

**STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

In Re: HERON POND APARTMENTS II, LTD.

FHFC Case No.: 2009-006VW
Application No.: 2006-075C

**ORDER GRANTING PETITION FOR WAIVER OF PART II.A.2.a.(1) OF
THE 2006 UNIVERSAL APPLICATION INSTRUCTIONS FOR (2006)**

THIS CAUSE came on for consideration and final action before the Board of Directors of Florida Housing Finance Corporation ("Florida Housing") on April 24, 2009, pursuant to a "Petition for a Waiver of Part II.A.2.a.(1) of the 2006 Universal Application Instructions for a Change of Petitioner's Ownership Structure" (the "Petition"), filed by Herond Pond Apartments II, Ltd. ("Petitioner") on March 12, 2009. Notice of the Petition was published in Volume 35, Number 12, of the Florida Administrative Weekly. Florida Housing received no comments regarding the Petition. After careful review of the record and being otherwise fully advised in the premises, the Board of Directors (the "Board") of Florida Housing hereby finds:

1. The Board has jurisdiction over the subject matter of this case and the parties hereto.

FILED WITH THE CLERK OF THE FLORIDA
HOUSING FINANCE CORPORATION

Arlan Narrey DATE: 4/24/09

2. During the 2006 Universal Cycle, Heron Pond Apartments II, Ltd. (“Petitioner”) applied for housing tax credits (“HC”) to finance the construction of Heron Pond II (the “Development”), a 100-unit apartment development in Lee County, Florida.

3. The 2006 Universal Application Instructions at Part II.A.2.a.(1), provides as follows:

(1) If applying for HC, the Applicant must be a limited partnership (including a limited liability limited partnership) or a limited liability company. The Applicant entity shall be the recipient of the Housing Credits and cannot be changed until after a Final Housing Credit Allocation has been issued. Replacement of the Applicant or a material change (33.3% or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant prior to this time shall result in disqualification from receiving an allocation and shall be deemed a material misrepresentation. Changes to the limited partner of a limited partnership will not result in disqualification.

4. Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

5. Heron Pond Apartments II, LLC (“HPA II, LLC”) and Fleet Reserve Association Lehigh Development, Inc. (“Fleet Reserve”) are co-general partners of

the Applicant entity. Fleet Reserve and its parent entity are now dissolving due to conditions beyond Petitioner's control. Consequently, Petitioner requests that the general partnership ownership interest of HPA II, LLC change from 49% of the outstanding general partner interest in Petitioner to 100% ownership interest therein.

6. Petitioner has demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute.

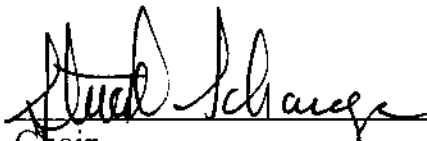
7. The Board finds that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness. Permitting this change in Development would also serve the underlying purpose of the statute by ensuring the Limited Partner's equity contribution to the Development does not decrease.

IT IS THEREFORE ORDERED:

The "Petition for a Waiver of Part II.A.2.a.(1) of the 2006 Universal Application Instructions for a Change of Petitioner's Ownership Structure" is hereby **GRANTED** to permit Heron Pond Apartments II, LLC, to become Petitioner's sole general partner. All other relief requested in the Petition, if any, is denied.

DONE and ORDERED this 24th day of April, 2009.

Florida Housing Finance Corporation

By: 
Chair

Copies furnished to:

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Joint Administrative Procedures Committee
Attention: Ms. Yvonne Wood
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NOTICE OF RIGHTS

A PARTY WHO IS ADVERSELY AFFECTED BY THIS ORDER IS ENTITLED TO JUDICIAL REVIEW PURSUANT TO SECTIONS 120.542(8), 120.569, AND 120.57, FLORIDA STATUTES. SUCH PROCEEDINGS ARE COMMENCED PURSUANT TO CHAPTER 67-52, FLORIDA ADMINISTRATIVE CODE, BY FILING AN ORIGINAL AND ONE (1) COPY OF A PETITION WITH THE AGENCY CLERK OF THE FLORIDA HOUSING FINANCE CORPORATION, 227 NORTH BRONOUGH STREET, SUITE 5000, TALLAHASSEE, FLORIDA 32301-1329.