 9% Housing Credits (“HC”)**

**Housing Credit and SAIL Financing for Homeless Housing Developments Located  
in Medium and Large Counties**

**Section A: Report Summary**

**Section B: SAIL, ELI and NHTF Special and General Conditions and Housing Credit Allocation  
Recommendation and Contingencies**

**Section C: Supporting Information and Schedules**

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**Prepared by**

**AmeriNat®**

***Final Report***

**June 2, 2025**

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**Cedar Cove**

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**Section A**

**Report Summary**



**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

**Recommendation**

AmeriNat® ("AmeriNat") recommends Florida Housing Finance Corporation ("FHFC" or "Florida Housing") provide a total SAIL Loan in the amount of \$7,682,300, comprised of a SAIL Base Loan in the amount of \$7,300,000 plus an ELI Loan in the amount of \$382,300, a NHTF Loan in the amount of \$1,992,000 and an annual 9% HC allocation in the amount of \$2,142,000 to Blue CASL Manatee, LLC ("Applicant") for the construction and permanent phase financing of Cedar Cove (the proposed "Development"). This recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:	<u>Cedar Cove</u>		
RFA/Program Numbers:	<u>RFA 2024-103</u> / <u>2024-291CSN</u>		
Address	<u>600 Orlando Avenue</u>		
City:	<u>Bradenton</u>	Zip Code:	<u>34207</u> County: <u>Manatee</u> County Size: <u>Medium</u>
Development Category:	<u>New Construction</u>	Development Type:	<u>Garden Apartments</u>
Construction Type:	<u>Masonry</u>	Number of Stories:	<u>3</u>
Demographic Commitment:			
Primary:	<u>Homeless</u>	for	<u>50%</u> of the Units
Secondary:	<u>Family</u>	for	<u>50%</u> of the Units
NHTF Units:	<u>Persons with Special Needs</u>	for	<u>5%</u> of the Units
Unit Composition:			
# of ELI Units:	<u>12</u>	ELI Units Are Restricted to	<u>35%</u> AMI, or less. Min % of Units @ ELI: <u>15%</u>
# of Link Units:	<u>0</u>	# of Preference units:	<u>0</u> IRS Minimum Set-Aside Commitment: <u>40/60</u>
# of NHTF Units:	<u>8</u>	# of units w/ PBRA?	<u>0</u> TSP Approval Date: <u>07/31/2024</u>
Buildings: Residential -	<u>3</u>	Non-Residential -	<u>0</u>
Parking: Parking Spaces -	<u>106</u>	Accessible Spaces -	<u>6</u>
DDA: <u>No</u> SADD: <u>No</u> QCT: <u>Yes</u> Multi-Phase Boost: <u>No</u> QAP Boost: <u>No</u> QAP Type:			
Site Acreage:	<u>3.639</u>	Density:	<u>21.98 units/acre</u> Flood Zone Designation: <u>AE</u>
Zoning:	<u>PD-R, Planned Development-Residential</u>		Flood Insurance Required?: <u>Yes</u>
Credit Underwriter:	<u>AmeriNat Loan Services</u>	Date of Application:	<u>02/13/2024</u>
Date of Final CUR:	<u>06/02/2025</u>	Minimum 1st Mortgage per Rule:	<u>N/A</u>
TDC PU Limitation at Application:	<u>\$424,000.00</u>	TDC PU Limitation at Credit Underwriting:	<u>\$396,725.15</u>
Actual TDC PU for Limitation:	<u>\$351,109.01</u>	Amount Dev. Fee Reduced for TDC Limit:	<u>\$0</u>

**NOTE: Per Rule Chapter 67-48.0072 (28) (g), any Development that qualifies as a Homeless or Persons with Special Needs Demographic Development would use the actual committed debt in lieu of a calculated minimum qualifying first mortgage.**

Prepared by: Kimberly A. Thorne, Senior Credit Underwriter

*Kimberly A Thorne*

Reviewed by: Kyle Kuenn, Multifamily Chief Credit Underwriter

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**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
ELI	15.00%	12	35%	99
SAIL	75.00%	60	60%	99
HC-9%	15.00%	12	35%	50
HC-9%	85.00%	68	60%	50
NHTF	10.00%	8	22%	30

Homeless Commitment: The Applicant committed to set aside at least 50% (40 units), but less than 80% (64 units), of the total units to be set aside for Homeless individuals and families; and at least 20% of the total units (16 units) for Permanent Supportive Housing for individuals and families that meet the definition of Homeless, which may be the same units set aside for Persons with Special Needs. The Applicant must irrevocably commit to the Homeless Individuals and Families demographic commitment selected for a minimum of 50 years.

The Persons with Special Needs commitment is required for a minimum of 15 years. After the initial 15 years, the Applicant may submit a request to FHFC that allows the Applicant to commit to a different population(s) demographic commitment provided at 2.b. of Exhibit A if the appropriate Level 1 or Level 2 Accessibility Requirements are met at the Development for the population(s). Further, the Applicant selected the following Persons with Special Needs populations the Development will serve:

- Adult persons requiring independent living services in order to maintain housing or develop independent living skills and who have a Disabling Condition that currently impairs or is likely to impair their physical mobility, such as persons with a mental illness.

All Applicants must meet the following requirements specific to its commitment, pursuant to RFA 2024-103 ("RFA"), to serve Homeless households:

- The Applicant must have an executed agreement to participate in the Continuum of Care ("CoC") Homeless Management Information System ("HMIS") and will contribute data on the Development's tenants to the CoC's HMIS data system, or if serving Survivors of Domestic Violence is providing aggregate data reports to the CoC. The executed agreement shall be required at least 6 months prior to the expected placed-in-service date.
- The Applicant must also commit to be a housing provider in the Local Homeless Assistance CoC's Homeless Coordinated Entry system as required by the U.S. Department of Housing and Urban Development. The Applicant will utilize the Continuum's Coordinated Entry System to meet the homeless demographic set-aside commitment, unless Florida Housing approves another approach to meet this demographic commitment.

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

The Applicant is eligible for ELI Loan Funding. One-third or five percent (5%) of the required ELI set-aside units (4 units) are eligible for ELI Loan funding. The ELI Set-Aside Units are required for a minimum of 50 years. However, after 15 years, all of the ELI Set-Aside Units associated with the ELI Loan Funding (4 units) may convert to serve residents at or below 60% Area Median Income ("AMI"). However, the Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

ELI Loan Amount per Bedroom Count: Manatee County

One (1) One-Bedroom unit at \$82,000 =	\$ 82,000
Two (2) Two-Bedroom units at \$96,000 =	\$192,000
One (1) Three-Bedroom units at \$108,300 =	\$108,300
Four (4) Units	Total \$382,300

NHTF Set-Aside Commitment: The proposed Development must set aside eight (8) 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 set aside at 22% AMI. 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 through the entire 50-year Compliance Period.

The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes, which requires a ninety-nine (99) year total compliance period under a Land Use Restriction Agreement. Therefore, after the initial 50-year Compliance Period required by the RFA ("Compliance Period) expires, all SAIL/ELI set-aside units within the Development shall be rented to households who shall have a household income less than or equal to one hundred and twenty percent (120%) of the Area Median Income for a period of forty-nine (49) years ("Ad Valorem Compliance Period"). The Ad Valorem Compliance Period, together with the Compliance Period shall have a term of ninety-nine (99) years (the "Total Compliance Period") which will be defined under the SAIL/ELI Land Use Restriction Agreement. The Applicant will be responsible for compliance monitoring fees for 50 years which is to be paid to the Servicer, for years 51-99, compliance monitoring will be self-certified by the Applicant to FHFC.

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

MSA (County): North Port-Sarasota-Bradenton (Manatee)

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	2	657	22%			\$414	\$67	\$347		\$347	\$347	\$347	\$8,328
1	1.0	3	657	35%			\$659	\$67	\$592		\$592	\$533	\$533	\$19,188
1	1.0	2	657	60%			\$1,131	\$67	\$1,064		\$1,064	\$533	\$533	\$12,792
1	1.0	7	657	60%			\$1,131	\$67	\$1,064		\$1,064	\$1,064	\$1,064	\$89,376
2	2.0	4	915	22%			\$497	\$78	\$419		\$419	\$419	\$419	\$20,112
2	2.0	6	915	35%			\$791	\$78	\$713		\$713	\$522	\$522	\$37,584
2	2.0	11	915	60%			\$1,357	\$78	\$1,279		\$1,279	\$522	\$522	\$68,904
2	2.0	21	936	60%			\$1,357	\$78	\$1,279		\$1,279	\$1,279	\$1,279	\$322,308
3	2.0	2	1,058	22%			\$575	\$90	\$485		\$485	\$485	\$485	\$11,640
3	2.0	3	1,058	35%			\$914	\$90	\$824		\$824	\$510	\$510	\$18,360
3	2.0	7	1,058	60%			\$1,568	\$90	\$1,478		\$1,478	\$510	\$510	\$42,840
3	2.0	12	1,058	60%			\$1,568	\$90	\$1,478		\$1,478	\$1,478	\$1,478	\$212,832
		80	73,461											\$864,264

Note: Unit sizes are averaged due to the varying sizes of the units.

1. Based on the appraisal prepared by Meridian Appraisal Group, Inc. (“Meridian”), developments with Homeless/Persons with Special Needs have a typical cost burden ratio of 40% for a family and 45% for elderly and special needs households. Therefore, Meridian applied a cost burden ratio of 45% in its analysis for those units, which are less than the maximum restricted Housing Credit rents.
2. When calculating an average market rental rate based on the unit mix and annualized rent concessions, the rent advantage for all of the units at the Development is in excess of 110% of the applicable maximum Housing Credit rental rate.

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

**15 Year Operating Pro Forma**

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
<b>INCOME:</b>	Gross Potential Rental Income	\$864,264	\$10,803	\$881,549	\$899,180	\$917,164	\$935,507	\$954,217	\$973,302	\$992,768	\$1,012,623	\$1,032,875	\$1,053,533	\$1,074,604	\$1,096,096	\$1,118,018	\$1,140,378
	Other Income: (4.17%)			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Miscellaneous	\$36,000	\$450	\$36,720	\$37,454	\$38,203	\$38,968	\$39,747	\$40,542	\$41,353	\$42,180	\$43,023	\$43,884	\$44,761	\$45,657	\$46,570	\$47,501
	Gross Potential Income	\$900,264	\$11,253	\$918,269	\$936,635	\$955,367	\$974,475	\$993,964	\$1,013,843	\$1,034,120	\$1,054,803	\$1,075,899	\$1,097,417	\$1,119,365	\$1,141,752	\$1,164,587	\$1,187,879
	Less:																
	Economic Loss Percentage: 1.00%	\$9,003	\$113	\$9,183	\$9,367	\$9,554	\$9,745	\$9,940	\$10,139	\$10,342	\$10,548	\$10,759	\$10,975	\$11,194	\$11,418	\$11,646	\$11,879
	Physical Vac. Loss Percentage: 4.00%	\$36,011	\$450	\$36,731	\$37,466	\$38,215	\$38,979	\$39,759	\$40,554	\$41,365	\$42,193	\$43,036	\$43,897	\$44,775	\$45,671	\$46,584	\$47,516
<b>Total Effective Gross Income</b>		\$855,250	\$10,691	\$872,355	\$889,802	\$907,598	\$925,750	\$944,265	\$963,150	\$982,413	\$1,002,062	\$1,022,103	\$1,042,545	\$1,063,396	\$1,084,664	\$1,106,357	\$1,128,484
Annual Escalation Rate (Income): 2.00%																	
<b>EXPENSES:</b>	Fixed:																
	Real Estate Taxes	\$1,494	\$19	\$1,539	\$1,585	\$1,633	\$1,682	\$1,732	\$1,784	\$1,837	\$1,893	\$1,949	\$2,008	\$2,068	\$2,130	\$2,194	\$2,260
	Insurance	\$152,000	\$1,900	\$156,560	\$161,257	\$166,095	\$171,077	\$176,210	\$181,496	\$186,941	\$192,549	\$198,326	\$204,275	\$210,404	\$216,716	\$223,217	\$229,914
	Variable:																
	Management Fee Percentage: 7.00%	\$59,868	\$748	\$61,065	\$62,286	\$63,532	\$64,803	\$66,099	\$67,421	\$68,769	\$70,144	\$71,547	\$72,978	\$74,438	\$75,926	\$77,445	\$78,994
	General and Administrative	\$40,000	\$500	\$41,200	\$42,436	\$43,709	\$45,020	\$46,371	\$47,762	\$49,195	\$50,671	\$52,191	\$53,757	\$55,369	\$57,030	\$58,741	\$60,504
	Payroll Expenses	\$140,000	\$1,750	\$144,200	\$148,526	\$152,982	\$157,571	\$162,298	\$167,167	\$172,182	\$177,348	\$182,668	\$188,148	\$193,793	\$199,607	\$205,595	\$211,763
	Utilities	\$86,800	\$1,085	\$89,404	\$92,086	\$94,849	\$97,694	\$100,625	\$103,644	\$106,753	\$109,956	\$113,254	\$116,652	\$120,151	\$123,756	\$127,469	\$131,293
	Marketing and Advertising	\$4,000	\$50	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067	\$5,219	\$5,376	\$5,537	\$5,703	\$5,874	\$6,050
	Maintenance and Repairs/Pest Control	\$40,000	\$500	\$41,200	\$42,436	\$43,709	\$45,020	\$46,371	\$47,762	\$49,195	\$50,671	\$52,191	\$53,757	\$55,369	\$57,030	\$58,741	\$60,504
	Grounds Maintenance and Landscaping	\$20,000	\$250	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335	\$26,095	\$26,878	\$27,685	\$28,515	\$29,371	\$30,252
	Contract Services	\$16,000	\$200	\$16,480	\$16,974	\$17,484	\$18,008	\$18,548	\$19,105	\$19,678	\$20,268	\$20,876	\$21,503	\$22,148	\$22,812	\$23,497	\$24,201
	Reserve for Replacements	\$24,000	\$300	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,254	\$33,222	\$34,218	\$35,245	\$36,302
<b>Total Expenses</b>		\$584,162	\$7,302	\$600,368	\$617,048	\$634,217	\$651,888	\$670,076	\$688,798	\$708,067	\$727,902	\$748,317	\$777,585	\$800,183	\$823,444	\$847,388	\$872,036
Annual Escalation Rate (Expenses): 3.00%																	
<b>Net Operating Income</b>		\$271,089	\$3,389	\$271,987	\$272,754	\$273,382	\$273,862	\$274,189	\$274,353	\$274,346	\$274,160	\$273,786	\$264,960	\$263,213	\$261,219	\$258,969	\$256,449
<b>Debt Service Payments</b>																	
First Mortgage - SAIL Base		\$36,500	\$456	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500
First Mortgage - SAIL ELI		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage - NHTF		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Mortgage - Manatee County Grant		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
First Mortgage Fees - SAIL Base		\$12,962	\$162	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962
First Mortgage Fees - SAIL ELI		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Fees - NHTF		\$6,062	\$76	\$6,062	\$6,062	\$6,062	\$6,062	\$6,062	\$6,062	\$6,062	\$6,062	\$6,062	\$6,062	\$6,062	\$6,062	\$6,062	\$6,062
Third Mortgage Fees - Manatee County Grant		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Debt Service Payments</b>		\$55,524	\$694	\$55,524	\$55,524	\$55,524	\$55,524	\$55,524	\$55,524	\$55,524	\$55,524	\$55,524	\$55,524	\$55,524	\$55,524	\$55,524	\$55,524
<b>Cash Flow after Debt Service</b>		\$215,565	\$2,695	\$216,463	\$217,230	\$217,858	\$218,338	\$218,665	\$218,829	\$218,822	\$218,636	\$218,262	\$209,436	\$207,689	\$205,695	\$203,445	\$200,925
<b>Debt Service Coverage Ratios</b>																	
DSC - First Mortgage plus Fees		5.48x		5.50x	5.51x	5.53x	5.54x	5.54x	5.55x	5.55x	5.54x	5.54x	5.36x	5.32x	5.28x	5.24x	5.18x
DSC - Second Mortgage plus Fees		5.48x		5.50x	5.51x	5.53x	5.54x	5.54x	5.55x	5.55x	5.54x	5.54x	5.36x	5.32x	5.28x	5.24x	5.18x
DSC - Third Mortgage plus Fees		4.88x		4.90x	4.91x	4.92x	4.93x	4.94x	4.94x	4.94x	4.94x	4.93x	4.77x	4.74x	4.70x	4.66x	4.62x
DSC - All Mortgages and Fees		4.88x		4.90x	4.91x	4.92x	4.93x	4.94x	4.94x	4.94x	4.94x	4.93x	4.77x	4.74x	4.70x	4.66x	4.62x
<b>Financial Ratios</b>																	
Operating Expense Ratio		68.30%		68.82%	69.35%	69.88%	70.42%	70.96%	71.52%	72.07%	72.64%	73.21%	74.59%	75.25%	75.92%	76.59%	77.27%
Break-even Econ Occup Ratio (all debt)		71.41%		71.78%	72.16%	72.55%	72.94%	73.35%	73.77%	74.19%	74.62%	75.06%	76.27%	76.80%	77.33%	77.88%	78.44%

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

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*Notes to the Operating Pro forma and Ratios:*

1. The Development will be utilizing Housing Credits in conjunction with SAIL, ELI, & NHTF which will impose rent restrictions. Overall, the maximum Housing Credit rents for 2024 published on FHFC's website for the Development are achievable as confirmed by the appraiser. Utility allowances were derived from the Enercon Utility Allowance Study, dated February 10, 2025, and approved by FHFC staff on March 20, 2025.
2. A 5.00% total economic vacancy rate and collection loss was concluded by the appraisal and was relied upon by AmeriNat for underwriting purposes.
3. Miscellaneous Income includes \$450/unit/year for washer/dryer appliance rentals with an option to lease at \$25 per month and a projected 50% utilization rate (\$12,000 annually). Also included is \$25/unit/year for late fees, application fees, forfeited security deposits and pet deposits (\$24,000 annually).
4. Real Estate Tax expense is based on the Applicant's plan to apply for the 100% Ad Valorem Property Tax Exemption passed by H.B. 7073. Beginning in 2027, the property must apply to Manatee County Property Appraiser by March 1st of the tax year. Applying for this exemption requires a 99-year Total Compliance Period with annual certifications. If the property fails to provide affordable housing under the agreement before the end of the agreement term, there will be a penalty that is equal to 100% of the total amount financed by Florida Housing multiplied by each year remaining in the agreement. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption, is a condition precedent to loan closing.

Meridian only included personal property in Real Estate Taxes and included the tax-exemption as an Extraordinary Assumption.

5. AmeriNat utilized an estimate of \$1,900 per unit for insurance, which is consistent with the appraisal. The figure is more than the insurance expenses for restricted rent comparables presented by the appraiser, which ranged from \$1,004 to \$1,612 per unit. However, the appraiser estimates a higher per unit cost based on the Developer's pro forma.
6. The Applicant submitted an executed Management Agreement, dated January 3, 2024, between the Applicant and Carteret Management Corp., which provides for monthly compensation in the amount 7.00% of gross revenue. The term of the Agreement is for one year and will automatically renew for successive terms of one year. Meridian estimated a management fee of 6%; however, AmeriNat utilized the 7.00% rate.
7. Replacement Reserves are budgeted at \$300 per unit per year, which is consistent with the RFA and Rule Chapter 67-48 minimum requirement.
8. Florida Housing's SAIL Program per Rule 67-48.0072(11) F.A.C. has a maximum debt service coverage ratio of 1.50x to 1.00 for the SAIL loan including all superior mortgages. The debt service coverage ratio is 5.48x to 1.00, which exceeds the maximum threshold. However, in extenuating circumstances, such as when the Development has deep or short-term subsidy, the debt service coverage may exceed 1.50x if the Credit Underwriter's favorable recommendation is supported by the projected cash flow analysis. The Development meets these requirements as the Development

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

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has deep subsidy in the form of 12 ELI units, which serves tenants whose income is 35% or less of area median income, and declining cash flow after debt service.

**Financing Overview**

<b>CONSTRUCTION FINANCING INFORMATION</b>								
Lien Position	First	Second	Second	Third	Fourth	NA	NA	Totals
Source	Reg. Mtg Lender	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	Grant	HC Equity	Def. Dev. Fee	
Construction Amount	\$12,250,000	\$7,300,000	\$382,300	\$1,992,000	\$250,000	\$2,666,524	\$3,247,897	\$28,088,721
All In Interest Rate	7.08%	0.50%	0.00%	0.00%	0.00%			
Debt Service During Construction	\$1,306,000	\$0	\$0	\$0	\$0			

Proposed Construction Mortgage Loan:

The Applicant provided a letter of intent from JPMorgan Chase Bank, NA ("Chase") dated March 26, 2025, whereby Chase will provide first mortgage construction financing in the form of a construction loan in an amount up to \$12,250,000, or an amount not to exceed 80% of the value of real estate and low-income housing tax credits. The construction loan term will be up to a maximum of 24 months with two conditional six-month maturity extensions in conjunction with a fee equal to 0.25% of the outstanding balance on the construction loan. The Applicant shall make monthly interest-only payments based upon a floating interest rate equal to one-month Secured Overnight Financing Rate (4.33% as of April 16, 2025) with a floor of 3.00%, plus a spread of 2.50%. AmeriNat included a 0.25% cushion for rate volatility for an all in interest rate of 7.08%. A commitment fee of 0.75% of the loan amount is due at construction loan closing.

Please note that the subordinate mortgages described hereafter will elevate one lien level as the Chase loan will be satisfied prior to or at permanent loan conversion.



**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

PERMANENT FINANCING INFORMATION							
Lien Position	First	First	Second	Third	NA	NA	Totals
Source	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	Grant	HC Equity	Def. Dev. Fee	
Lender/Grantor	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	Manatee County	RJAH	Def. Dev. Fee	
Permanent Amount	\$7,300,000	\$382,300	\$1,992,000	\$250,000	\$17,776,821	\$387,600	\$28,088,721
Permanent Funding Per Unit	\$91,250	\$4,779	\$24,900	\$3,125	\$222,210	\$4,845	\$351,109
% of Permanent Funding	26.0%	1.4%	7.1%	0.9%	63.3%	1.4%	100.0%
Underwritten Interest Rate	0.50%	0.00%	0.00%	0.00%			
All In Interest Rate	0.50%	0.00%	0.00%	0.00%			
Loan Term	15	15	30	0			
Amortization	0	0	0	0			
Must Pay or Cash Flow Dependent	Must-Pay	Cash Flow	Cash Flow				
Permanent Debt Service, No Fees	\$36,500	\$0	\$0	\$0			\$36,500
Permanent Debt Service, with Fees	\$49,462	\$0	\$6,062	\$0			\$55,524
Debt Service Coverage, with Fees	5.48x	5.48x	4.88x	4.88x			
Operating Deficit & Debt Service Reserves	\$1,090,443						
# of Months covered by the Reserves	20.5						
Market Rate/Market Financing LTV	34.68%	36.50%	45.96%	47.15%			
Restricted Market Financing LTV	143.70%	151.23%	190.44%	195.36%			
Loan to Cost - Cumulative	25.99%	27.35%	34.44%	35.33%			
Loan to Cost - SAIL Only	25.99%						

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

Proposed First Mortgage Loan – SAIL Base and ELI:

Per an Invitation to Enter Credit Underwriting from FHFC dated May 16, 2024, the Applicant received a preliminary commitment for a total SAIL Loan in the amount of \$7,682,300, comprised of a SAIL Base Loan in the amount of \$7,300,000 plus an ELI Loan in the amount of \$382,300 under RFA 2024-103 for the construction/permanent financing of the Development. The SAIL Base Loan and the ELI loan will be closed as one loan and will have one set of closing documents.

Applicants that commit to set aside at least 50%, but less than 80%, of the total units for Homeless individuals and families will qualify for a SAIL with an interest rate of 0% for the percentage of units that are set aside for Homeless individuals and families, and a 1.00% interest rate for the remaining units. As such, the Borrower has committed to set aside 50% of the total units for homeless individuals and families; therefore, the SAIL Base Loan shall be non-amortizing with a 0.50% blended interest rate per annum over the life of the loan with annual payments. Any unpaid interest will be deferred until cash flow is available. However, at maturity of the SAIL Base Loan, all principal and unpaid interest will be due. The SAIL Base Loan will have a total term of 18 years, including a 36-month construction/stabilization period and a 15-year permanent period.

The ELI Loan shall be non-amortizing with a 0.00% interest rate per annum over the life of the loan with principal forgivable at maturity provided the units are targeted to ELI Households for the first 15 years of the 99-year Compliance Period. The ELI loan will have a total term of 18 years, including a 36-month construction/stabilization period and a 15-year permanent period. Annual payments of all applicable fees will be required.

Annual payments of all applicable fees will be required. Fees for the total SAIL Loan include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month and an annual Compliance Monitoring Multiple Program Fee of \$1,082.

Proposed Second Mortgage Loan – NHTF:

Per an Invitation to Enter Credit Underwriting from FHFC dated May 16, 2024, the Applicant received a preliminary commitment for an NHTF loan of \$1,992,000 for the construction/permanent financing of the Development. The NHTF loan shall be a non-amortizing loan with an interest rate of 0.00% per annum over the life of the loan, with the principal 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. The loan will have a total term of 33 years, including a 36-month construction/stabilization period and a 30-year permanent period.

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 \$990 per month, subject to a minimum of \$250 per month and an annual Compliance Monitoring Multiple Program Fee of \$1,082.

Proposed Third Mortgage – Manatee County

The Applicant provided a Florida Housing Finance Corporation Local Government Verification of Contribution-Grant Form from Manatee County in the amount of \$250,000 through the HOME ARP and Affordable Housing SW/TIF programs. The County does not expect to be repaid or reimbursed by the

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

Applicant, or any other entity, provided the funds are expended solely for the Development. The Grant Form was signed by the County Administrator, Charlie Bishop, on December 4, 2023.

Deferred Developer Fee:

The Applicant will be required to permanently defer \$387,600 or 8.46% of the total Developer Fee.

HC Equity:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$2,666,524	15.00%	Paid at closing
2nd Installment	\$2,666,523	15.00%	Paid at later of October 1, 2026 or 100% Construction Completion
3rd Installment	\$12,343,774	69.44%	Paid at later of April 1, 2027 or Stabilized Operations
4th Installment	\$100,000	0.56%	Paid at receipt of Forms 8609
Total	\$17,776,821	100.00%	

Syndicator Name	Raymond James Affordable Housing Investments, Inc. or its assigns
Date of LOI	4/8/2025
Total Credits Per Syndication Agreement:	\$21,419,999
Annual Credits Per Syndication Agreement:	\$2,142,000
Calculated HC Exchange Rate:	\$0.83
Limited Partner Ownership Percentage:	99.99%
Proceeds Available During Construction:	\$2,666,524
Annual Credits - Qualified in CUR:	\$2,142,000

**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?	NA	
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?		3
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. Since the Application and per the Invitation to Credit Underwriting issued by FHFC on May 16, 2024, the Applicant was awarded \$1,992,000 in National Housing Trust Fund ("NHTF") funds.
2. Total Development Costs have decreased from \$30,402,644 to \$28,088,721 for a difference of \$2,313,923 since the Application due to decreases in Construction and General Development Costs, and Developer Fee.
3. The HC Exchange Rate has been reduced from \$0.92 to \$0.83.
4. The Applicant submitted a request, dated January 9, 2025, to change the Development Type and number of buildings from Mid-Rise (4 stories) contained in one building to Garden Apartments (3 stories) contained in three buildings. FHFC staff approved the request on April 23, 2025.

These changes have no substantial material impact to the SAIL, ELI, NHTF and HC recommendations for the Development.

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

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

According to the April 18, 2025 Asset Management Noncompliance Report, the Development Team has no noncompliance items.

According to the April 18, 2025, Florida Housing Past Due Report, the Development Team has no past due items.

This recommendation is subject to satisfactory resolution of any outstanding noncompliance items and/or past due items prior to or at the time of loan closing and the issuance of the Annual HC allocation recommendation herein.

Strengths:

1. The Development Team has demonstrated the ability to successfully develop and operate affordable multifamily rental communities using a variety of different subsidies.
2. A Market Study performed by Meridian Appraisal Group, Inc. dated June 21, 2024 concludes that the Development should benefit from the rental rate advantage it will have over market rents. Based on the proposed rents, the Development will have between 68% to 514% rental rate advantage compared to the average achievable market rents for the area.
3. The Market Study stated the like-kind comparable properties have a weighted average occupancy rate of 97.9%.

Other Considerations:

1. In accordance with RFA, FHFC limits the Total Development Cost ("TDC") per unit for all Developments categorized by the construction type of the units as indicated by the Applicant in the RFA. The maximum TDC per unit for the construction specified by the Applicant (Garden-ESSC)(New Construction), inclusive of a 95% multiplier (9%, NC, 51-80 Units, not in Keys), 90% multiplier for the Homeless demographic and 6.00% escalation rate applied to the base \$320,000 per unit allowable, is \$396,725.15 per unit. With a total of 80 units, the maximum TDC for the Development is therefore \$38,402,994. The overall TDC as underwritten equals \$28,088,721. As such, the Development does not exceed the per unit maximum TDC and is eligible for funding as a result.
2. To the underwriter's knowledge, no construction cost exceeding 20% 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:

None.

Waiver Requests:

None.

Additional Information:

1. Florida Housing's SAIL Program per Rule 67-48.009(1) F.A.C. has a loan maximum that is 25% of Total Development Costs unless it qualifies as an exception. The Development qualifies as an exception to the Rule because the Applicant has committed to the Homeless demographic category.

## Uses of Funds

<b>CONSTRUCTION COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
New Rental Units	\$15,730,000	\$11,084,251	\$11,084,251	\$138,553	\$80,728
Off-Site Work	\$0	\$297,410	\$297,410	\$3,718	\$297,410
Site Work	\$0	\$2,998,999	\$2,998,999	\$37,487	\$209,930
Furniture, Fixture, & Equipment	\$0	\$212,712	\$212,712	\$2,659	\$212,712
Constr. Contr. Costs subject to GC Fee	\$15,730,000	\$14,593,372	\$14,593,372	\$182,417	\$800,780
General Conditions (6.0%)	\$0	\$875,602	\$875,602	\$10,945	\$0
Overhead (2.0%)	\$0	\$291,867	\$291,867	\$3,648	\$0
Profit (6.0%)	\$2,202,200	\$875,602	\$875,602	\$10,945	\$0
Total Construction Contract/Costs	\$17,932,200	\$16,636,443	\$16,636,443	\$207,956	\$800,780
Hard Cost Contingency (4.9%)	\$896,610	\$831,822	\$831,822	\$10,398	\$0
PnP Bond paid outside Constr. Contr.		\$113,544	\$113,544	\$1,419	\$0
FF&E paid outside Constr. Contr.	\$240,000	\$143,600	\$143,600	\$1,795	\$0
<b>Total Construction Costs:</b>	<b>\$19,068,810</b>	<b>\$17,725,409</b>	<b>\$17,725,409</b>	<b>\$221,568</b>	<b>\$800,780</b>

### Notes to Actual Construction Costs:

1. A 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 \$16,297,395 (the "Construction Contract") and an Addendum increasing the amount to \$16,636,443 have been provided. The Construction Contract was entered into as of January 2025, and is executed by the Applicant and BSC P&E, LLC. ("General Contractor"). It indicates construction completion within 446 calendar days from the date of commencement. The Construction Contract indicates retainage of ten percent (10%) will be withheld until 50% of the work is complete based on the Schedule of Values, at which point no retainage shall be withheld thereafter.
2. The General Contractor will secure a Payment and Performance Bond to secure the Construction Contract and an estimate of its cost is outside of the Construction Contract.
3. New Rental Units includes \$80,728 for washers and dryers to be provided at the Development, which are income producing. Therefore, the cost to purchase the washers and dryers is ineligible.
4. Moran Construction Consultants, LLC noted the following allowances in the Schedule of Values and found them acceptable. The allowances total 0.13% of the Construction Contract amount.

#### Allowances:

Gas Service	\$15,000
Floating Shelf	\$2,000
Clubhouse Window Treatments	\$5,000
<b>Total</b>	<b>\$22,000</b>

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<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accounting Fees	\$0	\$30,000	\$30,000	\$375	\$0
Appraisal	\$0	\$14,000	\$14,000	\$175	\$0
Architect's Fees	\$0	\$381,600	\$381,600	\$4,770	\$0
Builder's Risk Insurance	\$400,000	\$445,000	\$445,000	\$5,563	\$0
Building Permits	\$0	\$57,034	\$57,034	\$713	\$0
Engineering Fees	\$0	\$172,813	\$172,813	\$2,160	\$0
Environmental Report	\$0	\$5,000	\$5,000	\$63	\$0
FHFC Administrative Fees	\$382,257	\$117,810	\$117,810	\$1,473	\$117,810
FHFC Application Fee	\$0	\$3,540	\$3,000	\$38	\$3,000
FHFC Compliance Fee	\$0	\$229,447	\$245,665	\$3,071	\$245,665
FHFC Credit Underwriting Fee	\$0	\$32,000	\$28,608	\$358	\$28,608
FHFC Other Processing Fee(s)	\$0	\$25,000	\$20,000	\$250	\$20,000
Green Building Cert. (LEED, FGBC, NAHB)	\$0	\$38,000	\$38,000	\$475	\$0
Impact Fee	\$0	\$0	\$0	\$0	\$0
Legal Fees - Organizational Costs	\$0	\$175,000	\$175,000	\$2,188	\$0
Lender Inspection Fees / Const Admin	\$0	\$50,000	\$50,000	\$625	\$0
Market Study	\$0	\$0	\$5,500	\$69	\$5,500
Marketing and Advertising	\$25,000	\$30,000	\$30,000	\$375	\$30,000
Plan and Cost Review Analysis	\$0	\$0	\$5,850	\$73	\$0
Property Taxes	\$0	\$58,212	\$58,212	\$728	\$0
Soil Test	\$0	\$45,033	\$45,033	\$563	\$0
Survey	\$0	\$11,950	\$11,950	\$149	\$11,950
Title Insurance and Recording Fees	\$0	\$110,310	\$110,310	\$1,379	\$10,310
Utility Connection Fees	\$0	\$239,000	\$239,000	\$2,988	\$0
Soft Cost Contingency (5.0%)	\$170,057	\$131,395	\$114,469	\$1,431	\$0
Other: Professional Fees	\$1,292,387	\$0	\$0	\$0	\$0
Other: Local Government Fees & Taxes	\$1,061,505	\$0	\$0	\$0	\$0
Other: FHFC SAIL Compliance Fee	\$0	\$0	\$4,900	\$61	\$4,900
<b>Total General Development Costs:</b>	<b>\$3,331,206</b>	<b>\$2,402,144</b>	<b>\$2,408,754</b>	<b>\$30,109</b>	<b>\$477,743</b>

*Notes to the General Development Costs:*

1. FHFC Administrative Fee is based upon a fee of 5.5% of the annual HC allocation recommendation made herein.
2. FHFC Credit Underwriting Fee includes the SAIL/ELI Credit Underwriting Fee (\$15,821), multiple program fees for NHTF and 4% HC (\$5,300 each), and a credit reporting fee (\$375).
3. FHFC Other Processing Fees includes extension fees for the following: (\$10,000) NOC and (\$10,000) LPA.
4. Payment of Impact Fees have been waived per Resolution R-22-158 of the Board of County Commissions of Manatee County.
5. The Applicant provided an executed agreement for the National Green Building Standard Certification program between the Applicant and Abney+Abney Green Solutions.
6. The FHFC SAIL Compliance Fee of \$4,900 is based on \$100 per year for years 51-99 Ad Valorem Compliance Period. FHFC Compliance Fees through the initial 50 year Compliance period will be ongoing and are incorporated in the operating pro forma and debt service analysis within this report.



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7. The remaining general development costs appear reasonable.

<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Commitment Fee	\$0	\$91,875	\$91,875	\$1,148	\$0
Construction Loan Interest	\$1,232,000	\$1,050,000	\$1,306,000	\$16,325	\$362,001
SAIL Closing Costs	\$0	\$0	\$20,000	\$250	\$20,000
SAIL Commitment Fee	\$111,823	\$73,000	\$76,823	\$960	\$76,823
NHTF Closing Costs	\$0	\$0	\$20,000	\$250	\$20,000
Legal Fees - Financing Costs	\$60,000	\$125,000	\$125,000	\$1,563	\$62,500
Other: Syndicator Fees	\$0	\$35,000	\$35,000	\$438	\$35,000
<b>Total Financial Costs:</b>	<b>\$1,403,823</b>	<b>\$1,374,875</b>	<b>\$1,674,698</b>	<b>\$20,934</b>	<b>\$576,324</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$23,803,839</b>	<b>\$21,502,428</b>	<b>\$21,808,861</b>	<b>\$272,611</b>	<b>\$1,854,847</b>

*Notes to the Financial Costs*

1. Financial costs were derived from the representations illustrated in the LOI's for equity and construction and permanent financing and appear reasonable to AmeriNat.
2. The Construction Loan Interest is supported by the Construction Loan terms illustrated in the LOI's provided by the construction lenders, 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. The SAIL Commitment Fee represents 1.00% of the total SAIL loan amount.
4. The SAIL Base/SAIL ELI and NHTF Closing Costs are \$20,000 each for FHFC legal fees.
5. The remaining Financial Costs appear reasonable.

<b>DEVELOPER FEE ON NON-ACQUISITION COSTS</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Developer Fee - Unapportioned	\$3,808,614	\$3,440,389	\$3,489,417	\$43,618	\$0
DF to fund Operating Debt Reserve	\$1,190,191	\$1,075,121	\$1,090,443	\$13,631	\$1,090,443
<b>Total Dev. Fee on Non-Acq. Costs (21.0%):</b>	<b>\$4,998,805</b>	<b>\$4,515,510</b>	<b>\$4,579,860</b>	<b>\$57,248</b>	<b>\$1,090,443</b>

*Notes to the Developer Fee on Non-Acquisition Costs:*

1. Five percent (5%) of the Developer Fee must be placed in an operating subsidy reserve account to be held by FHFC or its Servicer.

<b>LAND ACQUISITION COSTS</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Land Acquisition Cost	\$1,600,000	\$1,600,000	\$1,600,000	\$20,000	\$1,600,000
<b>Total Acquisition Costs:</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$20,000</b>	<b>\$1,600,000</b>

*Notes to Land Acquisition Costs:*

1. The Applicant provided a Closing Statement, dated February 28, 2025 for the purchase of the

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Development site in the amount of \$1,600,000. A Special Warranty Deed, recorded February 28, 2025, reflects the Applicant as the Grantee of the Development.

2. The Appraisal supports the purchase price.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Reserves - Start-Up/Lease-up Expenses	\$0	\$100,000	\$100,000	\$1,250	\$100,000
<b>Total Reserve Accounts:</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$1,250</b>	<b>\$100,000</b>

*Notes to Reserve Accounts*

1. None.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$30,402,644</b>	<b>\$27,717,938</b>	<b>\$28,088,721</b>	<b>\$351,109</b>	<b>\$4,645,290</b>

*Notes to Total Development Costs:*

1. None.

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	14.00%	\$2,043,072	\$2,043,071
Hard Cost Contingency	5.00%	5.00%	\$831,822	\$831,822
Soft Cost Contingency	5.00%	4.99%	\$114,714	\$114,469
Developer Fee	21.00%	21.00%	\$4,579,860	\$4,579,860

**Section B**

**SAIL, ELI and NHTF Loan Special and General Loan Closing Conditions 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 two weeks 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 of the loans.

1. Final Site Plan approval.
2. Completion of the HUD Section 3 pre-construction conference.
3. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 75).
4. Satisfactory receipt of the Affirmative Fair Housing Marketing Plan.
5. Approval from all lenders involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption.
6. Receipt of the Compliance Monitoring Fee of \$4,900 for Ad Valorem Compliance Period.

**General Conditions**

This recommendation is contingent upon the review and approval of the following items by Florida Housing and the Servicer at least two weeks 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 of the loans.

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. SAIL Base, ELI, & NHTF loan proceeds shall be disbursed during the construction phase in an

amount per Draw that does not exceed the ratio of the SAIL Base, ELI, & NHTF 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") 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 Partnership/Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Partnership/Operating Agreement 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

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Developer or Principal, Affiliate or Financial Beneficiary, as described in Rule Chapter 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 twenty 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 two weeks 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 of the loans.

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 SAIL Base, ELI & NHTF 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 SAIL Base, ELI, & NHTF loan 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/Operating 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 SAIL, ELI, & NHTF 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 Chapters 67-48, 67-53 and 67-60, F.A.C., Section 42 I.R.C., RFA 2024-103, and other State and Federal requirements.
2. Acceptance by the Borrower and execution of all documents evidencing and securing the SAIL Base, ELI, & NHTF 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), Extended Low-income Housing Agreement(s) and Final Cost Certificate.
3. For the SAIL Base 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 and SAIL Base 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 years following the final certificate of occupancy.
4. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Real Estate Closing.
5. Guarantors to provide the standard Florida Housing Construction Completion Guaranty to be released upon lien-free completion as approved by the Servicer.
6. Guarantors are to provide the standard Florida Housing Environmental Indemnity Guaranty.
7. Guarantors are to provide the standard Florida Housing Guaranty of Recourse Obligations.
8. A mortgagee title insurance policy naming Florida Housing as the insured in the amount of the SAIL, ELI & NHTF 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.
9. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgagee, the Trustee 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.
10. 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 Rule Chapter 67-48, in the amount of \$24,000 (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 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.

11. Moran Construction Consultants, LLC or other construction inspector acceptable to Florida Housing is to act as Florida Housing's inspector during the construction period.
12. 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. Under terms of the construction contract, a minimum of 10% retainage holdback on all construction draws until the Development is 50% complete and no retainage held thereafter, as required per the Construction Contract. This meets the RFA and Rule Chapter 67-48 minimum requirement.
13. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or Servicer, if applicable.
14. Closing of all funding sources simultaneous with or prior to closing of the SAIL Base, ELI & NHTF loans.
15. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

**Section C**

**Supporting Information & Schedules**

## Additional Development & Third-Party Supplemental Information

### Appraisal Summary:

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Meridian Appraisal Group, Inc.	
Date of Report	3/28/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	95.0%	
Occupancy at Stabilization: Physical (%)	96.0%	
Value: As Is market value of the land	\$1,600,000	
As of date and type of interest (as if vacant land)	12/8/24 - Fee Simple	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$21,050,000	
As of date and type of interest (unrestricted rents)	12/8/24 - Leased Fee	
Value: "As Complete and Stabilized", subject to restricted rents	\$5,080,000	
As of date and type of interest (restricted rents)	12/8/24 - Leased Fee	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

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**Market Study:**

<b>Market Study Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Market Study Firm Name	Meridian Appraisal Group, Inc.	
Date of Report	6/21/2024	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	Five properties (810 units)	
Short Term and Long Term Impact to existing like-kind developments	Weak impact short and long term	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	97.9%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 10 mile radius:		
Level of Effort (%)	34.8%	
Capture Rate (%)	0.4%	
Remaining Potential Demand	9,979	
Metrics for 5 mile radius:		
Level of Effort (%)	43.0%	
Capture Rate (%)	0.7%	
Remaining Potential Demand	4,582	
Metrics for 3 mile radius:		
Level of Effort (%)	45.9%	
Capture Rate (%)	1.1%	
Remaining Potential Demand	2,859	
Absorption Rate	25 units per month	
Will the development achieve maximum allowable HC Rents? (Y/N)	N	1.
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

1. Based on the market study prepared by Meridian, developments with Homeless/Persons with Special Needs have a typical cost burden ratio of 40% for a family and 45% for elderly and special needs households. Therefore, Meridian applied a cost burden ratio of 45% in its analysis for those units, which are less than the maximum restricted Housing Credit rents.

**Environmental Report Summary:**

<b>Environmental Report Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Preparer Firm Name	Environmental Property Audits, Inc.	
Date of Report	12/19/2024	
Type of Report	Phase I	
Confirm certified and prepared for FHFC (Y/N)	N, Reliance Letter at closing	
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	N	
Is any further investigation required? (Y/N)	N	

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

**Soils Test Report Summary:**

<b>Soils Test Report Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Preparer Firm Name	Professional Service Industries, Inc.	
Date of Report	6/19/2024	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

**Plan & Cost Review Summary:**

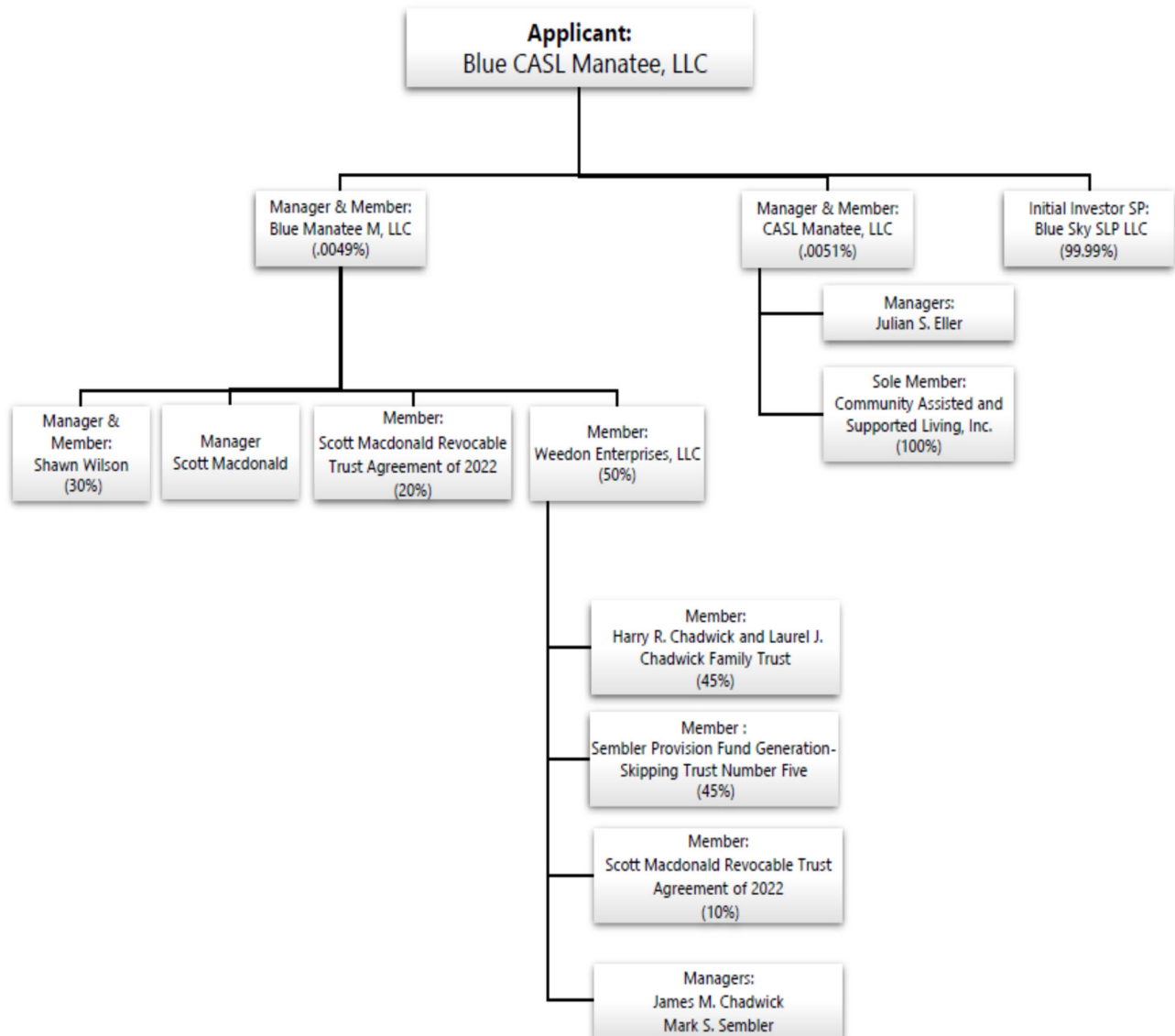
<b>Property Conditions Report (PCR) Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Preparer Firm Name	Moran Consultants, LLC	
Date of Report	4/21/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	Y	
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$16,636,443	
Cost per Unit	\$207,955.54	
Costs for Similar Type Developments (Include Range)	\$191,018.19-\$227,737.97	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	446 days	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	

**Site Inspection Summary:**

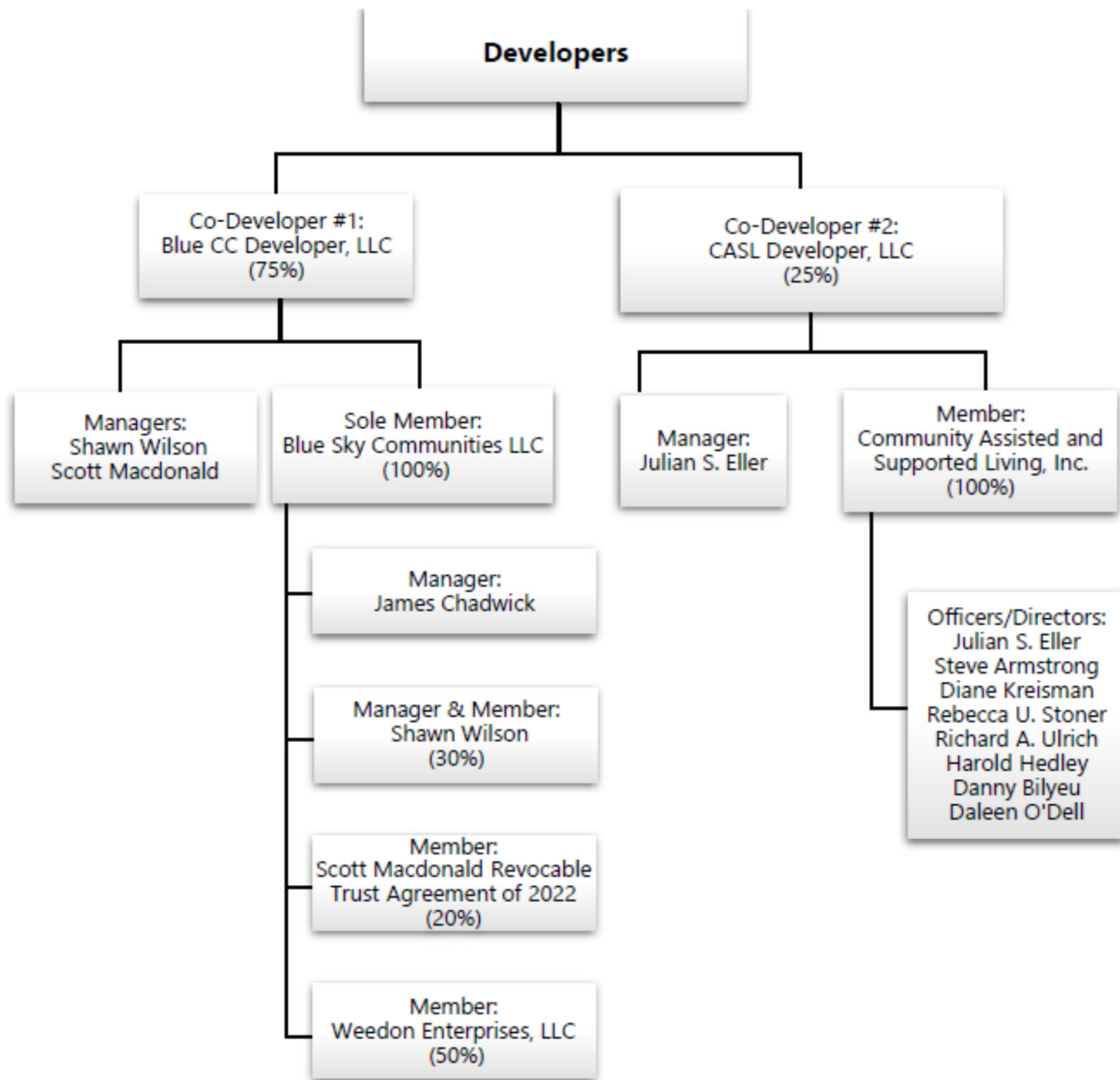
<b>Site Visit Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Name of Inspector	Kim Thorne	
Date of Inspection	1/24/2025	
Were the observation(s) of the inspector in line with the Market Study? (Y/N)	Y	

## Applicant & Related Party Information

Borrower Org Chart:



Developer Org Chart:



	Blue CASL Manatee, LLC	Blue Manatee M, LLC	CASL Manatee, LLC	Community Assisted & Supported Living, Inc.	Weedon Enterprises, LLC	Shawn Wilson	Harry R. & Laurel J. Chadwick Family Trust	Sembler Provision Fund Generation-Skipping Trust Number Five	Blue CC Developer, LLC	Blue Sky Communities, LLC	CASL Developer, LLC	James Chadwick	BSC P&E, LLC	Carteret Management Corporation	RJAHI	Note
Relationship Type	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Trust	Trust	Guarantor	Guarantor	Guarantor	Guarantor	General Contractor	Management Company	Equity Provider	
Contact Person Name & Title	Shawn Wilson, CEO										J. Scott Eller, CEO		Forrest Eleazer, Managing Partner	Laurel Macdonald, President	Sean Jones, Assoc. Director of Acquisitions	
Contact Information	180 Fountain Parkway N, Suite 100 St. Petersburg, FL 33716 813-384-4825 swilson@blue-skycommunities.com										2911 Fruitville Rd. Sarasota, FL 34237 941-225-2373 scott.eller@casli-nc.org		2363 Gulf to Bay Blvd, Suite 200 Clearwater, FL 33765 727-216-6591 forrest@parkeleazer.com	180 Fountain Parkway N, Suite 100 St. Petersburg, FL 33716 813-384-4832 lmacdonald@carteretmgmt.com	880 Carillon Parkway St. Petersburg, FL 33716 727-567-5703 sean.jones@raymondjames.com	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Y	Y				
Does entity have the necessary experience?	N/A Single Purpose Entity	N/A Single Purpose Entity	N/A Pass Through Entity	Y	Y	Y	N/A Trust	N/A Trust	N/A Single Purpose Entity	Y	N/A Pass Through Entity	Y	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	Y	Y	Y	Y	Y	Y	N/A Trust	N/A Trust	Y	Y	Y	Y	Y			
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A Single Purpose Entity	N/A Single Purpose Entity	N/A Pass Through Entity	Y	Y	Y	N/A Trust	N/A Trust	N/A Single Purpose Entity	Y	N/A Pass Through Entity	Y	Y			
Have all financial statements been reviewed and are they adequate?	N/A Single Purpose Entity	N/A Single Purpose Entity	N/A Pass Through Entity	Y	Y	Y	N/A Trust	N/A Trust	N/A Single Purpose Entity	Y	N/A Pass Through Entity	Y	Y		Y	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y				1.
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?													Closing Condition			
Have the Management Agreement and Plans been received, dated, and executed?														Y		
a.Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?														No		2.
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	N/A Single Purpose Entity	N/A Single Purpose Entity	N/A Pass Through Entity	Y	Y	Y	N/A Trust	N/A Trust	N/A Single Purpose Entity	Y	N/A Pass Through Entity	Y	Y	Y	Y	



1. Mr. Chadwick indicated four separate incidences of bankruptcy/reorganization filings; foreclosure, deed in lieu of foreclosure, short sale, loan default, or payment moratorium; or loan(s) in arrears for principal, interest, taxes, or insurance premiums due.

None of the above defaults are related to affordable housing developments, which is in agreement with the Rule. In addition, AmeriNat was advised that all of the defaults were settled amicably between the respective Lenders and Mr. Chadwick. In AmeriNat's opinion, the aforementioned defaults will have no substantial material impact to the SAIL/ELI/NHTF/HC recommendation for the Development.

2. The selection of Carteret Management Corp. to manage the Development must be approved by FHFC's Asset Management Department prior to lease-up activity pursuant to Rule Chapter 67-53 F.A.C. As the Development is proposed to be constructed, said approval is not required at closing. Continued approval is subject to ongoing satisfactory performance.

**Cedar Cove**  
**RFA 2024-103 (2024-291CSN)**  
**DESCRIPTION OF FEATURES AND AMENITIES**

The Development will consist of:

80 units located in 3 garden (3 story) residential buildings.

Unit Mix:

Fourteen (14) one bedroom/one bath units; and

Forty-two (42) two bedroom/two bath units; and

Twenty-four (24) three bedroom/two bath units.

80 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.

The above documents are available on the RFA Webpage.

\* 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.

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

1) The following General Features must be provided for all proposed developments:

- Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in at least 100 Mbps download and 20 Mbps upload accessibility in each unit;
- 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 units;
- For non-fully accessible units, at least one bathroom must have grab bars in the shower/tub and blocking around the toilet, with blocking (or at alternative) in other bathrooms;
- Washer and dryer hook ups in each of the Development’s units or an on-site laundry facility for resident use. If the proposed Development will have an on-site 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 on-site 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;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.

2) The Development must include the following general features on the site.

- A 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.
- Security features that include:
  - Cameras positioned to ensure safety at or in stairwells, elevators, outside entrances, and common areas; and
  - Security systems with 24-hour video recording; and
  - Management/staffing placed at the front desk/main lobby during all business hours.

\*If the Development meets the definition of Scattered Sites, the Community Building/dedicated space must be located on the site with the most units.

c. Required Accessibility Features, regardless of the age of the Development

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 Housing Act, or Florida Building Code, Accessibility) whichever 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

All Applicants that did NOT select the Persons with Special Needs population of (a) Adult persons requiring independent living services in order to maintain housing or develop independent living skills and who have a Disabling Condition that currently impairs or is likely to impair their physical mobility at question 2.b.(1) of Exhibit A; and/or (b) Persons receiving benefits under the Social Security Disability Insurance (SSDI) program or the Supplemental Security Income (SSI) program or from veterans' disability benefits at question 2.b.(2) of Exhibit A shall be required to do the following:

- (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. 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. 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.

## 2) Accessibility Preference

### (a) Accessibility Preference Qualifications for Level 2

Applicants that commit to the Demographic Categories that require Level 2 Accessibility Requirements will qualify for the Accessibility Preference used in the funding selection process if the Applicant commits to the following higher accessibility requirements instead of those required in (2) above:

- (i) Set aside a minimum of 15 percent of the total units, rounded up, as fully accessible units in accordance with the 2010 ADA Standards for Accessible Design. 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 on all accessible routes throughout the Development; and
- (ii) Set aside at least an additional two units to be accessible to persons with visual and hearing impairments in accordance with the 2010 ADA Standards for Accessible Design. The units that are accessible to persons with the communication features described for Residential Dwelling units with Communication Features in the 2010 ADA Standards for Accessible Design. These units are in addition to the number of units required for mobility impaired persons.

## 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:

- o Toilets: 1.28 gallons/flush or less,
- o Urinals: 0.5 gallons/flush,
- o Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
- o 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:
  - o Residential Electric:
    - 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  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  over a 67° rise;
  - o Residential Gas (storage or tankless/instantaneous): Energy Star certified,
  - o Commercial Gas Water Heater: Energy Star certified;
    - Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
    - Air Conditioning (in-unit or commercial):
  - o Air-Source Heat Pumps – Energy Star certified:
    - $\geq 7.8$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER2 for split systems
    - $\geq 7.2$  HSPF2  $\geq 15.2$  SEER2/  $\geq 10.6$  EER2 for single package equipment including gas/electric package units
  - o Central Air Conditioners – Energy Star certified:
    - $\geq 15.2$  SEER2/  $\geq 12.0$  EER2 for split systems
    - $\geq 15.2$  SEER2/  $\geq 11.5$  EER2\* 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 one-bedroom units.

- (2) In addition to the required Green Building features outlined in (1) above, proposed Developments must achieve one of the following Green Building Certification programs:

\_\_\_\_\_ Leadership in Energy and Environmental Design (LEED);

\_\_\_\_\_ Florida Green Building Coalition (FGBC);

\_\_\_\_\_ Enterprise Green Communities; or

\_\_\_X\_\_\_ ICC 700 National Green Building Standard (NGBS).

**e. Required Resident Programs**

The provision of community-based Services Coordination 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.

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. If the proposed Development consists of Scattered Sites, the community-based Services Coordination shall be equally available to residents of each unit on each Scattered Site. 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.

## HC Allocation Calculation

### Qualified Basis Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$28,088,721
Less: Land Cost	(\$1,600,000)
Less: Other Ineligible Cost	(\$3,045,290)
Total Eligible Basis	\$23,443,431
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$30,476,460
Housing Credit Percentage	9.00%
Annual Housing Credit Allocation	\$2,742,881

Notes to the Eligible Basis Calculation:

1. "Other Ineligible Costs" include, but are not limited to, site work, off-site work, market study, Florida Housing compliance, administrative, application, and underwriting fees, marketing/advertising fees, various fees associated with the SAIL, ELI and NHTF funding, a portion of construction loan interest, permanent loan related costs, land and reserves.
2. The Development is 100% set-aside; therefore, the applicable fraction is 100%.
3. Per the Application, the Development is located in a QCT (2.01); therefore, a 130% basis credit was applied.
4. H.R. 5771, The Tax Increase Prevention Act of 2014, provided for a minimum rate of 9% to be applied to the qualified basis for HC allocations made before January 1, 2015; therefore, the minimum rate of 9% has been applied herein.



**GAP Calculation**

<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$28,088,721
Less: Mortgages	(\$9,674,300)
Less: Grants	(\$250,000)
Equity Gap	\$18,164,421
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.83
HC Required to Meet Gap	\$21,887,033
Annual HC Required	\$2,188,703

Notes to the Gap Calculation:

1. Mortgages include first and second mortgages from FHFC and a third mortgage to be provided by Manatee County.
2. Per Rule Chapter 67-48.0072 (28) (g), any Development that qualifies as a Homeless or Persons with Special Needs Demographic Development would use the actual committed debt in lieu of a calculated minimum qualifying first mortgage.
3. The HC Syndication Pricing and Percentage to the Investment Partnership are based upon the letter of interest from RJAHI dated April 8, 2025.

**Summary**

<b>Section III: Summary</b>	
HC per Applicant Request	\$2,142,000
HC per Qualified Basis	\$2,742,881
HC per Gap Calculation	\$2,188,703
Annual HC Recommended	\$2,142,000
Syndication Proceeds Based on HC Recommended	\$17,776,822

Notes to the Summary:

1. The Annual HC recommended is based upon the lesser of the Applicant Request, Qualified Basis or Gap Calculation; therefore, the Applicant Request amount applies.



St. Vincent de Paul CARES  
384 15th St. North · St. Petersburg, FL 33705-2016  
Ph. (727) 823-2516 · Fax (727) 821-6244



April 28, 2025

**Florida Housing Finance Corporation**  
227 North Bronough Street  
Suite 5000  
Tallahassee, FL 32301

**Firm Commitment Deadline Extension Request**  
**Vincentian Villas I**  
**Application Reference: Vincentian Villas 2024-312SA**

To Whom it May Concern:

This letter is to request a six-month firm commitment deadline extension for Vincentian Villas I. The project is currently under preliminary site plan review with Charlotte County, which will prevent us from completing all required underwriting items by the original deadline.

The project must receive both a preliminary site plan approval and a final site plan approval from Charlotte County. After that, the project must receive its building permit as well. We anticipate that the preliminary site plan approval will be issued within one month. We anticipate final site plan approval will be issued within two months of preliminary site plan approval. We anticipate that the building permit will be issued within one to two months of final site plan approval. Charlotte County is expediting review of the project since it is an affordable housing project.

The remaining outstanding underwriting items require us to receive at least final site plan approval from Charlotte County to complete. Once we receive final site plan approval we will be able to complete underwriting items B.1.4, B.1.18, E.1., and E.2. which we anticipate will be the last outstanding underwriting items. All other outstanding underwriting items will be complete before final site plan approval is received.

Thank you,

A handwritten signature in blue ink, appearing to read 'M. Raposa'.

**Michael J. Raposa**  
**Chief Executive Officer**  
**St. Vincent de Paul CARES**



May 19<sup>th</sup>, 2025

Lenard Randolph  
Multifamily Programs Manager  
Florida Housing Finance Corporation  
227 North Bronough Street, Suite 5000  
Tallahassee, FL 32301

RE: The Franklin (2024-305CSN)  
RFA 2024-106

<Submitted via Procorem>

Dear Lenard:

Please accept this communication as our request for an extension of the loan commitments for the referenced development for a one-year term.

The loan amounts are \$5,740,100 (SAIL), \$259,900 (ELI) and \$1,893,600 (NHTF), for a total of \$7,893,600.

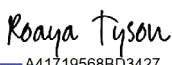
This development was the first Live Local Act ("LLA") deal to go through the City of Tampa's new ordinance. The process created some delays, although everything is now resolved. Additionally, the City of Tampa changed their building permit process to require the site plan approval process to proceed first before submission of the building permit request, creating additional delays. We submitted for Site Plan approval last Friday.

We have been talking to both Walker & Dunlop and Raymond James about equity for the development, and that process has moved significantly slower than we have experienced before. We have developed over a dozen projects using equity from Walker & Dunlop (formerly Alliant Capital), but the investor market is very slow, partly due to what we think are concerns about where corporate tax rates might end up in the current Administration.

Raymond James has Bank of America interested in the deal, but that would be a Q1 of 2026 closing. Assuming we get closed near the end of Q1, we would need more than the 6-month extension of the loan commitments provided by FHFC's rule. A one-year extension of the loan commitments would take us out into Q2 of 2026, and we believe that timeline will be sufficient to get the deal closed.

Thank you for your continued support for affordable housing and considering our request.

MC AFFORDABLE  
By: DDA – MC, LLC

Signed by:  
  
A41719568BD3427...  
By: Roaya Tyson  
Date: May 19<sup>th</sup>, 2025

Susan Morgan, MHC, Inc. (d/b/a Gracepoint Wellness)  
Kat Johnson, Seltzer Management Group, Inc.  
Ben Johnson, Seltzer Management Group, Inc,  
Josh Scribner, Seltzer Management Group, Inc.  
Bowen Arnold, DDA Development, LLC  
John Schilling, DDA Development, LLC  
Zach Summerlin, FHFC  
Lisa Nickerson, FHFC

**Florida Housing Finance Corporation**

*Credit Underwriting Report (“CUR”)*

**Village of Pine Hills**

**RFA 2024-103 (2024-293CSN)**

**Housing Credit and SAIL Financing for Homeless Housing Developments Located  
in Medium and Large Counties**

**State Apartment Incentive Loan (“SAIL”), Extremely Low Income (“ELI”) Loan,  
National Housing Trust Fund (“NHTF”) and 9% Housing Credits (“HC”)**

**Section A: Report Summary**

**Section B: SAIL, ELI and NHTF Special and General Conditions and Housing Credit Allocation  
Recommendation and Contingencies**

**Section C: Supporting Information and Schedules**

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**Prepared by**

**AmeriNat®**

***Final Report***

**June 2, 2025**

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## **Village of Pine Hills**

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**Section A**  
**Report Summary**



SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT

## Recommendation

AmeriNat® (“AmeriNat”) recommends Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) fund a total SAIL Loan in the amount of \$7,700,000, comprised of a SAIL Base Loan in the amount of \$7,352,800 plus an ELI Loan in the amount of \$347,200, a NHTF loan in the amount of \$956,000 and an annual 9% HC allocation in the amount of \$2,700,000 to Ability Pine Hills, LLC (“Applicant”) for the construction and permanent phase financing of Village of Pine Hills (the proposed “Development”). This recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES																																															
Development Name:	<u>Village of Pine Hills</u>																																														
RFA/Program Numbers:	<u>RFA 2024-103</u> / <u>2024-293CSN</u>																																														
Address:	<u>5180 Clarion Dr</u>																																														
City:	<u>Orlando</u>	Zip Code:	<u>32808</u>	County:	<u>Orange</u>	County Size:	<u>Large</u>																																								
Development Category:	<u>New Construction</u>		Development Type:	<u>Garden Apartments</u>																																											
Construction Type:	<u>Wood Frame</u>		Number of Stories:	<u>3</u>																																											
Demographic Commitment:																																															
Primary:	<u>Homeless</u>	for	<u>50%</u>	of the Units																																											
Secondary:	<u>Family</u>	for	<u>50%</u>	of the Units																																											
Link Units:	<u>Persons with Special Needs</u>	for	<u>0%</u>	of the Units																																											
NHTF Units:	<u>Persons with Special Needs</u>	for	<u>4%</u>	of the Units																																											
Unit Composition:																																															
# of ELI Units:	<u>20</u>	ELI Units Are Restricted to	<u>40%</u>	AMI, or less.	Min % of Units @ ELI:	<u>15%</u>																																									
# of Link Units:	<u>0</u>	# of Preference units:	<u>0</u>	IRS Minimum Set-Aside Commitment:	<u>40/60</u>																																										
# of NHTF Units:	<u>4</u>	# of units w/ PBRA?	<u>0</u>	TSP Approval Date:	<u>06/05/2024</u>																																										
Buildings:	Residential -	<u>3</u>	Non-Residential -	<u>1</u>																																											
Parking:	Parking Spaces -	<u>160</u>	Accessible Spaces -	<u>8</u>																																											
DDA:	<u>No</u>	SADDA:	<u>No</u>	QCT:	<u>Yes</u>	Multi-Phase Boost:	<u>No</u>																																								
QAP Boost:	<u>No</u>	QAP Type:																																													
Site Acreage:	<u>8.91</u>	Density:	<u>10.77</u>	Flood Zone Designation:	<u>X</u>																																										
<u>R-3A/W/RP, Medium Intensity Development/Wekiva/Resource</u>																																															
Zoning:	<u>Protection</u>			Flood Insurance Required?:	<u>No</u>																																										
Set Asides:	<table border="1"> <thead> <tr> <th>Program</th> <th>% of Units</th> <th># of Units</th> <th>% AMI</th> <th>Term (Years)</th> </tr> </thead> <tbody> <tr> <td>ELI</td> <td>20%</td> <td>20</td> <td>30%</td> <td>99</td> </tr> <tr> <td>SAIL</td> <td>4%</td> <td>4</td> <td>40%</td> <td>99</td> </tr> <tr> <td>SAIL</td> <td>76%</td> <td>72</td> <td>60%</td> <td>99</td> </tr> <tr> <td>NHTF</td> <td>4.2%</td> <td>4</td> <td>22%</td> <td>30</td> </tr> <tr> <td>HC-9%</td> <td>20%</td> <td>20</td> <td>30%</td> <td>50</td> </tr> <tr> <td>HC-9%</td> <td>4%</td> <td>4</td> <td>40%</td> <td>50</td> </tr> <tr> <td>HC-9%</td> <td>76%</td> <td>72</td> <td>60%</td> <td>50</td> </tr> </tbody> </table>							Program	% of Units	# of Units	% AMI	Term (Years)	ELI	20%	20	30%	99	SAIL	4%	4	40%	99	SAIL	76%	72	60%	99	NHTF	4.2%	4	22%	30	HC-9%	20%	20	30%	50	HC-9%	4%	4	40%	50	HC-9%	76%	72	60%	50
Program	% of Units	# of Units	% AMI	Term (Years)																																											
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Homeless Commitment: The Applicant committed to set aside at least 50% (48 units), but less than 80% (77 units), of the total units to be set aside for Homeless individuals and families; and at least 20% of the total units (20 units) for Permanent Supportive Housing for individuals and families that meet the definition of Homeless which may be the same units set aside for Persons with Special Needs. The Applicant must irrevocably commit to the Homeless Individuals and Families demographic commitment selected for a minimum of 50 years.

The Persons with Special Needs commitment is required for a minimum of 15 years. After the initial 15 years, the Applicant may submit a request to FHFC that allows the Applicant to commit to a different population(s) demographic commitment provided at 2.b. of Exhibit A if the appropriate Level 1 or Level 2 Accessibility Requirements are met at the Development for the population(s). Further, the Applicant selected the following Persons with Special Needs populations the Development will serve:

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.

All Applicants must meet the following requirements specific to its commitment, pursuant to RFA 2024-108, to serve Homeless households:

1. The Applicant must have an executed agreement to participate in the Continuum of Care (“CoC”) Homeless Management Information System (“HMIS”) and will contribute data on the Development’s tenants to the CoC’s HMIS data system, or if serving Survivors of Domestic Violence is providing aggregate data reports to the CoC. The executed agreement shall be required at least 6 months prior to the expected placed-in-service date.
2. The Applicant must also commit to be a housing provider in the Local Homeless Assistance CoC’s Homeless Coordinated Entry system as required by the U.S. Department of Housing and Urban Development. The Applicant will utilize the Continuum’s Coordinated Entry System to meet the homeless demographic set-aside commitment, unless Florida Housing approves another approach to meet this demographic commitment.

The Applicant is eligible for ELI Loan Funding. One-third of the required ELI set-aside units (5 units) are eligible for ELI Loan funding. The ELI Set-Aside Units are required for a minimum of 50 years. However, after 15 years, all of the ELI Set-Aside Units associated with the ELI Loan Funding (5 units) may convert to serve residents at or below 60% Area Median Income (“AMI”). However, the Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

**NHTF Units Set-Aside Commitment:** The proposed Development must set aside 4 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 set aside for residents earning at or below 22% of AMI. After 30 years, all of the 22% Units may convert to serve residents at or below 60 percent AMI; however, the Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes, which requires a ninety-nine (99) year total compliance period under a Land Use Restriction Agreement. Therefore, after the initial 50-year Compliance Period required by the RFA (“Compliance Period”) expires, all SAIL/ELI set-aside units within the Development shall be rented to households who shall have a household income less than or equal to one hundred and twenty percent (120%) of the Area Median Income for a period of forty-nine (49) years (“Ad Valorem Compliance Period”). The Ad Valorem Compliance Period, together with the Compliance Period shall have a term of ninety-nine (99) years (the “Total Compliance Period”) which will be defined under the SAIL/ELI Land Use Restriction Agreement. The Applicant will be responsible for compliance monitoring fees for 50 years which is to be paid to the Servicer, for years 51-99, compliance monitoring will be self-certified by the Applicant to FHFC.

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

The Applicant will also be responsible for the compliance monitoring fee of \$4,900 (\$100 per year) for years 51-99 Ad Valorem Compliance Period, to be paid at closing to FHFC.

Credit Underwriter:	AmeriNat Loan Services	Date of Application:	02/13/2024
Date of Final CUR:	06/02/2025	Minimum 1st Mortgage per Rule:	\$2,430,847.71
TDC PU Limitation at Application:	\$325,925.93	TDC PU Limitation at Credit Underwriting:	\$345,481.48
Actual TDC PU for Limitation:	\$355,622.94	Amount Dev. Fee Reduced for TDC Limit:	

Prepared by Matthew Smiley, Multifamily Credit Underwriter

*Matthew Smiley*

Reviewed by Kyle Kuenn, Multifamily Chief Credit Underwriter

*Kyle Kuenn*

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

MSA (County): Orlando-Kissimmee-Sanford MSA (Orange)

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restrictd Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	2	698	22%			398	68	330		478	330	330	7,920
1	1.0	8	698	30%			543	68	475		478	475	475	45,600
1	1.0	1	698	40%			724	68	656		659	532	532	6,384
1	1.0	4	698	60%			1,086	68	1,018		1,021	532	532	25,536
1	1.0	18	698	60%			1,086	68	1,018		1,021	1,018	1,018	219,888
2	2.0	1	995	22%			477	95	382		556	382	382	4,584
2	2.0	9	995	30%			651	95	556		556	505	505	54,540
2	2.0	3	995	40%			869	95	774		774	505	505	18,180
2	2.0	13	995	60%			1,303	95	1,208		1,208	505	505	78,780
2	2.0	28	995	60%			1,303	95	1,208		1,208	1,208	1,208	405,888
3	2.0	1	1,342	22%			552	127	425		628	425	425	5,100
3	2.0	3	1,342	30%			753	127	626		628	473	473	17,028
3	2.0	3	1,342	60%			1,506	127	1,379		1,381	473	473	17,028
3	2.0	2	1,342	60%			1,506	127	1,379		1,381	1,379	1,379	33,096
		96	88,842											939,552

When calculating an average market rental rate based on the unit mix, the rent advantage for all of the units at the Development is in excess of 110% of the applicable maximum Housing Credit rental rate.

SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT

AMERINAT

15 Year Operating Pro Forma

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
<b>INCOME:</b>	Gross Potential Rental Income	\$939,552	\$9,787	\$958,343	\$977,510	\$997,060	\$1,017,001	\$1,037,341	\$1,058,088	\$1,079,250	\$1,100,835	\$1,122,852	\$1,145,309	\$1,168,215	\$1,191,579	\$1,215,411	\$1,239,719
	Other Income: (5.21%)			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Miscellaneous	\$48,960	\$510	\$49,939	\$50,938	\$51,957	\$52,996	\$54,056	\$55,137	\$56,240	\$57,364	\$58,512	\$59,682	\$60,876	\$62,093	\$63,335	\$64,602
	Gross Potential Income	\$988,512	\$10,297	\$1,008,282	\$1,028,448	\$1,049,017	\$1,069,997	\$1,091,397	\$1,113,225	\$1,135,490	\$1,158,199	\$1,181,363	\$1,204,991	\$1,229,090	\$1,253,672	\$1,278,746	\$1,304,321
	Less:																
	Physical Vac. Loss Percentage: 6.00%	\$59,311	\$618	\$60,497	\$61,707	\$62,941	\$64,200	\$65,484	\$66,794	\$68,129	\$69,492	\$70,882	\$72,299	\$73,745	\$75,220	\$76,725	\$78,259
	Collection Loss Percentage: 1.00%	\$9,885	\$103	\$10,083	\$10,284	\$10,490	\$10,700	\$10,914	\$11,132	\$11,355	\$11,582	\$11,814	\$12,050	\$12,291	\$12,537	\$12,787	\$13,043
	<b>Total Effective Gross Income</b>	<b>\$919,316</b>	<b>\$9,576</b>	<b>\$937,702</b>	<b>\$956,457</b>	<b>\$975,586</b>	<b>\$995,097</b>	<b>\$1,014,999</b>	<b>\$1,035,299</b>	<b>\$1,056,005</b>	<b>\$1,077,125</b>	<b>\$1,098,668</b>	<b>\$1,120,641</b>	<b>\$1,143,054</b>	<b>\$1,165,915</b>	<b>\$1,189,233</b>	<b>\$1,213,018</b>
	Annual Escalation Rate (Income): 2.00%																
	Fixed:																
<b>EXPENSES:</b>	Real Estate Taxes	\$3,744	\$39	\$3,856	\$3,972	\$4,091	\$4,214	\$4,340	\$4,471	\$4,605	\$4,743	\$4,885	\$5,032	\$5,183	\$5,338	\$5,498	\$5,663
	Insurance	\$124,800	\$1,300	\$128,544	\$132,400	\$136,372	\$140,463	\$144,677	\$149,018	\$153,488	\$158,093	\$162,836	\$167,721	\$172,752	\$177,935	\$183,273	\$188,771
	Variable:																
	Management Fee Percentage: 5.00%	\$45,966	\$479	\$46,885	\$47,823	\$48,779	\$49,755	\$50,750	\$51,765	\$52,800	\$53,856	\$54,933	\$56,032	\$57,153	\$58,296	\$59,462	\$60,651
	General and Administrative	\$38,400	\$400	\$39,552	\$40,739	\$41,961	\$43,220	\$44,516	\$45,852	\$47,227	\$48,644	\$50,103	\$51,606	\$53,155	\$54,749	\$56,392	\$58,083
	Payroll Expenses	\$153,600	\$1,600	\$158,208	\$162,954	\$167,843	\$172,878	\$178,064	\$183,406	\$188,909	\$194,576	\$200,413	\$206,426	\$212,618	\$218,997	\$225,567	\$232,334
	Utilities	\$81,600	\$850	\$84,048	\$86,569	\$89,167	\$91,842	\$94,597	\$97,435	\$100,358	\$103,368	\$106,469	\$109,664	\$112,953	\$116,342	\$119,832	\$123,427
	Marketing and Advertising	\$4,800	\$50	\$4,944	\$5,092	\$5,245	\$5,402	\$5,565	\$5,731	\$5,903	\$6,080	\$6,263	\$6,451	\$6,644	\$6,844	\$7,049	\$7,260
	Maintenance and Repairs/Pest Control	\$48,000	\$500	\$49,440	\$50,923	\$52,451	\$54,024	\$55,645	\$57,315	\$59,034	\$60,805	\$62,629	\$64,508	\$66,443	\$68,437	\$70,490	\$72,604
	Grounds Maintenance and Landscaping	\$24,000	\$250	\$24,720	\$25,462	\$26,225	\$27,012	\$27,823	\$28,657	\$29,517	\$30,402	\$31,315	\$32,254	\$33,222	\$34,218	\$35,245	\$36,302
	Contract Services	\$14,400	\$150	\$14,832	\$15,277	\$15,735	\$16,207	\$16,694	\$17,194	\$17,710	\$18,241	\$18,789	\$19,352	\$19,933	\$20,531	\$21,147	\$21,781
	Security	\$52,800	\$550	\$54,384	\$56,016	\$57,696	\$59,427	\$61,210	\$63,046	\$64,937	\$66,885	\$68,892	\$70,959	\$73,088	\$75,280	\$77,539	\$79,865
	Reserve for Replacements	\$28,800	\$300	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800
	<b>Total Expenses</b>	<b>\$620,910</b>	<b>\$6,468</b>	<b>\$638,213</b>	<b>\$656,027</b>	<b>\$674,366</b>	<b>\$693,245</b>	<b>\$712,681</b>	<b>\$732,689</b>	<b>\$753,288</b>	<b>\$774,495</b>	<b>\$796,327</b>	<b>\$828,709</b>	<b>\$853,010</b>	<b>\$878,028</b>	<b>\$903,786</b>	<b>\$930,305</b>
	Annual Escalation Rate (Expenses): 3.00%																
	<b>Net Operating Income</b>	<b>\$298,406</b>	<b>\$3,108</b>	<b>\$299,489</b>	<b>\$300,430</b>	<b>\$301,220</b>	<b>\$301,853</b>	<b>\$302,319</b>	<b>\$302,610</b>	<b>\$302,717</b>	<b>\$302,630</b>	<b>\$302,340</b>	<b>\$291,933</b>	<b>\$290,044</b>	<b>\$287,887</b>	<b>\$285,447</b>	<b>\$282,713</b>
	<b>Debt Service Payments</b>																
	First Mortgage - SAIL Base/ELI	\$36,764	\$383	\$36,764	\$36,764	\$36,764	\$36,764	\$36,764	\$36,764	\$36,764	\$36,764	\$36,764	\$36,764	\$36,764	\$36,764	\$36,764	\$36,764
	Second Mortgage - NHTF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	First Mortgage Fees - SAIL Base/ELI	\$12,962	\$135	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962	\$12,962
	Second Mortgage Fees - NHTF	\$4,082	\$43	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082
	<b>Total Debt Service Payments</b>	<b>\$53,808</b>	<b>\$561</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>	<b>\$53,808</b>
	<b>Cash Flow after Debt Service</b>	<b>\$244,598</b>	<b>\$2,548</b>	<b>\$245,681</b>	<b>\$246,622</b>	<b>\$247,412</b>	<b>\$248,045</b>	<b>\$248,511</b>	<b>\$248,802</b>	<b>\$248,909</b>	<b>\$248,822</b>	<b>\$248,532</b>	<b>\$238,125</b>	<b>\$236,236</b>	<b>\$234,079</b>	<b>\$231,639</b>	<b>\$228,905</b>
	<b>Debt Service Coverage Ratios</b>																
	DSC - First Mortgage plus Fees	6.00x		6.02x	6.04x	6.06x	6.07x	6.08x	6.09x	6.09x	6.09x	6.08x	5.87x	5.83x	5.79x	5.74x	5.69x
	DSC - Second Mortgage plus Fees	5.55x		5.57x	5.58x	5.60x	5.61x	5.62x	5.62x	5.63x	5.62x	5.62x	5.43x	5.39x	5.35x	5.30x	5.25x
	DSC - All Mortgages and Fees	5.55x		5.57x	5.58x	5.60x	5.61x	5.62x	5.62x	5.63x	5.62x	5.62x	5.43x	5.39x	5.35x	5.30x	5.25x
	<b>Financial Ratios</b>																
	Operating Expense Ratio	67.54%		68.06%	68.59%	69.12%	69.67%	70.21%	70.77%	71.33%	71.90%	72.48%	73.95%	74.63%	75.31%	76.00%	76.69%
	Break-even Econ Occup Ratio (all debt)	68.61%		68.98%	69.37%	69.76%	70.17%	70.58%	71.00%	71.43%	71.87%	72.31%	73.59%	74.13%	74.68%	75.24%	75.80%

*Notes to the Operating Pro forma and Ratios:*

1. The Development will be utilizing SAIL, ELI, and NHTF which will impose rent and income restrictions. The Housing Credit gross rents are based on the 2024 rents published on FHFC's website for the Development. The underwritten rents are based on the achievable rents reflected in the appraisal less the applicable utility allowances. Utility allowances were derived from a Utility Allowance Study prepared by KN Consultants, LLC prepared for Ability Housing, Inc. dated June 14, 2024.
2. AmeriNat utilized a physical vacancy of 6.00% and collection loss of 1.00% for total vacancy of 7.00%, which is consistent with the Appraiser's estimate.
3. Miscellaneous Income is comprised of vending income, late charges, pet deposits, forfeited security deposits and washer/dryer rental income. Washer/Dryer rental income is based on a 75% penetration rate, or 72 units, at \$30 per unit per month, or \$25,920 annually.
4. AmeriNat utilized an annual real estate tax expense of \$3,744 based upon the conclusions of the appraisal. The Applicant plans to apply for the Ad Valorem Tax Exemption under Section 196.1978(4), Florida Statutes for the Development. Beginning in 2026, the property must apply to Orange County Property Appraiser by March 1st of the tax year. Applying for this exemption requires a 99-year Total Compliance Period with annual certifications. If the property fails to provide affordable housing under the agreement before the end of the agreement term, there will be a penalty that is equal to 100% of the total amount financed by Florida Housing multiplied by each year remaining in the agreement. AmeriNat to receive approval from all Lenders/parties involved in the transaction, their approval of the terms of the Ad Valorem Property Tax Exemption, is a condition precedent to the loan closing.
5. AmeriNat utilized an estimate of \$1,300 per unit for insurance, which is consistent with the appraisal. The figure used is within the range of the insurance expense for restricted rent comparables presented by the appraiser, which ranged from \$1,004 to \$1,612 per unit. The Development is located in flood zone "X", which is outside the 100-year flood plain and does not require flood insurance.
6. The Applicant submitted a draft Management Agreement between the Applicant and NDC Asset Management, LLC ("NDC"), which provides for monthly compensation in the amount 5.00% of the gross rental collections. The term of the Agreement shall commence on June 1, 2026 and be in effect for a period of three years.
7. Replacement Reserves are budgeted at \$300 per unit per year, which is consistent with Rule 67-48 minimum requirement.
8. Rule 67-48.0072 (11) specifies that for SAIL, the maximum Debt Service Coverage ("DSC") shall be 1.50 to 1.00 for the SAIL Loan, including all superior mortgages. The DSC is 6.00x to 1.00, which exceeds the maximum threshold. In extenuating circumstances, such as when the Development has deep or short term subsidy, the DSC may exceed 1.50x to 1.00 if the Credit Underwriter's favorable recommendation is supported by the projected cash flow analysis. Based on the deep subsidy in the form of 20 ELI units which serve tenants whose income is 30% or less of AMI, as such, exceeding the maximum threshold is permitted.

## Financing Overview

CONSTRUCTION FINANCING INFORMATION									
Lien Position	First	Second	Second	Third	NA	NA	NA	NA	Totals
Source	Reg. Mtg Lender	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	Applicant	HC Equity	Op. Deficit Res.	Def. Dev. Fee	
Lender/Grantor	JPMorgan Chase	FHFC	FHFC	FHFC	Ability Housing, Inc.	National Equity Fund, Inc.	Developer	Developer	
Construction Amount	\$16,900,000	\$7,352,800	\$347,200	\$956,000	\$249,454	\$4,232,011	\$1,410,735	\$3,941,602	\$35,389,802
All In Interest Rate	7.09%	0.00%	0.00%	0.00%	0.00%				
Debt Service During Construction									

### Proposed Construction Mortgage Loan:

The Applicant provided a Letter of Interest from JPMorgan Chase Bank, N.A. ("JPMorgan Chase") dated September 6, 2024, illustrates the terms and conditions in which JPMorgan Chase will make a construction loan in an amount up to \$16,900,000. The terms outlined in the letter include a term of 24 months with one conditional 6 month extension available for a fee equal to 0.25% of the loan amount, and an interest rate equal to the one-month Term SOFR (4.34% as of 2/14/2025), subject to a floor of 1.00%, plus a spread of 2.50%. AmeriNat added 25 basis points for an underwriting cushion to derive the "all-in" interest rate of 7.09% during the construction phase.

### Deferred ODR as subset of Developer Fee:

An amount equal to the difference between the Developer Fee and an amount equal to 16% of Development Cost, estimated by AmeriNat to be \$1,410,735, must be placed in an operating subsidy reserve account to be held by FHFC or its Servicer. It is customary for the ODR to be funded upon lien-free construction completion; as such, it is being shown as a deferred source of funding during the construction period.

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

PERMANENT FINANCING INFORMATION							
Lien Position	First	First	Second	NA	NA	NA	Totals
Source	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	Applicant	HC Equity	Def. Dev. Fee	
Lender/Grantor	FHFC	FHFC	FHFC	Ability Housing, Inc.	National Equity Fund, Inc.	Developer	
Permanent Amount	\$7,352,800	\$347,200	\$956,000	\$249,454	\$22,542,746	\$3,941,602	\$35,389,802
Permanent Funding Per Unit	\$76,592	\$3,617	\$9,958	\$2,598	\$234,820	\$41,058	\$368,644
% of Permanent Funding	20.8%	1.0%	2.7%	0.7%	63.7%	11.1%	100.0%
Underwritten Interest Rate	0.50%	0.00%	0.00%	0.00%			
All In Interest Rate	0.50%	0.00%	0.00%	0.00%			
Loan Term	15	15	30	18			
Amortization	0	0	0	0			
Must Pay or Cash Flow	Must-Pay	Cash Flow	Cash Flow				
Permanent Debt Service, No Fees	\$36,764	\$0	\$0	\$0			\$36,764
Permanent Debt Service, with Fees	\$49,726	\$4,082	\$0	\$0			\$53,808
Debt Service Coverage, with Fees	6.00x	5.55x	5.55x	5.55x			
Operating Deficit & Debt Service Reserves	\$1,410,735						
# of Months covered by the Reserves	25.1						
Market Rate/Market Financing	38%	40%	45%	46%			
Restricted Market Financing LTV	146%	153%	172%	177%			
Loan to Cost - Cumulative	21%	22%	24%	25%			
Loan to Cost - SAIL Only	21%	-	-	-			

Proposed First Mortgage Loan – SAIL Base and ELI:

Per an Invitation to Enter Credit Underwriting from FHFC dated May 16, 2024, the Applicant received a preliminary commitment for a total SAIL Loan in the amount of \$7,700,000, comprised of a SAIL Base Loan in the amount of \$7,352,800 plus an ELI Loan in the amount of \$347,200 under RFA 2024-103 for the construction/permanent financing of the Development. The SAIL Base Loan and the ELI loan will be closed as one loan and will have one set of closing documents.

Applicants that commit to set aside at least 50%, but less than 80%, of the total units for Homeless individuals and families will qualify for a SAIL with an interest rate of 0% for the percentage of units that are set aside for Homeless individuals and families, and a 1.00% interest rate for the remaining units. As such, the Borrower has committed to set aside 50% of the total units for homeless individuals and families; therefore, the SAIL Base Loan shall be non-amortizing with a 0.50% blended interest rate over the life of the loan with annual payments. Any unpaid interest will be deferred until cash flow is available. However, at maturity of the SAIL Base Loan, all principal and unpaid interest will be due. Annual payments of all applicable fees will be required. The SAIL Base Loan total term will be 17.5 years, including a 30-month construction/stabilization period and a 15.5-year permanent period.

The ELI Loan shall be non-amortizing with a 0.00% interest rate per annum over the life of the loan with principal forgivable at maturity provided the units are targeted to ELI Households for the first 15 years of the 99-year Compliance Period. The ELI loan total term will be 17.5 years including a 30-month construction/stabilization period and a 15-year permanent period. Annual payments of all applicable fees will be required.

Fees for the Total SAIL Loan include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month and an annual Compliance Monitoring Multiple Program Fee of \$1,082.

Proposed Second Mortgage Loan – NHTF:

Per an Invitation to Enter Credit Underwriting from FHFC dated May 16, 2024, the Applicant received a preliminary commitment for an NHTF loan of \$956,000 for the construction/permanent financing of the Development.

The NHTF loan shall be a non-amortizing loan with an interest rate of 0.00% per annum over the life of the loan, with the principal 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. The loan will have a total term of 32.5 years, including a 30-month construction/stabilization period and a 30-year permanent period.

Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month and an annual Compliance Monitoring Multiple Program Fee of \$1,082.

Cash Funding

A draft Promissory Note was provided by the Applicant for construction/permanent financing in the amount of \$249,454. The Loan shall be non-amortizing with a 0.00% interest rate and a term of 18 years. The unpaid principal balance shall be due and payable at maturity. The amount of the Cash Funding is



**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

greater than 3 percent of the sum of the Applicant's Eligible SAIL Request Amount. The source of funds for this loan is a Capital Magnet Fund Grant ("CMF") from the CDFI Fund-confirm. These funds may be loaned out to affordable housing projects which meet the CMF guidelines, regulations, and specific requirements of the Ability Housing, Inc. Grant Agreement.

Deferred Developer Fee:

The Applicant will be required to permanently defer \$3,941,602 or 66.52% of the total Developer Fee after stabilization subject to the terms outlined in Section B of this report.

**Syndication Contributions:**

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$3,381,412	15.00%	Paid prior to or simultaneous with the closing of construction financing
2nd Installment	\$12,134,959	53.83%	Paid at 95% construction completion
3rd Installment	\$263,551	1.17%	Paid at 100% construction completion
4th Installment	\$6,499,273	28.83%	Paid at stabilized operations
5th Installment	\$263,551	1.17%	Receipt of first year's tax return and K-1
<b>Total</b>	<b>\$22,542,746</b>	<b>100.00%</b>	

Syndicator Name                      National Equity Fund, Inc. ("NEF")

Date of LOI                              8/29/2024

Total Credits Per Syndication Agreement:    \$27,000,001

Annual Credits Per Syndication Agreement: \$2,700,000

Calculated HC Exchange Rate:                \$0.835

Limited Partner Ownership Percentage:    99.99%

Proceeds Available During Construction:    \$15,516,371

Annual Credits - Qualified in CUR:           \$2,700,000

\*Please note that there is a \$1 discrepancy (due by rounding) between the Total Credits Per Syndication Agreement reflected in the table above and the actual amount reflected in the LOI provided by NEF. Additionally, a total of \$15,516,371 will be funded during the construction phase; however, the 2<sup>nd</sup> installment will primarily be used to repay a portion of the construction loan.

## Changes from the Application:

### 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?	x	
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?		3
Is the Development in all other material respects the same as presented in the Application?		4; 5; 6; 7

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

1. Since the time of Application, the first mortgage construction loan to be provided by JPMorgan Chase, N.A. has decreased from \$22,400,000 to \$16,900,000.

Additionally, since the time of application, NEF has replaced Raymond James Affordable Housing Investments, Inc., as the HC syndicator and the amount of HC equity decreased from \$25,107,489 to \$22,542,746.

Since the Application and per the Invitation to Credit Underwriting issued by FHFC on May 16, 2024, the Applicant was awarded \$956,000 in NHTF funds.

2. Total Development Costs have decreased from \$35,580,494 to \$35,389,802 for a difference of \$190,692 since the Application due to decreases in General Development Costs, Financial Costs, and Developer Fee.
3. The syndication rate has decreased from \$0.93 to \$0.835.
4. The Applicant submitted a request dated September 6, 2024 to remove Cerita Battles as Officer/Director of Ability Housing, Inc. FHFC staff approved the request on November 12, 2024.
5. The Applicant submitted a request dated September 30, 2024, to change the Developer from Ability Housing, Inc. to Ability Pine Hills Dev, LLC. Additionally, the Applicant requested to change the Non-Investor Member of the Applicant from Ability VCH MM, LLC. to Ability Pine Hills MM, LLC. FHFC staff approved the request on November 12, 2024.

6. The Management Company has changed from TPI Management Services, LLC to NDC Asset Management, LLC. NDC Asset Management, LLC has provided the prior experience chart.
7. The Applicant submitted a request dated September 9, 2024 to change the unit mix as described below. Florida Housing staff approved the request on November 20, 2024.

From:

36	One bedroom/one bathroom units
48	Two bedroom/two bathroom units
12	Three bedroom/two bathroom units

To:

33	One bedroom/one bathroom unit
54	Two bedroom/two bathroom units
9	Three bedroom/three bathroom units

Subsequently, the Applicant submitted a request dated January 6, 2025 to correct the number of bathrooms in the 3-bedroom units from three bathrooms to two bathrooms as described below. Florida Housing staff approved the request on February 10, 2025.

33	One bedroom/one bathroom unit
54	Two bedroom/two bathroom units
9	Three bedroom/two bathroom units

These changes have no substantial material impact to the SAIL, ELI, NHTF and HC recommendations for the Development.

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

According to the April 18, 2025 Asset Management Noncompliance Report, no noncompliance items exist for the Development Team.

According to the April 18, 2025, Florida Housing Past Due Report, the Development Team has no past due items.

This recommendation is subject to satisfactory resolution of any outstanding noncompliance items and/or past due items prior to or at the time of loan closing and the issuance of the Annual HC allocation recommendation herein.

Strengths:

1. The Development Team has demonstrated the ability to successfully develop and operate affordable multifamily rental communities using a variety of different subsidies.
2. A Market Study performed by Meridian dated July 18, 2024 concludes that the Development should benefit from the rental rate advantage it will have over market rents. Based on the proposed rents,

the Development will have a 143% rental rate advantage compared to the average achievable market rents for the area.

3. Within the primary market area, the restricted rent supply has a weighted average occupancy of 97.4%.

Other Considerations:

1. To the underwriter's knowledge, no construction cost exceeding 20% is subcontracted to any one entity.
2. 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:

None.

Waiver Requests:

None.

Additional Information:

None.

## Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$16,677,268	\$16,851,414	\$17,118,049	\$178,313	\$158,400
Site Work	\$2,437,612	\$3,384,194	\$2,858,955	\$29,781	\$428,843
Constr. Contr. Costs subject to GC Fee	\$19,114,880	\$20,235,608	\$19,977,004	\$208,094	\$587,243
General Conditions (2.5%)	\$0	\$0	\$505,757	\$5,268	\$0
Overhead (3.7%)	\$0	\$0	\$733,603	\$7,642	\$0
Profit (4.8%)	\$2,742,050	\$2,641,960	\$967,530	\$10,078	\$0
General Liability Insurance	\$471,197	\$0	\$284,299	\$2,961	\$0
Payment and Performance Bonds	\$0	\$0	\$150,771	\$1,571	\$0
Contract Costs not subject to GC Fee	\$0	\$0	\$258,604	\$2,694	\$0
Total Construction Contract/Costs	\$22,328,127	\$22,877,568	\$22,877,568	\$238,308	\$587,243
Hard Cost Contingency (5.0%)	\$1,116,406	\$1,151,378	\$1,143,878	\$11,915	\$0
FF&E paid outside Constr. Contr.	\$0	\$160,000	\$160,000	\$1,667	\$0
<b>Total Construction Costs:</b>	<b>\$23,444,533</b>	<b>\$24,188,946</b>	<b>\$24,181,446</b>	<b>\$251,890</b>	<b>\$587,243</b>

### Allowances:

Permit Fees	\$526,190
Finish Carpentry	\$48,000
Signage	\$15,400
Low-Voltage - BDA/DAS Survey and Rough-in	\$40,000
Total	\$629,590

### *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 \$22,877,568 (the "Construction Contract") has been provided. The Construction Contract is between the Applicant and McCree General Contractors Inc. ("General Contractor"). It indicates that the General Contractor shall achieve substantial completion within 487 calendar days from the date of commencement of the work. The Construction Contract indicates retainage of ten percent (10%) will be withheld until 50% of the work is complete based on the Schedule of Values. Once the Development is 50% complete, the Applicant, at its sole discretion, may reduce the amount of retainage from 10% to 5%. Upon Substantial Completion, the Applicant, at its sole discretion, may reduce the amount of retainage to 2%.
2. The General Contractor will secure a Payment and Performance Bond to secure the Construction Contract and an estimate of its cost is included in the Schedule of Values of the Construction Contract.
3. New Rental Units includes \$158,400 for washers and dryers to be provided at the Development, which are income producing. Therefore, the cost to purchase the washers and dryers is ineligible.
4. The allowances total 2.75% of the Construction Contract amount. Total Allowances are within Moran Consultant's, LLC ("Moran") recommended maximum allowance tolerance of 5-7%.

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accounting Fees	\$1,870,500	\$25,000	\$25,000	\$260	\$10,000
Appraisal	\$0	\$20,000	\$9,000	\$94	\$0
Architect's Fees	\$0	\$418,000	\$277,000	\$2,885	\$0
Builder's Risk Insurance	\$191,962	\$243,276	\$243,276	\$2,534	\$0
Building Permits	\$425,000	\$227,690	\$0	\$0	\$0
Engineering Fees	\$0	\$0	\$145,870	\$1,519	\$0
Environmental Report	\$0	\$20,000	\$20,000	\$208	\$0
FHFC Administrative Fees	\$352,765	\$103,785	\$148,500	\$1,547	\$148,500
FHFC Application Fee	\$0	\$3,000	\$3,000	\$31	\$3,000
FHFC Compliance Fee	\$0	\$219,316	\$240,230	\$2,502	\$240,230
FHFC Credit Underwriting Fee	\$0	\$26,613	\$28,608	\$298	\$28,608
FHFC Other Processing Fee(s)	\$0	\$0	\$25,000	\$260	\$25,000
Green Building Cert. (LEED, FGBC, NAHB)	\$0	\$60,000	\$60,000	\$625	\$0
Impact Fee	\$0	\$185,136	\$185,136	\$1,929	\$0
Insurance	\$0	\$136,000	\$136,000	\$1,417	\$136,000
Legal Fees - Organizational Costs	\$0	\$170,000	\$170,000	\$1,771	\$85,000
Lender Inspection Fees / Const Admin	\$0	\$42,500	\$42,500	\$443	\$0
Market Study	\$0	\$7,500	\$6,700	\$70	\$6,700
Marketing and Advertising	\$0	\$1,500	\$1,500	\$16	\$1,500
Plan and Cost Review Analysis	\$0	\$7,500	\$6,350	\$66	\$0
Property Taxes	\$0	\$2,496	\$2,496	\$26	\$2,496
Soil Test	\$0	\$20,000	\$20,000	\$208	\$0
Survey	\$0	\$40,000	\$40,000	\$417	\$0
Title Insurance and Recording Fees	\$0	\$199,500	\$199,500	\$2,078	\$30,000
Utility Connection Fees	\$0	\$342,720	\$342,720	\$3,570	\$0
Soft Cost Contingency (5.0%)	\$142,011	\$134,077	\$119,164	\$1,241	\$0
Other: FHFC SAIL Compliance Fee	\$0	\$0	\$4,900	\$51	\$4,900
<b>Total General Development Costs:</b>	<b>\$2,982,238</b>	<b>\$2,655,609</b>	<b>\$2,502,450</b>	<b>\$26,067</b>	<b>\$721,934</b>

*Notes to the General Development Costs:*

1. AmeriNat reflects the costs associated with the Architect's and Engineer's fees as stated in agreements between the Applicant and the professionals which were reviewed by AmeriNat.
2. FHFC Administrative Fee is based upon a fee of 5.5% of the annual HC allocation recommendation made herein.
3. FHFC Credit Underwriting Fee includes the SAIL / ELI Credit Underwriting Fee (\$16,984), Multiple Program Fee for NHTF and 9% HC (\$10,600), Credit Report Fee (\$375) and Preliminary Recommendation Letter Fee (\$1,812).
4. FHFC Other Processing Fee(s) include the Notice of Commencement extension fee (\$10,000), tax credit partnership extension fee (\$10,000), and 10% Test extension fee (\$5,000).
5. Impact Fees are net fees provided by the Applicant.
6. The Applicant provided an executed proposal for Florida Green Building Coalition ("FGBC") between the Applicant and Energy Cost Solutions Group, LLC.
7. The FHFC SAIL Compliance Fee of \$4,900 is based on \$100 per year for years 51-99 Ad Valorem Compliance Period. FHFC Compliance Fees through the initial 50 year Compliance period will be ongoing and are incorporated in the operating pro forma and debt service analysis within this report.
8. The remaining general development costs appear reasonable.

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Closing Costs	\$0	\$169,000	\$169,000	\$1,760	\$0
Construction Loan Commitment Fee	\$1,728,597	\$169,000	\$169,000	\$1,760	\$0
Construction Loan Interest	\$0	\$1,300,000	\$970,817	\$10,113	\$384,003
SAIL Closing Costs	\$0	\$20,000	\$20,000	\$208	\$20,000
SAIL Commitment Fee	\$0	\$0	\$77,000	\$802	\$77,000
NHTF Closing Costs	\$0	\$25,000	\$20,000	\$208	\$20,000
Other: Syndicator Fees	\$0	\$105,000	\$105,000	\$1,094	\$105,000
<b>Total Financial Costs:</b>	<b>\$1,728,597</b>	<b>\$1,788,000</b>	<b>\$1,530,817</b>	<b>\$15,946</b>	<b>\$606,003</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$28,155,368</b>	<b>\$28,632,555</b>	<b>\$28,214,713</b>	<b>\$293,903</b>	<b>\$1,915,180</b>

*Notes to the Financial Costs*

1. An interest reserve for the Construction Loans is supported by the Construction Loan terms illustrated in the LOI provided by JPMorgan Chase, 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.
2. The SAIL Commitment Fee is based on 1.00% of the total SAIL Loan amount.
3. The SAIL Base/ELI and NHTF Closing Costs are \$20,000 each for FHFC legal fees.
4. The remaining Financial Costs appear reasonable.

<b>DEVELOPER FEE ON NON-ACQUISITION COSTS</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Developer Fee - Unapportioned	\$4,504,858	\$4,788,409	\$4,514,354	\$47,025	\$0
DF to fund Operating Debt Reserve	\$1,470,268	\$1,470,268	\$1,410,735	\$14,695	\$1,410,735
<b>Total Dev. Fee on Non-Acq. Costs (21.0%):</b>	<b>\$5,975,126</b>	<b>\$6,258,677</b>	<b>\$5,925,089</b>	<b>\$61,720</b>	<b>\$1,410,735</b>

*Notes to the Developer Fee on Non-Acquisition Costs:*

1. A subset of the Developer Fee in an amount of \$1,410,735 or five percent (5%) is equal to the difference between the Developer Fee and an amount equal to 16% of Development Cost, which in accordance with the RFA must be placed in an operating subsidy reserve account to be held by the Corporation or its Servicer. Any disbursements from said operating subsidy reserve account shall be reviewed and approved by the Corporation or its Servicer.

<b>LAND ACQUISITION COSTS</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Land	\$1,250,000	\$1,250,000	\$1,250,000	\$13,021	\$1,250,000
<b>Total Acquisition Costs:</b>	<b>\$1,250,000</b>	<b>\$1,250,000</b>	<b>\$1,250,000</b>	<b>\$13,021</b>	<b>\$1,250,000</b>

*Notes to Land Acquisition Costs:*

1. AmeriNat received a Ground Lease Agreement ("GLA") between the Ability Holding, LLC ("Lessor") and the Applicant ("Lessee"), executed as of February 1, 2024. The Lease indicates a lease term of ninety-nine (99) years from the Commencement Date, which is defined as February 8, 2024. The annual rent is \$1.00, is to be paid at the Commencement Date of the Lease. In addition, there is one capital lease payment in the amount of \$1,250,000, in whole or in part, that the Applicant must make in the form of a promissory note that may be secured by a mortgage that is subordinate to any senior loans of the Project.
2. The Purchase Price is supported by the appraisal. The lesser of the two values was used for underwriting purposes.

SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$35,580,494</b>	<b>\$36,141,232</b>	<b>\$35,389,802</b>	<b>\$368,644</b>	<b>\$4,575,915</b>

Notes to Total Development Costs:

None.

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	11.05%	\$2,796,781	\$2,206,890
Hard Cost Contingency	5.00%	5.00%	\$1,143,878	\$1,143,878
Soft Cost Contingency	5.00%	5.00%	\$119,164	\$119,164
Developer Fee	21.00%	21.00%	\$5,925,089	\$5,925,089



**Section B**  
**SAIL, ELI and NHTF Special and General Conditions and HC Allocation**  
**Recommendations and Contingencies**

### **Special Conditions**

This recommendation is contingent upon receipt of the following item by Florida Housing **at least two weeks** prior to real estate loan closing. Failure to submit this item within this time frame may result in postponement of the loan closing date.

1. Receipt of an executed property management agreement.
2. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the Ad Valorem Property Tax Exemption.
3. Receipt of the SAIL Compliance Monitoring Fee of \$4,900 for Ad Valorem Compliance Period.
4. Receipt of a final PCR.

### **General Conditions**

This recommendation is contingent upon the review and approval of the following items by Florida Housing and the Servicer **at least two weeks 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. Borrower is to comply with any and all recommendations noted in the Plan and Cost Review prepared by Moran.
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 sources and uses of funds schedule will be attached to the Loan Agreement as the approved development budget.
4. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. SAIL Base, ELI and NHTF loan proceeds shall be disbursed during the construction phase in an amount per draw that does not exceed the ratio of the SAIL, ELI and NHTF loans 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 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 Developer 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 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. 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 67-48.0075 (5) F.A.C., of an Applicant or a Developer).
11. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report must be bound within the final plans and specifications.
12. Satisfactory resolution of any outstanding past due and/or noncompliance issues.
13. An Operating Deficit Reserve in the collective amount of approximately three months of operating expenses 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 investor member 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 the Rule. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its Servicer and its Legal Counsel.

14. 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.
15. A copy of the Partnership Agreement ("LPA")/Operating Agreement ("OA") reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The LPA/OP shall be in a form and of financial substance satisfactory to Servicer, Florida Housing, and its Legal Counsel.

This recommendation is contingent upon the review and approval by Florida Housing, and its Legal Counsel **at least two weeks prior to real estate loan closing**. Failure to receive approval of these items within this timeframe may result in postponement of the 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 Applicant, the guarantors, and any limited partners of the Applicant.
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 the SAIL Base, ELI and NHTF 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 SAIL, ELI and NHTF 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 Partnership/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. 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/Operating Agreement and;
  - e. Such other matters as Florida Housing or its legal counsel may require.
7. Evidence of compliance with local concurrency laws, if applicable.
8. 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).
9. UCC Searches for the Borrower, its partnerships, as requested by Legal Counsel.
10. Evidence of insurance coverage pursuant to the Request for Application governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
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 420.507, 420.5087 and 420.509, Florida Statutes, Rule Chapters 67-53, 67-48, 67-60, F.A.C., RFA 2024-103, Section 42 I.R.C. and any other applicable State and Federal requirements.
2. Acceptance by the Borrower and execution of all documents evidencing and securing the SAIL, ELI and

NHTF loan(s) 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 the Final Cost Certificate.

3. If applicable, receipt and satisfactory review of financial statements from all Guarantors dated within 90 days of real estate closing.
4. Guarantors to provide the standard Florida Housing Construction Completion Guaranty; to be released upon lien-free completion as approved by the Servicer
5. Guarantors for the SAIL Base Loan 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 permanent first mortgage SAIL Base Loan as determined by Florida Housing 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 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 years following the final certificate of occupancy.
6. Guarantors are to provide the standard Florida Housing Environmental Indemnity Guaranty.
7. Guarantors are to provide the standard Florida Housing Guaranty of Recourse Obligations.
8. Closing of all funding sources prior to or simultaneous with closing of the SAIL Base, ELI and NHTF loans.
9. A mortgagee title insurance policy naming Florida Housing as the insured in the amount of the SAIL, ELI and NHTF 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.
10. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgagee, the Bond Trustee 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.
11. 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 servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per the RFA and Rule, in the amount of \$28,800 (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.

12. Moran will act as Florida Housing's inspector during the construction period.
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 lien free completion of construction and issuance of all certificates of occupancy. Per the construction contract, a minimum of 10% retainage holdback on all construction draws until the Development is 50% complete. Once the Development is 50% complete, the Applicant, at its sole discretion, may reduce the amount of retainage from 10% to 5%. Upon Substantial Completion, the Applicant, at its sole discretion, may reduce the amount of retainage to 2%. Retainage will not be released until successful lien free completion of construction and issuance of all certificates of occupancy which satisfies RFA 2024-103 and Rule 67-48 minimum requirement.
14. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or Servicer, if applicable.
15. Housing Credits - Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
16. Any other reasonable requirements of the Servicer, Florida Housing or its Legal Counsel.

## **Section C**

### **Supporting Information & Schedules**



## Additional Development & Third-Party Information

### Appraisal Summary:

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Meridian Appraisal Group, Inc.	
Date of Report	3/31/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	93.0%	
Occupancy at Stabilization: Physical (%)	94.0%	
Value: As Is market value of the land	\$1,440,000	
As of date and type of interest (as if vacant land)	12/21/24; Fee Simple	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$19,320,000	
As of date and type of interest (unrestricted rents)	12/21/24; Leased Fee	
Value: "As Complete and Stabilized", subject to restricted rents	\$5,030,000	
As of date and type of interest (restricted rents)	12/21/24; Leased Fee	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

### Market Study:

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Meridian Appraisal Group, Inc.	
Date of Report	7/18/2024	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	5	
Short Term and Long Term Impact to existing like-kind developments	Weak Impact	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	97.4%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 10 mile radius:		
Level of Effort (%)	48.1%	
Capture Rate (%)	0.2%	
Remaining Potential Demand	21,325	
Metrics for 5 mile radius:		
Level of Effort (%)	62.6%	
Capture Rate (%)	0.6%	
Remaining Potential Demand	4,616	
Metrics for 3 mile radius:		
Level of Effort (%)	59.8%	
Capture Rate (%)	1.5%	
Remaining Potential Demand	2,004	
Absorption Rate	25 units per month	
Will the development achieve maximum allowable HC Rents? (Y/N)	Y	
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**Environmental Report Summary:**

<b>Environmental Report Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Preparer Firm Name	Terracon Consultants, Inc.	
Date of Report	2/8/2024	
Type of Report	Phase I	
Confirm certified and prepared for FHFC (Y/N)	N	1.
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	Y	2.
Is any further investigation required? (Y/N)	N	

1. Receipt of an acceptable updated Environmental Audit Report, together with a reliance letter to Florida Housing, prepared within 90 days of loan closing is a condition precedent to the loan closing.
2. Per the provided Phase I Environmental Report, the following RECs were identified on the development site: the former Pine Hills Road Landfill site is identified as a REC. It is recommended that no irrigation and / or potable groundwater wells be installed at the site (which is not expected to be necessary due to this area being provided with potable water by the City of Orlando Utilities Commission).

**Soils Test Report Summary:**

<b>Soils Test Report Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Preparer Firm Name	Terracon Consultants, Inc.	
Date of Report	7/8/2022	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

**Plan & Cost Review Summary:**

<b>Property Conditions Report (PCR) Summary Questions</b>	<b>Responses</b>	<b>Note</b>
Preparer Firm Name	Moran Consultants, LLC	
Date of Report	5/15/2025	
Confirm certified and prepared for FHFC (Y/N)	N	1.
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	Y	
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$22,877,568	
Cost per Unit	\$238,308	
Costs for Similar Type Developments (Include Range)	\$16,708,641-\$22,474,565.67	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	487	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	

1. Receipt of a final PCR is a condition precedent to the loan closing. The final PCR must state that the report was prepared for AmeriNat, as agent for FHFC.

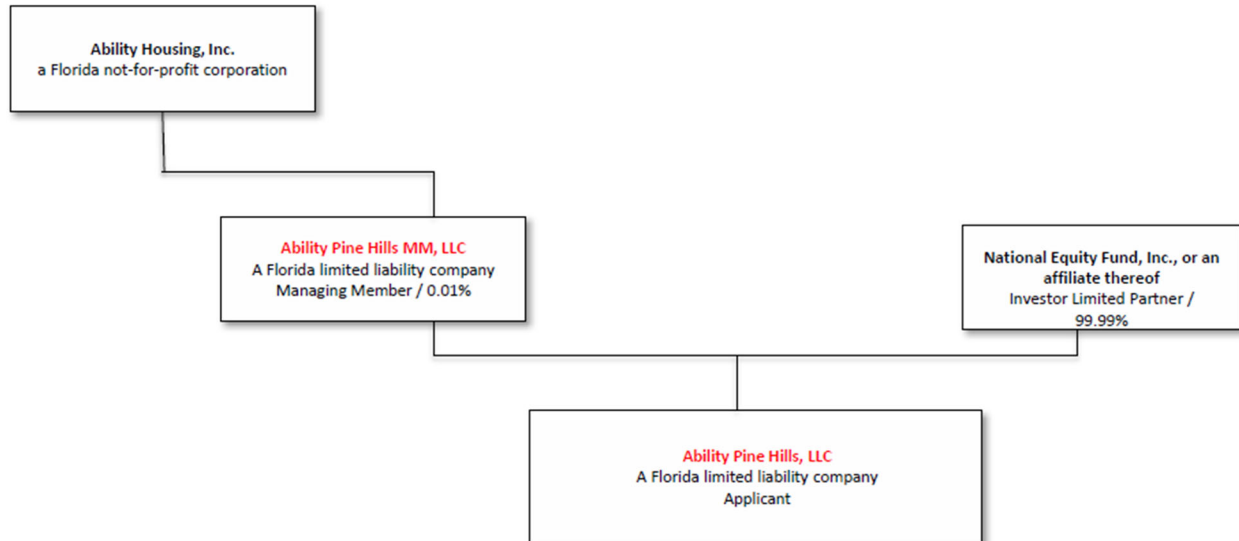
SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT

Site Inspection Summary:

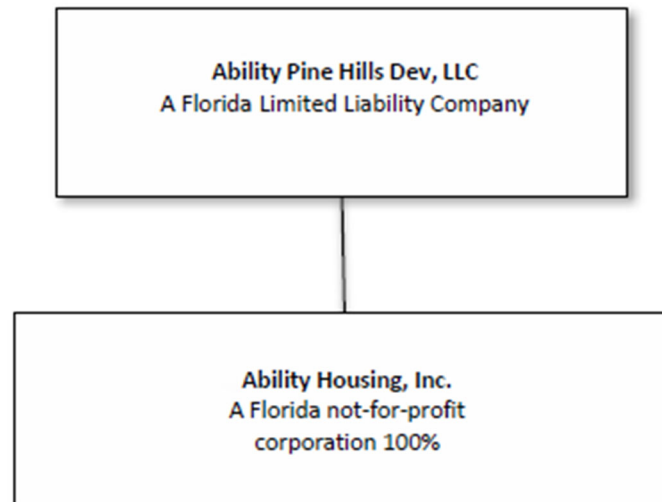
Site Visit Summary Questions	Responses	Note
Name of Inspector	AmeriNat	
Date of Inspection	7/20/2024	
Were the observation(s) of the insepector in line with the Market Study? (Y/N)	Y	

## Applicant & Related Party Information:

### Borrower Org Chart:



### Developer Org Chart:



**SAIL, ELI, NHTF & HC CREDIT UNDERWRITING REPORT**

**AMERINAT**

	Ability Pine Hills, LLC	Ability Pine Hills MM, LLC	Ability Pine Hills Dev, LLC	Ability Housing, Inc.	NEF	McCree General Contractors Inc.	NDC Asset Management, LLC	Note
Relationship Type	Guarantor	Guarantor	Guarantor	Guarantor	Syndicator	General Contractor	Property Manager	
Contact Person Name & Title	Shannon Nazworth				Mark Furey Vice President, Acquisitions	Cindy McCree-Bodine Vice President	Richard Elwood Senior Vice President	
Contact Information	Email: snazworth@abilityhousing.org Phone: (904) 359-9650					Email: cindy.bodine@mccree.com		
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y	N/A	N/A	N/A	
Does entity have the necessary experience?	N/A	N/A	N/A	Y	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	Y	Y	Y	Y	N/A	Y	N/A	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	N/A	N/A	Y	N/A	Y	N/A	
Have all financial statements been reviewed and are they adequate?	N/A	N/A	N/A	Y	Y	Y	N/A	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y	N/A	Y	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?						Closing condition		
Have the Management Agreement and Plans been received, dated, and executed?							N	1.
a.Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?							N	2.
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	Y	Y	Y	Y	

*Note: FHFC reserves the right to request additional information.*

1. A draft Management Agreement was received. Receipt of an executed Management Agreement is a condition precedent to the loan closing.
2. The selection of NDC to manage the Development must be approved by FHFC's Asset Management Department prior to lease-up activity pursuant to Rule Chapter 67-53 F.A.C. As the Development is proposed to be constructed, said approval is not required at closing.

**Village of Pine Hills / RFA 2024-103 (2024-293CSN)**  
**DESCRIPTION OF FEATURES AND AMENITIES**

The Development will consist of:

96 units located in 3 garden residential buildings.

Unit Mix:

Thirty-three (33) one bedroom/one bath units; and

Fifty-four (54) two bedroom/two bath units; and

Nine (9) three bedroom/two bath units.

96 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.

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

1) The following General Features must be provided for all proposed developments:

- Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in at least 100 Mbps download and 20 Mbps upload accessibility in each unit;
- 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 units;
- For non-fully accessible units, at least one bathroom must have grab bars in the shower/tub and blocking around the toilet, with blocking (or at alternative) in other bathrooms;
- Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on- site 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 on-site 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;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.

2) The Development must include the following general features on the site.

- A 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.

- Security features that include:
  - Cameras positioned to ensure safety at or in stairwells, elevators, outside entrances, and common areas; and
  - Security systems with 24-hour video recording; and
  - Management/staffing placed at the front desk/main lobby during all business hours.

\*If the Development meets the definition of Scattered Sites, the Community Building/dedicated space must be located on the site with the most units.

**C. Required Accessibility Features, regardless of the age of the Development**

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 Housing Act, or Florida Building Code, Accessibility) whichever 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**

All Applicants that did NOT select the Persons with Special Needs population of (a) Adult persons requiring independent living services in order to maintain housing or develop independent living skills and who have a Disabling Condition that currently impairs or is likely to impair their physical mobility at question 2.b.(1) of Exhibit A; and/or (b) Persons receiving benefits under the Social Security Disability Insurance (SSDI) program or the Supplemental Security Income (SSI) program or from veterans' disability benefits at question 2.b.(2) of Exhibit A shall be required to do the following:

- (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. 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. 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.

## **2) Accessibility Preference**

### **(a) Accessibility Preference Qualifications for Level 2**

Applicants that commit to the Demographic Categories that require Level 2 Accessibility Requirements will qualify for the Accessibility Preference used in the funding selection process if the Applicant commits to the following higher accessibility requirements instead of those required in (2) above:

- (i) Set aside a minimum of 15 percent of the total units, rounded up, as fully accessible units in accordance with the 2010 ADA Standards for Accessible Design. 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 on all accessible routes throughout the Development; and
- (ii) Set aside at least an additional two units to be accessible to persons with visual and hearing impairments in accordance with the 2010 ADA Standards for Accessible Design. The units that are accessible to persons with the communication features described for Residential Dwelling units with Communication Features in the 2010 ADA Standards for Accessible Design. These units are in addition to the number of units required for mobility impaired persons.

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:
  - o Toilets: 1.28 gallons/flush or less,
  - o Urinals: 0.5 gallons/flush,
  - o Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - o 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:
  - o Residential Electric:
    - 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  $\geq 2.5$  over a  $77^{\circ}$  rise or 0.87 UEF and GPM of  $\geq 2.9$  over a  $67^{\circ}$  rise;
  - o Residential Gas (storage or tankless/instantaneous): Energy Star certified,
  - o Commercial Gas Water Heater: Energy Star certified;
    - Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
    - Air Conditioning (in-unit or commercial):
  - o Air-Source Heat Pumps – Energy Star certified:
    - $\geq 7.8$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER2 for split systems
    - $\geq 7.2$  HSPF2  $\geq 15.2$  SEER2/  $\geq 10.6$  EER2 for single package equipment including gas/electric package units
  - o Central Air Conditioners – Energy Star certified:
    - $\geq 15.2$  SEER2/  $\geq 12.0$  EER2 for split systems
    - $\geq 15.2$  SEER2/  $\geq 11.5$  EER2\* 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 one- bedroom units.**

(1) In addition to the required Green Building features outlined in (1) above, proposed Developments must achieve one of the following Green Building Certification programs:

- \_\_\_\_\_ 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. Required Resident Programs

The provision of community-based Services Coordination 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.

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. If the proposed Development consists of Scattered Sites, the community-based Services Coordination shall be equally available to residents of each unit on each Scattered Site. 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.

## HOUSE CREDIT ALLOCATION CALCULATION

### Qualified Basis Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$35,389,802
Less: Land Cost	(\$1,250,000)
Less: Other Ineligible Cost	(\$3,325,915)
Total Eligible Basis	\$30,813,887
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$40,058,053
Housing Credit Percentage	9.00%
Annual Housing Credit Allocation	\$3,605,225

Notes to the Eligible Basis Calculation:

1. "Other Ineligible Costs" include, but are not limited to, a portion of new rental units, a portion of site work, a portion of accounting fees, a portion of legal fees, market study, Florida Housing compliance, administrative, application, underwriting and other processing fees, a portion of insurance, market study fees, marketing/advertising fees, a portion of property taxes, a portion of tile and recording fees, FHFC Future Compliance Monitoring Fee, a portion of construction loan interest, permanent loan related costs, Syndicator Fees and an Operating Deficit Reserve.
2. The Development is 100% set-aside; therefore, the applicable fraction is 100%.
3. Per the Application, the Development qualifies for the QAP-Designated Demographic commitment basis boost; therefore, a 130% basis credit was applied.
4. FY 2016 Omnibus Spending and Tax Extender Legislation provides for a minimum rate of 9% to be applied to the qualified basis for HC allocations; therefore, the minimum rate of 9% has been applied herein.

## HOUSE CREDIT ALLOCATION CALCULATION

### GAP Calculation

Section II: Gap Calculation	
Total Development Cost (Including Land and Ineligible Costs)	\$35,389,802
Less: Mortgages	(\$8,905,454)
Equity Gap	\$26,484,348
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.835
HC Required to Meet Gap	\$31,720,954
Annual HC Required	\$3,172,095

#### Notes to the Gap Calculation:

1. Mortgages includes the SAIL, ELI and NHTF Loans to be provided by FHFC and Cash Funding to be provided by Ability Housing, Inc.
2. The HC Syndication Pricing and Percentage to the Investment Partnership are based upon the LOI from NEF dated August 29, 2024.

### Summary

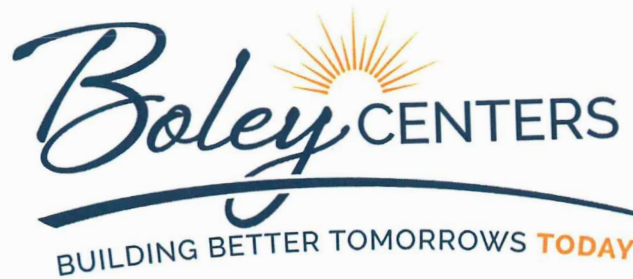
Section III: Summary	
HC per Applicant Request	\$2,700,000
HC per Qualified Basis	\$3,605,225
HC per Gap Calculation	\$3,172,095
Annual HC Recommended	\$2,700,000

#### Notes to the Summary:

1. The Annual HC recommended is based upon the lesser of the Qualified Basis or Gap Calculation; therefore, the Applicant's Request amount applies.

## MINIMUM FIRST MORTGAGE DETERMINATION

<a href="#"><u>Rule Chapter 67-48.0072(28)(g)</u></a>	
<i>Determination of the minimum first mortgage for use in the Housing Credit gap calculation</i>	
<b>Input Variables</b>	
Annual rate of increase for revenues	2.00%
Annual rate of increase for operating expenses	3.00%
Vacancy & Collection Factor in CUR	7.00%
Minimum Vacancy & Collection Factor	7.00%
Which Rule was applicable at time of Application?	Post 7/11/2019
Minimum DSCR Year 15	1.25x
Minimum DSCR Year 1	1.50x
Minimum NCF after DS Year 1	\$1,000.00
Minimum qualifying 1st mortgage	\$500,000.00
Number of units in the proposed Development	96
Potential Gross Income Year 1	\$988,512.00
Vacancy & Collection Loss (7.00%)	\$69,195.84
Effective Gross Income Year 1	\$919,316.16
Operating Expenses Year 1	\$620,909.81
<b>(i) Actual Debt of Development</b>	<b>\$7,352,800.00</b>
Actual interest rate	0.50%
Actual term of debt amortization	0.00 Yrs
DS Interest Rate floor	7.00%
Application deadline	02/13/24
10-Year Treasury Rate as of App deadline	4.172%
Spread over 10-yr Treasury	325 bps
10-yr Treasury plus the stated spread	7.42%
Greater of interest rate floor or spread over Treasury	7.42%
Maximum Rate	8.42%
<b>Interest Rate to be used for qualifying debt</b>	<b>7.42%</b>
Minimum stated term of debt amortization per RFA	30.00 Yrs
<b>Term of debt amortization to be used for qualifying debt</b>	<b>30.00 Yrs</b>
Resulting Mortgage Constant to be used for qualifying debt	8.32657%
<b>Minimum Debt Service</b>	
NOI Year 15	\$273,836.35
DSCR DS limitation	\$219,069.08
<b>(a) Resulting Debt, Year 15 limitation</b>	<b>\$2,630,962.78</b>
NOI Year 1	\$298,406.35
(b)(i) DSCR DS limitation	\$198,937.57
(b)(i) DSCR Debt Sizing	\$2,389,188.52
(b)(ii) NCF DS limitation	\$202,406.35
(b)(ii) NCF Debt Sizing	\$2,430,847.71
<b>(b) Greater of (i) DSCR debt or (ii) NCF debt, Year 1 limitation</b>	<b>\$2,430,847.71</b>
<b>(ii) Minimum qualifying first mortgage (lesser of (a) or (b))</b>	<b>\$2,430,847.71</b>
<b>Greater of Actual or Minimum</b>	<b>\$7,352,800.00</b>



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CHAIRMAN

Leonard Coley  
FIRST VICE CHAIRMAN

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SECOND VICE CHAIRMAN

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Gary MacMath  
PRESIDENT & CEO EMERITUS



445 31st Street N.  
St. Petersburg, FL 33713  
(727) 821-4819  
[www.boleycenters.org](http://www.boleycenters.org)

April 15, 2025

Tim Kennedy, Assistant Director  
Multifamily Development  
Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000  
Tallahassee, FL 32301-1367

RE: The Point  
RFA 2024-102-(2024-310SA)

Dear Mr. Kennedy:

This letter is to request a six-month extension to the issuance of the firm loan commitment for the above referenced development. The current commitment will expire in May of 2025, and we are working diligently to meet that deadline. A few issues have created some unforeseen delays.

The primary delay is the due to the necessary final approval from the U.S. Department of Housing and Urban Development for the project-based vouchers. The Subsidy Layering Review has been approved by the Pinellas County Housing Authority, but the final approval from HUD is pending. We are also working with the County to obtain the building permits which has been delayed due to the volume of permits being processed due to the dual hurricanes that struck Pinellas County in 2024. To demonstrate the responsiveness of PAL, we have recently successfully completed the construction and occupancy of Founders Point in St. Petersburg.

Thank you for your attention to this matter. We respectfully request this extension. If you have any questions about this request, please contact me by email at [jackhumburg@boleycenters.org](mailto:jackhumburg@boleycenters.org) or at (727) 821-4819 ext. 5717.

Thank you for your attention to this matter.

Sincerely,

Jack D. Humburg  
Executive Director  
Pinellas Affordable Living, Inc.

cc: Keith Whitaker, Seltzer Management Group, Inc.



## MISSION

Boley Centers' **Mission** is to provide at-risk populations with access to safe, affordable housing, along with the behavioral health and employment services that support their personal growth.

## VISION

Boley Centers' **Vision** is to build a community through partnerships where disadvantaged individuals and families find hope, experience transformation, and achieve independence.

## VALUES

At Boley Centers, we are dedicated to creating an environment where **dignity, respect, integrity, empathy, and accountability** are at the heart of everything we do.

## BOLEY CARES INFORMATION LINE

**1-855-55-BOLEY-CARES**  
26539

## FUNDERS

*Boley Centers is funded in part under agreements with the Agency for Health Care Administration, Bessie Boley Foundation, Bob Woodruff Foundation, Boley Angels, Central Florida Behavioral Health Network, City of St. Petersburg, City of Tampa, Department of Justice & Consumer Services, Florida Department of Children & Families, Florida Department of Education, Florida Department of Elder Affairs, Florida Department of Transportation, Juvenile Welfare Board, Pinellas Community Foundation, Pinellas County, St. Anthony's Health Care, St. Vincent de Paul, U.S. Department of Housing & Urban Development (HUD), U.S. Department of Labor, U.S. Department of Transportation and U.S. Department of Veterans Affairs.*



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**Florida Housing Finance Corporation**  
**Credit Underwriting Report**

**Calusa Pointe II**

**State Apartment Incentive Loan (“SAIL”), Home Investment Partnerships  
Program from the American Rescue Plan Act (“HOME-ARP”), and Non-  
Competitive 4% Housing Credits (“HC”)**

**RFA 2024-205 (2025-211SA / 2024-526C)**

**SAIL Financing of Affordable Multifamily Housing Developments to be Used  
in Conjunction with Tax-Exempt Bond Financing and Non-Competitive  
Housing Credits**

**Section A: Report Summary**

**Section B: SAIL, HOME-ARP, and HC Special and General Conditions  
HC Allocation Recommendation and Contingencies**

**Section C: Supporting Information and Schedules**

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**Prepared by**

**First Housing Development Corporation of Florida**

**FINAL REPORT**

**May 31, 2025**

**Calusa Pointe II**

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**Section A**

**Report Summary**

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

**Recommendation**

First Housing Development Corporation of Florida (“FHDC”, “First Housing”, or “Servicer”) recommends a SAIL loan in the amount of \$250,000, a HOME-ARP loan in the amount of \$1,458,500, and an annual 4% Housing Credit (“HC”) allocation of \$3,011,691 to SP Field LLC (“Applicant”) to finance the construction and permanent financing of Calusa Pointe II (“Development”). This recommendation is only valid for six months from the date of this credit underwriting report.

DEVELOPMENT & SET-ASIDES			
Development Name:		Calusa Pointe II	
RFA/Program Numbers:		RFA 2024-205 / 2025-211SA 2024-526C	
Address:		SE Quadrant of S.R. 80 & C.R. 827A	
City:	Belle Glade	Zip Code:	33430
County:	Palm Beach	County Size:	Large
Development Category:		New Construction	
Development Type:		Garden Apartments	
Construction Type:		Wood Frame	
Number of Stories:		3	
Demographic Commitment:			
Primary:	Family	for	100% of the Units
Link Units:	Persons with Special Needs	for	7.738% of the Units
Unit Composition:			
# of ELI Units:	26	ELI Units Are Restricted to	30% AMI, or less.
# of Link Units:	13	# of Preference units:	0
# of NHTF Units:	0	# of units w/ PBRA?	0
Buildings:	Residential -	7	Non-Residential -
Parking:	Parking Spaces -	317	Accessible Spaces -
DDA:	No	SADDA:	No
QCT:	Yes	Multi-Phase Boost:	No
Site Acreage:	13.296	Density:	12.6354
Zoning:	B-2, Restricted Business (MF must comply w/ R-3, Residential)		
Credit Underwriter:	First Housing Development Corporation		Date of Application:
Date of Final CUR:	05/31/2025		Minimum 1st Mortgage per Rule:
TDC PU Limitation at Application:	\$372,590		TDC PU Limitation at Credit Underwriting:
Actual TDC PU for Limitation:	\$318,844		Amount Dev. Fee Reduced for TDC Limit:

The reader is cautioned to refer to these sections for full information.

Prepared by:



Brian Borer  
Underwriter

Reviewed by:



Edward Busansky  
Senior Vice President

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

**Set Asides & 15-Year Pro Forma**

<b>Program</b>	<b>% of Units</b>	<b># of Units</b>	<b>% AMI</b>	<b>Term (Years)</b>
HC-4%	15.476%	26	30%	50
HC-4%	9.524%	16	50%	50
HC-4%	20.238%	34	60%	50
HC-4%	54.762%	92	70%	50
ELI	15.476%	26	30%	99
SAIL	9.524%	16	50%	99
SAIL	20.238%	34	60%	99
SAIL	54.762%	92	70%	99
Local Gov. Subsidy	25.000%	42	50%	99
Local Gov. Subsidy	75.000%	126	80%	99
SHIP	20.000%	34	50%	99
MMRB	40.000%	68	60%	50
HOME	2.976%	5	22%	50

Persons with Special Needs Set-Aside Commitment: The proposed Development must set aside 50% of the ELI set-aside units (13 units) as Link units for Persons with Special Needs. In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding (“MOU”) with at least one designated special needs household referral agency that provides supportive services for Persons with Special Needs for the county where the proposed Development will be located (Palm Beach County). The MOU was approved by Florida Housing Finance Corporation (“Florida Housing” or “FHFC”) on May 28, 2025. The Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

HOME-ARP Set-Aside Commitment: The proposed Development must set aside 5 units as HOME-ARP Link units targeted for Persons with Special Needs. These units are required to be set aside for residents earning at or below 22% of Area Median Income (“AMI”) and are in addition to the 50% requirement for ELI set-aside units. Therefore, the Development will have a total of 18 units targeted for Link Units for Persons with Special Needs (ELI - 13 units, HOME-ARP - 5 units). After 30 years, all of the HOME-ARP 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.

The Applicant plans to apply for the 100% Ad Valorem Property Tax Exemption under Section 196.1978(4), Florida Statutes, which requires a ninety-nine (99) year total compliance period under a Land Use Restriction Agreement (“LURA”). Therefore, after the initial 50-year Compliance Period required by the RFA (“Compliance Period”) expires, all SAIL set-aside units within the Development shall be rented to households who shall have a household income less than or equal to one hundred and twenty percent (120%) of AMI for a period of forty-nine (49) years (“Ad Valorem Compliance Period”). The Ad Valorem Compliance Period, together with the

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

Compliance Period, shall have a term of ninety-nine (99) years (the “Total Compliance Period”) which will be defined under the SAIL LURA. The Applicant will be responsible for compliance monitoring fees for 50 years which are to be paid to the Servicer; for years 51-99, compliance monitoring will be self-certified by the Applicant to FHFC. The Applicant will also be responsible for the compliance monitoring fee of \$4,900 (\$100 per year) for years 51-99 associated with the Ad Valorem Compliance Period, which is to be paid at closing to FHFC.

It should be noted that, although the table above notes that the Local Gov. Subsidy units will have a set-aside term of 99 years, the term sheet provided to First Housing states that the affordability period will be “perpetuity.”

**Palm Beach County (West Palm Beach – Boca Raton HFMA)**

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	3	994	22%	\$1,205		\$578	\$74	\$504		\$504	\$456	\$504	\$18,144
2	2.0	18	994	30%			\$789	\$74	\$715		\$715	\$715	\$715	\$154,440
2	2.0	10	994	50%			\$1,315	\$74	\$1,241		\$978	\$1,241	\$978	\$117,360
2	2.0	20	994	60%			\$1,578	\$74	\$1,504		\$1,504	\$1,504	\$1,504	\$360,960
2	2.0	61	994	70%			\$1,841	\$74	\$1,767		\$1,504	\$1,504	\$1,504	\$1,100,928
3	2.0	2	1,130	22%	\$1,392		\$668	\$83	\$585		\$585	\$529	\$585	\$14,040
3	2.0	8	1,130	30%			\$912	\$83	\$829		\$829	\$829	\$829	\$79,584
3	2.0	6	1,130	50%			\$1,520	\$83	\$1,437		\$1,133	\$1,437	\$1,133	\$81,576
3	2.0	9	1,130	60%			\$1,824	\$83	\$1,741		\$1,741	\$1,741	\$1,741	\$188,028
3	2.0	31	1,130	70%			\$2,128	\$83	\$2,045		\$1,741	\$1,741	\$1,741	\$647,652
		168	174,608											\$2,762,712

## 15-Year Operating Pro Forma

FINANCIAL COSTS:		Year 1	Year 1 Per Unit	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
<b>OPERATING PRO FORMA</b>																	
<b>INCOME:</b>	Gross Potential Rental Income	\$2,762,712	\$16,445	\$2,817,966	\$2,874,326	\$2,931,812	\$2,990,448	\$3,050,257	\$3,111,262	\$3,173,488	\$3,236,957	\$3,301,697	\$3,367,731	\$3,435,085	\$3,503,787	\$3,573,863	\$3,645,340
	Miscellaneous	\$50,400	\$300	\$51,408	\$52,436	\$53,485	\$54,555	\$55,646	\$56,759	\$57,894	\$59,052	\$60,233	\$61,437	\$62,666	\$63,919	\$65,198	\$66,502
	Gross Potential Income	\$2,813,112	\$16,745	\$2,869,374	\$2,926,762	\$2,985,297	\$3,045,003	\$3,105,903	\$3,168,021	\$3,231,381	\$3,296,009	\$3,361,929	\$3,429,168	\$3,497,751	\$3,567,706	\$3,639,060	\$3,711,842
	Less:																
	Physical Vac. Loss 4.00%	\$112,524	\$670	\$114,775	\$117,070	\$119,412	\$121,800	\$124,236	\$126,721	\$129,255	\$131,840	\$134,477	\$137,167	\$139,910	\$142,708	\$145,562	\$148,474
	Collection Loss 1.00%	\$28,131	\$167	\$28,694	\$29,268	\$29,853	\$30,450	\$31,059	\$31,680	\$32,314	\$32,960	\$33,619	\$34,292	\$34,978	\$35,677	\$36,391	\$37,118
<b>Total Effective Gross Income</b>		\$2,672,456	\$15,907	\$2,725,906	\$2,780,424	\$2,836,032	\$2,892,753	\$2,950,608	\$3,009,620	\$3,069,812	\$3,131,209	\$3,193,833	\$3,257,709	\$3,322,864	\$3,389,321	\$3,457,107	\$3,526,249
<b>EXPENSES:</b>	2.00%																
	Fixed:																
	Real Estate Taxes	\$8,400	\$50	\$8,652	\$8,912	\$9,179	\$9,454	\$9,738	\$10,030	\$10,331	\$10,641	\$10,960	\$11,289	\$11,628	\$11,976	\$12,336	\$12,706
	Insurance	\$225,000	\$1,339	\$231,750	\$238,703	\$245,864	\$253,239	\$260,837	\$268,662	\$276,722	\$285,023	\$293,574	\$302,381	\$311,453	\$320,796	\$330,420	\$340,333
	Variable:																
	Management Fee 4.00%	\$106,898	\$636	\$109,036	\$111,217	\$113,441	\$115,710	\$118,024	\$120,385	\$122,792	\$125,248	\$127,753	\$130,308	\$132,915	\$135,573	\$138,284	\$141,050
	General and Administrative	\$68,880	\$410	\$70,946	\$73,075	\$75,267	\$77,525	\$79,851	\$82,246	\$84,714	\$87,255	\$89,873	\$92,569	\$95,346	\$98,206	\$101,153	\$104,187
	Payroll Expenses	\$285,600	\$1,700	\$294,168	\$302,993	\$312,083	\$321,445	\$331,089	\$341,021	\$351,252	\$361,790	\$372,643	\$383,823	\$395,337	\$407,197	\$419,413	\$431,996
	Utilities	\$201,600	\$1,200	\$207,648	\$213,877	\$220,294	\$226,903	\$233,710	\$240,721	\$247,943	\$255,381	\$263,042	\$270,934	\$279,062	\$287,433	\$296,056	\$304,938
	Marketing and Advertising	\$8,400	\$50	\$8,652	\$8,912	\$9,179	\$9,454	\$9,738	\$10,030	\$10,331	\$10,641	\$10,960	\$11,289	\$11,628	\$11,976	\$12,336	\$12,706
	Maintenance and Repairs/Pest Control	\$100,800	\$600	\$103,824	\$106,939	\$110,147	\$113,451	\$116,855	\$120,360	\$123,971	\$127,690	\$131,521	\$135,467	\$139,531	\$143,717	\$148,028	\$152,469
	Grounds Maintenance and Landscaping	\$21,000	\$125	\$21,630	\$22,279	\$22,947	\$23,636	\$24,345	\$25,075	\$25,827	\$26,602	\$27,400	\$28,222	\$29,069	\$29,941	\$30,839	\$31,764
	Reserve for Replacements	\$50,400	\$300	\$51,912	\$53,469	\$55,073	\$56,726	\$58,427	\$60,180	\$61,986	\$63,845	\$65,761	\$67,733	\$69,765	\$71,858	\$74,014	\$76,235
<b>Total Expenses</b>		\$1,076,978	\$6,411	\$1,108,219	\$1,140,375	\$1,173,474	\$1,207,544	\$1,242,613	\$1,278,711	\$1,315,869	\$1,354,117	\$1,393,488	\$1,434,015	\$1,475,732	\$1,518,675	\$1,562,879	\$1,608,383
3.00%																	
<b>Net Operating Income</b>		\$1,595,478	\$9,497	\$1,617,687	\$1,640,049	\$1,662,558	\$1,685,209	\$1,707,995	\$1,730,909	\$1,753,944	\$1,777,092	\$1,800,345	\$1,823,695	\$1,847,131	\$1,870,646	\$1,894,228	\$1,917,866
<b>Debt Service Payments</b>																	
First Mortgage - Berkadia / Freddie Mac		\$1,382,978	\$8,232	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978	\$1,382,978
Second Mortgage - FHFC - SAIL		\$2,500	\$15	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Third Mortgage - FHFC - HOME		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fourth Mortgage - Palm Beach County HBLP		\$75,600	\$450	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$192,199	\$192,199	\$192,199	\$192,199	\$192,199
Fifth Mortgage - Palm Beach County SHIP-ARPA		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
First Mortgage Fees - Berkadia / Freddie Mac		\$55,500	\$330	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500
Second Mortgage Fees - FHFC - SAIL		\$4,082	\$24	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082	\$4,082
Third Mortgage Fees - FHFC - HOME		\$4,728	\$28	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728	\$4,728
Fourth Mortgage Fees - Palm Beach County HBLP		\$4,500	\$27	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Fifth Mortgage Fees - Palm Beach County SHIP-ARPA		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Debt Service Payments</b>		\$1,529,889	\$9,106	\$1,529,889	\$1,529,889	\$1,529,889	\$1,529,889	\$1,529,889	\$1,529,889	\$1,529,889	\$1,529,889	\$1,529,889	\$1,646,487	\$1,646,487	\$1,646,487	\$1,646,487	\$1,646,487
Cash Flow after Debt Service		\$65,589	\$390	\$87,798	\$110,160	\$132,670	\$155,320	\$178,106	\$201,020	\$224,055	\$247,203	\$270,456	\$177,207	\$200,644	\$224,159	\$247,741	\$271,379
<b>Debt Service Coverage Ratios</b>																	
DSC - First Mortgage plus Fees		1.11x		1.12x	1.14x	1.16x	1.17x	1.19x	1.20x	1.22x	1.24x	1.25x	1.27x	1.28x	1.30x	1.32x	1.33x
DSC - Second Mortgage plus Fees		1.10x		1.12x	1.13x	1.15x	1.17x	1.18x	1.20x	1.21x	1.23x	1.25x	1.26x	1.28x	1.29x	1.31x	1.33x
DSC - Third Mortgage plus Fees		1.10x		1.12x	1.13x	1.15x	1.16x	1.18x	1.19x	1.21x	1.23x	1.24x	1.26x	1.27x	1.29x	1.31x	1.32x
DSC - Fourth Mortgage plus Fee		1.04x		1.06x	1.07x	1.09x	1.10x	1.12x	1.13x	1.15x	1.16x	1.18x	1.11x	1.12x	1.14x	1.15x	1.16x
DSC - Fifth Mortgage plus Fees		1.04x		1.06x	1.07x	1.09x	1.10x	1.12x	1.13x	1.15x	1.16x	1.18x	1.11x	1.12x	1.14x	1.15x	1.16x
<b>Financial Ratios</b>																	
Operating Expense Ratio		40.30%		40.66%	41.01%	41.38%	41.74%	42.11%	42.49%	42.86%	43.25%	43.63%	44.02%	44.41%	44.81%	45.21%	45.61%
Break-even Econ Occup Ratio (all debt)		92.87%		92.14%	91.44%	90.76%	90.10%	89.47%	88.85%	88.27%	87.70%	87.16%	90.03%	89.46%	88.92%	88.39%	87.89%
Break-even Econ Occup Ratio (must pay debt)		89.62%		38.82%	39.16%	39.51%	39.86%	40.21%	40.56%	40.92%	41.28%	41.65%	42.02%	42.39%	42.77%	43.15%	43.53%

\*The fourth mortgage loan from Palm Beach County requires interest-only payments for Years 1-10 of the loan, followed by payments of principal and interest based on a 50-year amortization, all subject to available cash flow.

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

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Notes to the 15-Year Operating Pro Forma and Ratios:

1. The Development will be utilizing HC with SAIL and HOME-ARP which will impose rent restrictions. Rents are based on the 2024 HOME program rents (as the 2025 HOME rents have not yet been released) and the 2025 maximum LIHTC rents published on FHFC's website for Palm Beach County, less the applicable utility allowance. The appraiser's achievable rent conclusions for the 70% AMI units are less than the maximum allowable rents and equal to the 60% AMI concluded rents. Although the 22% rents for 2025 have not yet been released on FHFC's website, First Housing confirmed the amounts that will be released for 22% units on the Novogradac rent calculator website (the appraiser utilized the 2024 rents for the 22% AMI units).

As part of the Developer's application to the Palm Beach County Housing Bond Loan Program ("HBLP"), 25% of the units are restricted to 50% AMI, and the Applicant agreed to charge tenants only 80% of the maximum allowable HC rents for those 50% AMI units, so that is the amount underwritten by First Housing, even though the appraiser concluded to maximum HC rents for the 50% AMI units.

2. Utility Allowances are based on an Energy Consumption Model ("ECM") Utility Allowance Estimate prepared by Matern Professional Engineering, Inc. that is dated October 25, 2024. FHFC staff approved the Utility Allowances for credit underwriting purposes on January 23, 2025.
3. The appraiser concluded to a 5.0% vacancy and collection loss and First Housing agrees.
4. The Miscellaneous Income line item in the pro forma includes other income from vending machines, laundry facilities, late charges, pet fees, and forfeited security deposits. The appraiser concluded to \$50,400, or \$300 per unit.
5. 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, Miscellaneous Income, and Operating Expenses fall within a band of reasonableness.
6. The Real Estate Tax expense is based on the Applicant's estimate and plan to apply for the 100% ad valorem property tax exemption passed under Section 196.1978(4), Florida Statutes. Beginning in 2026, the property must apply to the Palm Beach County property appraiser by March 1<sup>st</sup> of the tax year. Applying for this exemption requires a 99-year total compliance period with annual certifications. If the property fails to provide affordable



housing under the agreement before the end of the agreement term, there will be a penalty that is equal to 100% of the total amount financed by Florida Housing multiplied by each year remaining in the agreement. Approval from the lenders/parties involved in the transaction, confirming their approval of the terms of the ad valorem property tax exemption, is a condition to close.

7. First Housing received an executed management agreement dated February 25, 2025, between the Applicant and Cambridge Management, Inc. (“Management Agent”). The initial term of the agreement is for one year and automatic monthly renewals will continue thereafter until the agreement is cancelled. The Management Agent’s compensation will be 4% of gross rental income.
8. Residents are responsible for electric and cable/internet billed to their units. The owner will pay water, sewer, trash, and pest control for all units, plus utilities for the common areas and vacant units.
9. Replacement reserves are \$300 per unit, increasing at 3% thereafter based on the syndicator’s requirement, which meets the RFA and Rules 67-21 & 67-48.

## Sources Overview

### Construction Financing Information:

CONSTRUCTION FINANCING INFORMATION												
Lien Position	First	First	Second	Third	Fourth	Fifth				Totals		
Source	Local HFA Bond	Local HFA Bond	FHFC - SAIL	FHFC - HOME	Local Gov. Subsidy	SHIP	FHFC - HC 4%	Def. Dev. Fee	Other		Cash Collateral	Cash Collateral
Lender/Grantor	HFAPBC	HFAPBC	FHFC	FHFC	Palm Beach County HBLP	Palm Beach County SHIP-ARPA	Raymond James	Southport Development, Inc.	Bond Reinvestment Income		TD Bank, N.A.	Palm Beach County SHIP-ARPA
Construction Amount	\$22,055,000	\$11,945,000	\$250,000	\$1,458,500	\$7,560,000	\$1,500,000	\$10,604,288	\$5,653,744	\$3,845,400	<b>\$64,871,932</b>	\$33,000,000	\$1,000,000
All In Interest Rate	4.90%	3.70%	1.00%	0.00%	1.00%	0.00%					6.94%	0.00%
Debt Service During Construction	\$1,530,617	\$828,983	\$2,500	\$0	\$75,600	\$0				<b>\$2,437,700</b>	\$2,290,200	\$0
Bond Structure (if applicable)	Public Offering											

### First Mortgage:

First Housing received correspondence from RBC Capital Markets, LLC (“RBC”) dated April 22, 2025, indicating that RBC will underwrite and market the Bonds via public offering, with an expected rating of “Aaa” (Moody’s) or “AA+” (S&P). The tax-exempt Bond financing for the Development will consist of \$34,000,000 in Bonds, a portion of which will be issued as a Freddie Mac Credit Enhancement. The Bonds will be comprised of tax-exempt Series A permanent Bonds in the issue amount of \$22,055,000, maturing 15 years from conversion and secured by U.S. Treasuries held in a collateral fund during the construction phase. The short-term tax-exempt Series B construction Bonds will be issued in the amount of \$11,945,000 and mature in 48 months, with mandatory tender in 36 months, and they will be secured by U.S. Treasuries.

The source of Bond collateral is expected to be a \$33,000,000 taxable construction loan provided by TD Bank, N.A., plus a portion of the subordinate Palm Beach County SHIP-ARPA loan (First Housing estimates \$1,000,000 of the \$2,500,000 total loan amount). Based on current market conditions as of April 25, 2025, the tax-exempt Series A permanent Bond interest rate is estimated by RBC to be 4.90%, and it is 3.70% for the tax-exempt Series B construction Bonds. The Series A and Series B Bonds are expected to generate a

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

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combined \$722,580 in negative arbitrage based on reinvestment and bond rates as of the same date (positive arbitrage is not underwritten for this transaction).

First Housing reviewed a Summary of Terms and Conditions dated April 28, 2025, from TD Bank, N.A. outlining terms for a construction loan in an amount up to \$33,000,000 to help finance the Development. The loan is restricted to the lesser of: a) \$33,000,000; b) 70% of the appraised restricted value plus the value of the tax credits; and c) 55% construction loan-to-cost ratio (excluding deferred developer fee and any reserves required). The construction loan will bear interest at a variable per annum rate equal to 2.40% above the forward-looking Secured Overnight Financing Rate (“SOFR”) for a one-month period as published by CME Group Benchmark Administration, Ltd., with monthly payments of interest only due until maturity. SOFR was 4.29% as of April 24, 2025, which would result in an interest rate of 6.69%. First Housing includes a cushion of 0.25%, which results in an all-in rate of 6.94% for underwriting. The term of the loan is 30 months, with one 6-month extension option available.

The Bonds will be issued by the Housing Finance Authority of Palm Beach County (“Issuer” or “HFAPBC”). The annual HFAPBC administrative fee in the amount of 0.15% and the annual trustee fee in the amount of \$4,500 are both included in the Uses section of this report.

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT****Permanent Financing Information:**

PERMANENT FINANCING INFORMATION									
Lien Position	First	Second	Third	Fourth	Fifth				Totals
Source	Local HFA Bond	FHFC - SAIL	FHFC - HOME	Local Gov. Subsidy	SHIP	FHFC - HC 4%	Def. Dev. Fee	Other	
Lender/Grantor	Berkadia / Freddie Mac	FHFC	FHFC	Palm Beach County HBLP	Palm Beach County SHIP-ARPA	Raymond James	Southport Development, Inc.	Bond Reinvestment Income	
Permanent Amount	\$20,050,000	\$250,000	\$1,458,500	\$7,560,000	\$2,500,000	\$26,510,719	\$2,697,313	\$3,845,400	<b>\$64,871,932</b>
Permanent Funding Per Unit	\$119,345	\$1,488	\$8,682	\$45,000	\$14,881	\$157,802	\$16,055	\$22,889	<b>\$386,142</b>
% of Permanent Funding	30.9%	0.4%	2.2%	11.7%	3.9%	40.9%	4.2%	5.9%	<b>100.0%</b>
Underwritten Interest Rate	6.35%	1.00%	0.00%	1.00%	0.00%				
All In Interest Rate	6.35%	1.00%	0.00%	1.00%	0.00%				
Loan Term	15.0	15.5	30.0	17.5	15.5				
Amortization	40	0	0	50	0				
Must Pay or Cash Flow Dependent	Must-Pay	Cash Flow	Cash Flow	Cash Flow	Cash Flow				
Permanent Debt Service, No Fees	\$1,382,978	\$2,500	\$0	\$192,199	\$0				<b>\$1,577,677</b>
Permanent Debt Service, with Fees	\$1,438,478	\$6,582	\$4,728	\$80,100	\$0				<b>\$1,529,889</b>
Debt Service Coverage, with Fees	1.11x	1.10x	1.10x	1.04x	1.04x				
Operating Deficit & Debt Service Reserves	\$664,240								
# of Months covered by the Reserves	3.2								
Market Rate/Market Financing LTV	58%	59%	63%	85%	92%				
Restricted Market Financing LTV	71%	72%	77%	104%	112%				
Loan to Cost - Cumulative	31%	31%	34%	45%	49%				
Loan to Cost - SAIL Only		0%							

**First Mortgage:**

First Housing received an application for a fixed rate Freddie Mac CME Program/Bond Credit Enhancement, dated April 28, 2025, which indicates that Berkadia Commercial Mortgage LLC (“Berkadia”) will arrange for a credit enhancement under the Freddie Mac CME Program. The tax-exempt loan amount in the application is up to \$23,000,000, based on a maximum LTV of 80% and minimum DSC of 1.15x. The forward commitment period is 36 months and it may be extended for up to 6 months, subject to Funding Lender and Freddie Mac approval and payment of an extension fee equal to 0.80% of the loan amount. The loan term is 15 years and monthly payments of principal and interest will be required based on a 40-year amortization schedule. The fixed interest rate on the tax-exempt permanent loan will be determined at rate lock based on the 18-Year Municipal Market Data Index (“MMDI”) plus a spread of 1.10%

and a credit enhancement and servicing fee of 1.11%. As of April 28, 2025, Berkadia reports the 18-Year MMDI at 4.14%, which would result in an overall rate of 6.35% for the tax-exempt permanent loan.

Although the Series A permanent Bond issue is in the amount of \$22,055,000, and the Berkadia permanent loan is available in an amount up to \$23,000,000, First Housing has underwritten to a permanent loan amount of \$20,050,000, based on the required 1.10x minimum DSC.

Additional fees included in the debt service calculation consist of: i) an annual administrative fee equal to 0.15% of the aggregate principal amount of the Bonds originally issued (\$22,055,000 Series A + \$11,945,000 Series B = \$34,000,000); and ii) an annual trustee fee equal to \$4,500.

FHFC SAIL Loan and HOME-ARP Loan:

First Housing reviewed an invitation to enter credit underwriting letter from FHFC dated November 18, 2024, that includes a preliminary commitment for a SAIL Loan in the amount of \$250,000 and a HOME-ARP Loan in the amount of \$1,458,500.

The SAIL Loan is non-amortizing with an interest rate of 1% over the life of the loan and annual payments based on available cash flow. The Applicant will not be obligated to pay more than 75% of surplus cash flow on an annual basis, as required by Freddie Mac. The SAIL Loan will have a total term of 18 years, of which 2.5 years is for the construction/stabilization period and 15.5 years is for the permanent period. As required by Freddie Mac and permitted by Rule 67-48, the SAIL Loan will be coterminous with the first mortgage plus six months (total term is 18 years). Any unpaid interest will be deferred until cash flow is available, however, at the maturity of the SAIL Loan, all principal and unpaid interest will be due.

The HOME-ARP Loan is non-amortizing with an interest rate of 0% per annum over the life of the loan, with the principal forgivable at maturity provided the units for which the HOME-ARP Loan amount is awarded are targeted as HOME-ARP Link units for the first 30 years of the 50-year Compliance Period. The Applicant will not be obligated to pay more than 75% of surplus cash flow on an annual basis, as required by Freddie Mac. The HOME-ARP Loan will have a total term of 32.5 years, of which 2.5 years is for the construction/stabilization period and 30 years is for the permanent period.

Annual payment of all applicable fees will be required. For each of the SAIL Loan and HOME-ARP Loan, fees include an annual multiple program compliance monitoring fee of \$1,082 and an annual permanent loan servicing fee of 25 bps of the outstanding loan amount up to a maximum of \$990 per month, subject to a minimum of \$250 per month.

Palm Beach County HBLP Loan:

First Housing reviewed an undated Comprehensive Loan Term Sheet from Palm Beach County's Department of Housing and Economic Development in which the Applicant received a preliminary HBLP loan award of \$7,560,000 for the construction of the Development. The interest rate will be 1% with a loan term of 20 years (First Housing has assumed a 2.5-year construction period and 17.5-year permanent period). Loan payments will be deferred until first mortgage converts to permanent financing. Interest-only payments will otherwise be due in Years 1-10, followed by principal and interest payments due in Years 11-20 based on a 50-year amortization schedule. All interest and principal payments are subject to available cash flow, with unmade payments deferred to the end of the term. Loan funds will be disbursed as reimbursements of eligible construction expenses submitted in periodic pay applications.

Also included in the debt service calculation of this loan is an annual \$4,500 monitoring fee, which is subject to annual adjustments.

Palm Beach County SHIP-ARPA:

First Housing reviewed a Palm Beach County Board of County Commissioners Executive Brief dated July 12, 2022, in which staff recommended a motion that was approved to transfer \$2,500,000 in its American Rescue Plan Act ("ARPA") funds to the Applicant for construction of the Development. Although the county did not provide a loan term sheet, the Applicant has reported to First Housing that the interest rate will be 0% and the term of the loan will be 18 years (First Housing has assumed a 2.5-year construction period and 15.5-year permanent period). A term sheet with specific loan terms will be a condition to close.

Housing Credit Equity:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$5,302,144	20.00%	Closing
2nd Installment	\$5,302,144	20.00%	Later of 75% completion or November 1, 2026
3rd Installment	\$9,668,825	36.47%	Later of 100% completion or May 1, 2027
4th Installment	\$6,237,606	23.53%	Later of Stabilization or February 1, 2028
<b>Total</b>	<b>\$26,510,719</b>	<b>100.00%</b>	
Syndicator Name	Raymond James		
Date of LOI	4/17/2025		
Total Credits Per Syndication Agreement:	\$31,009,790		
Annual Credits Per Syndication Agreement:	\$3,100,979		
Calculated HC Exchange Rate:	\$0.855		
Limited Partner Ownership Percentage:	99.99%		
Proceeds Available During Construction:	\$10,604,288		
Annual Credits - Qualified in CUR:	\$3,011,691		

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$2,697,313, or 28.1%, of the total Developer Fee of \$9,591,851.

Bond Reinvestment Income:

Based on current market conditions and rates from RBC as of April 25, 2025, reinvestment income from Bond Series A and Series B is projected to total \$3,845,400, however combined Bond interest from Series A and Series B is projected to total \$4,567,980, resulting in combined negative arbitrage in the amount of \$722,580.

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**Changes from the Application and Additional Information**

<b>COMPARISON CRITERIA</b>	<b>YES</b>	<b>NO</b>
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?		1
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?	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?		4
Is the Development in all other material respects the same as presented in the Application?	X	

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

1. Since the Application, the Bond amount has increased from \$27,000,000 to \$34,000,000 and the HBLP loan has decreased from \$9,810,000 to \$7,560,000. In addition, a Local SHIP-ARPA loan in the amount of \$2,500,000 and reinvestment income in the amount of \$3,845,400 were both added to the sources.
2. Since the Application, Total Development Costs have increased \$9,716,656, or 17.6%, from \$55,155,276 to \$64,871,932. This increase is primarily due to higher hard costs, higher interest costs, negative arbitrage, a higher Developer Fee, and higher Operating Deficit Reserve.
3. The Applicant submitted a request dated March 5, 2025, to change the set-asides of the Development. Florida Housing’s Staff approval of the request is a condition to closing. The change request is as follows:



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Set-Asides From:	Set-Asides To:
26 units at 30% AMI	26 units at 30% AMI
8 units at 50% AMI	16 units at 50% AMI
67 units at 60% AMI	34 units at 60% AMI
50 units at 70% AMI	92 units at 70% AMI
17 units at 80% AMI	0 units at 80% AMI
168 total units at 59.881% Avg. AMI	168 total units at 59.881% Avg. AMI

4. Since the Application, the syndication rate has decreased from \$0.88 to \$0.855, and the syndicator changed from Synovus to Raymond James.

The above changes have no substantial material impact to the SAIL, HOME-ARP 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 April 18, 2025, the Development has the following noncompliance item(s) not in the correction period:

- La Vista Oaks
  - Failure to meet Uniform Physical Inspection Standards (UPCS) for Units
  - Failure to meet UPCS for Site
  - Failure to meet UPCS for Common Areas

According to the FHFC Past Due Report, dated April 18, 2025, 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 Developer, General Contractor, and the Management Company are experienced in affordable multifamily housing.

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

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2. The Developer has sufficient experience and financial resources to develop and operate the proposed Development.

Waiver Requests/Special Conditions:

None

Issues and Concerns:

None

Mitigating Factors:

None

Additional Information:

1. All Applicants awarded HOME-ARP funding will be required to comply with the HUD environmental requirements as provided in 24 CFR Part 92 and 24 CFR Part 58. According to a November 14, 2024, email from FHFC, the environmental review provider assigned is Terracon Consultants, Inc. As the Responsible Entity, FHFC is required to complete the Part 58 portion of the Tribal consultation and publication of the Finding of No Significant Impact/Request for Release of Funds. Completion of the report finding the Development to be in compliance will be considered a condition to close.

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

**Uses of Funds**

<b>CONSTRUCTION COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
New Rental Units	\$33,000,000	\$26,334,104	\$23,534,104	\$140,084	\$50,350
Site Work	\$0	\$8,045,313	\$10,845,313	\$64,555	\$1,084,531
Constr. Contr. Costs subject to GC Fee	\$33,000,000	\$34,379,417	\$34,379,417	\$204,639	\$1,134,881
General Conditions (6.0%)	\$0	\$2,062,765	\$2,062,765	\$12,278	\$0
Overhead (2.0%)	\$0	\$0	\$687,588	\$4,093	\$0
Profit (6.0%)	\$4,600,000	\$2,062,765	\$2,062,765	\$12,278	\$0
General Liability Insurance	\$0	\$687,588	\$0	\$0	\$0
Total Construction Contract/Costs	\$37,600,000	\$39,192,535	\$39,192,535	\$233,289	\$1,134,881
Hard Cost Contingency (5.0%)	\$1,800,000	\$1,959,627	\$1,959,627	\$11,664	\$0
PnP Bond paid outside Constr. Contr.	\$306,836	\$411,522	\$411,522	\$2,450	\$0
FF&E paid outside Constr. Contr.	\$75,000	\$75,000	\$75,000	\$446	\$0
<b>Total Construction Costs:</b>	<b>\$39,781,836</b>	<b>\$41,638,684</b>	<b>\$41,638,684</b>	<b>\$247,849</b>	<b>\$1,134,881</b>

<b>Allowances:</b>	
Below slab radon mitigation material and installation	\$85,000
Site monument sign	\$25,000
Special building signage	\$10,000
Building signage installation	\$5,000
Splash Pad	\$150,000
Primary conduit installation	\$42,856
<b>Total</b>	<b>\$317,856</b>

**Notes to Total Construction Costs:**

1. The Applicant has provided an executed construction contract dated April 21, 2025. The contract is a Standard Form of Agreement between SP Field LLC ("Owner") and Newco Construction Company d/b/a Wichman Construction ("GC") where the basis of payment is the Cost of Work Plus a fee with a Guaranteed Maximum Price ("GMP") in the amount of \$39,192,535. The contract requires a substantial completion date no later than 549 calendar days from the date of commencement.
2. The Development will lease washers/dryers to a portion of the residents and estimate they will purchase 50 sets. The Applicant's estimated cost of \$50,350 has been included as an ineligible cost.
3. First Housing has estimated 10% of the site work to be ineligible.
4. Allowances total 0.81% of the GMP and appear reasonable to Moran Consultants, LLC, the third-party plan and cost reviewer.

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

<b>GENERAL DEVELOPMENT COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Accounting Fees	\$0	\$50,000	\$50,000	\$298	\$50,000
Appraisal	\$0	\$29,000	\$29,000	\$173	\$0
Architect's Fees	\$2,411,440	\$350,810	\$350,810	\$2,088	\$0
Builder's Risk Insurance	\$230,000	\$150,000	\$150,000	\$893	\$0
Building Permits	\$0	\$343,794	\$343,794	\$2,046	\$0
Engineering Fees	\$0	\$900,000	\$900,000	\$5,357	\$0
Environmental Report	\$0	\$85,100	\$85,100	\$507	\$0
FHFC Administrative Fees	\$319,000	\$279,000	\$271,052	\$1,613	\$271,052
FHFC Application Fee	\$0	\$3,000	\$3,000	\$18	\$3,000
FHFC Compliance Fee	\$0	\$205,000	\$296,067	\$1,762	\$296,067
FHFC Credit Underwriting Fee	\$0	\$23,560	\$26,421	\$157	\$26,421
Insurance	\$0	\$105,000	\$105,000	\$625	\$20,000
Legal Fees - Organizational Costs	\$0	\$250,000	\$250,000	\$1,488	\$0
Lender Inspection Fees / Const Admin	\$0	\$181,000	\$181,000	\$1,077	\$0
Market Study	\$0	\$12,500	\$12,500	\$74	\$12,500
Plan and Cost Review Analysis	\$0	\$15,000	\$15,000	\$89	\$0
Property Taxes	\$10,000	\$40,000	\$40,000	\$238	\$10,000
Soil Test	\$0	\$100,000	\$100,000	\$595	\$0
Survey	\$0	\$100,000	\$100,000	\$595	\$20,000
Title Insurance and Recording Fees	\$0	\$125,000	\$125,000	\$744	\$0
Utility Connection Fees	\$0	\$350,000	\$350,000	\$2,083	\$0
Soft Cost Contingency (5.0%)	\$150,000	\$200,000	\$200,432	\$1,193	\$0
Other: Miscellaneous	\$0	\$20,000	\$0	\$0	\$0
Other: Security (Required by Insurance)	\$0	\$220,000	\$220,000	\$1,310	\$220,000
Other: Local Government Fees	\$380,000	\$0	\$0	\$0	\$0
Other: FHFC SAIL Compliance Monitoring	\$0	\$0	\$4,900	\$29	\$4,900
<b>Total General Development Costs:</b>	<b>\$3,500,440</b>	<b>\$4,137,764</b>	<b>\$4,209,076</b>	<b>\$25,054</b>	<b>\$933,940</b>

Notes to Total General Development Costs:

1. General Development Costs are based on the Applicant's updated estimates, which appear reasonable.
2. The FHFC Administrative Fee is based on 9% of the recommended annual housing credit allocation.
3. FHFC Credit Underwriting Fee includes First Housing's underwriting fee for SAIL, HOME-ARP and HC.
4. Other: FHFC SAIL Compliance Monitoring of \$4,900 is based on \$100 per year for years 51-99 in connection with the Ad Valorem Compliance Period. FHFC Compliance Fees through the initial 50-year Compliance Period will be ongoing and are incorporated in the operating pro forma and debt service analysis within this report.

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

<b>FINANCIAL COSTS:</b>	<b>Applicant Costs</b>	<b>Revised Applicant Costs</b>	<b>Underwriters Total Costs - CUR</b>	<b>Cost Per Unit</b>	<b>HC Ineligible Costs - CUR</b>
Construction Loan Commitment Fee	\$2,203,000	\$247,500	\$247,500	\$1,473	\$0
Construction Loan Interest	\$0	\$0	\$1,719,738	\$10,237	\$429,935
Construction Loan Servicing Fees	\$0	\$25,000	\$25,000	\$149	\$0
Permanent Loan Closing Costs	\$0	\$58,350	\$58,350	\$347	\$58,350
Permanent Loan Commitment Fee	\$220,000	\$230,000	\$200,500	\$1,193	\$200,500
Local HFA Bond Closing Costs	\$0	\$69,000	\$68,000	\$405	\$68,000
Local HFA Bond Cost of Issuance	\$0	\$300,000	\$164,057	\$977	\$164,057
Local HFA Bond Interest	\$0	\$5,000,000	\$3,845,400	\$22,889	\$961,350
Local HFA Bond Trustee Fee	\$0	\$0	\$11,250	\$67	\$11,250
Local HFA Bond Underwriting Fee	\$0	\$0	\$16,984	\$101	\$16,984
Local HFA Legal - Issuer's Counsel	\$0	\$60,000	\$60,000	\$357	\$60,000
Local HFA Legal - Lender's Counsel	\$0	\$100,000	\$100,000	\$595	\$50,000
SAIL Closing Costs	\$0	\$0	\$20,000	\$119	\$20,000
SAIL Commitment Fee	\$0	\$17,085	\$2,500	\$15	\$2,500
HOME Closing Costs	\$0	\$0	\$20,000	\$119	\$20,000
HOME Subsidy Layering Review	\$0	\$0	\$4,800	\$29	\$4,800
Negative Arbitrage	\$0	\$0	\$722,580	\$4,301	\$722,580
Placement Agent/Underwriter Fee	\$0	\$55,000	\$195,938	\$1,166	\$195,938
Initial TEFRA Fee	\$0	\$3,000	\$6,000	\$36	\$6,000
Other: County Application Fee	\$0	\$10,000	\$10,000	\$60	\$10,000
Other: HBLP Underwriting Fee	\$0	\$0	\$16,984	\$101	\$16,984
Other: Syndicator Legal	\$0	\$50,000	\$50,000	\$298	\$50,000
Other: Local SHIP-ARPA Origination Fee	\$0	\$0	\$25,000	\$149	\$25,000
Other: HFAPBC Admin. Fee	\$0	\$0	\$127,500	\$759	\$127,500
<b>Total Financial Costs:</b>	<b>\$2,423,000</b>	<b>\$6,224,935</b>	<b>\$7,718,081</b>	<b>\$45,941</b>	<b>\$3,221,728</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$45,705,276</b>	<b>\$52,001,383</b>	<b>\$53,565,841</b>	<b>\$318,844</b>	<b>\$5,290,549</b>

Notes to Total Financial Costs:

1. Construction Loan Commitment Fee is equal to 0.75% of the construction loan amount.
2. Construction Loan Interest is based on the estimated average outstanding monthly loan balance, construction period, conservative absorption rate of 25 units per month at completion, and an underwritten interest rate of 6.94%.
3. Permanent Loan Commitment Fee is equal to 1% of the permanent loan amount.
4. Local HFA Bond Closing Costs is a one-time closing fee paid to HFAPBC equal to 0.20% of the total amount of Bonds issued.
5. Local HFA Bond Cost of Issuance was calculated by the Bond Underwriter, RBC, and includes fees and expenses related to the issuance.
6. Local HFA Bond Interest was calculated based on current short-term and long-term bond interest rates provided by RBC, as of April 25, 2025.

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

7. Local HFA Bond Trustee Fee represents 2.5 years of the annual trustee fee of \$4,500 during the construction loan term.
8. Local HFA Bond Underwriting Fee represents First Housing's fee for underwriting the Bonds for HFAPBC.
9. First Housing included \$20,000 each for SAIL Closing Costs and HOME-ARP Closing Costs.
10. SAIL Commitment Fee is equal to 1% of the SAIL Loan.
11. Negative Arbitrage is the combined amount calculated from the short-term and long-term reinvestment and bond interest rates provided by RBC, as of April 25, 2025.
12. Other: Local SHIP-ARPA Origination Fee is equal to 1% of the Palm Beach County SHIP-ARPA loan amount.
13. Other: HFAPBC Admin. Fee represents the annual administrative fee paid to HFAPBC and is equal to 0.15% of the total amount of Bonds issued multiplied by 2.5 years.

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	\$8,200,000	\$9,310,249	\$9,591,851	\$57,094	\$0
DF to Consultant Fees	\$0	\$50,000	\$50,000	\$298	\$0
<b>Total Dev. Fee on Non-Acq. Costs (18.0%):</b>	<b>\$8,200,000</b>	<b>\$9,360,249</b>	<b>\$9,641,851</b>	<b>\$57,392</b>	<b>\$0</b>

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$1,000,000	\$1,000,000	\$1,000,000	\$5,952	\$1,000,000
<b>Total Acquisition Costs:</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$5,952</b>	<b>\$1,000,000</b>

Notes to Land Acquisition Costs:

1. First Housing reviewed a Purchase and Sale Agreement dated March 1, 2024, between SP Field LLC as purchaser and SP Belle Glade LLC as seller. This is a non-arm's-length transaction since the entities share related ownership. The agreement stipulates a purchase price of \$1,000,000 and it expires December 1, 2025.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserves	\$250,000	\$575,357	\$664,240	\$3,954	\$664,240
<b>Total Reserve Accounts:</b>	<b>\$250,000</b>	<b>\$575,357</b>	<b>\$664,240</b>	<b>\$3,954</b>	<b>\$664,240</b>

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

Notes to Reserve Accounts:

1. First Housing has underwritten the operating deficit reserve amount in the April 17, 2025, LOI from Raymond James, which appears reasonable.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>\$55,155,276</b>	<b>\$62,936,989</b>	<b>\$64,871,932</b>	<b>\$386,142</b>	<b>\$6,954,789</b>

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA (\$)	Actual at CUR (\$)
General Contractor Fee	14.00%	14.00%	\$4,813,118	\$4,813,118
Hard Cost Contingency	5.00%	5.00%	\$1,959,627	\$1,959,627
Soft Cost Contingency	5.00%	5.00%	\$200,432	\$200,432
Developer Fee	18.00%	18.00%	\$9,641,851	\$9,641,851

## **Section B**

### **SAIL, HOME-ARP, and HC 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 two weeks 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. If the amount of the permanent loan is increased above the amount recommended herein, the increase will be subject to FHFC's approval and a positive recommendation from First Housing.
2. FHFC staff approval of the change in the set-asides.
3. Firm commitment or final loan documents from TD Bank, N.A. (construction) and Berkadia/Freddie Mac (permanent) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
4. Final loan documents for the Palm Beach County HBLP loan and SHIP-ARPA loan, with terms that are not substantially different from those utilized in this credit underwriting report.
5. Receipt and satisfactory review of the final signed, sealed "approved for construction" plans and specifications by the construction consultant and the Servicer. If the construction consultant does not have time to review prior to closing, this condition can be satisfied prior to the first post-closing draw.
6. Receipt and satisfactory review of the Moran Consultants, LLC recommended updates to the Geotechnical Report prepared by Florida Engineering & Test, Inc. and dated October 31, 2022, as described in the DCR and summarized on page C-4 of this CUR.
7. Approval from the lenders/parties involved in the transaction that they approve the terms of the ad valorem property tax exemption.
8. Receipt of all GC Section 3 contract requirements.
9. Completion of the HUD Section 3 pre-construction conference.
10. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 75).

11. Receipt and satisfactory review of updated financials for the Guarantors, dated within 90 days of closing, or audited financials, dated within one year of closing.
12. Receipt of the FHFC SAIL Compliance Monitoring Fee of \$4,900 for the Ad Valorem Compliance Period.
13. Receipt of an Environmental Review verifying the Development is in compliance with the Property Standards provided in 24 CFR Part 92 and 24 CFR Part 58.
14. 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 two weeks 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 Rule 67-21.0025(5) F.A.C. and 67-48.0075(5) of an Applicant or a Developer).
2. Moran Consultants, LLC 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 Loan Agreement as the approved development budget.
9. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. SAIL and HOME-ARP loan proceeds shall be disbursed during the construction phase in an amount per draw that does not exceed the ratio of the SAIL and HOME-ARP loans to the Total Development Costs, unless approved by First Housing. The closing draw must include appropriate backup and ACH wiring instructions.
10. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.

11. 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.
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 Plan and Cost Review, prepared by Moran Consultants, LLC.
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 a Partnership / Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Partnership / 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 two weeks prior to Real Estate Loan Closing**. Failure to submit and to receive approval of these items, along with all other items listed on Florida

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

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Housing Counsel's due diligence, within this time frame may result in postponement of the 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 Raymond James 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 partnership/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 RFA 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/Operating 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, including HC as Applicable**

This recommendation is also contingent upon satisfaction of the following additional conditions:

1. Compliance with all provisions of Sections 420.507, 420.5087, and 420.5089 Florida Statutes, Rule Chapter 67-21, F.A.C. (Non-Competitive 4% Housing Credits), Rule 67-48 F.A.C. (SAIL), Rule Chapter 67-53, F.A.C., Rule Chapter 67-60 F.A.C., RFA 2024-205, HUD Rule 24 CFR Part 92 and Part 58, 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 SAIL and HOME-ARP loans 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 Raymond James or an affiliate, that requires funding of all HC Equity Installments during construction, even if the Borrower is in default under the Partnership/ Operating Agreement.
4. All amounts necessary to complete construction must be deposited with the Trustee 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 Trustee at the Bond 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 SAIL Loan, 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 on the combined permanent first mortgage and SAIL Loan as determined by FHFC, or the Servicer, and 90% occupancy, and 90% of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all as 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. 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.
10. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgagee Lender, Trustee, 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.
11. 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, Trustee, 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 \$50,400 (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 & 2, followed by \$300 per unit thereafter. 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 15<sup>th</sup> year after the initial Replacement Reserve Date and subsequently every five (5) years thereafter.
12. 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 10% retainage will be held until 50% completion of contract value then no retainage will be held thereafter. This meets the RFA and Rule Chapters 67-21 and 67-48 minimum requirements.
13. Closing of all funding sources prior to or simultaneous with the SAIL and HOME-ARP loans.



14. HOME 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 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.
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. Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
18. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

## **Section C**

### **Supporting Information & Schedules**

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**Additional Development & Third-Party Supplemental Information**

**Appraisal Summary:**

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Integra Realty Resources ("Integra")	
Date of Report	4/22/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2026	
Occupancy at Stabilization: Economic (%)	95.0%	
Occupancy at Stabilization: Physical (%)	96.0%	
Value: As Is market value of the land	\$1,200,000	
As of date and type of interest (as if vacant land)	3/04/2025; Fee Simple	
Value: "As Complete and Stabilized", subject to unrestricted rents	\$34,400,000	
As of date and type of interest (unrestricted rents)	3/04/2025; Leased Fee	
Value: "As Complete and Stabilized", subject to restricted rents	\$28,300,000	
As of date and type of interest (restricted rents)	3/04/2025; Leased Fee	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

**Market Study Summary:**

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Novogradac & Company LLP ("Novogradac")	
Date of Report	11/26/2024	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	1	
Short Term and Long Term Impact to existing like-kind developments	No short- or long-term impact	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	99.7%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 10 mile radius:		1.
Level of Effort (%)	7.2% & 11.5%	2.
Capture Rate (%)	11.3%	
Remaining Potential Demand	2,330	
Absorption Rate	25 units per month	
Will the development achieve maximum allowable HC Rents? (Y/N)	N	3.
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

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Notes to Market Study Summary:

1. The primary market area (PMA) is defined in the market study as generally consisting of Lakeport, Port Mayaca, and Lake Okeechobee to the north, Twentymile Bend, JW Corbett Wildlife Management Area, and agricultural land to the east, Holey Land Wildlife management to the south, and Florida Route 78 and US Route 27 to the west.
2. The market analyst presents two different methodologies for the penetration rate calculation (comparable to level of effort). In methodology one (7.2%), it is calculated with a focus on the subject Development and calculated by subtracting out existing LIHTC units and proposed LIHTC units in the PMA and then dividing the subject's total number of units by the remaining demand after competition. In the second methodology (11.5%), the analyst calculates a penetration rate with a market focus by totaling all existing and proposed (including the subject) competitive affordable units within the PMA, and dividing by the total number of income eligible renter households.
3. The market analyst concluded that 30% and 60% AMI units would achieve maximum allowable HC rents, but the 70% and 80% AMI units would not achieve maximum allowable HC rents (the Developer subsequently eliminated the 80% AMI units and added 50% AMI units, as noted in the Changes from Application section of this underwriting report).

Environmental Report Summary:

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	Terracon Consultants, Inc.	
Date of Report	9/10/2024	
Type of Report	Phase I ESA	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	Y	1.
Is any further investigation required? (Y/N)	Y	2.

Notes to Environmental Report Summary:

1. The assessor identified the following Recognized Environmental Conditions ("RECs") in connection with the site:
  - a. The long-term usage of the site for agricultural purposes has the potential to leave residual agrichemicals in the subsurface which could affect soil and groundwater quality.
  - b. The review of historical documents and the results described in the Phase I ESA and Draft Limited Site Investigation ("LSI") Report prepared for the site in 2019,

the historical use of the site and adjoining properties for agricultural purposes which appears to have affected soil and groundwater quality.

- c. The above ground storage tank observed at the site by Terracon during the site reconnaissance has the potential to affect soil and groundwater quality.

Terracon recommends conducting additional investigations to evaluate subsurface conditions associated with the identified RECs. Based upon the findings of further investigation, additional recommendations may be provided, including evaluation of notification requirements and preparation of plans to address affected materials including preparation of a site-specific Soil Management Plan (“SMP”), that will include protocols for handling of impacted materials and development of plans for protection of site workers, future occupants and surrounding properties.

2. Terracon’s LSI activities were completed January 6, 2025. The LSI was designed to assess for potential impacts that may have resulted from RECs identified in Terracon’s Phase I Environmental Site Assessment (“ESA”) report dated September 10, 2024. Following are the conclusions in the LSI:
  - a. Soil analytical results collected on January 29, 2025, reported endrin, toxaphene, dieldrin and arsenic above the chapter 62-777, Table II, F.A.C., soil cleanup target levels in the upper 3 to 4 feet of the soil profile which is consistent with previous results.
  - b. Groundwater analytical results did not report the presence of the tested parameters from temporary monitoring wells (“TMW”) TMW-100, TMW-101 and TMW-102 above the method detection limits or groundwater cleanup target levels.

Terracon recommends that, based on the findings of the LSI, further soil investigation of the site may be warranted to refine impacted soil estimates. Currently, a conservative estimate would be removing and replacing 4 feet of material across the entire site. However, based on analytical results, this could be refined with additional testing to fine tune the vertical and horizontal dispersion of the impacted soils. The current estimate is using large spacing between borings and should be considered order of magnitude estimates. A more refined Source Removal Plan/ Remedial Alternatives Evaluation should be conducted to evaluate remedial approaches. Additionally, based on the composite soil testing results, this material should meet the non-hazardous threshold which would reduce disposal costs. However, the receiving facility or entity will provide the costs and analytical criteria and or acceptance of the material.

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Soils Test Report Summary:

Soils Test Report Summary Questions	Responses	Note
Preparer Firm Name	Florida Engineering & Testing, Inc.	
Date of Report	10/31/2022	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	N	1.

Notes to Soil Test Report Summary:

1. Moran Consultants, LLC recommends that the Geotechnical Report prepared by Florida Engineering & Test, Inc. and dated October 31, 2022, be updated to include: a) paving / parking recommendations; b) receipt of a letter from the geotechnical engineer stating that the site conditions have not changed since the date of the report, and all recommendations within the report are still valid; and c) that the geotechnical engineer review the provided / stamped structural drawings (dated 06-21-2024) and verify that foundation design is appropriate for its intended use (continuous footings are recommended to be 24” in width within the Geotechnical Report; however, the structural engineer has designed continuous footings to a width of 18”).

Plan and Cost Review Summary:

Property Conditions Report (PCR) Summary Questions	Responses	Note
Preparer Firm Name	Moran Consultants, LLC	
Date of Report	5/7/2025	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenities in Exhibit B present in the PCA report? (Y/N)	Y	
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)(\$)	\$39,192,535	
Cost per Unit	\$233,289	1.
Costs for Similar Type Developments (Include Range)	\$191,018 to \$235,465 per unit	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	549 calendar days	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherence to the scope of the project? (Y/N)	Y	

Notes to Plan & Cost Review Summary:

1. The cost per unit appears to be on the high end of the range for the consultant’s cost comparables, however this is primarily due to the Applicant’s high site work cost of

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\$10,845,313, which is due to the extra costs of soil removal for the environmental remediation mentioned above.

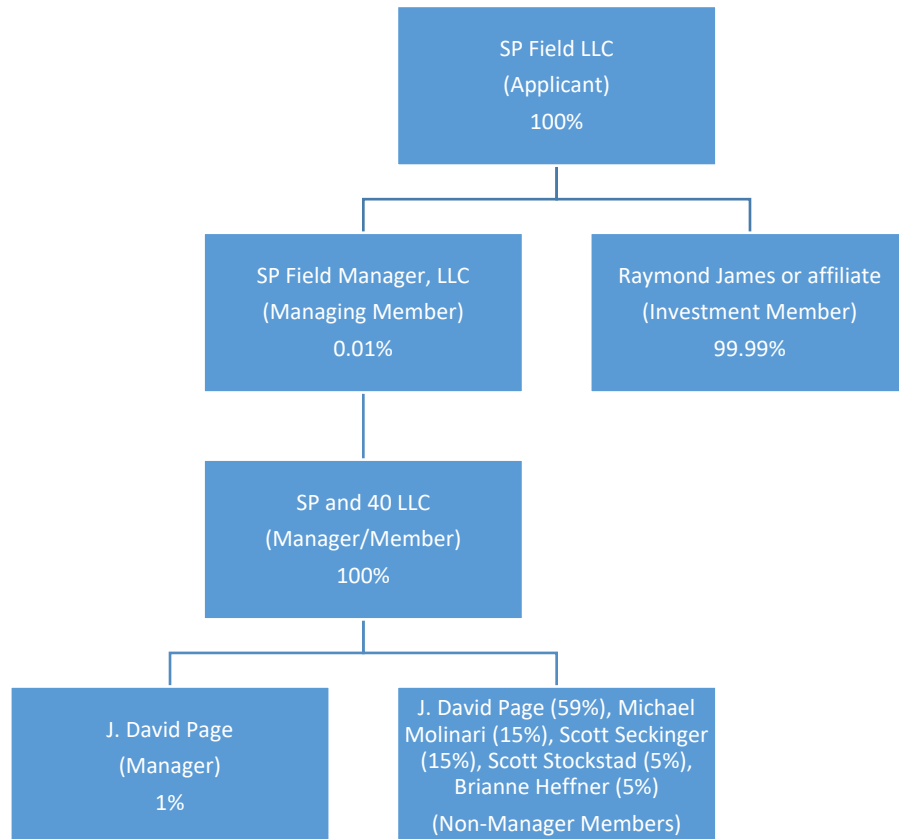
Site Inspection Summary:

Site Visit Summary Questions	Responses	Note
Name of Inspector	First Housing	
Date of Inspection	8/1/2024	
Were the observation(s) of the inspector in line with the Market Study? (Y/N)	Y	

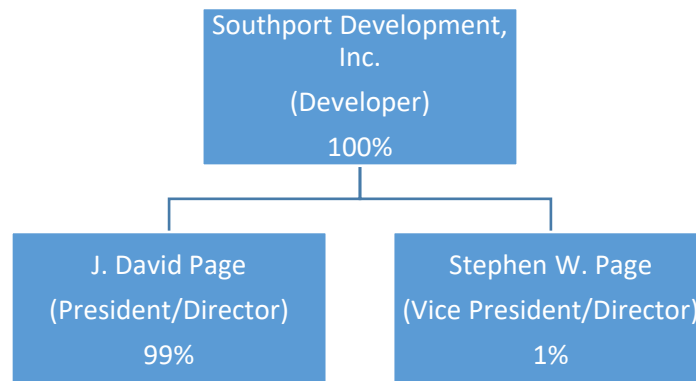
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**Applicant & Related Party Information:**

Applicant Ownership Chart:



Developer Ownership Chart:



First Housing verified that the Applicant and Developer have an active status on Sunbiz.



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	SP Field LLC	SP Field Manager LLC	SP and 40 LLC	J. David Page	Southport Development, Inc.	Raymond James	Note
Relationship Type	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Syndicator	
Contact Person Name & Title	J. David Page	J. David Page	J. David Page	J. David Page	J. David Page	John Colvin Director of Acquisitions	
Contact Information	5403 W. Gray Street Tampa, FL 33609 jdpape@sphome.com 813.288.6988	5403 W. Gray Street Tampa, FL 33609 jdpape@sphome.com 813.288.6988	5403 W. Gray Street Tampa, FL 33609 jdpape@sphome.com 813.288.6988	5403 W. Gray Street Tampa, FL 33609 jdpape@sphome.com 813.288.6988	5403 W. Gray Street Tampa, FL 33609 jdpape@sphome.com 813.288.6988	880 Carillon Parkway St. Petersburg, FL 33716 john.colvin@raymondjames.com 205.874.4327	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y	Y	N/A	
Does entity have the necessary experience?	N Single-Purpose Entity	N Single-Purpose Entity	N Pass-Through Entity	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	Y	Y	Y	Y	Y	N/A	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	N/A	N/A	Y	Y	N/A	
Have all financial statements been reviewed and are they adequate?	N/A	N/A	N/A	Y	Y	Y	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y	Y	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	N/A	N/A	N/A	N/A	N/A	
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	N/A	N/A	N/A	N/A	
Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	N/A	N/A	N/A	N/A	
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	Y	Y	N/A	

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	Cambridge Management, Inc.	Newco Construction Company d/b/a Wichman Construction	Note
Relationship Type	Management Company	General Contractor	
Contact Person Name & Title	Steve Sterquell Vice President	Michael Wichman President	
Contact Information	1916 64th Ave. West Tacoma, WA 98466 ssterquell@cmiweb.net 253.905.8199	5029 W. Grace Street Tampa, FL 33609 mikewichman@wichmanconstruction.com 813.282.1179	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	N/A	N/A	
Does entity have the necessary experience?	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	N/A	Y	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	Y	
Have all financial statements been reviewed and are they adequate?	N/A	Y	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	N/A	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	Closing Condition	
Have the Management Agreement and Plans been received, dated, and executed?	Y	N/A	
Has the selection of the Management Company been approved by FHFC's Asset Management Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	1
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	

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1. Approval of the selection of the management company by FHFC's Asset Management Department is required. As the Development is proposed to be constructed, said approval is not required at closing.

Calusa Pointe II  
RFA 2024-205 (2025-211SA / 2024-526C)  
DESCRIPTION OF FEATURES AND AMENITIES

**A.** The Development will consist of:

168 Garden Apartments located in 7 residential buildings

Unit Mix:

One hundred-twelve (112) two bedroom/two bath units;

Fifty-six (56) three bedroom/two bath units;

168 Total Units

**B.** All units are expected to meet all requirements as outlined below. All features and amenities committed to and proposed by the Applicant that are not unit specific shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.

The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act (“ADA”) of 1990 as implemented by 28 CFR 35.

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.

**C.** The Development must provide the following General Features:

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in at least 100 Mbps download and 20 Mbps upload accessibility in each unit;
2. Termite prevention;
3. Pest control;

4. Window covering for each window and glass door inside each unit;
5. Wireless, 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;
6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility open 7 days a week for resident use. If the proposed Development will have an on-site 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 on-site laundry facility; divide the total number of the Developments' 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;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.
7. At least two full bathrooms in all 3 bedroom or larger units;
8. Bathtub with shower in at least one bathroom in at least 90% of the new construction non-Elderly units;
9. Full-size range and oven in all units.

**D. Required Accessibility Features, regardless of the age of the Development:**

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 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, (including all dwelling units that can be accessed by elevators, 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.

**E. The Development must provide the following Accessibility Features in all units:**

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1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
2. All door handles on primary entrance door and interior doors must have lever handles;
3. Lever handles on all bathroom faucets and kitchen sink faucets;
4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

- F.** In addition to the 5 percent mobility requirement outlined above, all Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

- G.** Green Building Features required in all Developments:

All new construction units and, as applicable, all common areas must have the features listed below:

- a. 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);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
  - i. Toilets: 1.28 gallons/flush or less,
  - ii. Urinals: 0.5 gallons/flush,
  - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;

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- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
  - Residential Electric:
    - i. Up to 55 gallons = 0.95 EF or 0.92 UEF; or
    - ii. More than 55 gallons = Energy Star certified; or
    - iii. Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  over a 67° rise;
  - Residential Gas (storage or tankless/instantaneous): Energy Star certified
  - Commercial Gas Water Heater: Energy Star certified;
- g. Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
- h. Air Conditioning (in-unit or commercial):
  - i. Air-Source Heat Pumps – Energy Star certified:
    - a.  $\geq 7.8$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER2 for split systems
    - b.  $\geq 7.2$  HSPF2/  $\geq 15.2$  SEER2/  $\geq 10.6$  EER2 for single package equipment including gas/electric package units
  - ii. Central Air Conditioners – Energy Star certified:
    - a.  $\geq 15.2$  SEER2/  $\geq 12.0$  EER2 for split systems
    - b.  $\geq 15.2$  SEER2/  $\geq 11.5$  EER2\* 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 one-bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments with a Development Category of New Construction must select one of the following Green Building Certification programs:

\_\_\_\_\_ Leadership in Energy and Environmental Design (LEED); or

\_\_X\_\_ Florida Green Building Coalition (FGBC); or

\_\_\_\_\_ ICC 700 National Green Building Standard (NGBS); or

\_\_\_\_\_ Enterprise Green Communities.

**H. Applicants who select the Family Demographic must provide at least three Resident Programs:**

The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

**1. Health and Wellness Program**

Applicant or its Management Company must provide, at no cost to the resident, on-site health and wellness services quarterly. Services should include, but not

be limited to, clinical health care needs such as blood pressure monitoring, pulse, temperature, cholesterol, glucose and other wellness screenings, as well as health education and nutrition. Applicant or its Management Company must partner with community health care providers and provide the space for services to be delivered, including offices for a service coordinator, nurse and other health or social services providers. Space must also be provided for group health education.

2. Homeownership Opportunity Program - Applicant commits to provide a financial incentive which includes the following provisions:

- The incentive must be applicable to the home selected and may not be restricted to or enhanced by the purchase of a home in which the Applicant, Developer, or other related party has an interest;
- the incentive must be not less than 5 percent of the rent received by the owner for the unit during the entire occupancy by the household (Note: The incentive will be paid for all months for which the household is in compliance with the terms and conditions of the lease. Damages to the unit in excess of the security deposit will be deducted from the incentive.);
- the benefit must be in the form of a gift or grant and may not be a loan of any nature;
- the benefits of the incentive must accrue from the beginning of occupancy;
- the vesting period can be no longer than 2 years of continuous residency; and
- no fee, deposit or any other such charge can be levied against the household as a condition of participation in this program.

3. Employment Assistance Program

The Applicant or its Management Company must provide, at no cost to the resident, a minimum of quarterly scheduled Employment Assistance Program workshops/meetings offering employment counseling by a knowledgeable employment counselor. Such a program includes employability skills workshops providing instruction in the basic skills necessary for getting, keeping, and doing well in a job. The instruction must be held between the hours of 8:00 a.m. and 7:00 p.m. and include, but not be limited to, the following:

- Evaluation of current job skills;
- Assistance in setting job goals;
- Assistance in development of and regular review/update of an individualized plan for each participating resident;
- Resume assistance;
- Interview preparation; and
- Placement and follow-up services.



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If the training is not provided on-site, transportation at no cost to the resident must be provided. Electronic media, if used, must be used in conjunction with live instruction.

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**Housing Credit Allocation Calculation**

<b>Section I: Qualified Basis Calculation</b>	
Development Cost	\$64,871,932
Less: Land Cost	(\$1,000,000)
Less: Federal Funds	\$0
Less: Other Ineligible Cost	(\$5,954,789)
Total Eligible Basis	\$57,917,143
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$75,292,286
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$3,011,691

Notes to the Qualified Basis Calculation:

1. Other ineligible costs include washers/dryers, site work, accounting fees, FHFC Fees, legal fees, market study, security, financial costs, and operating reserves.
2. The Development has 100% of the units set aside; therefore, the calculation is based on 100% of the housing credit eligible costs.
3. The Development is located in a Qualified Census Tract ("QCT"); therefore, a 130% basis boost was applied.
4. For purposes of this recommendation an HC percentage of 4% was applied based on the 4% floor rate, which was permanently extended through the Protecting Americans from Tax Hikes (PATH) Act of 2015 as part of the Omnibus Consolidated Appropriations Act of 2016.

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<b>Section II: Gap Calculation</b>	
Total Development Cost (Including Land and Ineligible Costs)	\$64,871,932
Less: Mortgages	(\$35,663,900)
Less: Grants	\$0
Equity Gap	\$29,208,032
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.855
HC Required to Meet Gap	\$34,164,857
Annual HC Required	\$3,416,486

Notes to the Gap Calculation:

1. The pricing and syndication percentage were taken from the April 17, 2025, LOI issued by Raymond James.
2. Bond reinvestment income in the amount of \$3,845,400 is included in the “Less: Mortgages” line item above.

<b>Section III: Summary</b>	
HC per Applicant Request	\$3,100,979
HC per Qualified Basis	\$3,011,691
HC per Gap Calculation	\$3,416,486
Annual HC Recommended	\$3,011,691

Syndication Proceeds Based on HC Recommended	\$25,747,387
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1. The estimated annual 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.

**SAIL, HOME-ARP, and HC CREDIT UNDERWRITING REPORT**

<b>Section III: Tax-Exempt Bond 50% Test</b>	
Total Depreciable Cost	\$57,917,143
Plus: Land Cost	\$1,000,000
Aggregate Basis	\$58,917,143
Tax-Exempt Bond Amount	\$34,000,000
Less: Debt Service Reserve	\$0
Less: Proceeds Used for Costs of Issuance	\$0
Plus: Tax-exempt GIC earnings	\$3,845,400
Tax-Exempt Proceeds Used for Building and Land	\$37,845,400
Proceeds Divided by Aggregate Basis	64.23%

Based on the budget, the Development appears to meet the 50% test for 4% HC.



## POLLYWOG CREEK MEWS, LLC

*Bwlding Livable Places for Working Families*

Post Office Box 343529, 19308 SW 380<sup>th</sup> Street, Florida City, FL 33034

Telephone 305-242-2142 Facsimile 305-242-2143

IN"elghboi"Vorlw  
CHARTERED MEMBER

May 16<sup>th</sup>, 2025

Mr. Tim Kennedy  
Multifamily Loans and Bond Director  
Florida Housing Finance Corporation  
227 N Bronaugh 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 RFA 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

Under Section 4, 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 31, 2024. PCM was unable to meet this requirement due to certain economic obstacles associated with the development and previously obtained a waiver through June 4, 2025.

- PCM 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 responded to or been solicited regarding the subject property resulting in three infeasible bids. 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. The remainder exceeded the projected construction cost
- PCM and its architect subsequently value engineered the proposed building and rebid construction services resulting in improved pricing and the execution of contract on March 1, 2025. In recent weeks, tariff risk negotiation has jeopardized final building contingencies.

Rural Neighborhoods and Pollywog Creek Mews, LLC, however, has provided to First Housing Development Corporation corporate structure and financial data relevant to credit underwriting including, 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 similar experiential and financial information on its preferred general contractor. In addition, the March 2025 contract has also been submitted.

Further, the Developer and Applicant previously obtained \$750,000 in direct subsidy from the Federal Home Loan Bank to enhance the project's financial strength and submits an additional \$500,000 request to the Affordable Housing Program on May 21<sup>st</sup>, 2025. In addition the Developer has pledged Developer equity towards sewage lift station and off-site drainage to improve feasibility, especially in the face of ever-present tariff risk.

If an RFA waiver is not granted, several hardships would be incurred :

- Income-eligible Hendry County residents would lose access to rent-restricted housing, 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 context in which HOME and Viability funds are already inadequate to meet current interest rates and construction inflation. Moreover, Hendry County is bereft of local government support since it is not an entitlement jurisdiction for CDBG or HOME
- The Developer and Applicant would suffer a loss of predevelopment expenditures exceeding \$350,000 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 equity toward water and infrastructure such as the scheduled lift station.

To remediate the circumstances that has caused the CUR to not be completed in a timely manner, the Developer and Applicant have taken the actions listed below and propose a revised timeframe.

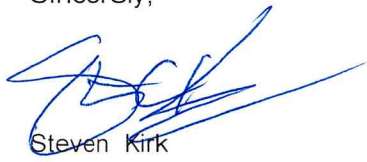
- PCM has completed architectural changes to the plans and instructed plans for construction to be filed with the municipality. Civil and utility plans are approved.
- The Developer and Applicant continue to negotiate with the selected general contractor on tariff risk to best limit their potential impact on hard cost contingencies.

- The Developer controls the remainder of the parcel not included in the current Development. The Developer has analyzed lift station and drainage costs that can be allocated to a subsequent phase to make PCM feasible. This is noted above as the additional Developer equity. This commitment mitigates remaining financial gaps.

The Developer and Applicant request an extension to the scheduled December 2025 Florida Housing Finance Corporation Board Meeting.

Thank you for consideration of this request for an RFA waiver. I am available for comment or questions.

Sincerely,

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

Steven Kirk  
President



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**Thais Sullivan**  
*Valley National Bank*

**CHIEF EXECUTIVE OFFICER**

**Ashton Nesbitt**

May 21, 2025

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 1<sup>st</sup> Extension Request

Dear Mr. Dearduff:

This letter provides notice that Neighbors and Neighbors Association, Inc. has requested a one-year extension of their PLP Loan NANA City Homes (PLP 2021-015P-09). The NANA City Homes PLP Loan of \$500,000 matures on August 1, 2025, and has a current principal amount owed of \$249,547.71. The project will consist of 33 homeownership units for families in Miami, FL. Ten of the units are under construction.

The project has been delayed for several months due the lack of approval by the Miami-Dade Board of County Commissioners to extend the deeds of the County-conveyed lots included in this development. The process is yet to be completed with multiple attempts. District 3 Commissioner Keon Hardemon must place the item on the agenda for the County Commission meeting and to date, has refused to do so. He called for an audit of the programs Nana is a part of with Miami Dade. The audit was completed with no issues identified, yet he still refuses to put the item on the agenda. The project has closed on critical development financing from the Black Business Investment Fund (BBIF) care of the Miami-Dade Economic Advocacy Trust. Ten homes are under construction. However, no construction activity has taken place for over a year.

The borrower has recently engaged an attorney and plans to litigate the deed extension issue. Once the deeds are extended, we anticipate progress toward the completion of the first ten homes.

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](mailto:kropp@flhousing.org) or call 352-422-3513.

Steve Kropp  
Director of Affordable Housing Development  
Florida Housing Coalition





## Neighbors And Neighbors Association Inc.

May 12, 2025

Robert Dearduff, Assistant Director of Special Programs  
Florida Housing Finance Corporation  
227 North Bronough Street, Suite 5000  
Tallahassee, FL 32301

### **RE: Loan Extension Request for NANA City Homes PLP 2021-015P-09**

Dear Mr. Dearduff,

I, Leroy Jones, Executive Director of Neighbors and Neighbors Association Inc., Sole member of NANA & CRC Affordable Housing LLC, hereby request a one (1) year extension on our PLP Loan of \$500,000 to continue the development of the affordable/workforce single family homes housing project, NANA City Homes.

This request was brought upon due to amount of time it took to accomplish the following:

- District 3 Commissioner, Keon Hardemon, has not presented to the Miami-Dade County Board of County Commissioners (BCC) the necessary resolution for approval to extend the deed of the County conveyed lots which we are currently developing. Several attempts have been made by our organization to receive said resolution since September 2023.

To date, we closed on the necessary construction financing to develop our project with funding from Miami-Dade Economic Advocacy Trust (MDEAT), administered by Black Business Investment Fund (BBIF). Ten homes of the thirty-three units conveyed are under construction. We have also have conducted the majority of the necessary preliminary tests and submitted the final building plans to the Miami-Dade Building Department, awaiting the approval of one more

**Main Office**  
5120 NW 24<sup>th</sup> Avenue  
Miami, Florida 33142  
Office: (305) 756-0605  
Fax: (305) 756-6008  
Email: [leroy@nanaffl.org](mailto:leroy@nanaffl.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@nanaffl.org](mailto:ndavis@nanaffl.org)

**NANA's Satellite Office-4**  
Accelerate South Dade,  
10700 Caribbean Blvd, Suite 301  
Cutler Bay, FL 33189  
Office: (786) 732-0774

discipline for the Phase Two lots.

Additionally, our organization has retained legal counsel to motivate District 3 Commissioner, Keon Hardemon, to comply with the County's Infill Housing Program Guidelines.

Our next steps are to simply restart the construction of the homes and close on the Miami-Dade Surtax Construction Loan to complete the last two phases of construction. We anticipate the previously mentioned events occurring within the next three to six months.

Thank you for the consideration of this request.

Respectfully,



Leroy Jones, Executive Director

<b><u>Main Office</u></b> 5120 NW 24 <sup>th</sup> Avenue Miami, Florida 33142 Office: (305) 756-0605 Fax: (305) 756-6008 Email: <a href="mailto:leroy@nanaffl.org">leroy@nanaffl.org</a>	<b><u>NANA's Satellite Office-2</u></b> <b><u>Gould BRC</u></b> 11845 SW 216 Street Miami, Florida 33170 (786) 601-7830	<b><u>NANA's Satellite Office-3</u></b> <b><u>NANA &amp; CRC Affordable Housing</u></b> 11845 SW 216 Street Miami, Florida 33170 (786) 601-7830 Email: <a href="mailto:ndavis@nanaffl.org">ndavis@nanaffl.org</a>	<b><u>NANA's Satellite Office-4</u></b> Accelerate South Dade, 10700 Caribbean Blvd. Suite 301 Cutler Bay, FL 33189 Office: (786) 732-0774
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May 21, 2025

Mr. Robert Dearduff  
Florida Housing Finance Corporation  
227 N. Bronough Street Ste. 5000  
Tallahassee, FL 32301-1329

RE: Development Plan Approval for PCUL HQ Redevelopment PLP 2024-013P-09

Dear Mr. Dearduff:

This letter provides notice that the PCUL HQ Redevelopment project has my approval to go forward for consideration of FHFC Board approval of the loan amount of \$500,000 for predevelopment expenses. The Pinellas County Urban League. will develop an 18-unit project in St. Petersburg (Pinellas County, FL) to provide multi-family rental housing as part of a mixed-use development. PLP funds will be used for \$500,000 in predevelopment expenses. The PLP loan will be secured through either a Letter of Credit or a mortgage on the site.

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 predevelopment activities for this project.

Should you need any further information please feel free to contact me at [kropp@flhousing.org](mailto:kropp@flhousing.org) or call 352-422-3513.

A handwritten signature in blue ink, appearing to read "Steve Kropp", on a light blue rectangular background.

Steve Kropp  
Director Affordable Housing Development  
Florida Housing Coalition

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*Bank of America*

**Thais Sullivan**  
*Valley National Bank*

**CHIEF EXECUTIVE OFFICER**

**Ashton Nesbitt**



**Predevelopment Loan Program**

**Development Plan**

<b>Development Name</b>	<b>PCUL HQ Redevelopment</b>
<b>Development File Number</b>	<b>PLP 2024-013P-09</b>

June 2025

<b>A. General Information</b>	
Applicant Entity Name	Pinellas County Urban League, Inc.
Development Name	PCUL HQ Re Development
Development Address	333 31st St. South, St. Petersburg, Fla
Tax Assessor Parcel Id Number	23-31-16-35118-009-0060
Development Co-Developers	
Primary Contact	Malcolm Flakes
Development Type	Rental <input checked="" type="checkbox"/> Homeownership <input type="checkbox"/>
Number of Buildings	1
Number of Units	18
Target Population	Family
Construction Type	New <input type="checkbox"/> Rehab <input checked="" type="checkbox"/> Both <input type="checkbox"/>
<p>Applicant Comments: This project aims to transform the existing building into a two-story, 18-unit multifamily mixed-use development. This adaptive reuse project will preserve the building's historic significance while creating modern, affordable housing and commercial spaces, contributing to the long-term vibrancy of the community. The redevelopment of the PCUL headquarters into a mixed-use facility is crafted to serve as a multi-functional space that bridges residential, commercial, and community needs. This integrated layout offers a cohesive environment where residents, local businesses, and community members can engage, collaborate, and thrive.</p>	
<p>TAP Comments: The PLP loan will be secured through either a Letter of Credit or a mortgage on the site. Pinellas County Urban League has owned the development site since December 1989. Loan documents will be signed by President and CEO Nikki Gaskin-Capehart. The project will include four studio/1 BR apartments for those making 50% AMI or less with a maximum rent of \$744/month.</p>	

<b>B. Development Finance Information</b>	
PLP Loan Recommended Amount	\$500,000
Total Predevelopment Costs	\$500,000
PLP Loan Amount for Acquisition	\$0
Estimated Total Development Costs	\$5,766,215
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?	

Applicant Comments: The total development cost estimate for “PCUL HQ Re-Development” is \$5,766,215. Hard costs are expected to be \$4,400,000, while soft costs are expected to be \$614,100.

To re-develop the current PCUL HQ building, The City would invest **\$4.4 million** from various programs as well as funding provided through the recently awarded Community Development Block Grant Disaster Recovery (CDBG-DR). In addition, the PCUL will invest **\$.5 million** to assist with the project, Seacoast Loan of **\$.5 million** and the PCUL board will launch a capital campaign to fund the remainder **\$.37 million**.

**The Community Development Block Grant Disaster Recovery (CDBG-DR) Program** provided by the Biden Administration in January 2025 in response to Hurricanes Helene and Milton will make available a combined \$973.7 million in federal storm recovery funding, **nearly \$160 million** to the City of St. Petersburg. The funding is administered by the U.S. Department of Housing and Urban Development. The City can use the funding to rebuild homes, develop affordable housing, assist impacted small businesses and repair critical infrastructure. PCUL is requesting **\$3.2 million** from this source to support Economic development and revitalization throughout Pinellas County.

TAP Comments: Funding will be secured over the next several months.

### C. Development Team

Team Member	Name	Status
Developer	Pinellas County Urban League	Applicant
Consultant	Ducon	Negotiating Contract
Architect	Storyn Studio	Under Contract
Engineer	Storyn Studio	Under Contract
Project Manager Consultant	KGM3 Investments, LLC	Negotiating Contract
General Contractor	Turner Construction Company	Negotiating Contract

Applicant Comments: PCUL has assembled a world-class team of consultants, advisors, and subcontractors with a more than 100 combined years of experience in general contracting, construction, architecture, and engineering, who will move the PCUL HQ redevelopment forward. This team will act as guiding pillars to reduce risk in development and operations planning and execution. This group was selected based on common goals, vision and mission.

Consultant: **DuCon** - For over 12 years, DuCon has credibly worked in construction with numerous skill sets that continue to impact the overall success rate of projects and relationships with clients. DuCon provides consulting services to manage the business relationship between general contractor (construction manager) and architect (or designer). DuCon has expert services as a consultant to PCUL (the developer) in the development and design phases

(preconstruction services), and as consultant to the general contractor during construction. In addition to acting in the developer's interest, DuCon consults to control construction costs to stay within the budget.

TAP Comments: The Development Team has the experience needed to develop the subject property.

#### **D. Market/Feasibility**

<b>Type of Study</b>	<b>Performed By</b>	<b>Status</b>
Appraisal	TOBIAS REALTY ADVISORS, LLC	Complete

Subject property is located at the southeast corner of 31<sup>st</sup> Street North and 4th Avenue North in the mixed-use district known as Union Central in the geographic center of the City of St. Petersburg.

34th Street North (US Highway 19), which is 3 blocks west of the subject, is a heavily developed commercial corridor with current traffic count of 39,500 daily; the 6-lane artery extends through the city and the county. In the Union Central area there has been a dramatic transformation in the last 10 years with the addition of numerous, good quality, multi-family properties and new commercial support facilities.

In the Grand Central District, which lies just adjacent east of Union Central, we find extensive new development of townhomes and rental apartments among the shops, restaurants, bars, and galleries, which populated the neighborhood. As a result of the high demand, land prices have escalated from roughly \$10.00 per square foot in the 2010 era to over \$40.00 per square foot today. Rents have followed a similar upward trajectory. Within one mile of the subject site roughly 507 new homes have been added to the housing inventory in the last 20 years. One of the most recent additions is 3100 Gallery, a mid-rise apartment complex with structured parking at Central Avenue and 31st Street South opposite the YMCA.

Applicant Comments: Since 2012, the downtown St. Petersburg market has been explosive in its recovery. St. Petersburg's CBD has reached a critical mass in the last 15 years in terms of new residents, employers, entertainment venues, and international reputation. This success has now extended westward through Grand Central, Union Central, and beyond as available sites in DTSP have become scarce. This dynamic is likely to continue in the near term, which will enhance the marketability of the subject property.

TAP Comments: According to Zillow.com and Realtor.com, the only studio apartments available in the United Central, Grant Central, and Historic Kenwood neighborhoods that surround the site range from \$1,395 to \$1,799/month.

<b>E. Development Site and Site Control</b>	
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:	
<b>Site Control Questions</b>	<b>Applicant Response</b>
Applicant currently owns the site (recorded deed)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
The Applicant has or will have prior to loan closing, a contract to purchase the site	<input type="checkbox"/> Yes <input type="checkbox"/> NA <input type="checkbox"/> No
The Applicant has or will have prior to loan closing, a long-term lease on the site	<input type="checkbox"/> Yes <input type="checkbox"/> NA <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?	Title Commitment: Crimmins Title is currently performing Title search to verify.
List all existing mortgages and liens on the property: PCUL owns the property Free and Clear	
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 type="checkbox"/> Yes <input checked="" 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" <b>(Note: If a SPE will hold title to the development site, the SPE must be owned by the Applicant and it (the SPE) will be required to execute the note and mortgage, as borrower, and the Applicant will be required to act as guarantor of the PLP Loan).</b>	NA
Applicant Comments: Pinellas County Urban League has embarked on an ambitious journey to rejuvenate the current building in St. Petersburg, Florida. The transformation will convert the existing structure into a two-story, 18-unit multifamily mixed-use development, combining contemporary living spaces with commercial opportunities. This adaptive reuse project aims to retain the building's historical value while creating a modern and affordable community asset.	



The original 10,700-square-foot structure, built in 1966, will be expanded with a 3,000-square-foot addition, accommodating a range of studio and one-bedroom apartment layouts as well as amenity spaces. PCUL has owned the facility since 1989.

### Project Objectives

This project seeks to accomplish several key objectives:

A central aim is to preserve the building's historical character while seamlessly integrating contemporary elements. This sustainable approach not only reduces waste but also conserves the cultural essence of the original structure. The design creates a lively and versatile environment, blending residential units with commercial and amenity spaces. The ground floor will feature a retail space for a store or cafe, a multi-purpose great room, and a coworking area to contribute to creating a vibrant street-level presence.

The project emphasizes sustainability by incorporating energy-efficient systems such as solar panels, green roofs, and rainwater harvesting. These measures aim to minimize the building's carbon footprint and lower energy consumption. High-efficiency insulation and HVAC systems will be utilized to enhance energy conservation further. PCUL aims to ensure that the new development addresses the local community's need for additional workforce and affordable housing. The project seeks to foster a sense of belonging by engaging with local stakeholders and creating a development that serves the broader community.

The architectural approach is a careful blend of renovation and expansion, designed to respect the nearly sixty-year-old building's structure while introducing modern aesthetics. The existing structure will be repurposed to accommodate 18 residential units, including both studio and one-bedroom units. This adaptive reuse minimizes demolition, preserves key structural elements, and prioritizes new openings to maximize natural light and airflow.

The building's facade incorporates a modern design, combining glass, steel, and stucco to create a striking appearance that complements the surrounding urban landscape. The design's sleek lines and innovative use of materials contribute to a visually appealing structure. Inclusivity is a cornerstone of the project, with accessibility features such as ramps, elevators, and wide corridors to ensure ease of movement for individuals with disabilities. These design elements aim to create a welcoming environment for all residents and visitors. Community integration is at the heart of this project. The design process involves engaging local stakeholders to understand their needs and expectations. As a result, the development aims to create a space that encourages social interaction and fosters a sense of community.

The interior design of shared and public areas through the building will include dedicated zones for showcasing local art and culture, emphasizing the importance of preserving and celebrating the community's artistic heritage. Rotating exhibits and installations by local artists will be featured, both providing a platform for creativity and cultural expression as well as giving residents a consistent source of inspiration.

The building's rooftop will offer an outdoor space where residents can gather and socialize. The ground-floor multi-purpose area will host events, workshops, and other activities to promote community engagement and interaction. The transformation of the Pinellas County Urban League building into a 18-unit multifamily mixed-use development is a significant step toward revitalizing a valuable community asset. This project is expected to catalyze further urban development in St. Petersburg, Florida, reinforcing the city's commitment to sustainable and inclusive housing solutions.

TAP Comments: The PLP loan will be secured through either a Letter of Credit or a mortgage on the site.

#### **F. Development Readiness**

<b>Item</b>	<b>Status</b>
Current Zoning on Property	CRT-1 (Corridor Residential Traditional)
Current Use of Property	PCUL Office Building
Future Land Use Plan	PR-MU (Planned Redevelopment Mixed-Use)
Site Plan Approval	In Process
Property Survey	To Be Completed
Soil Testing	To Be Completed
Permits	Application to be submitted
Availability of Utilities to property	Yes, Duke Energy
Availability of Water to property	Yes, City of St Petersburg
Availability of Sewer to property	Yes, City of St Petersburg
Availability of Road access to property	Yes; 4 <sup>th</sup> Avenue North
Environmental Assessments Performed	To be Completed
Appraisal	Complete
Financial Statements available for review	Yes
Plans, Specs for Development	Concept Renderings complete
Applicant Comments: PCUL has completed renderings, site plans, Elevations, Climate Analysis, Useful Daylight Analysis and Site Constrain Analysis.	
TAP Comments: Property is zoned CRT-1 for Corridor Residential Traditional allowing a density of up to 24 residential units per acre exceeding the proposal's 18 planned units.	

G. Financing Sources		
Name of Source	Amount	Status
Seacoast Bank	\$500,000	Will Apply for in next 12 months
City of St Petersburg Community Development Block Grant	\$3,200,000	Will Apply for in next 12 months
City of St Petersburg Economic Development Incentive Program	\$1,200,000	Will Apply for in next 12 months
PCUL Cash	\$500,000	Committed
Capital Campaign	\$366,215	Committed
Deferred Developer Fee	\$752,115	Committed
Total	\$5,766,215	
Applicant Comments: The total development cost estimate for “PCUL HQ Re-Development” is \$5,766,215. Hard costs are expected to be \$4,400,000, while soft costs are expected to be \$614,100.		
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 applicant entity? If not, provide the name of the Applicant entity.	No	
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?		
TAP Comments: The project funding is expected to be secured over the next several months.		

<b>H. Narrative</b>
Provide Additional narrative not covered in comments above: The mission of the Pinellas County Urban League (PCUL) is to enable and empower African Americans and others who are underserved in our communities to achieve their highest human potential and secure economic self-reliance, parity, power and civil rights. Our vision is to be a trailblazing beacon in the community. Focusing on building generational wealth, systems change and shifting mindsets. Producing resilient social enterprises, programs and initiatives designed to energize, empower and transform lives.

We accomplish this by providing programs that enhance personal growth skills, job readiness training, financial literacy education, entrepreneurship development opportunities, civic engagement initiatives, and a variety of other services that meet the needs of hardworking families.

PCUL thrives from four operating pillar:

**Anchor in Job Training, Placement and Entrepreneurship**

As Anchors, we are committed to transforming lives and empowering communities through our focus on job training placement and entrepreneurship. We understand that economic stability is crucial for families and future generations, which is why we strive to generate increased income and build generational wealth. Through our comprehensive programs and support, we equip individuals with the skills and resources they need to succeed in the job market or launch their own businesses.

**Hub of Housing and Community Development**

We are dedicated to housing and community development. We believe everyone deserves a safe, reliable, and affordable place to live, work, and play. Through our comprehensive approach, we strive to create thriving communities where individuals and families can flourish. Our focus goes beyond constructing houses; we prioritize building sustainable environments that foster a sense of belonging and promote overall well-being. By providing safe and affordable housing options, we aim to enhance the quality of life for all community members and contribute to the long-term development and success of the neighborhoods we serve.

**Champion for Education and Community Leadership**

As Champions for Education & Community Leadership, we are passionate about making a lasting impact on education and community development. Our programs and initiatives aim to enhance education needs and foster effective succession planning within the community. We believe that education is the foundation for a thriving community, and by providing resources, support, and leadership, we can empower individuals to become champions of their own education and contribute to the future success of their community.

**Leader in Health Impact and Quality of Life**

The Health & Quality of Life pillar is dedicated to improving the physical, mental, and financial health in our communities. We've been able to achieve these measures through education, raising awareness, programs, and being a hub for resources. Our work has included improving access to healthcare and vaccinations, exercise initiatives, training and education, and community engagement.

<b>I. Predevelopment Loan Request Budget</b>	
<b>Item</b>	<b>Amount</b>
Appraisal	\$2,500
Architect/Engineer	\$280,000
Consultants	\$75,000
Environmental Testing and needs assessment	\$20,000
Insurance	\$40,000
Legal Fees	\$15,000
Market Study	\$10,000
Title, Survey and Closing Costs	\$17,500
Permitting and Fees	\$20,000
Contingency	\$20,000
<b>PLP Loan Total</b>	<b>\$500,000</b>

<b>J. Total Development Costs</b>	
Acquisition costs not covered by PLP	\$268,700
Acquisition closing costs not covered by PLP	N/A
Other Predevelopment costs not covered by PLP	\$0
Rehabilitation	\$4,000,000
Predevelopment costs paid by PLP	\$500,000
Construction Contingency (10%)	\$400,000
Developer Fees	\$252,115
Other construction costs	\$614,100
<b>Total Development Cost</b>	<b>\$5,766,215</b>

<b>K. Timeline</b>		
<b>Timeline Item</b>	<b>Date</b>	<b>Status</b>
PLP Loan Approval	6/2025	Anticipated
Site Acquisition	1989	Complete
Survey	8/2025	Anticipated
Zoning Approval	12/2025	Anticipated
PLP Loan Closing	6/2025	Anticipated
Applying for Construction Financing	8/2025	Anticipated
Construction Start	1/2026	Anticipated
Construction Completion	11/2026	Anticipated
Lease-up/Sale	12/2026	Anticipated



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**Thais Sullivan**  
*Valley National Bank*

**CHIEF EXECUTIVE OFFICER**

**Ashon Nesbitt**

May 21, 2025

Mr. Robert Dearduff  
Florida Housing Finance Corporation  
227 N. Bronough Street Ste. 5000  
Tallahassee, FL 32301-1329

RE: Development Plan Approval for Blue Heron Apartments PLP 2024-014P-09

Dear Mr. Dearduff:

This letter provides notice that the Blue Heron Apartments project has my approval to go forward for consideration of FHFC Board approval of the loan amount of \$500,000 for predevelopment expenses. Great Blue LLLP will develop a six-story 140-unit project in Riviera Beach, FL (Palm Beach County) for low- and moderate-income seniors. PLP funds will be used for \$500,000 in predevelopment expenses. Great Blue LLLP is requesting that the FHFC board consider their proposal at the upcoming board meeting for approval.

This PLP loan was originally approved in December 2024 by the FHFC board to be secured by a Letter of Credit. Since that time the borrower has purchased the adjacent property and would like to secure the loan with a mortgage on that property instead of the LOC. I have provided a revised Development Plan which provides information on the project, the project timeline, and a budget which details how PLP funds will be spent. The PLP loan will be secured by a mortgage on the property located at 1700 W Blue Heron Blvd. Riviera Beach, Florida.

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 predevelopment activities budgeted for this project.

As TAP for this project, I am recommending approval.

Should you need any further information please feel free to contact me at [kropp@flhousing.org](mailto:kropp@flhousing.org) or call 352-422-3513.

Steve Kropp  
Director of Affordable Housing Development  
Florida Housing Coalition



**Predevelopment Loan Program**

**Development Plan**

<b>Development Name</b>	<b>Blue Heron Apartments</b>
<b>Development File Number</b>	<b>2024-014P-09</b>

June 2025

<b>A. General Information</b>	
Applicant Entity Name	Great Blue, LLLP
Development Name	Blue Heron Apartments
Development Address	Southeast corner of Wedgewood Plaza as recorded in Plat Book 56 Page 72 Public Records of Palm Beach County
Tax Assessor Parcel Id Number	56-43-42-30-17-001-0010
Development Co-Developers	Heyser, LLC; King Ardea, LLC; Palm Beach County Housing Authority
Primary Contact	Dan Walesky
Development Type	Rental <input checked="" type="checkbox"/> Homeownership <input type="checkbox"/>
Number of Buildings	1
Number of Units	140
Target Population	Elderly
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>
<p>Applicant Comments: Blue Heron Apartments will be constructed on a 1.95-acre site in the City of Riviera Beach Florida. This site is east of I-95 and centrally located close to public transportation and community resources in the heart of Palm Beach County. This rectangular parcel was part of a residential PUD but became landlocked due to past development. The current owner has assembled with an adjoining commercial parcel to provide ingress and egress therefore allowing this parcel to be developed into much needed affordable senior housing.</p>	
<p>TAP Comments: This PLP loan was originally to be secured by a LOC. The borrower has purchased the adjacent property and now would like to secure the PLP loan with a Mortgage on that property. Therefore, the PLP loan will now be secured by a mortgage on the vacant parcel located at 1700 W Blue Heron Boulevard, Riviera Beach, Florida ( Property Appraiser ID 56-43-42-30-37-003-0000). The property is owned by Ginkgo Biloba LLC which is controlled by Nathan Rich. The loan documents will be signed by Nathan Rich.</p>	

<b>B. Development Finance Information</b>	
PLP Loan Recommended Amount	500,000
Total Predevelopment Costs	7,479,640
PLP Loan Amount for Acquisition	0
Estimated Total Development Costs	50,335,486
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?	Great Blue, LLLP



Applicant Comments: In January of 2024 Palm Beach County issued RFPs for developers seeking to build affordable and workforce housing to apply for low interest loans as part of the voter approved Housing Bond Program. This development team was successful in being awarded 13M in gap financing for a sister project named Waterview Apartments. PBC will re-issue a gap financing RFP in 2025 and we intend to get all approvals necessary to submit Blue Heron apartments in early 2025. This gap loan combined with bonds from PBCHA and 4 % LIHTC will complete the funding stack for Waterview Apartments.

TAP Comments: Funding will be secured over the next several months.

<b>C. Development Team</b>		
	Vendor	Status
Developer	Heyser, LLC	Legally Formed, MDA draft in progress
Co-Developer	King Ardea, LLC	Legally Formed, MDA draft in progress
Co-Developer	Palm Beach County Housing Authority	Has been approached and is willing to participate
Contractor	Hedricks Brothers Construction	Anticipated but no contract in place
Architect	Jon Olson	No Contract in place, has performed preliminary design on time and material cost basis
Engineer	Jeff Trompeter	Under contract
Consultant		
Property Management	Palm Beach County Housing Authority	Has been approached and is willing to participate
Other		
Applicant Comments: Blue Heron Apartments is being developed by an experienced local development team. Sun Foundations officers, Nathan Rich, Joe Glucksman, and Dan Walesky are experienced professionals that have partnered previously with PBCHA on New South Bay Villas (4% LIHTC and Bonds) and Quiet Waters (9% LIHTC) both successful affordable rental developments. This is the same team currently developing Waterview Apartments which expects to close on financing and begin construction in 2025.		
TAP Comments: The development team has the experience needed to develop the subject property.		

<b>D. Market/Feasibility</b>		
<b>Type of Study</b>	<b>Performed By</b>	<b>Status</b>
Market Study/Appraisal	As required by Lender	To be engaged
<p>Provide narrative of anticipated marketing and lease up of property: Property will begin pre-leasing 2 months before obtaining a CO. 56 units will be supported by Vouchers issued by Palm Beach County Housing Authority and the remaining units will be reserved for tenants making under 80% of the AMI. This is the same mix and unit quantity as Waterview Apartments and both properties will operate as sister properties with the same management in place. Both properties are less than 2 miles apart.</p>		
<p>Applicant Comments: Palm Beach County, like all of Florida, has experienced rapidly increasing rental prices and has a specific and urgent need for affordable housing for seniors. 56 of the rental units will be reserved for tenants making below 30% AMI and PBCHA already has a very large waitlist for potential tenants seeking vouchers. The remaining 84 units will be reserved for seniors making under 80% of the AMI for which there is also an extremely high demand. Local rents are only affordable to seniors making over 120% of AMI so the significant discounted rents will result in quick lease up and a long wait list.</p>		
<p>TAP Comments:</p>		

<b>E. Development Site and Site Control</b>
<p>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:</p> <p>A portion of Tract "A", Wedgewood Plaza, according to the plat thereof as recorded in Plat Book 2_§_ Page 72, Public Records of Palm Beach County, Florida, being more particularly described as follows: Beginning at the Southeast corner of said Tract "A"; thence North 88 degrees 02'02" West, a distance of 96.76 feet to the point of curvature of a circular curve to the right; thence Westerly and Northerly, along the arc of said curve, having a radius of 2511.93 feet, an arc distance of 276.18 feet, the last two courses described being coincident with the Southerly boundary of said Tract "A"; thence North 02 degrees 30'39" East, a distance of 220.41 feet; thence South 87 degrees 29'21" East, a distance of 368.17 feet; thence South 01 degrees 26'22" West, along the East line of said Tract "A", a distance of 232.08 feet to the Point of Beginning.</p>

Site Control Questions	Applicant Response
Applicant currently owns the site (recorded deed)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
The Applicant has or will have prior to loan closing, a contract to purchase the site	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	Title Commitment
List all existing mortgages and liens on the property: Property will be purchased at closing by a separate entity and simultaneously land leased to the applicant.	
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.	See comments below
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" ( <b>Note: If a SPE will hold title to the development site, the SPE must be owned by the Applicant and it (the SPE) will be required to execute the note and mortgage, as borrower, and the Applicant will be required to act as guarantor of the PLP Loan).</b>	
Applicant Comments: Property will be purchased at closing by a separate entity and simultaneously land leased to the applicant.	
TAP Comments: The borrower will secure the PLP loan with a mortgage on the vacant parcel located at 1700 W Blue Heron Boulevard, Riviera Beach, Florida ( Property Appraiser ID 56-43-42-30-37-003-0000). The property is owned by Ginkgo Biloba LLC which is controlled by Nathan Rich.	

<b>F. Development Readiness</b>	
<b>Item</b>	<b>Status</b>
Current Zoning on Property	General Commercial
Current Use of Property	Vacant
Future Land Use Plan	Commercial
Site Plan Approval	Live local – Anticipated by the end of 2025
Property Survey	Ordered
Soil Testing	Pending
Permits	Pending
Availability of Utilities to property	Available – Florida Power and Light
Availability of Water to property	Available – City of Riviera Beach
Availability of Sewer to property	Available – City of Riviera Beach
Availability of Road access to property	New driveway to be constructed on adjoining commercial property. This has been presented to City staff and accepted, easement in favor of development parcel is drafted and under legal review.
Environmental Assessments Performed	Ordered
Appraisal	Pending
Financial Statements available for review	Yes
Plans, Specs for Development	Pending
Applicant Comments:	
TAP Comments: The property is zoned commercial but is using the LLA to develop residential as confirmed by a letter from the City Attorney.	

<b>G. Financing Sources</b>		
<b>Name of Source</b>	<b>Amount</b>	<b>Status</b>
LIHTC - R4 Commitment	\$21,411,864	Will Apply for in next 12 months
HFA Bonds – R4 Commitment	\$16,000,000	Will Apply for in next 12 months
Gap Loan - PBCHA	\$12,000,000	Will Apply for in next 12 months
Deferred Developer Fee	\$923,622	Committed
Total	\$50,335,486	
Applicant Comments: This application expects to apply for Gap financing assistance under the Palm Beach County HBLP for 12M in low interest loans. The same development team successfully applied last year for Waterview Apartments and was awarded 13M for an		

identically sized project less than 2 miles from this site. We anticipate being ready to apply under the expected RFP in 2025.	
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 applicant entity? If not, provide the name of the Applicant entity.	N/A
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: The project funding is expected to be secured over the next several months.	

<b>H. Narrative</b>
<p>Provide Additional narrative not covered in comments above:</p> <p>This application will allow for predevelopment activities to continue rapidly and ultimately will allow Blue Heron Apartments to apply for the much-needed Gap assistance under Palm Beach Counties Housing Bond Loan Program. The resulting development will convert a long-vacant and land locked property that provides little value to the community into a excellent example of high quality affordable housing for the senior population which is desperately needed in our community.</p>

<b>I. Predevelopment Loan Request Budget</b>	
<b>Item</b>	<b>Amount</b>
Appraisal	4,000
Architect/Engineer	400,000
Legal Fees and closing costs	50,000
Market Study	4,000
Soil Test	8,000
Utility Engineering	10,000
Site Planning	24,000
<b>PLP Loan Total</b>	<b>\$500,000</b>

<b>J. Total Development Costs</b>	
Acquisition costs not covered by PLP	
Acquisition closing costs not covered by PLP	
Other Predevelopment costs not covered by PLP	6,979,640
Predevelopment costs paid by PLP	500,000
Hard Construction	33,818,903
Construction Contingency	1,622,923
Developer Fees	6,914,020
Other construction costs	500,000
<b>Total Development Cost</b>	<b>\$50,335,486</b>

<b>K. Timeline</b>		
<b>Timeline Item</b>	<b>Date</b>	<b>Status</b>
PLP Loan Approval	June, 2025	Anticipated
Site Acquisition	August 2025	Scheduled
Survey	April 2025	Complete
Zoning Approval	NA Live Local	Complete
PLP Loan Closing	July 2025	Anticipated
Applying for Construction Financing	December 2025	Complete
Construction Start	January 2026	Anticipated
Construction Completion	August 2027	Scheduled
Lease-up/Sale	June – Sept 2027	Scheduled



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*Valley National Bank*

**CHIEF EXECUTIVE OFFICER**

**Ashton Nesbitt**

May 21, 2025

Mr. Robert Dearduff  
Florida Housing Finance Corporation  
227 N. Bronough Street Ste. 5000  
Tallahassee, FL 32301-1329

RE: View 29 PLP 2020-009P-09 2<sup>nd</sup> Extension Request

Dear Mr. Dearduff:

This letter provides notice that 2901 Wynwood, LLC has requested a one-year extension of their PLP Loan View 29 PLP 2020-009P-09. The View 29 PLP Loan of \$500,000 matures on August 27, 2025, and has a current principal amount owed of \$500,000. The project will consist of 116 rental units for families in Miami, FL.

The project was originally delayed due to the COVID-19 pandemic and inflationary pressures imposed on the project's development costs – extending the construction timeline. Over the last few years, the project has been awarded financing commitments for Private Activity Bonds (Aug 2024); County Surtax and DIAF funds (2022 and 2023); Wynwood BID (Nov 2024) and City of Miami ARPA and HOME funds (Sep 2024), and the borrower will be submitting for bond underwriting review within the 3Q (July-Sep) 2025. Permit approvals and the closing on construction financing are expected by the end of 3Q 2025.

The managing member of 2901 Wynwood LLC (New Urban Development, LLC) and their consultants are experienced in developing affordable rental housing in their target market, we anticipate continued progress over the next year with the goal of repayment before the next maturity.

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](mailto:kropp@flhousing.org) or call 352-422-3513.

Steve Kropp  
Director of Affordable Housing Development  
Florida Housing Coalition



**Predevelopment Loan Program**

**Development Plan**

<b>Development Name</b>	<b>View 29</b>
<b>Development File Number</b>	<b>PLP 2020-009P-09</b>

Second Extension June 2025



<b>A. General Information</b>	
Applicant Entity Name	2901 Wynwood, LLC
Development Name	View 29
Development Address	2901 NW 2 <sup>nd</sup> Avenue, Miami, FL
Tax Assessor Parcel Id Number	01-3125-028-0510; 01-3125-028-0520; 01-3125-028-0530; 01-3125-028-0540
Development Co-Developers	N/A
Primary Contact	Oliver L. Gross
Development Type	Rental <input checked="" type="checkbox"/> Homeownership <input type="checkbox"/>
Number of Buildings	1
Number of Units	116
Target Population	Family
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>
<p>Applicant Comments: New Urban Development (NUD) is currently going through the permitting process, which has taken longer than anticipated due to the city's backlog. Permit approval is expected in Q3 (Jul-Sep) 2025. NUD has pursued and has been awarded additional subordinate financing of over \$65 million of its \$74 million financing stack. The remainder difference of \$9 million is covered by a combination of a sponsor note and deferred developer fees during construction.</p> <p>TAP Comments: New Urban Development, LLC is the managing member of the borrowing entity (2901 Wynwood, LLC) and the developer for the project. New Urban Development has continued to secure development approvals and funding over the past year. The PLP loan is fully funded and will be repaid at construction loan closing.</p>	

<b>B. Development Finance Information</b>	
PLP Loan Recommended Amount	\$500,000
Total Predevelopment Costs	\$2,613,890
PLP Loan Amount for Acquisition	\$0.00
Estimated Total Development Costs	\$73,673,001
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?	2901 Wynwood, LLC
<p>Applicant Comments: To-date, NUD has been awarded the following financing commitments, summing to \$65.6 million:</p> <ul style="list-style-type: none"> <li>Miami-Dade HFA Bonds: \$44 million (Aug 2024)</li> <li>Miami-Dade Surtax &amp; DIAF funds: \$6.78 million (2022 and 2023)</li> </ul>	

- Wynwood Business Improvement District (BID): \$4 million (Nov 2024)
- City of Miami ARPA & HOME funds: \$4.25 million (Sep 2024)
- Redstone Equity Partners Low Income Housing Tax Credits \$6.5 million committed.

TAP Comments: N/A

### C. Development Team

Team Member	Name	Status
Developer	New Urban Development, LLC (NUD)	Applicant/Sponsor
Contractor	First Florida Constructors, LLC	In negotiation
Architect	STUDIO MC+G ARCHITECTURE, INC	Under contract.
Engineer	STUDIO MC+G ARCHITECTURE, INC	Under contract.
Consultant/Owner Representative	DSS Consultants	Under contract.
Legal representation	Bilzin Sumberg	Under contract

Applicant Comments: New Urban Development has serviced its target market with clean, quality, affordable multi-family rental housing over the past 20 years with the creation of over 1,000 units. Presently, there are an additional 1,200 multi-family rental units in the pre-development stage. First Florida Constructors, based in Tampa, FL. Over the past 14 years they have provided comprehensive construction services across a wide range of building projects with values up to \$78 million. Studio MCG Architecture is led by Jennifer McConney-Gayoso with over 25 years' experience on complex mixed-use projects. Projects include hospitality and resorts, historic preservation, commercial retail, residences and multi-family housing. DSS Consultants was founded in 2004 to represent owners with its goal to bring projects to completion on-time and on budget. They have worked on a wide range of construction projects and their services include predevelopment, preconstruction & design, construction and close-out. Bilzin Sumberg provides a global array of legal services throughout multiple industries including real estate, homebuilding, construction development and finance.

TAP Comments:

### D. Market/Feasibility

Type of Study	Performed By	Status
Market Study	Walter Duke & Partners	Completed July 2019

Provide narrative of anticipated marketing and lease up of property: NUD will use all local print media (Miami Herald, Miami Times, etc.) along with various social media platforms (Facebook, Instagram, etc.) to market the property to eligible applicants. The applications that are successfully submitted will be entered into a lottery selection. The process for selecting applicants is based on the City of Miami and Miami-Dade County voucher program. We will begin to accept applications 90 days before receiving a TCO.

Applicant Comments: The Wynwood submarket has a significant pool of potential tenants with employment and household growth and is well suited for multifamily development. Historical and current absorption has significantly outpaced demographic projections. Development should consist of a mid- or high-rise residential building with supporting amenities that may include a leasing office, multi-purpose room, fitness or business center. External amenities within the competitive area may include a swimming pool or dog park.

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:

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	<u>  X  </u> Yes    _____ No
Are there existing liens on the property?	_____ Yes <u>  X  </u> No
If no liens exist, how was that verified?	Verified by Title Search July 2019 by KB Sharp, PA and Opinion of Title April 2025 by Marva Wiley, ESQ
List all existing mortgages and liens on the property:	PLP Loan in amount of \$500,000
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?	_____ 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.	N/A. The PLP is the only mortgage on the property. All other sources stem from New Urban Development access to unsecured loans or lines of credit.
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" ( <b><i>Note: If a SPE will hold title to the development site, the SPE must be owned by the Applicant and it (the SPE) will be required to execute the note and mortgage, as borrower, and the Applicant will be required to act as guarantor of the PLP Loan.</i></b> )	SPE is 2901 Wynwood, LLC Of which New Urban Development, LLC is the managing member
Applicant Comments: The site is controlled by NUD. NUD will convey the land via a ground lease to the development-owner, 2901 Wynwood, LLC. The lease will have a term of 75 years, with an option to renew for an additional 25 years.	
TAP Comments: The PLP loan is secured by a Leasehold Mortgage and Security Agreement and Joinder, consent and Agreement of Fee Owner and Lessor, recorded on September 15, 2021.	

<b>F. Development Readiness</b>	
<b>Item</b>	<b>Status</b>
Current Zoning on Property	T6-8 O
Current Use of Property	Vacant
Future Land Use Plan	Multi-Family/Mixed Use
Site Plan Approval	Pending
Property Survey	Yes
Soil Testing	Yes
Permits	Pending
Availability of Utilities to property	Yes: Florida Power & Light (FPL)
Availability of Water to property	Yes: Miami-Dade Water & Sewer Dep
Availability of Sewer to property	Yes: Miami-Dade Water & Sewer Dep
Availability of Road access to property	Yes: Miami-Dade County Dep/Transportation NW 29 <sup>th</sup> Street and NW 2 <sup>nd</sup> Avenue
Environmental Assessments Performed	Yes
Appraisal	Yes
Financial Statements available for review	Yes
Plans, Specs for Development	Yes

Applicant Comments: NUD currently has site control. Financing sources have been awarded as specified in Section B, above and in section G, below. Permit approvals are in process, expected to be granted in 3Q 2025. Final bond underwriting is expected to be completed in 3Q 2025. Construction financing closing is expected immediately thereafter, at the end of 3Q 2025, with foundation permits to be pulled concurrently.

TAP Comments:

G. Financing Sources		
Name of Source	Amount	Status
Permanent Tax Bonds	\$44,000,000	Awarded
Miami-Dade Surtax Funds	\$6,780,000	Awarded
Wynwood BID/City of Miami	\$4,000,000	Awarded
City of Miami / ARPA+HOME	\$4,250,000	Awarded
Self-source Land	\$7,400,000	Sponsor note receivable
Tax Credit Equity	\$6,597,508	Committed
Deferred Developer Fee	\$645,493	
<b>Total Sources</b>	<b>\$73,673,001</b>	
Applicant Comments:		
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 applicant entity? If not, provide the name of the Applicant entity.	N/A	
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:		

<b>H. Narrative</b>
Provide Additional narrative not covered in comments above: None/pertinent points covered

<b>I. Predevelopment Loan Request Budget</b>	
<b>Item</b>	<b>Amount</b>
Accounting	\$0
Acquisition	\$0
Closing Costs (acquisition)	\$0
Appraisal	\$0
Architect/Engineer	\$397,300
Bond Closing Fee	\$0
Consultant	\$8,850
Capital Needs Assessment	\$0
Credit Underwriting Fees	\$0
Environmental Testing	\$10,650
Insurance	\$0
Legal Fees	\$75,000
Market Study	\$5,500
Survey	\$2,700
Title Insurance	\$0
Contingency	\$0
Other	\$0
Other	
<b>PLP Loan Total</b>	<b>\$500,000</b>

<b>J. Total Development Costs</b>	
Acquisition costs not covered by PLP	N/A
Acquisition closing costs not covered by PLP	N/A
Other Predevelopment costs not covered by PLP	\$2,613,890
Rehabilitation	N/A
Hard Construction	\$42,705,770
Construction Contingency	\$2,084,993
Soft Costs (incl predevelopment costs)	\$10,835,018
Soft Cost Contingency	\$217,470
Land Acquisition Cash + Note	\$12,000,000
Developer Fees	\$5,829,750
<b>Total Development Cost</b>	<b>\$73,673,001</b>

<b>K. Timeline</b>		
<b>Timeline Item</b>	<b>Date</b>	<b>Status</b>
PLP Loan Approval	Oct. 2020	Complete
Site Acquisition	Jan. 2020	Complete
Survey	Aug. 2021	Complete
Zoning Approval	June 2025	Anticipated
PLP Loan Closing	Aug. 2021	Complete
Applying for Construction Financing	Sept. 2025	Anticipated
Construction Start	Mar. 2026	Anticipated
Construction Completion	Oct. 2027	Anticipated
Lease-up/Sale	Oct. 2028	Anticipated