

PETITION FOR WAIVER

PETITIONER

Eagle Ridge Subdivision, LLC ("Eagle Ridge")
1520-360 Royal Palm Square Blvd.
Fort Myers, FL 33919
239.275.8029
239.275.0648 (fax)

RESPONDENT

Florida Housing Finance Corp.
227 N. Bronough Street, St 5000
Tallahassee, FL 32301
850.488.4197
850.488.9809 (fax)

- A. Petitioner respectfully requests that the Respondent waive the provisions of the Application Instructions, incorporated by reference in Homeownership Loan Program Rule ("Rule") Chapter 67-50.001(8), and waive application of Chapter 67-50.060(2) for Eagle Ridge, as set forth below.
- i. Petitioner received a preliminary commitment for HOME funds in the amount of \$911,000 on November 4, 2002 for Eagle Ridge Subdivision, LLC (HH02-007), a single family subdivision development located in Immokalee (Collier County), Florida. On August 11, 2003, a Firm Commitment was approved by the Florida Housing Finance Corporation's Board of Directors. Petitioner closed on its HOME loan on February 4th, 2004 and commenced construction of the homes in early 2005.
 - ii. Petitioner is requesting a waiver of the Application Instructions (Part III(8)) for a change in mix of units and establishing the sales price to be the current appraised sales price at the time of completion of the home. Our request is to establish the mix and size of home by market demand. Petitioner is requesting a waiver of Florida Housing Finance Corporation Homeownership Loan Program Rule Chapter 67-50.060 (2), limiting the subsidy to 25% of the purchase price of the home. Petitioner requests an increase in the subsidy to 35% of the purchase price, up to \$45,000 for families at 80% of area medium income, and 35% of the purchase price, with no limit of the maximum subsidy for families at 50% of medium income or lower. The same amount of funds allocated to Eagle Ridge will be used, but due to the increase in subsidies, the mix and number of homes will change.
 - iii. The application of the current Rule will cause Petitioner to suffer substantial hardship in the following manner.
 - (a) Construction costs in Collier County have risen rapidly and are expected to continue rising rapidly due to the shortage of building materials caused by recent hurricanes and our current housing boom. The time delay starting from the beginning of the application period to the final construction of the home is taking eighteen (18) to thirty six (36) months. The market demand and economic conditions continually change and are unlikely to be the same conditions that existed when the original application was presented versus those that exist when the home is completed. Current costs are well above costs as they existed at the time of the original application and are likely to continue to increase until this allocation is completed.
 - (b) It is presently impossible to build homes and sell the homes for the price initially submitted in our application. The increase in the price of the homes makes it almost impossible to find low and very low

income buyers who qualify for the subsidy limits imposed on the original application.

iv. The application of the Rule will cause Petitioner to suffer substantial hardship in the following manner:

(a) The current costs to construct these homes are excessive and are making it impossible to build under the original terms of the Application. The changes requested above are necessary in order to complete this allocation.

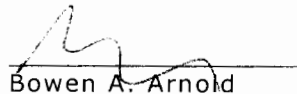
(b) If the above Rule Waivers are not granted, there will be a loss of the subsidy for Eagle Ridge and it will become economically infeasible for the potential home buyers to purchase the homes, creating a serious economic hardship to Eagle Ridge and Collier County.

v. The waiver of the Rule will serve the purpose of the underlying statute as Eagle Ridge will be providing safe and affordable housing to the citizens of Collier County, Florida if the Development is permitted to continue.

vi. This request shall be permanent.

B. Petitioner Eagle Ridge respectfully requests that the Florida Housing Finance Corporation enter an order granting Petitioner a waiver of the requirement of the 25% maximum subsidy to 35% and higher (based upon income level) and allow a market demand determination of the appropriate unit mix and allow the final appraised value to dictate the cost of the homes; thereby permitting development and construction of much needed affordable single family homes in Collier County, Florida.

In witness whereof, Petitioner has caused these present to be signed in its name by its proper officials.



Bowen A. Arnold
Member, National Development of America, LLC
Managing Member, Eagle Ridge Subdivision, LLC

Witnesses:

