



December 15, 2023

Information Items
Table of Contents

I.	Asset Management
II.	Fiscal
III.	Guarantee Program
IV.	Housing Credits
V.	Legal
VI.	Live Local
VII.	Multifamily Programs
VIII.	Multifamily Programs– Allocations
IX.	Natural Disaster Update
X.	Single Family Homebuyer Programs

ASSET MANAGEMENT

Information

I. ASSET MANAGEMENT

A. Florida Housing Multifamily Rental Portfolio Compliance Dashboard

1. Background/Present Situation:

- a) Florida Housing's Management Review and Physical Inspection (MRPI) includes a review of records such as application for residency, tenant income certification/recertification and income verification documents, leases, rent rolls and regulatory agreements (Land Use Restriction Agreement and/or Extended Low-Income Housing Agreement). Physical Inspections include the interior/exterior of residential building and common areas, and a review of general site conditions - landscape, sidewalks, and paved areas.
- b) To arrive at the information presented below, data on all reviews conducted from 1/1/2018 through 10/31/2023 was analyzed. It is important to note, that from 4/1/2020 to 9/30/2021, physical inspections were paused pursuant to IRS Notices 2020-53 and 2021-12 and HUD Memos. Only desk-top reviews of tenant files were completed during this period.
- c) During the study period, Florida Housing conducted 4,267 MRPI Reports of 1,448 different developments. 86% of all MRPIs conducted during the study period were successfully closed. Of the 597 open reviews from the study period:
 - (1) 43% of developments and 39% of owners have unsatisfactory ratings for examination of records;
 - (2) 46% of developments and 40% of owners have unsatisfactory rating(s) regarding physical condition of the development; and
 - (3) 33% of developments have deficiencies in both the examination of record and physical inspection categories.

FISCAL
Information

II. FISCAL

A. Operating Budget Analysis for October 31, 2023

1. Background/Present Situation:

- a) The Financial Analysis is attached as [Exhibit A](#).
- b) The Operating Budget for the period ending October 31, 2023 is attached as [Exhibit B](#).

GUARANTEE PROGRAM

Information

III. GUARANTEE PROGRAM

A. Status of the Guarantee Program portfolio

1. Background:

- a) Since the implementation of the Guarantee Program in 1993, 120 transactions facilitating the construction of over 28,000 units in Florida were guaranteed. In November 1994, the Guarantee Program entered into an agreement with HUD to participate in the Risk-Sharing Program; characterized by a 50/50 sharing of default risk in connection with the mortgage guarantee. As of 11/30/23, one (1) multifamily development remains in the Guarantee Program portfolio.
- b) Between November 2008 and April 2010, eight (8) multifamily claims were filed on the Guarantee Program portfolio, representing the total (and only) multifamily claims incurred in its 30-year history. The Guarantee Program experienced a strong 87% foreclosure recovery rate, compared to the 64% national average at that time.* Currently, there are no foreclosures in inventory and no developments in monetary default in the portfolio.

2. Corpus and Portfolio Risk Exposure:

- a) The global liquidity crisis of 2008 collapsed the market for the variable rate bonds capitalizing the Guarantee Program corpus, ultimately leading staff to restructure the debt, paying off approximately \$89 million and refinancing the remaining \$156.2 million in variable rate bonds to a 5-year term loan with Citibank, closing on December 31, 2009.
- b) At that time, the Guarantee Program's total risk exposure was \$754.5 million. Since then, in keeping with the Board's mandate to cede risk from the portfolio, total risk exposure has been reduced over 99%, as reflected below:

Portfolio Risk Exposure

As of 11/30/23	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14	12/31/13
\$4.8M	\$4.9M	\$5.0M	\$5.1M	\$5.2M	\$19.9M	\$20.4	\$30.9M	\$59.4M	\$158.9M	\$306.5M

- c) The recent low interest rate environment prompted many Developers to refinance their properties, paying-off their guaranteed mortgages and removing them from the Guarantee Program portfolio, representing the primary driver behind the reduction in Total Commitments reflected above. Refinancing activity is reflecting in the following chart:

* Real Capital Analytics, April 2011.

GUARANTEE PROGRAM

Information

Refinancing Activity

	As of 11/30/23	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Loans (#):	0	0	0	0	2	0	1	5	17	22	22
Risk ceded (\$):	n/a	n/a	n/a	n/a	\$14.4M	n/a	\$10.2M	\$27.6M	\$100M	\$136.8M	\$149.4M

- d) Contributing to the reduction in Total Commitments was approximately \$115 million in partial prepayments (of mortgages) from SAIL ELI proceeds, funded prior to or at the time of closing, helping facilitate refinancing activity.
- e) Furthermore, Management aggressively reduced the Guarantee Program capitalizing debt, paying off the \$156.2 million Citibank term loan on December 21, 2012, reducing the Guarantee Fund's capitalizing debt to zero (\$0).
- f) The Guarantee Fund corpus contains approximately \$147.4 million in capital invested in the Florida Treasury, Special Purpose Investment Account (SPIA) rated "AA-f" by Standard & Poor's as of September 30, 2022.

B. Current Ratings (Insurer Financial Strength)

1. Background:

- a) Standard & Poor's: September 2023 A+ / Stable outlook
 - (1) Cited strengths: "Strong state financial support...Excellent financial strength...fund's highly strategic status in relation to FHFC..."[†]
- b) Fitch: March 2018 A+ / Stable outlook
 - (1) Cited strengths: "Low Risk-to-Capital Ratio...Limited State support...Minimal Multifamily Losses..."[‡]

C. Risk-to-Capital Ratio:

1. Background/Present Situation:

- a) Authorized Maximum Ratio = 5:1. Peaking in 1999 at 4.95:1, subsequent management efforts resulted in a more conservative downward trend to the vastly improved ratio of 0.03:1 as of 11/30/23. Capital not needed to support the outstanding Guarantees was made available to the SAIL program for use in 2016-2019 competitive solicitations.

D. Guarantee Program Portfolio ([Exhibit A](#))

[†] Standard & Poor's, "Florida Affordable Housing Guarantee Fund", September 26, 2023, www.standardandpoors.com/ratingsdirect. Standard & Poor's.

[‡] Fitch Ratings, "Fitch Affirms Florida Housing Finance Corp's Guarantee Fund at 'A+'; Outlook Stable", March 28, 2018, www.fitchratings.com. Fitch Ratings 2023 surveillance was concluded on May 4, 2023 and resulted in Review-No Action of the rating.

HOUSING CREDITS

Information

IV. HOUSING CREDITS

A. The developments listed below have requested changes to the Extended Use Agreement:

1. **Background/Present Situation:**

- a) College Park Towers (2020-526C) is a 4% Housing Credit Development. The Extended Low-Income Housing Agreement (EUA) was recorded in Miami-Dade County on December 22, 2022.
- b) On October 25, 2023, staff received a letter from the Owner requesting a revision to Exhibit B, Section E of the EUA to swap "Energy Star qualified refrigerators, dishwashers and washing machines that are provided by the Applicant" to "Install daylight sensors, timers or motion detectors on all outdoor lighting attached to buildings" The scoring of the application will remain unaffected.
- c) Staff will amend the EUA as appropriate.

2. **Background/Present Situation:**

- a) Tempo at Encore (2013-535C) is a 4% Housing Credit Development. The Extended Low-Income Housing Agreement (EUA) was recorded in Hillsborough County on August 19, 2020.
- b) On October 19, 2023, staff received a letter from the Owner requesting a revision to Section 2(e) of the EUA to change the number of bathrooms from two, to two and a half bathrooms in the four-bedroom units.
- c) Staff will amend the EUA as appropriate.

LEGAL

Information

V. LEGAL

A. 2023 Bid Protest Litigation Summary

1. Background/Present Situation:

- a) The Office of the General Counsel resolved 29 bid protest cases in 2023. [Exhibit A](#) contains the yearly summary of the bid protest proceedings. Twelve cases went to final hearing and, in each case, the Board entered a Final Order. Sixteen petitions were voluntarily dismissed by the petitioner. One case was resolved through a consent agreement, which was adopted by the board. None of this year's proceedings were appealed.
- b) The Office of the General Counsel presently has nine cases pending resolution at the Division of Administrative Hearings (DOAH) relating to RFA 2023-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties; RFA 2023-202 Housing Credit Financing For Affordable Housing Developments Located In Broward, Duval, Hillsborough, Orange, Palm Beach, And Pinellas Counties; and RFA 2023-203 Housing Credit Financing For Affordable Housing Developments Located In Miami-Dade County. Those cases will be noted on the 2024 Bid Protest Litigation Summary once the petitions have been resolved.
- c) The Office of the General Counsel presently has no cases pending appeal.

LIVE LOCAL

Information

VI. LIVE LOCAL

A. Viability Loan Program

1. Background/Present Situation:

- a) \$100 million dedicated for development viability loans.
- b) Florida Housing added SAIL program income to overall funding, issued a Request for Applications (RFA) in April 2023, and approximately \$121 million was awarded to 30 developments (totaling 3,606 units) invited to enter underwriting in June 2023.

B. Additional Traditional SAIL Funding

1. Background/Present Situation:

- a) \$109 million in SAIL financing distributed under s. 420.5087, F.S.
- b) Successful applicants in RFA 2023-205 have been invited to credit underwriting. Staff is presenting a final settlement agreement from litigation to the Board at the December meeting.
- c) RFAs 2024-102 (Smaller developments for Persons with Special Needs), 2024-103 (Homeless Households) and 2024-106 (Persons with Disabling Conditions/ Developmental Disabilities) will be issued before the end of 2023.

C. Live Local Tax Credit Contribution Program

1. Background/Present Situation:

- a) Florida Department of Revenue (DOR) opened requests for credit allocation on October 2, 2023.
- b) The Florida Housing contribution webpage went live October 2, 2023.
- c) As of December 6, 2023, \$52,750,000, in credit allocation has been requested from DOR. Florida Housing has received \$1,150,000 in contributions.
- d) Florida Housing will begin RFA development for transformative housing developments in the first quarter of 2024.

LIVE LOCAL

Information

D. Multifamily Middle Market Certification (Component of Missing Middle Tax Exemption)

1. Background/Present Situation:

- a) Portal for certification requests opened October 2, 2023.
- b) To date, 70 registrants have enrolled in portal, with 11 submissions for certifications received.

E. Florida Hometown Heroes

1. Background/Present Situation:

- a) \$100 million was fully committed on August 22, 2023.
- b) Over 6,400 loans totaling almost \$2 billion in first mortgages paired with the \$100 million of down payment and closing cost assistance.
- c) FHFC continues to monitor any loan reservation fallout and will periodically open reservation requests as appropriate.

F. Additional SAIL – Innovative Multifamily Development Opportunities

1. Background/Present Situation:

- a) \$150 million in SAIL financing for innovative developments.
- b) RFA 2023-213 was issued in November, with applications due at the end of December.
- c) Conceptual workshop for redevelopment criteria was held on December 5, 2023. Additional workshops are forthcoming for housing near military installations, as well as housing in rural areas of opportunity criteria set forth in sec. 420.50871, F.S.

MULTIFAMILY PROGRAMS

Information

VII. MULTIFAMILY PROGRAMS

A. Villages of New Augustine (RFA 2021-201 / 2022-043C / 2023-271C & RFA 2023-211 / 2023-252V) Request Approval of Credit Underwriting Report

1. Background/Present Situation

- a) On July 20, 2021, Florida Housing Finance Corporation issued Request for Applications (RFA) 2021-201 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. On May 5, 2022, staff issued an invitation to enter credit underwriting to the Applicant for Housing Credits. The acceptance was acknowledged on May 9, 2022.
- b) On May 1, 2023, Florida Housing Finance Corporation issued 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 14, 2023, staff issued a Notice of Preliminary Award to the Applicant. The acceptance was acknowledged on June 20, 2023.
- c) On October 13, 2023, staff received final credit underwriting report with a positive recommendation for funding ([Exhibit A](#)). Per the RFA, if the Active Award is only for 9 percent Housing Credits, the Credit Underwriter's recommendations will be approved by the Florida Housing and included as an informational item for the Board. Staff has reviewed and approved this report and finds that the development meets all requirements of the RFAs.

MULTIFAMILY PROGRAMS

Information

**B. Naranja Grand (RFA 2021-203 / 2022-084C / 2023-263C & RFA 2023-211 / 2023-235V)
Request Approval of Credit Underwriting Report:**

1. Background/Present Situation

- a) On July 20, 2021, Florida Housing Finance Corporation issued Request for Applications (RFA) 2021-203 for Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County. On May 5, 2022, staff issued an invitation to enter credit underwriting to the Applicant for Housing Credits. The acceptance was acknowledged on May 9, 2022.
- b) On May 1, 2023, Florida Housing Finance Corporation issued 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 14, 2023, staff issued a Notice of Preliminary Award to the Applicant. The acceptance was acknowledged on June 15, 2023.
- c) On December 1, 2023, staff received final credit underwriting report with a positive recommendation for funding ([Exhibit B](#)). Per the RFA, if the Active Award is only for 9 percent Housing Credits, the Credit Underwriter's recommendations will be approved by Florida Housing and included as an informational item for the Board. Staff has reviewed and approved this report and finds that the development meets all requirements of the RFAs.

MULTIFAMILY PROGRAMS

Information

C. Courtside Apartments, Phase II (RFA 2021-208 / 2021-323S / 2020-528C & RFA 2023-211 / 2023-257V) Request approval to increase permanent first mortgage and the addition of a construction period Bridge loan:

1. Background/Present Situation:

- a) On April 1, 2022, via a Telephonic Board Meeting, staff recommended, and the Board approved to allow staff to approve changes to the development that occur after the Credit Underwriting Report is finalized that would normally require Board approval (such as increasing the principal amount, refinancing, or altering any terms or conditions of any mortgage superior or inferior to a Corporation mortgage). This action was ratified by the Board at the April 29, 2022, Board Meeting.
- b) Under the Rule in place at the time of the Application, Rule Chapter 67-48.010(15), F.A.C. (effective June 23, 2020) stated:
 - (1) (15) After accepting a preliminary commitment, the Applicant shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the SAIL mortgage without prior approval of the Corporation's Board of Directors.
- c) On December 4, 2023, staff received a credit underwriting report update letter with a positive recommendation to increase permanent first mortgage and the addition of a construction period Bridge loan ([Exhibit C](#)). Staff has reviewed this report and finds that it meets all requirements of the RFAs.

MULTIFAMILY PROGRAMS

Information

D. Griffin Lofts (RFA 2022-103 / 2022-257CSN & RFA 2023-211 / 2023-231V) Request Approval to Extend the SAIL/ELI/Viability Loan Terms from 17 to 30 Years:

1. Background/Present Situation:

- a) On April 1, 2022, via a Telephonic Board Meeting, staff recommended and the Board approved to allow staff to approve changes to the development that occur after the Credit Underwriting Report is finalized that would normally require Board approval (such as increasing the principal amount, refinancing, or altering any terms or conditions of any mortgage superior or inferior to a Corporation mortgage). This action was ratified by the Board at the April 29, 2022 Board Meeting.
- b) Under the Rule in place at the time of the Application, Rule Chapter 67-48.010(15), F.A.C. (effective May 18, 2021) stated:
 - (1) (15) After accepting a preliminary commitment, the Applicant shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the SAIL mortgage without prior approval of the Corporation's Board of Directors.
- c) On November 7, 2023, staff approved the Borrower's request to extend the SAIL/ELI/Viability loan terms from 17 to 30 years.

MULTIFAMILY PROGRAMS

Information

E. Tranquility at Hope School Phase II (RFA 2021-206 / 2022-241H & RFA 2023-211 / 2023-247V) Request Approval to Extend the Viability Loan Term from 18 to 19 Years:

1. Background/Present Situation:

- a) On April 1, 2022, via a Telephonic Board Meeting, staff recommended and the Board approved to allow staff to approve changes to the development that occur after the Credit Underwriting Report is finalized that would normally require Board approval (such as increasing the principal amount, refinancing, or altering any terms or conditions of any mortgage superior or inferior to a Corporation mortgage). This action was ratified by the Board at the April 29, 2022 Board Meeting.
- b) Under the Rule in place at the time of the Application, Rule Chapter 67-48.010(15), F.A.C. (effective May 18, 2021) stated:
 - (1) (15) After accepting a preliminary commitment, the Applicant shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the SAIL mortgage without prior approval of the Corporation's Board of Directors.
- c) On November 17, 2023, staff approved the Borrower's request to extend the Viability loan term from 18 to 19 years.

MULTIFAMILY PROGRAMS

Information

F. The following developments have requested, and staff approved, changes to the Construction Features & Amenities and/or Resident Programs.

1. Background/Present Situation

- a) Park Springs Apartments f/k/a Lakeside Apartments / SAIL 1999 Cycle / 99-077S / 2000-503C: The borrower has requested to replace "The flooring will be vinyl in the kitchens and bathrooms, and carpet in the remaining areas" with "The flooring will be vinyl in the kitchens, bathrooms and in the remaining areas upon replacement". The scoring of the application will remain unaffected.
- b) Staff will amend the Land Use Restriction Agreement for the development as appropriate.

MULTIFAMILY PROGRAMS

Information

G. **Pinnacle at La Cabaña (RFA 2021-202 / 2022-131C / 2023-264C & RFA 2023-211 / 2023-233V) Request Approval of Credit Underwriting Report:**

1. **Background/Present Situation**

- a) On July 20, 2021, Florida Housing Finance Corporation issued Request for Applications (RFA) 2021-202 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties. On January 28, 2022, staff issued an invitation to enter credit underwriting to the Applicant for Housing Credits. The acceptance was acknowledged on January 31, 2022.
- b) On May 1, 2023, Florida Housing Finance Corporation issued 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 14, 2023, staff issued a Notice of Preliminary Award to the Applicant. The acceptance was acknowledged on June 14, 2023.
- c) On December 4, 2023, staff received final credit underwriting report with a positive recommendation for funding ([Exhibit D](#)). Per the RFA, if the Active Award is only for 9 percent Housing Credits, the Credit Underwriter's recommendations will be approved by the Corporation and included as an informational item for the Board. Staff has reviewed and approved this report and finds that the development meets all requirements of the RFAs.

MULTIFAMILY PROGRAMS

Information

H. The Development listed below have requested approval to allow one subcontractor to exceed the 20% limitation:

1. Background/Present Situation:

- a) On March 12, 2021, the Board delegated authority to staff to approve the 20%/31% subcontractor limitation set forth in Rule Chapters 67-48.0072(17)(g) (2018), 67-21.014(2)(r)(7) (2018) and 67-21.026(13)(f) (2018) and as stated below, respectively:
- b) (17)/(2)/13) The General Contractor must meet the following conditions;
- c) (g)/(r)(7)/(f) Ensure that not more than 20 percent of the construction cost 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 deliver the building shell of a building of at least five (5) 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 consider the facts and circumstances of each Applicant’s request, inclusive of construction costs and the General Contractor’s fees....
- d) Staff, in conjunction with review by the credit underwriter and construction consultant, and receipt of a positive recommendation from the credit underwriter, has approved the below request to allow one subcontractor to exceed the 20% limitation. Because FHFC became aware of the excess through the cost certification review, after the work had been completed, no General Contractor Fee or Developer Fee will be allowed on the subcontract amounts that surpass the maximum contract amount allowed under Rules 67-48.0072(17)(g), 67-21.014(2)(r)(7), and 67-21.026(13)(g), F.A.C. If the General Contractor Fee on this amount has already been paid to the General Contractor, it will be paid out of the Developer’s profit and reflected as a subset of the Developer Fee on the Development Final Cost Certification.

Development	Application Number	Dollar Amount of Contract	Percentage of Contract
Palm Port	2019-150BSN/2018-537C	\$3,920,139	22.7%

MULTIFAMILY PROGRAMS - ALLOCATIONS

Information

VIII. MULTIFAMILY PROGRAMS - ALLOCATIONS

A. Multifamily Programs - Allocations Updates

1. RFA Updates:

- a) RFA 2024-103 Housing Credit And SAIL Financing To Develop Housing For Homeless Persons was issued on November 7, 2023 with an anticipated Application Deadline of February 13, 2024.
- b) RFA 2024-106 Financing To Develop Housing For Persons With Disabling Conditions / Developmental Disabilities was issued on November 9, 2023 with an anticipated Application Deadline of February 15, 2024.
- c) RFA 2023-204 SAIL Financing for the Preservation of Elderly Developments was issued on November 21, 2023 with an anticipated Application Deadline of December 14, 2023.
- d) RFA 2024-102 SAIL And HOME-ARP Financing For Smaller Permanent Supportive Housing Developments For Persons With Special Needs was issued on December 7, 2023 with an anticipated Application Deadline of March 21, 2024.
- e) The workshop for RFA 2024-206 HOME And SAIL Financing for Live Local Rural Areas of Opportunity in Hurricane Recovery Areas was held on December 13, 2023.
- f) The workshop for RFA 2024-305 Community Development Block Grant-Disaster Recovery (CDBG-DR) Financing For Affordable Housing Developments Located In Hurricane Sally Impacted Areas is scheduled for January 17, 2024.

2. Live Local Act Updates:

- a) RFA 2023-213 SAIL Funding for Live Local Mixed Income, Mixed-Use, and Urban Infill Developments (Section 420.50871, F.S.) was issued on November 20, 2023 with an anticipated Application Deadline of December 20, 2023.
- b) A conceptual workshop regarding SAIL funding for Live Local Redevelopment (Section 420.50871, F.S.) was held on December 5, 2023.
- c) A workshop regarding HOME and SAIL Financing for Live Local Rural Areas of Opportunity in Hurricane Recovery Areas (Section 420.50871, F.S.) was held on December 13, 2023.

NATURAL DISASTER UPDATES

Information

IX. NATURAL DISASTER UPDATES

A. Hurricane Idalia

1. Background/Present Situation:

- a) Florida Housing had 238 developments with 1,459 residential buildings comprised of 22,024 units in our portfolio located in the 16 counties declared by FEMA as a major disaster due to Hurricane Idalia.
- b) Of the 23 developments originally reporting damage levels from extensive to limited, there are nine (9) properties with work to be completed as of 10/31/2023. Those same developments have a total of 8 displaced households as of 10/31/2023.
- c) A summary of the status of developments within Florida Housing's portfolio that sustained damage from Hurricane Idalia and have not completed all repair work is attached as [Exhibit A](#).

B. Hurricane Nicole

1. Background/Present Situation:

- a) On November 10, 2022, Hurricane Nicole made landfall near Vero Beach. FEMA declared six (6) counties eligible for Individual Assistance (IA). Florida Housing has 176 developments with 848 buildings comprised of 17,814 units in our portfolio located in the 6 FEMA IA declared counties. All restoration work at the seven (7) developments reporting either moderate or limited damage to residential buildings or accessory buildings from Hurricane Nicole, has been completed.
- b) The Florida Legislature appropriated \$90 million to the Rental Recovery Loan Program (RRLP) to provide rental housing in areas of the state hardest hit by Hurricanes Ian and Nicole. Housing Credit and RRLP Requests for Applications (RFA) 2023-108 was issued April 11, 2023 and RRLP RFA 2023-304 was issued April 12, 2023. In addition, the Board authorized staff to issue HOME RFA 2022-206 and approved funding for seven (6) developments allocating more than \$36 million of Home Investment Partnerships Program funding.
- c) The current status of Hurricanes Ian and Nicole related RFAs and developments awarded funding through those RFAs is attached as [Exhibit B](#).

C. Hurricane Ian

1. Background/Present Situation:

- a) Florida Housing had 1,056 developments with 6,833 buildings comprised of 132,196 units in our portfolio located in the 26 counties declared a major disaster due to Hurricane Ian.
- b) Of the eighteen (18) developments that reported catastrophic, extensive, or

NATURAL DISASTER UPDATES

Information

moderate damage, there are five (5) developments with work to be completed. Those developments have a total of nine (9) displaced households as of 9/30/2023.

- c) A summary of the status of developments within Florida Housing's portfolio that sustained damage from Hurricane Ian and have not completed all repair work is attached as [Exhibit C](#).

D. Hurricane Eta

1. Background/Present Situation:

- a) Damage reports received indicated limited to moderate damage to roofs and windows combined with limited landscape damage. Of the 34 properties that sustained damage, 33 have completed all repair work as of December 31, 2021. Thirty (30) households were displaced due to flooding at Glorieta Gardens in Opa-Locka, Miami-Dade County. As of 10/31/2023, management reported one (1) unit remained out of service.
- b) A summary of the status of developments within Florida Housing's portfolio that sustained damage from Hurricane ETA and have not completed all repair work is attached as [Exhibit D](#).

SINGLE FAMILY HOMEBUYER PROGRAMS

Information

X. SINGLE FAMILY HOMEBUYER PROGRAM

1. Background/Present Situation:

- a) Florida Housing's Homebuyer Loan Programs provide assistance to eligible homebuyers by offering competitive, 30-year, fixed-rate mortgages together with down payment and closing cost assistance (DPA). Currently, we have four active first mortgage programs; the Florida First Government Loan Program (Government Loan Program), the Fannie Mae HFA Preferred Conventional Loan Program (HFA Preferred), the Freddie Mac HFA Advantage Conventional Loan Program (HFA Advantage), the Florida Hometown Heroes Housing Loan Program (Hometown Heroes).
- b) The Government Loan Program offers borrowers a 30-year, fixed-rate mortgage using all approved government-insured loan types. These include Federal Housing Administration (FHA) loans, U.S. Department of Veteran Affairs (VA) loans, and U.S. Department of Agriculture-Rural Development (RD) loans. This program is funded through both traditional mortgage revenue bond sales as well as by the sale of Mortgage-Backed Securities (MBS) into the secondary markets.
- c) The HFA Preferred and HFA Advantage programs offer first mortgage loan products developed specifically for state housing finance agencies. These programs are offered both as bond financed products as well as forward delivery "To Be Announced" (TBA) products in conjunction with our TBA Program administrator, Hilltop Securities. Single Family Program Staff sets daily mortgage interest rates for the TBA loans based upon prevailing market rates and predetermined profitability goals. The conventional loans, originated by participating lenders, offer borrowers 30-year, fixed rate mortgages. Borrowers at or below 80% of the area median income (AMI) benefit from lower mortgage insurance costs on these loans when compared to other conventional mortgage products, as well as similar government-insured loans such as FHA.
- d) The Hometown Heroes Loan Program (HTH), was launched June 1, 2022. The Florida Legislature appropriated \$100 million in the 2022 state budget to be used as a revolving source of funds to make homeownership more affordable by providing (DPA) to income-qualified, first-time homebuyers who are frontline community workers. Eligible borrowers could receive up to 5% of their first mortgage loan amount (a maximum of \$25,000) in assistance to help them purchase a primary residence in the community in which they work and serve. The 30-year, 0% interest, deferred repayment second mortgage is combined with one of Florida Housing's Homebuyer Loan Program's low interest rate first mortgage loans. This initial amount of funding has allowed us to assist 6,717 borrowers. Our lenders originated of 6,717 first mortgage loans totaling over \$2 billion in first mortgage loan volume, paired with \$100 million of down payment and closing cost assistance. All loans have now been purchased and this will be our final report for this program.
- e) The Live Local Act was signed into law on March 29 2023, by Governor DeSantis. It provided an additional \$100 million in funding to the HTH Loan Program. The new changes took effect with new reservations made on or after July 3, 2023. These changes include that eligible borrowers no longer must work in specific occupations. Instead, they must work for a company or business that has a physical location in Florida and work a minimum of 35 hours per week.

SINGLE FAMILY HOMEBUYER PROGRAMS

Information

Additionally, the assistance amount was increased to a maximum of \$35,000. As of August 22, 2023, the funds were fully committed. At the October 2023 Board Meeting, the Board authorized an additional \$36 million of DPA funding for HTH. The new money was rolled out on November 6, 2023, and it is expected that these additional funds will be fully reserved by December 10, 2023.

- f) In addition to HTH, Florida Housing offers qualified homebuyers other DPA products as well. Our Florida Assist loan is a 0% interest, non-amortizing, deferred payment loan in the amount of \$10,000. This second mortgage program serves homebuyers with an AMI of up to 120%, adjusted for household size. It is repayable in the event the home is sold, refinanced, the deed is transferred, or the home is no longer the borrower's primary residence.
- g) The HFA Preferred PLUS and the HFA Advantage PLUS programs offer 3%, 4% and 5% of the first mortgage loan amounts in DPA as forgivable second mortgage loans. These loans are forgiven 20% annually over a 5-year period unless the home is sold, refinanced, the deed is transferred, or is no longer the borrower's primary residence. If any of these actions occur prior to the 5-year forgiveness period, any unforgiven balance becomes due and payable.
- h) We also offer an amortizing second mortgage product, the Homebuyer Loan Program (HLP) Second Mortgage. This product is offered across all our first mortgage programs and provides up to \$10,000 of assistance at a 3% fixed interest rate and is repaid in monthly payments over 15 years.
- i) Single Family Program Staff offers a three-hour, Department of Business and Professional Regulation (DBPR)-approved continuing education (CE) course for realtors. Realtors who attend these classes receive a general three-hour CE credit while learning about our Homebuyer Loan Programs and other affordable housing programs available to their potential homebuyers. Florida Housing has permanent approval from DBPR to offer the class via webinar (online) format. We have found this format to be highly effective in attracting more realtors to the classes while also eliminating travel costs. Instead of offering individual classes to specific realtor boards, we are now contacting all boards and making them aware that we are offering these classes statewide twice each month. So far, we are seeing this both effective in reaching our realtor partners while freeing up staff time to devote to program support and lender management. Since our last Board Report, we have conducted four classes using this format that were attended by 319 realtors.
- j) Single Family Program Staff periodically conducts telephonic and webinar trainings for lender partners throughout the state. Lender trainings generally consist of program requirements and recent updates, system training with our compliance administrator (eHousingPlus) and first mortgage and servicer requirements and updates with our master servicer, Lakeview. Together, Florida Housing, eHousingPlus and Lakeview will provide lenders with information to better assist with the origination, delivery, and purchase of first and second mortgages originated through our Homebuyer Loan Program.
- k) Additionally, we partner with other stakeholders such as mortgage insurance (MI) providers and the Government-Sponsored Enterprises (GSEs), Fannie Mae and Freddie Mac, to better educate and inform our Participating Lenders of recent industry changes.

SINGLE FAMILY HOMEBUYER PROGRAMS

Information

2023 HOMEBUYER LOAN PROGRAMS ORIGINATIONS

	2022 HLP Program Totals	2023 HLP Program Totals	2023 HLP Government Loan Programs Totals	2023 HLP Conventional Loan Programs Totals
Average 1st Mortgage Loan Amount	\$249,693	\$289,122	\$292,078	\$283,714
Average Acquisition Price	\$259,022	\$305,643	\$300,190	\$312,490
Average DPA Amount	\$11,836	\$14,289	\$14,281	\$14,305
Average Compliance Income	\$68,916	\$83,194	\$82,712	\$85,929
County Area Median Income %	70%	72%	70%	75%
Total Purchased 1st Mortgage Loan Amounts	\$1,378,488,464	\$3,621,837,384	\$2,365,832,605	\$1,256,004,778
Total # of Units	5,533	12,527	8,100	4,427

2023 TOP 10 COUNTIES FOR HOMEBUYER LOAN PROGRAMS ORIGINATIONS

County	Loan Count	Loan Amount	DPA
Duval	960	\$240,182,998.25	\$12,043,643.00
Broward	918	\$318,560,545.16	\$15,947,086.00
Miami-Dade	794	\$311,292,469.23	\$15,392,553.00
Hillsborough	744	\$228,699,008.32	\$11,111,954.00
Polk	738	\$196,419,234.06	\$9,545,786.00
Palm Beach	607	\$194,492,410.03	\$9,713,500.00
Pasco	561	\$149,864,665.14	\$7,300,730.00
Lee	557	\$170,556,358.91	\$8,293,070.00
Volusia	554	\$149,860,118.30	\$7,313,362.00
Orange	552	\$167,818,153.51	\$8,276,721.00

DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

Results of Operations for the ten months ending October 2023

The budget to actual analysis for the ten months ending October 2023 shows a net of revenues over expenses in the amount of \$3,826,283. Variances of note compared to the budget are as follows:

REVENUES

Investment Income (Line 1) is over budget by \$2,207,356. The budget was based on prior year average performance and a conservative projection of current year performance. Returns have been greater than expected.

Program Fees (Line 2) are \$609,217 under budget primarily due to lower than anticipated earnings from the SF TBA market. The collection of these fees is difficult to forecast, therefore, they are budgeted conservatively.

Other Income (Line 4) is \$404,470 over budget due to receipts of bond program extension fees greater than anticipated due to MBS activity in conjunction with the Hometown Heroes program.

SALARIES & BENEFITS

Total Salaries & Benefits are favorable to the budget by \$551,393 primarily due to a vacancy rate greater than budgeted.

OPERATING EXPENSES

Board Meetings (Line 3) are \$36,027 over budget due to higher costs than anticipated for the January and June board meetings, as well as expenses for the special board meeting in February that were not included in the original budget.

Capital Expenses (Line 5) are under budget by \$262,807 due to the timing of planned purchases of computer software and equipment. This item is expected to be under budget at year end.

Furniture, Equipment & Computer Expenses (Line 6) are \$103,305 under budget due to the timing of renewals of various software licenses and purchases of computer equipment. This item is expected to be closer to budget at year end.

Conferences & Seminars (Line 7) are \$132,866 under budget due to the timing of planned conferences, schedule conflicts, and efforts to control operating expenses. This item is expected to be under budget at year end.

Legal Fees (Line 10) are \$439,339 under budget due to fewer hearings and less than anticipated use of outside counsel primarily in the Multifamily programs. This item is expected to be under budget at year end.

Professional Fees (Line 15) are \$72,489 under budget primarily due to the timing of expenses related to ProLink and Onbase development projects. This item is expected to be under budget at year end.

Program Administration (Line 16) is \$1,086,278 under budget primarily due to the timing of compliance monitoring, credit underwriting and servicer fees in various programs. This item is expected to be under budget at year end.

Systems Maintenance, Support and Services (Line 19) are \$66,167 under budget primarily due to timing of planned maintenance on various hardware and software components. This item is expected to be under budget at year end.

Travel Expenses (Line 21-27) are \$183,860 under budget due to timing of planned travel and efforts to control operating expenses. This item is expected to be under budget at year end.

Workshops (Line 28) are under budget \$69,250 primarily due to timing of workshops for the Catalyst program. This item is expected to be under budget at year end.

Total Operating Expenses year-to-date are favorable to the budget by \$2,524,390.

**FLORIDA HOUSING FINANCE CORPORATION
OPERATING BUDGET TO ACTUAL SUMMARY
PERIOD ENDING October 31, 2023**

	2023 BUDGET YTD	2023 ACTUAL YTD	2023 VARIANCE YTD	2023 APPROVED ANNUAL BUDGET
REVENUES				
1. Investment Income	3,190,000	5,397,356	2,207,356	3,828,000
2. Program Fees	13,703,730	13,094,513	(609,217)	16,799,285
3. Administrative Fees	8,132,438	8,222,300	89,862	80,000
4. Other Income	66,670	471,140	404,470	11,950,824
TOTAL REVENUES	25,092,838	27,185,309	2,092,471	32,658,109
EXPENSES				
SALARIES & BENEFITS				
1. Salaries & Benefits	14,957,150	14,405,757	551,393	18,385,000
TOTAL SALARIES & BENEFITS	14,957,150	14,405,757	551,393	18,385,000
OPERATING EXPENSES				
1. Advertising, Marketing & Public Outreach	93,022	55,322	37,700	96,015
2. Bank Charges & Other Fees	43,856	15,671	28,185	52,444
3. Board Meetings	66,120	102,147	(36,027)	79,140
4. Books & Subscriptions	58,391	42,256	16,135	66,334
5. Capital Expenses	315,000	52,193	262,807	325,000
6. Furniture, Equipment & Computer Expenses	893,800	790,495	103,305	940,750
7. Conferences & Seminars	181,157	48,291	132,866	198,358
8. Corporate Insurance	290,000	285,291	4,709	307,550
9. General & Administrative Expenses	17,939	10,338	7,601	20,974
10. Legal Fees	608,316	168,977	439,339	695,102
11. Membership Dues	85,059	74,439	10,620	85,434
12. Office Supplies	12,411	5,720	6,691	13,916
13. Postage	20,265	9,434	10,831	23,532
14. Printing & Reproduction	14,950	5,368	9,582	18,066
15. Professional Fees	1,395,709	1,323,220	72,489	1,836,904
16. Program Administration	5,539,499	4,453,221	1,086,278	7,205,192
17. Rent	693,430	693,316	114	833,638
18. Repair & Maintenance	1,939	1,104	835	2,609
19. Systems Maintenance, Support and Services	369,750	303,583	66,167	412,630
20. Telephone	76,976	65,923	11,053	91,530
21. Travel - Board Members	57,964	29,095	28,869	63,730
22. Travel - Staff to Board Meetings	48,451	46,681	1,770	50,405
23. Travel - Reviews/Monitoring	11,357	3,610	7,747	31,595
24. Travel - FHFC Workshops	13,668	3,041	10,627	16,589
25. Travel - Staff Development	227,288	123,610	103,678	272,398
26. Travel - Marketing/Public Outreach	34,761	8,781	25,980	52,854
27. Travel - Other	10,031	4,842	5,189	17,494
28. Workshops	296,550	227,300	69,250	316,250
TOTAL OPERATING EXPENSES	11,477,659	8,953,269	2,524,390	14,126,433
TOTAL EXPENSES	26,434,809	23,359,026	3,075,783	32,511,433
REVENUES OVER EXPENSES	(1,341,971)	3,826,283	5,168,254	146,676

Guarantee Program Portfolio

(as of November 30, 2023)

Property Name Location	Developer	Issuer Closing Date	Total Units	1st Mortgage		HUD Risk- Share?	GF exposure of mtg guarantee	(\$ share	SAIL	SMI	SAIL ELI	Projected refinance closing date	Comments / Ref Status
				Current Bal.	Debt/Unit								
Vista Palms													
1) Lehigh Acres	Creative Choice	Lee Cnty 6/20/2001	229	\$4,772,678	\$20,841	N	\$4,772,678		\$2,000,000	\$392,788	\$3,450,000		July 2013: initiated contact with borrower re: refinancing. Oct 2016: borrower selling property, negotiating contract, advised borrower of requisite FHFC approval for SAIL/SAIL ELI subordination, SMI pay-off, etc. Jan 2017: Borrower meeting with buyer to revise timeline. Aug 2017: appraisal and DSC issues; closing postponed. Dec 2017: closing postponed. October 2018: possibly closing 1st qtr 2019. Borrower hopes to be on the December Lee County HFA meeting to vote on bond issuance for the refinance. November 2018: Credit underwriter has been assigned. Lee County will not have bond allocation until 2019. Operating proformas and letters of interest from lender and syndicators submitted by borrowers are stale. Jan 2019: Underwriters had a status call with borrower 12/11/18 but have not received any due diligence items since that call. 3/6/19 Lee County commissioners postponed approval of the TEFRA Hearing for their bond issuance. May 2019: The borrower submitted a letter of intent for a Key Bank/Fannie Mae financing structure. The Credit Underwriter is reviewing the due diligence items that have been submitted but there remains a great deal of information still outstanding. July 2019: Some of the due diligence items have been submitted. Updated due diligence list was sent to Creative Choice on 10/16. No updated items have been received. June 2020: Borrower anticipates selling or refinancing the development within the next year. September 2020, Received a letter of intent from a potential purchaser for the property. Requested follow up information but have not received. We presume the potential purchaser is no longer interested. February 2021: Special Assets had conference call with potential purchaser, owner representative and bond counsel regarding potential purchase to take place by 3rd quarter of 2021. July 2021: The potential purchaser contacted the county for local bonds for the acquisition of Vista Palms but has not submitted an application. Sept 2021: The potential purchaser communicated that he was still interested in acquiring Vista Palms but has not taken any affirmative steps in that direction. Nov. 2021: The potential purchaser has not taken any affirmative steps towards the purchase of Vista Palms. As of 12/23/2021, the potential purchaser advised they had submitted a tax-exempt bond application to Lee County HFA for the financing of the potential acquisition. As of Feb 2022, the Lee County HFA bond application was received and reviewed. By letter dated 3/8/22, Lee County advised the potential purchaser that they are deferring any further review of the application for bond financing due to the development having matured SAIL and SMI loans, Glorieta Gardens' outstanding physical deficiencies as well as other issues. On 6/2/2022, Lee County, the underwriter and special assets had a call with the proposed purchaser and parties representing the owner. The proposed purchaser will be submitting a revised tax-exempt bond application to Lee County HFA. The potential purchaser informed FHFC that he would not be submitting an application to Lee County but would submit a non-competitive (NC) bond application to Florida Housing for the acquisition/rehabilitation of Vista Palms. A check for the application and TEFRA fees was received 10/12/2022. The NC bond application was received 10/18/2022. Nov 2022: NC bond application was under review. Jan 2023: Program staff informed the applicant of needed corrections to cure the application. Feb 2023: Staff has reviewed corrections submitted by the Applicant and relayed comments, however, more corrections are still required to cure the application. Mar 2023: Staff reviewed corrections submitted by the Applicant and relayed comments, however, more corrections are still required to cure the application and that information has been relayed to the applicant. Staff received a 3rd revised application on 4/7/2023 and relayed comments on 4/14/2023 regarding the corrections that are required. May 2023: On 5/15/2023, Staff received responses to the comments provided on 4/14/2023, however, more corrections are required to cure the application and staff relayed outstanding issues to the Applicant on 5/22/2023. After receiving questions from applicant and staff responses, received revised applications on 6/1/2023, 6/14/23 and 6/28/23. Staff anticipates furnishing comments on most recent revision 7/7/2023. The revised application submitted on 6/28/23 was reviewed and deemed final and complete. An invitation to enter credit underwriting was extended on 8/2/23 and accepted by the applicant on 8/8/23. An acknowledgement resolution was approved at the 9/8/23 Board meeting. As of 10/9/23, Applicant has not remitted funds in order for underwriter to engage 3rd party reports (appraisal, capital needs assessment, property condition assessment, etc.). As of 11/29/23, funds were received to engage 3rd party report providers (except for the Plan and Cost Review) on 11/17/23. No other underwriting due diligence has been provided since submission of the application.
GF Total Commitments:							\$4,772,678						

Exhibit A

Page 1 of 4

Name	Case Nos.	Appellate or DOAH	Issues	Result	Developer/Principal
Woodland Park II, LLC v. Florida Housing Finance Corporation and Enclave at Northshore, LP	2023-005BP	DOAH	In RFA 2022-201, Woodland Park II, LLC challenged Florida Housing determination that Woodland Park's application was ineligible for failing to submit an application fee.	The ALJ issued a Recommended Order recommending that Woodland Park and Parc West were ineligible. The Board adopted the Recommended Order as its Final Order.	Norstar Development USA, GHA Development, Newstar Development/ Brian Evjen
MHP FL IX, LLLP v. Florida Housing Finance Corporation	2023-006BP	DOAH	In RFA 2022-205, MHP FL IX, LLLP was initially selected for funding and filed a petition to support the eligibility and funding determinations.	Voluntarily dismissed	MHP FL IX Developer/Chris Shear
MJHS FL South Parcel, LTD. v. Florida Housing Finance Corporation, Pinnacle 441 Phase 2, LLC and LDG Multifamily, LLC	2023-007BP	DOAH	In RFA 2022-205, MJHS FL South Parcel, Ltd. challenged i) Pinnacle's application claiming that it did not qualify for the SADDA basis boost which caused a funding shortfall; and ii) LDG's application claiming that LDG failed to disclose the proper impact fees which caused a funding shortfall.	The ALJ issued a Recommended Order recommending that LDG, MHP, MJHS and Kissimmee were ineligible; Bayside Breeze and Bayside Gardens are eligible and SP Field does not receive the proximity funding preference. The Board adopted the Recommended Order as its Final Order.	MHP FL South Parcel Developer, MJHS South Parcel Developer/Chris Shear
JIC Palatka Apartments LLC v. Florida Housing Finance Corporation and Parc West, LLC	2023-008BP	DOAH	In RFA 2022-201, JIC Palatka Apartments, LLC challenged the Parc West application claiming it failed to properly complete and execute its Environmental Site Assessment form. The Parties entered into a stipulation that Parc Wests application was ineligible.	The ALJ issued a Recommended Order recommending that Woodland Park and Parc West were ineligible. The Board adopted the Recommended Order as its Final Order.	JIC Florida Development/Timothy Morgan
DM Redevelopment, Ltd. v. Florida Housing Finance Corporation, Bayside Breexe Redevelopment, LLLP, SP Field, LLC and Kissimmee Leased Housing Associates II, LLLP	2023-009BP	DOAH	In RFA 2022-205, DM Redevelopment, Ltd. challenged i) SP Field's application claiming that it should not have earned the proximity funding preference because it improperly identified a referenced drug store; ii) Bayside Breeze's application claiming that it failed to properly provide its principal disclosures, provided insufficient documentation to demonstrate site control and did not qualify as a non-profit applicant; and iii) Kissimmee's application claiming that it was not a legally formed entity on the application deadline and that it misrepresented a community service in the proximity funding section.	The ALJ issued a Recommended Order recommending that LDG, MHP, MJHS and Kissimmee were ineligible; Bayside Breeze and Bayside Gardens are eligible and SP Field does not receive the proximity funding preference. The Board adopted the Recommended Order as its Final Order.	DM Redevelopment/Ken Naylor
Heritage Village South, Ltd. v. Florida Housing Finance Corporation	2023-010BP	DOAH	In RFA 2022-205, Heritage Village South, Ltd. challenged i) MHP FL claiming that its Housing Credit Equity Proposal was not a valid source of construction funding and that it failed to properly identify the applicant entity principals; and ii) MJHS claiming that its Housing Credit Equity Proposal was not a valid source of construction funding and that it failed to properly identify the applicant entity principals.	The ALJ issued a Recommended Order recommending that LDG, MHP, MJHS and Kissimmee were ineligible; Bayside Breeze and Bayside Gardens are eligible and SP Field does not receive the proximity funding preference. The Board adopted the Recommended Order as its Final Order.	Heritage Village South Development/ Ken Naylor

Exhibit A

Page 2 of 4

Quail Roost Village II, Ltd. v. Florida Housing Finance Corporation and Coco Plum Housing Partners, LP	2023-011BP	DOAH	In RFA 2022-203, Quail Roost Transit Village II, Ltd. challenged i) Coco Plum's application claiming that it should not have earned the proximity funding preference because it improperly identified a referenced drug store and it failed to demonstrate local government approval of its site plan; and ii) The Enclave's application claiming that it was not entitled to local government contribution points and was ineligible due to an insurance deficiency.	The ALJ issued a Recommended Order recommending that Coco Plum is ineligible and Enclave is not entitled to the local government contribution points. The Board adopted the Recommended Order as its Final Order.	Quail Roost II Development/Ken Naylor
Cardinal Oaks, LLC v. Florida Housing Finance Corporation and Hidden Lake, Ltd.	2023-012BP	DOAH	In RFA 2022-201, Cardinal Oaks, LLC challenged Hidden Lake application's Local Government Verification of Contribution form claiming that loan amount did not qualify as a proper local government contribution.	Voluntarily dismissed	Invictus Development, Urban Affordable Developmetn, ADC Communities II/Paula McDonald Rhodes
Flagler Pointe Apartments Limited Partnership v. Florida Housing Finance Corporation and ECG Toledo Blade, LP	2023-013BP	DOAH	In RFA 2022-201, Flagler Pointe Apartments, LP challenged Minnesota Ave's application claiming i) the Sewer Verification Form was improperly executed because service was not available to the site; ii) the cost of bringing service to the site is not included in the pro forma.	Voluntarily dismissed	BCP Development/ Donald Paxton
HTG Gtand East Ltd. v. Florida Housing Finance Corporation	2023-014BP	DOAH	In RFA 2022-202, HTG Grand East Ltd. challenged the Beacon's application claiming it failed to properly complete and execute its Sewer Availability form.	The ALJ issued a Recommended Order recommending that Beacon is ineligible. The Board adopted the Recommended Order as its Final Order.	HTG Grand East Developer/Matt Rieger
Tallman Pines Villas, Ltd. V. Florida Housing Finance Corporation	2023-015BP	DOAH	In RFA 2022-202, Tallman Pines Villas, Ltd. challenged Beverly Park's principal disclosures claiming that it failed to properly identify the applicant entity principals.	Voluntarily dismissed	HTG Talman Villas Developer, Building Better Communitnes/ Matt Rieger
DM Redevelopment, Ltd. v. Florida Housing Finance Corporation	2023-016BP	DOAH	In RFA 2022-202, DM Redevelopment, Ltd. challenged i) Roseland's application claiming it failed to properly identify the applicant entity principals and failed to properly show site control; and ii) SP Palm Beach's application claiming that it should not have earned the proximity funding preference because it improperly identified a referenced drug store.	Voluntarily dismissed	DM Redevelopment/ Ken Naylor
SP Field, LLC v. Florida Housing Finance Corporation	2023-017BP	DOAH	In RFA 2022-205, SP Field, LLC challenged St. Joseph Manor claiming that it received the wrong priority designation.	The ALJ issued a Recommended Order recommending that LDG, MHP, MJHS and Kissimmee were ineligible; Bayside Breeze and Bayside Gardens are eligible and SP Field does not receive the proximity funding preference. The Board adopted the Recommended Order as its Final Order.	Southport Development/ David Page
Autum Palms NFTM, LLC v. Florida Housing Finance Corporation and Bayside Breeze Redevelopment, LLLP	2023-018BP	DOAH	In RFA 2022-205, Autumn Palms NFTM, LLC challenged Bayside Breeze claiming it failed to properly identify the applicant entity principals.	The ALJ issued a Recommended Order recommending that LDG, MHP, MJHS and Kissimmee were ineligible; Bayside Breeze and Bayside Gardens are eligible and SP Field does not receive the proximity funding preference. The Board adopted the Recommended Order as its Final Order.	Revital Development Group, LCHA Developer/Michael Allan

Exhibit A

Page 3 of 4

The Enclave at Rio, LP v. Florida Housing Finance Corporation and Coco Plum Housing Partners, LP	2023-019BP	DOAH	In RFA 2022-203, The Enclave at Rio, LP, challenged Coco Plum's application claiming that it failed to demonstrate local government approval of its site plan.	Voluntarily dismissed	Royal American Properties/ Joseph Chapman
Casa San Juan Diego, Ltd. v. Florida Housing Finance Corporation and Bayside Gardens Redevelopment, LLLP	2023-020BP	DOAH	In RFA 2022-205, Casa San Juan, Ltd. challenged Bayside Gardens claiming it failed to properly identify the applicant entity principals.	Voluntarily dismissed	NDA Developer, CSJD Developer, CCHA Developer/ Eric Miller
Holy Child Housing, Inc. v. Florida Housing Finance Corporation	2023-031BP	DOAH	In RFA 2022-206, Holy Child Housing, Inc. challenged its ineligibility determination claiming that its incorrectly completed Unit Characteristic Chart was a minor irregularity. The Parties entered into a consent agreement finding Holy Child eligible for funding.	The Board adopted a Final Order finding Holy Child eligible for funding.	NDA Developer, Holy Child Developer/ Most Reverend Frank Dewane
Archway Princeton Oaks, LLC v. Florida Housing Finance Corporation, ECG Town Oaks, LP and Cardinal Pointe, LLC	2023-047BP	DOAH	In RFA 2023-304, Archway Princeton Oaks, LLC challenged i) Cardinal Pointe's application claiming it failed to properly complete its ESA form; and ii) Town Oaks' application claiming it failed to properly complete its ESA form.	The Board adopted a final order finding Cardinal Pointe's application ineligible for funding.	Archway/Brett Green
CORE Oak Park, LLLP v. Florida Housing Finance Corporation and Hermosa NFTM 41 II, Ltd.	2023-048BP	DOAH	In RFA 2023-304, CORE OAK Park, LLLP challenged Hermosa's application claiming that it should not have earned the proximity funding preference because it improperly identified a referenced bus transfer stop and that it did not properly identify the address of the development site.	The Board adopted a final order finding Hermosa's application was not entitled to the proximity funding preference but remained eligible for funding.	CORE Oak Park/Michael Ruane
Amaryllis Park Place III, LLC v. Florida Housing Finance Corporation, Blue Ian, LLC and MHP Sarasota I	2023-050BP	DOAH	In RFA 2023-304, Amaryllis Park Place III, LLC challenged i) MHP Sarasota's application claiming that it should not have earned the proximity funding preference because it improperly identified a referenced grocery store; and ii) Blue Ian's application claiming it submitted an improperly altered Zoning Form.	The Board adopted a final order finding MHP Sarasota's application was not entitled to the proximity funding preference but remained eligible for funding.	Darren Smith/Smith Henzy
Fort Myers Redevelopment, LLC v. Florida Housing Finance Corporation	2023-051BP	DOAH	In RFA 2023-304, Ft. Myers Redevelopment, LLC challenged Lofsts on Lemon's application claiming it did not qualify for the PHA goal.	Voluntarily dismissed	Southwest Florida Affordable/Vincent Bennett
MHP Lee I, LLC v. Florida Housing Finance Corporation, HTG Legacy II, Ltd. and Hermosa NFTM 41 II, Ltd.	2023-055BP	DOAH	In RFA 2023-304, MHP Lee I, LLC challenged i) Hermosa's claiming that it should not have earned the proximity funding preference because it improperly identified a referenced bus transfer stop; ii) Oak Park's application claiming it failed to properly identify the applicant entity principals.; iii) HTG Legacy's application claiming it failed to demonstrate site control.	Voluntarily dismissed	MHP Lee I Developer/Chris Shear

Exhibit A

Page 4 of 4

MHP Lee II, LLC v. Florida Housing Finance Corporation, HTG Legacy II, Ltd. and Hermosa NFTM 41 II, Ltd.	2023-056BP	DOAH	In RFA 2023-304 MHP Lee II, LLC challenged i) Hermosa's claiming that it should not have earned the proximity funding preference because it improperly identified a referenced bus transfer stop; ii) Oak Park's application claiming it failed to properly identify the applicant entity principals.; iii) HTG Legacy's application claiming it failed to demonstrate site control.	Voluntarily dismissed	MHP Lee II Developer/Chris Shear
MHP FL IX LLLP v. Florida Housing Finance Corporation, Ambar Station, Ltd and SP Marsh, LLC.	2023-071BP	DOAH	In RFA 2023-205 MHP FL IX LLLP challenged Ambar Station' application claiming it contained a funding shortfall because its equity letter lacked requisite clarity.	Voluntarily dismissed	MHP FL IX Developer, LLC/Chris Shear
Mayfield Place, Ltd v. Florida Housing Finance Corporation	2023-072BP	DOAH	In RFA 2023-205 Mayfield Place, Ltd challenged i) the total points it received for Local Government Contribution; ii) Egret's application claiming that the development site is improperly zoned and Egret is ineligible to receive JHFA bonds; and iii) Morris Mannor's applicaion claiming the public school was not eligibile for proximity points.	Voluntarily dismissed	Mayfield Place Developer, LLC/Julie von Weller
Arbors at the Ridge, LLLP v. Florida Housing Finance Corporation and Hermosa NFTM 41 II, Ltd.	2023-073BP	DOAH	In RFA 2023-205 Arbors at the Ridge, LLLP challenged Hermosa's application claiming that the land contract contained a deficiency and failed to demonstrate site control.	Voluntarily dismissed	ACRUVA Community Developers, LLC; Neighborhood Renaissance, Inc. / Terri Murray
Liberty Square Phase Five, LLC v. Florida Housing Finance Corporation	2023-074BP	DOAH	In RFA 2023-205 Liberty Square Phase Five, LLC challenged Yeager's application claiming that i) the scattered site location point was incorrect; and ii) Yeager failed to demonstrate site control.	Voluntarily dismissed	Liberty Square Phase Five Developer, LLC / Alberto Milo, Jr.
Woodland Park II, LLC v. Florida Housing Finance Corporation and Core Hawthorne Heights LLC	2023-075BP	DOAH	In RFA 2023-205 Woodland Park II, LLC challenged Hawthorne Heights applciation claiming that i) the Parcel address was incorrect; and ii) the application incorrectly asserted that the project was single site.	Voluntarily dismissed	Newstar Development, LLC; GHA Development, LLC / Brian Evjen
MHP Collier, LLC v. Florida Housing Finance Corporation	2023-076BP	DOAH	In RFA 2023-205 MHP Collier, LLC challenged Arbours eligibility claiming that Arbour did not submit a timely application fee.	Voluntarily dismissed	MHP Collier II Developer, LLC./Chris Shear

Florida Housing Finance Corporation

Credit Underwriting Report

Villages of New Augustine

Competitive 9% Housing Credits and Viability Funding

RFA 2021-201 / 2022-043C / 2023-271C

RFA 2023-211 / 2023-252V

**Housing Credit Financing for Affordable Housing Developments Located in
Medium and Small Counties / Construction Inflation Response Viability
Funding**

Section A: Report Summary

**Section B: Viability Loan Special and General Conditions
Housing Credit Allocation Recommendation & Contingencies**

Section C: Supporting Information & Schedules

Prepared by

First Housing Development Corporation of Florida

Final Report

October 13, 2023

Villages of New Augustine

TABLE OF CONTENTS

	<u>Page</u>
Section A	
Report Summary	
Recommendation	A1-A9
Overview	A10-A14
Uses of Funds	A15-A20
Operating Pro Forma	A21-A23
Section B	
Viability Special and General Conditions	B1-8
Housing Credit Allocation Recommendation & Contingencies	B9
Section C	
Supporting Information & Schedules	
Additional Development & Third Party Information	C1-C6
Applicant Information	C7-11
Guarantor Information	C12
Syndication Information	C13
General Contractor Information	C14-C15
Property Management Information	C16-C17
Exhibits	
15 Year Pro Forma	1
Housing Credit Allocation Calculation	2. 1-2
Minimum First Mortgage Calculation	3.
Viability Loan Sizing	4.
Description of Features and Amenities	5. 1-5
Completion and Issues Checklist	6. 1-3

Section A

Report Summary

The Applicant selected 40% of units at 60% or lower as the minimum set-aside commitment; therefore, according to Request for Applications 2021-201 (“RFA”) the Applicant must set-aside 10% of the units (10 units) as Extremely Low Income (“ELI”) Set-Asides at 33% Area Median Income (“AMI”). 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 (Saint Johns County). The MOU was approved by Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) on April 18, 2023.

The Tenant Selection Plan was approved by Florida Housing on November 18, 2022.

Buildings: Residential - 4 Non-Residential - 1
 Parking: Parking Spaces - 142 Accessible Spaces - 9

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
HC	10%	10	33%	50
HC	10%	10	50%	50
HC	80%	72	60%	50

Absorption Rate 25 units per month for 3.7 months.

Occupancy Rate at Stabilization: Physical Occupancy 95.00% Economic Occupancy 94.00%
 Occupancy Comments N/A

DDA: No QCT: No Multi-Phase Boost: No QAP Boost: Yes
 Site Acreage: 6.35 Density: 14.4882 Flood Zone Designation: X
Residential, Single-Family and Commercial, Intensive
 Zoning: ("RS-3 & CI") Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	Ability VNA, LLC	% Ownership
Manager	Ability VNA MM, LLC	
Limited Partner	National Equity Fund, Inc. ("NEF")	
Construction Completion Guarantor(s):		
CC Guarantor 1:	Ability VNA, LLC	
CC Guarantor 2:	Ability VNA MM, LLC	
CC Guarantor 3:	Ability Housing, Inc. ("Ability Housing")	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Ability VNA, LLC	
OD Guarantor 2:	Ability VNA MM, LLC	
OD Guarantor 3:	Ability Housing	
Developer:	Ability Housing	
DEVELOPMENT TEAM (cont)		
General Contractor 1:	Bradley Construction Co., Inc. ("Bradley")	
Management Company:	TPI Management Services, LLC ("TPI Management")	
Syndicator:	NEF	
Architect:	Group 4 Design, Inc.	
Market Study Provider:	Meridian Appraisal Group, Inc. ("Meridian")	
Appraiser:	Meridian	

PERMANENT FINANCING INFORMATION				
	1st Source	2nd Source	3rd Source	4th Source
Lien Position	First	Second	Third	Fourth
Lender/Grantor	Churchill Mortgage Investment LLC ("CMI")	FHFC - Viability	Saint Johns County	Saint Johns County
Amount	\$4,145,000	\$4,265,345	\$1,207,134	\$460,000
Underwritten Interest Rate	7.30%	1.00%	0.00%	0.00%
All In Interest Rate	7.30%	1.00%	0.00%	0.00%
Loan Term	16	16	16	22
Amortization	35	0	0	0
Market Rate/Market Financing LTV	19%	38%	43%	45%
Restricted Market Financing LTV	48%	97%	111%	116%
Loan to Cost - Cumulative	16%	32%	37%	39%
Debt Service Coverage	1.30	1.12	1.12	1.12
Operating Deficit & Debt Service Reserves	\$498,000			
# of Months covered by the Reserves	5.9			

Deferred Developer Fee	\$1,022,765
As-Is Land Value	\$810,000
Market Rent/Market Financing Stabilized Value	\$22,350,000
Rent Restricted Market Financing Stabilized Value	\$8,680,000
Projected Net Operating Income (NOI) - Year 1	\$426,009
Projected Net Operating Income (NOI) - 15 Year	\$450,848
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Housing Credit (HC) Syndication Price	\$0.915
HC Annual Allocation - Initial Award	\$1,625,000
HC Annual Allocation - Qualified in CUR	\$1,625,000
HC Annual Allocation - Equity Letter of Interest	\$1,625,000

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Regulated Mortgage Lender	Bank of America ("BoA")/CMI	\$13,814,121	\$4,145,000	\$45,054
FHFC - Viability	FHFC	\$4,265,345	\$4,265,345	\$46,362
Local Government Subsidy	Saint Johns County	\$1,207,134	\$1,207,134	\$13,121
Local Government Subsidy	Saint Johns County	\$460,000	\$460,000	\$5,000
HC Equity	NEF	\$5,198,142	\$14,867,263	\$161,601
Deferred Developer Fee	Ability Housing	\$1,022,765	\$1,022,765	\$11,117
TOTAL		\$25,967,507	\$25,967,507	\$282,256

Credit Underwriter: First Housing

Date of Final CUR: _____

TDC PU Limitation at Application: \$270,100 TDC PU Limitation at Credit Underwriting: \$350,050

Minimum 1st Mortgage per Rule: \$4,075,153 Amount Dev. Fee Reduced for TDC Limit: \$0

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?	1.	
Are all funding sources the same as shown in the Application?		2-3.
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?	4.	
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?		5.
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?	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?	6.	
Is the Development in all other material respects the same as presented in the Application?		7-8.

The following are explanations of each item listed in the table above:

1. Since the Application, the Board of Directors for Ability Housing, Inc. has changed. The Applicant submitted a request on July 8, 2022 and FHFC staff approved the change January 4, 2023. Shannon L. Nazworth provided the Developer Experience requirements and remains a principal of the Developer.
2. At Application it was anticipated that JP Morgan Chase Bank, N.A. would provide a construction loan in the amount of \$17,000,000 and a permanent loan in the amount of \$7,000,000. BoA is now providing a construction loan in the maximum amount of \$17,100,000 and CMI is providing a permanent loan in the maximum amount of

\$4,400,000. In addition, the Syndicator has changed from Raymond James Tax Credit Funds, Inc. to NEF.

3. Since the Application, the following sources have been added: a Viability Loan from FHFC in the amount of \$4,265,345 and an American Rescue Plan Act (“ARPA”) Loan from Saint Johns County in the amount of \$1,207,134.
4. Since the Application, the Applicant has changed from a ground lease, to purchasing the site.
5. The Total Development Costs (“TDC”) have increased by a total of \$4,209,619 or 19.35% from \$21,757,888 to \$25,967,507 since the Application. The change is mainly due to an increase in construction costs and financial costs.
6. Since the Application, the syndication rate has increased from \$0.91 to \$0.915.
7. Since the Application, the Applicant has submitted a request, dated August 22, 2023, to change the Management Company from Royal American Management, Inc. to TPI Management.
8. Since the Application, the unit mix has changed, which was requested by the Applicant on August 1, 2022, and approved by FHFC staff on August 18, 2022.

Item Description (From)	Item Description (To)
20 – 1 bedroom/1 bath (2 ELI)	20 – 1 bedroom/1 bath (2 ELI)
36 – 2 bedroom/1 bath (4 ELI)	36 – 2 bedroom/2 bath (4 ELI)
36 – 3 bedroom/2 bath (4 ELI)	36 – 3 bedroom/2 bath (4 ELI)
92 Units (10 ELI)	92 Units (10 ELI)

The above changes have no substantial material impact to the Viability and 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 May 24, 2023, the Development Team has the following noncompliance item(s) not in the correction period:

- Mayfair Village – Deferred Maintenance. Email to management sent May 23, 2023.

According to the FHFC Past Due report, dated September 18, 2023, the Development Team has the following past due item(s):

- None

Strengths:

1. The Principals of the Developer, General Contractor, and the Management Company are experienced in affordable multifamily housing.
2. The Principals have sufficient experience and substantial financial resources to construct and operate the proposed Development.
3. According to the Market Study, Meridian anticipates the Development will experience an absorption rate of 25 units per month.

Issues and Concerns:

None

Mitigating Factors:

None

Waiver/Special Conditions:

1. According to the RFA, the Corporation will review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. If the limited partnership agreement or limited liability company operating agreement does not specifically state that the parties will comply with the Corporation's RFA requirements, the Corporation will require an amendment of the agreement and will not issue IRS form(s) 8609 until the amendment is executed and provided to the Corporation.

The RFA includes language restricting the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. The RFA also requires the Corporation to review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. While Florida Housing will continue to require the Applicant to adhere to all requirements in the RFA including the restrictions on the disposition of any funds in an operating deficit reserve account, Florida Housing will not monitor the limited partnership agreement or limited liability company operating

agreement language for compliance with these requirements, as this would require analysis of a legal contract. This deviation in process was included as an Information Item in the April 29, 2022 FHFC Board Meeting.

Additional Information:

1. Based on the TDC per unit limitations in affect as of the April 1, 2022 FHFC Telephonic Board meeting, FHFC has set the TDC for the RFA, exclusive of land costs and Operating Deficit Reserves (“ODR”), of \$350,050 per unit for a new non-Enhanced Structural Systems (“ESS”) Construction, garden-style development located in Saint Johns County. The Development’s per unit TDC, less land costs and ODR is \$24,705,907 or \$268,542 per unit, which meets the TDC requirement.
2. FHDC has completed the required minimum first mortgage qualifying test and finds that the proposed first mortgage in the amount of \$4,145,000 exceeds the minimum requirement of \$4,075,153.
3. The Development consists of scattered sites. Below is a list of the sites along with the location descriptions and total square footage:

Address	Square Feet
<u>Site #1</u> Apartment Units Chapin St., SE corner of Chapin St. and N. Volusia St.	163,350
<u>Site #2</u> Clubhouse Chapin St., NE corner of Chapin St. and N. Volusia St.	33,106
<u>Site #3</u> Walking Trail Chapin St., approx. 209 ft. from SE corner of Chapin St. and N. Brevard St.	80,150

Recommendation:

First Housing recommends a Viability Loan in the amount of \$4,265,345 and an annual 9% Housing Credit Allocation of \$1,625,000 be awarded to finance the Development.

This recommendation is based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, these recommendations are subject to the Viability Loan Special and General Conditions and the Housing Credit Allocation Recommendation and Contingencies (Section B). **This recommendation is only valid for six months from the date of the report.**

The reader is cautioned to refer to these sections for complete information.

Prepared by:

Thomas Wright

Thomas Wright

Credit Underwriter

Reviewed by:

Ed Busansky

Ed Busansky

Senior Vice President

Overview

Construction Financing Sources:

Construction Sources	Lender	Application	Revised Applicant	Underwriter	Construction Interest Rate	Annual Construction Debt Service
Regulated Mortgage Lender	BoA	\$17,000,000	\$13,814,121	\$13,814,121	9.43%	\$1,302,672
FHFC - Viability	FHFC	\$460,000	\$4,271,340	\$4,265,345	1.00%	\$42,653
Local Government Subsidy	Saint Johns County	\$0	\$1,207,134	\$1,207,134	0.00%	\$0
Local Government Subsidy	Saint Johns County	\$0	\$460,000	\$460,000	0.00%	\$0
HC Equity	NEF	\$11,828,819	\$11,150,670	\$5,198,142	N/A	N/A
Deferred Developer Fee	Ability Housing	\$2,947,286	\$0	\$1,022,765	N/A	N/A
Total		\$32,236,105	\$30,903,265	\$25,967,507		\$1,345,325

First Mortgage:

First Housing received a Term Sheet from BoA, dated March 28, 2023, for a construction loan. Based on the term sheet, BoA will provide a construction loan in an amount that is the least of \$17,100,000, 85% Loan to Cost, or 80% of the Adjusted Loan-to-Value Ratio. First Housing has utilized a construction loan amount of \$13,814,121, in accordance with Applicant projections. Interest only payments will be required during construction. Interest will be calculated on the basis of a 360-day year and actual days elapses, which results in more interest than if a 365-day year were used. The interest rate is floating based on the Bloomberg Short Term Bank Yield (“BSBY”) Daily Floating Rate, with a floor of 1.00%, plus a spread of 3.00%. The indicative rate, at the time, was 7.68%. The term is 25 months from loan closing, with one 6-month extension option available. The construction loan interest is calculated based on the BSBY Daily Floating Rate of 5.43% as of August 3, 2023, plus a 3.00% spread, and an underwriting cushion of 1.00%, for an overall interest rate of 9.43%.

FHFC Viability Loan:

First Housing reviewed a Notice of Preliminary Award, dated June 14, 2023, from FHFC with a preliminary Viability Loan in the amount of \$4,265,345. Based on the sizing parameters in RFA 2023-211, First Housing has sized the Viability Loan in the amount of \$4,265,345.

The Viability Loan is non-amortizing with an interest rate of 1% over the life of the loan with annual payments based upon available cash flow. The Viability Loan will have a total term of 18 years and 7 months, of which 31 months is for the construction/stabilization period and 16 years is for the permanent period. As required by the first mortgage lender and permitted by RFA 2023-211, the Viability Loan will be coterminous with the first mortgage. Annual payments of all

applicable fees will be required. Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the Viability Loan, all principal and unpaid interest will be due. Viability Loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the Viability Loan to Total Development Costs, unless approved by the credit underwriter.

Saint Johns County:

First Housing received a Funding Agreement from Saint Johns County, dated June 5 or 6, 2023, for an ARPA loan in the amount \$1,207,134. Saint Johns County will make the loan to Ability Housing, who will, in turn, disburse proceeds of the loan to the Applicant. First Housing received a letter from Ability Housing, Inc., dated August 16, 2023, to provide the ARPA funds to Ability VNA, LLC. The interest rate of the loan is 0% and the loan will mature, with a lump sum bullet payment, May 1, 2040. An updated loan term extended to, or beyond the Viability Loan term is a condition to closing.

Saint Johns County:

First Housing received an Affordable Housing Grant Agreement Resolution No. 2023-184, dated June 27, 2023, for a Local Government Areas of Opportunity (“LGAO”) grant in the amount \$460,000. Saint Johns County will make the grant to Ability Housing, who will, in turn, disburse proceeds of the loan to the Applicant. First Housing received a letter from Ability Housing, Inc., dated August 16, 2023, to provide the LGAO funds to Ability VNA, LLC. The interest rate of the loan is 0% and the loan will mature, with a lump sum bullet payment, June 27, 2048.

Housing Credit Equity:

First Housing has reviewed an executed Letter of Interest (“LOI”), dated August 21, 2023, indicating NEF, and or its affiliates, will acquire 99.99% ownership interest in the Applicant. Based on the LOI, the annual HC allocation is estimated to be in the amount of \$1,625,000 with a syndication rate of \$0.915 for a net capital contribution of \$14,867,263. NEF has committed to make available 15.00% or \$2,230,090 of the total net equity during construction. An additional \$12,637,173 will be available in four additional installments at 95% completion, 100% completion, 100% qualified occupancy and Form 8609’s. The first installment, in the amount of \$2,230,090, meets the RFA requirement that 15% of the total equity must be contributed at or prior to the closing. The first and second installment in the total amount of \$10,828,905 will be available during construction. However, the Applicant will not need all of the second installment during construction. Therefore, First Housing has shown \$5,198,142 in equity available during construction.

Deferred Developer Fee:

To balance the sources and uses of funds during construction, the Developer is required to defer \$1,022,765 or approximately 30.01% of the total Developer Fee of \$3,407,711.

Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
Regulated Mortgage Lender	CMI	\$5,026,503	\$4,398,385	\$4,145,000	16	35	7.30%	\$328,289
FHFC - Viability	FHFC	\$460,000	\$3,968,025	\$4,265,345	16	0	1.00%	\$42,653
Local Government Subsidy	Saint Johns County	\$0	\$1,207,134	\$1,207,134	16	0	0.00%	\$0
Local Government Subsidy	Saint Johns County	\$0	\$460,000	\$460,000	22	0	0.00%	\$0
HC Equity	NEF	\$14,786,022	\$14,867,263	\$14,867,263	N/A	N/A	N/A	N/A
Deferred Developer Fee	Ability Housing	\$2,947,286	\$1,018,006	\$1,022,765	N/A	N/A	N/A	N/A
Total		\$23,219,811	\$25,918,813	\$25,967,507				\$370,942

First Mortgage:

First Housing received a Letter from CMI, dated August 16, 2023, for a permanent loan. Based on the term sheet, CMI will provide a permanent loan in the amount of up to \$4,400,000. In order to meet the RFA minimum first mortgage requirements, and maintain a 1.10x minimum debt service coverage (“DSC”), as required by Rule 67-48, First Housing has utilized a loan amount of \$4,145,000. The term of the loan will be 16 years from the permanent loan conversion. Principal and interest payments will be based on a 35-year amortization schedule. The interest rate will be fixed at spread over comparable term U.S. Treasury rates. The Indicative Rate, at the time of the letter, was 7.25%.

FHFC Viability Loan:

First Housing reviewed a Notice of Preliminary Award, dated June 14, 2023, from FHFC with a preliminary Viability Loan in the amount of \$4,265,345. Based on the sizing parameters in RFA 2023-211, First Housing has sized the Viability Loan in the amount of \$4,265,345.

The Viability Loan is non-amortizing with an interest rate of 1% over the life of the loan with annual payments based upon available cash flow. The Viability Loan will have a total term of 18 years and 7 months, of which 31 months is for the construction/stabilization period and 16 years is for the permanent period. As required by the first mortgage lender and permitted by RFA 2023-211, the Viability Loan will be coterminous with the first mortgage. Annual payments of all applicable fees will be required. Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the Viability Loan, all principal and unpaid interest will be due.

Fees includes an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$936 per month, subject to a minimum of \$236 per month.

Saint Johns County:

First Housing received a Funding Agreement from Saint Johns County, dated June 5 or 6, 2023, for an ARPA loan in the amount \$1,207,134. Saint Johns County will make the loan to Ability Housing, who will, in turn, disburse proceeds of the loan to the Applicant. First Housing received a letter from Ability Housing, Inc., dated August 16, 2023, to provide the ARPA funds to Ability VNA, LLC. The interest rate of the loan is 0% and the loan will mature, with a lump sum bullet payment, May 1, 2040. An updated loan term extended to, or beyond the Viability Loan term is a condition to closing.

Saint Johns County:

First Housing received an Affordable Housing Grant Agreement Resolution No. 2023-184, dated June 27, 2023, for a grant in the amount \$460,000. Saint Johns County will make the grant to Ability Housing, who will, in turn, disburse proceeds of the loan to the Applicant. First Housing received a letter from Ability Housing, Inc., dated August 16, 2023, to provide the LGAO funds to Ability VNA, LLC. The interest rate of the loan is 0% and the loan will mature, with a lump sum bullet payment, June 27, 2048.

Housing Credit Equity:

First Housing has reviewed an executed LOI, dated August 21, 2023, indicating NEF and or its affiliates, will acquire 99.99% ownership interest in the Applicant. Based on a syndication rate of \$0.915, NEF anticipates a net capital contribution of \$14,867,263 paid in five installments, as follows:

Syndication Contributions

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$2,230,090	15.00%	Admission to Limited Partnership and commencement of construction
2nd Installment	\$8,598,815	57.84%	95% construction completion
3rd Installment	\$321,543	2.16%	100% construction completion
4th Installment	\$3,440,315	23.14%	100 % qualified occupancy
5th Installment	\$276,500	1.86%	First year's tax return and K-1; Fully executed Form 8609
Total	\$14,867,263	100.00%	

Annual Credit Per Syndication Agreement	\$1,625,000
Calculated HC Exchange Rate	\$0.915
Limited Partner Ownership Percentage	99.99%
Proceeds Available During Construction	\$10,828,905

The Applicant will not need all of the second installment during construction. Therefore, First Housing has shown \$5,198,142 in equity available during construction.

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent period, the Developer is required to defer \$1,022,765 or approximately 30.01% of the total Developer Fee of \$3,407,711. Therefore, the Applicant is meeting the Viability requirement of deferring at least 30% of the Developer Fee.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accessory Buildings	\$250,000	\$0	\$0	\$0	\$0
New Rental Units	\$11,100,000	\$12,156,682	\$12,156,682	\$132,138	\$98,000
Off-Site Work	\$160,000	\$0	\$0	\$0	\$0
Site Work	\$400,000	\$1,376,000	\$1,376,000	\$14,957	\$137,600
Constr. Contr. Costs subject to GC Fee	\$11,910,000	\$13,532,682	\$13,532,682	\$147,094	\$235,600
General Conditions	\$1,667,400	\$790,374	\$790,374	\$8,591	\$0
Overhead	\$0	\$263,458	\$263,458	\$2,864	\$0
Profit	\$0	\$790,374	\$790,374	\$8,591	\$0
General Liability Insurance	\$0	\$55,000	\$55,000	\$598	\$0
Payment and Performance Bonds	\$0	\$155,500	\$155,500	\$1,690	\$0
Contract Costs not subject to GC Fee	\$0	\$11,000	\$11,000	\$120	\$11,000
Total Construction Contract/Costs	\$13,577,400	\$15,598,388	\$15,598,388	\$169,548	\$246,600
Hard Cost Contingency	\$678,870	\$770,093	\$779,919	\$8,477	\$0
FF&E paid outside Constr. Contr.	\$300,000	\$300,000	\$300,000	\$3,261	\$300,000
Total Construction Costs:	\$14,556,270	\$16,668,481	\$16,678,307	\$181,286	\$546,600

Notes to the General Development Costs:

1. The Applicant has provided an executed construction contract, dated February 9, 2023, in the amount of \$15,598,388. The contract is a Standard Form of Agreement between Ability VNA, LLC (“Owner”) and Bradley Construction Co., Inc. (“Contractor”) where the basis of payment is the Cost of Work Plus a fee with a Guaranteed Maximum Price (“GMP”). The contract specifies substantial completion of not later than 518 calendar days from the date of commencement of Work. Retainage of 10% shall be withheld from payment through 50% completion of work and 0% retainage withheld on amounts due after 50% completion.
2. The GC Fees are within the maximum 14% of hard costs allowed by the RFA 2021-201 and Rule Chapter 67-48. The GC Fee stated herein is for credit underwriting purposes only, and the final GC fee will be determined pursuant to the final cost certification process as per Rule Chapter 67-48.023, F.A.C.
3. Since the Applicant will be renting the washer/dryers to the residents, the cost of \$98,000 to purchase these appliances is ineligible.
4. The GC Contract includes \$20,000 for a bridge allowance which is 0.13% of the GMP. GLE Associates, Inc. (“GLE”) found the allowances to be acceptable.

Bridge Allowance	\$20,000
------------------	----------

5. Contract Costs not subject to GC Fee of \$11,000 is for Cost Certification.

6. Hard Cost Contingency is within 5% of total construction costs, as allowed for new construction developments by the RFA 2021-201 and Rule Chapter 67-48.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$20,000	\$36,000	\$36,000	\$391	\$36,000
Appraisal	\$20,000	\$20,000	\$5,500	\$60	\$0
Architect's and Planning Fees	\$350,000	\$225,000	\$225,000	\$2,446	\$10,000
Architect's Fee - Supervision	\$64,000	\$64,000	\$64,000	\$696	\$0
Building Permits	\$38,847	\$50,000	\$50,000	\$543	\$0
Engineering Fees	\$70,000	\$50,000	\$50,000	\$543	\$0
Environmental Report	\$22,000	\$20,000	\$20,000	\$217	\$0
FHFC Administrative Fees	\$89,375	\$92,711	\$89,375	\$971	\$89,375
FHFC Application Fee	\$3,000	\$3,500	\$3,500	\$38	\$3,500
FHFC Credit Underwriting Fee	\$14,921	\$30,163	\$20,309	\$221	\$20,309
FHFC Compliance Fee	\$370,891	\$370,891	\$229,477	\$2,494	\$229,477
FHFC Other Processing Fee(s)	\$0	\$0	\$25,000	\$272	\$25,000
Impact Fee	\$944,760	\$325,000	\$325,000	\$3,533	\$0
Lender Inspection Fees / Const Admin	\$45,296	\$60,000	\$60,000	\$652	\$0
Green Building Cert. (LEED, FGBC, NAHB)	\$42,217	\$75,000	\$75,000	\$815	\$0
Insurance	\$30,000	\$50,000	\$50,000	\$543	\$0
Legal Fees - Organizational Costs	\$85,000	\$300,000	\$300,000	\$3,261	\$0
Market Study	\$6,000	\$7,500	\$5,500	\$60	\$5,500
Marketing and Advertising	\$6,000	\$15,000	\$15,000	\$163	\$15,000
Plan and Cost Review Analysis	\$0	\$0	\$2,000	\$22	\$0
Property Taxes	\$18,200	\$40,000	\$40,000	\$435	\$10,000
Soil Test	\$10,000	\$20,000	\$20,000	\$217	\$0
Survey	\$40,000	\$50,000	\$50,000	\$543	\$0
Title Insurance and Recording Fees	\$75,000	\$75,000	\$75,000	\$815	\$75,000
Utility Connection Fees	\$430,000	\$575,000	\$575,000	\$6,250	\$0
Soft Cost Contingency	\$154,775	\$163,324	\$133,033	\$1,446	\$0
Other:	\$0	\$250,000	\$250,000	\$2,717	\$250,000
Total General Development Costs:	\$2,950,282	\$2,968,089	\$2,793,694	\$30,366	\$769,161

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: FHFC Application Fee, Appraisal, Market Study, and Plan and Cost Review.
3. The FHFC Application Fee of \$3,500 includes a \$3,000 initial application fee and a \$500 fee for the Viability Loan.

4. FHFC Compliance Fee of \$229,477 is based on the 2023 compliance fee calculator spreadsheet provided by FHFC.
5. The FHFC Processing Fees of \$25,000 includes a 10% Test Extension Fee of \$5,000, \$15,000 Credit Swap Fee, and a \$5,000 CUR Extension.
6. The FHFC Administrative Fee of \$89,375 is based on 5.5% of the recommended annual housing credit allocation.
7. The FHFC Credit Underwriting Fee includes an underwriting fee of \$13,455, a Preliminary Recommendation Letter fee of \$1,708, and a Viability underwriting fee of \$5,146.
8. The Applicant provided an Agreement for Professional Services, dated May 16, 2023, between Ability Housing, Inc., and My Sustainability Officer, for FGBC Consulting and services for the Development.
9. First Housing has adjusted Soft Cost Contingency to be 5% of the General Development Costs, less the contingency as allowed, by the RFA 2021-201 and Rule Chapter 67-48 for new construction developments.
10. First Housing has included Other of \$250,000 for Tree Mitigation/School Concurrency.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Origination Fee	\$160,000	\$174,000	\$138,141	\$1,502	\$0
Construction Loan Closing Costs	\$62,500	\$62,500	\$62,500	\$679	\$0
Construction Loan Interest	\$488,749	\$1,050,000	\$1,398,200	\$15,198	\$466,067
Permanent Loan Application Fee	\$0	\$0	\$5,000	\$54	\$5,000
Permanent Loan Origination Fee	\$55,000	\$55,000	\$41,450	\$451	\$41,450
Permanent Loan Closing Costs	\$80,000	\$50,000	\$50,000	\$543	\$50,000
Bridge Loan Interest	\$8,000	\$0	\$0	\$0	\$0
Misc Loan Closing Costs	\$59,741	\$55,000	\$55,000	\$598	\$55,000
Misc Loan Interest	\$0	\$0	\$20,750	\$226	\$0
Other: FHFC Closing Costs	\$0	\$0	\$12,500	\$136	\$12,500
Other: Viability Commitment Fee	\$0	\$0	\$42,654	\$464	\$42,654
Total Financial Costs:	\$913,990	\$1,446,500	\$1,826,195	\$19,850	\$672,671
Dev. Costs before Acq., Dev. Fee & Reserves	\$18,420,542	\$21,083,070	\$21,298,196	\$231,502	\$1,988,432

Notes to the Financial Costs:

1. The Construction Loan Origination Fee is based on 1% of the construction loan in the amount of \$13,814,121.

2. The Construction Loan Interest of \$1,398,200 is based on an interest rate of 9.43%, a 23-month term, including 17 months for substantial completion, six months for absorption, and an average outstanding loan balance of 56%.
3. The Permanent Loan Origination Fee is based on 1% of the permanent loan in the amount of \$4,145,000.
4. Construction Loan Closing Costs, Permanent Loan Closing Costs and Misc. Loan Closing Costs are based on Applicant projections.
5. First Housing has included Misc Loan Interest of \$20,750 for Predevelopment Loan Program (“PLP”) loan interest.
6. The Viability Commitment Fee is based on 1% of the Viability Loan.
7. First Housing included FHFC Closing costs of \$12,500 for the Viability Loan FHFC legal counsel fees.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Total Non-Land Acquisition Costs:	\$0	\$0	\$0	\$0	\$0

Notes to the Non-Land Acquisition Costs:

1. As this is new construction, non-land acquisition costs are not applicable.

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	\$2,947,286	\$3,367,723	\$3,407,711	\$37,040	\$0
Total Other Development Costs:	\$2,947,286	\$3,367,723	\$3,407,711	\$37,040	\$0

Notes to the Other Development Costs:

1. The recommended Developer Fee does not exceed 16% of total development cost before Developer Fee and Operating Deficit Reserves as allowed by RFA 2021-201 and Rule Chapter 67-48.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$390,060	\$763,600	\$763,600	\$8,300	\$763,600
Total Acquisition Costs:	\$390,060	\$763,600	\$763,600	\$8,300	\$763,600

Notes to Acquisition Costs:

1. First Housing has reviewed a Contract for Purchase and Sale of Real Property, dated June 6, 2023, between West Augustine Historical Community Development Corporation, Inc., and Ability VNA, LLC (“Buyer”). The Purchase Price of the Development is \$763,600. The Investigation Period ends on June 30, 2023, and closing must occur 60 days after the expiration of the Investigation Period. The closing date may be extended for an additional 60 days beyond the expiration of the Investigation Period.
2. The appraisal indicates the estimated market value “as is”, as of February 28, 2023, was \$810,000, 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 Reserve (Syndicator)	\$0	\$498,000	\$498,000	\$5,413	\$498,000
Total Reserve Accounts:	\$0	\$498,000	\$498,000	\$5,413	\$498,000

Notes to Reserve Accounts:

1. Based on the LOI, dated August 21, 2023, an ODR in the estimated amount of \$498,000 equal to 6 months of operating expense, replacement reserves, and debt service is required by the Syndicator. In exchange for receiving funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve’s original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer Fee), the Development’s capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant’s obligation to periodically fund the replacement reserve account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant’s organizational agreement (i.e., operating or limited partnership agreement whereby its final disposition remains under this same restriction. The actual direction of the disposition is at the Applicant’s discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant

or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA.

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 Chapter 67-48. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its legal counsel, and its Servicer.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$21,757,888	\$25,712,393	\$25,967,507	\$282,256	\$3,250,032

Notes to Total Development Costs:

1. The Total Development Costs have increased by a total of \$4,209,619 or 19.35% from \$21,757,888 to \$25,967,507 since the Application. The change is mainly due to an increase in construction costs and financial costs.

Operating Pro Forma – The Villages of New Augustine

FINANCIAL COSTS:		Year 1	Year 1 Per Unit
OPERATING PRO FORMA			
INCOME:	Gross Potential Rental Income	\$1,076,904	\$11,705
	Other Income		
	Ancillary Income	\$27,600	\$300
	Washer/Dryer Rentals	\$20,700	\$225
	Gross Potential Income	\$1,125,204	\$12,230
	Less:		
	Physical Vac. Loss Percentage: 5.00%	\$56,260	\$612
	Collection Loss Percentage: 1.00%	\$11,252	\$122
	Total Effective Gross Income	\$1,057,692	\$11,497
	EXPENSES:	Fixed:	
Real Estate Taxes		\$83,954	\$913
Insurance		\$119,600	\$1,300
Variable:			
Management Fee Percentage: 5.25%		\$55,529	\$604
General and Administrative		\$46,000	\$500
Payroll Expenses		\$128,800	\$1,400
Utilities		\$96,600	\$1,050
Marketing and Advertising		\$9,200	\$100
Maintenance and Repairs/Pest Control		\$41,400	\$450
Grounds Maintenance and Landscaping		\$16,100	\$175
Contract Services		\$6,900	\$75
Reserve for Replacements		\$27,600	\$300
Total Expenses		\$631,683	\$6,866
Net Operating Income		\$426,009	\$4,631
Debt Service Payments			
First Mortgage - CMI	\$328,289	\$3,568	
Second Mortgage - FHFC - Viability	\$42,653	\$464	
Third Mortgage - Saint Johns County	\$0	\$0	
Fourth Mortgage - Saint Johns County	\$0	\$0	
First Mortgage Fees - CMI	\$0	\$0	
Second Mortgage Fees - FHFC - Viability	\$10,663	\$116	
Third Mortgage Fees - Saint Johns County	\$0	\$0	
Fourth Mortgage Fees - Saint Johns County	\$0	\$0	
Total Debt Service Payments	\$381,605	\$4,148	
Cash Flow after Debt Service	\$44,403	\$483	
Debt Service Coverage Ratios			
DSC - First Mortgage plus Fees	1.30x		
DSC - Second Mortgage plus Fees	1.12x		
DSC - Third Mortgage plus Fees	1.12x		
DSC - Fourth Mortgage plus Fee	1.12x		
DSC - All Mortgages and Fees	1.12x		
Financial Ratios			
Operating Expense Ratio	59.72%		
Break-even Economic Occupancy Ratio (all debt)	90.37%		

Notes to the Operating Pro Forma and Ratios:

1. The rent levels are based on the 2022 maximum LIHTC rents published on FHFC’s website for Saint Johns County, less the applicable utility allowance. Below is the rent roll for the Development:

Saint Johns 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	2	698	33%			\$517	\$70	\$ 447		\$ 447	\$ 447	\$ 447	\$ 10,728
1	1.0	2	698	50%			\$784	\$70	\$ 714		\$ 714	\$ 714	\$ 714	\$ 17,136
1	1.0	16	698	60%			\$941	\$70	\$ 871		\$ 871	\$ 871	\$ 871	\$ 167,232
2	2.0	4	995	33%			\$621	\$97	\$ 524		\$ 524	\$ 524	\$ 524	\$ 25,152
2	2.0	4	995	50%			\$941	\$97	\$ 844		\$ 844	\$ 844	\$ 844	\$ 40,512
2	2.0	28	995	60%			\$1,129	\$97	\$ 1,032		\$ 1,032	\$ 1,032	\$ 1,032	\$ 346,752
3	2.0	4	1,342	33%			\$717	\$128	\$ 589		\$ 589	\$ 589	\$ 589	\$ 28,272
3	2.0	4	1,342	50%			\$1,086	\$128	\$ 958		\$ 958	\$ 958	\$ 958	\$ 45,984
3	2.0	28	1,342	60%			\$1,304	\$128	\$ 1,176		\$ 1,176	\$ 1,176	\$ 1,176	\$ 395,136
		92	98,092											\$ 1,076,904

2. The utility allowances are based on a Utility Allowance Study from KN Consultants, LLC, dated July 16, 2023. The Utility Allowance Study was approved by FHFC on August 23, 2023 for credit underwriting purposes only.
3. The Appraisal uses a vacancy loss of 5.00% and collection loss of 1.00%. First Housing has used a vacancy loss of 5.00% and collection loss of 1.00%, in accordance with the appraisal.
4. The Break-even Economic Occupancy Ratio includes all principal and interest payments and fees; however, the Viability Loan principal and interest payments are based on available cash flow. This ratio would improve to 86.58%, if the Viability Loan principal and interest payments were not included in the calculation.
5. The Development will offer full-size washer/dryer appliances to rent to residents for \$25. The Appraisal projects a participation rate of 75% and a monthly premium of \$25, or \$20,700 annually.
6. The Appraisal projected Miscellaneous Income of \$27,600 which is comprised of revenue from vending machines, late charges, forfeited security deposits, and pet deposits.
7. Based upon operating data from comparable properties, third-party reports (Appraisal and Market Study) and the Credit Underwriter'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.

8. The Applicant has submitted a draft Management Agreement between Ability VNA, LLC and TPI Management Services, LLC. Receipt of an executed Management Agreement is a condition to close. The Agreement reflects a management fee of 4.25% of each month's Gross Operating Revenue. First Housing has utilized a Management Fee of 5.25% in accordance with the Appraisal.
9. Residents are responsible for electric, and cable/phone/internet expenses. The landlord is responsible for trash, water/sewer, pest control and common area utility expenses.
10. Replacement Reserves of \$300 per unit per year are required per the RFA 2021-201 and Rule Chapter 67-48. According to the letter, dated June 20, 2023, from NEF, they are requiring replacement reserve deposits to be \$300 per unit per year increasing at 3% annually.
11. Refer to Exhibit 1, Page 1 for a 15-Year Pro Forma, which reflects rental income increasing at an annual rate of 2%, and expenses increasing at an annual rate of 3%.

Section B

Viability Loan Special and General Conditions

Housing Credit Allocation Recommendation & 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 Viability closing date.

1. The permanent loan amount approved at closing cannot be increased without approval from FHFC.
2. Firm Commitment from BoA (construction) and CMI (permanent financing) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
3. Final loan documents for the third and fourth construction/permanent mortgages with terms which are not substantially different than those utilized in this credit underwriting report.
4. Receipt and satisfactory review of the Final signed, sealed “approved for construction” plans and specifications by the Construction Consultant and the Servicer.
5. At least 30% of the Developer Fee must be deferred pursuant to the requirements of the Viability Loan.
6. Receipt and satisfactory review of a bank reference or bank statements for Ability Housing.
7. Receipt and satisfactory review of an executed Management Agreement and Management Plan.
8. Payoff of FHFC PLP Loan (PLP 2017-003-09) in the amount of \$724,350.
9. Updated ARPA loan term extended to, or beyond the Viability Loan term.
10. Receipt and satisfactory review of updated financials for the Guarantors, dated within 90 days of closing.
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 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 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 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. Viability loan proceeds shall be disbursed during the construction phase in an amount per draw that does not exceed the ratio of the Viability 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 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 Analysis, 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 an Amended and Restated Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Amended and Restated 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 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 9% Housing Credits and purchase of HC by NEF 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 limited partnership 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 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

This recommendation is also contingent upon satisfaction of the following additional conditions:

- 1. Compliance with all provisions of Section 420.507 Florida Statutes, Rule 67-48 F.A.C., Rule Chapter 67-53, F.A.C., Rule Chapter 67-60 F.A.C., RFA 2021-201, RFA 2023-211, 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 Viability 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), Extended Land Use Agreement(s) and Final Cost Certificate.
- 3. Receipt and satisfactory review of a Joint Funding Agreement between Applicant and NEF 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. Guarantors to provide the standard FHFC Construction Completion Guaranty, to be released upon lien-free completion, as approved by the Servicer.
- 5. For the Viability 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 Viability 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.

6. Guarantors to provide the Standard FHFC Environmental Indemnity Guaranty.
7. Guarantors to provide the Standard FHFC Guaranty of Recourse Obligations.
8. 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.
9. 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.
10. 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(s) servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per 67-48 F.A.C., in the amount of \$27,600 (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 for year 1 and \$300 per unit for year 2, increasing by 3% 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 15th year after the initial Replacement Reserve Date and subsequently every five (5) years thereafter.

11. 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. Retainage of 10% shall be withheld from payment through 50% completion of work and 0% retainage withheld on amounts due after 50% completion. This meets the RFA 2021-201 and Rule Chapter 67-48 minimum requirements.
12. Closing of all funding sources prior to or simultaneous with the Viability loan.
13. Satisfactory completion of a pre-loan closing compliance audit conducted by FHFC or Servicer, if applicable.
14. Satisfactory resolution of any outstanding past due and/or noncompliance items.
15. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

Housing Credit Allocation Recommendation

First Housing Development Corporation has estimated a preliminary annual HC allocation of \$1,625,000. Please see the HC Allocation Calculation in Exhibit 2 of this report for further details.

Contingencies

The HC allocation will be contingent upon the receipt and satisfactory review of the following items by First Housing and Florida Housing by the deadline established in the Preliminary Determination. Failure to submit these items within this time frame may result in forfeiture of the HC Allocation.

1. Satisfactory resolution of any outstanding past due and/or noncompliance issues.
2. This report is subject to Florida Housing's Asset Management Department's approval of the Applicant's selection of management company.
3. This report is subject to continued approval of the management agent by Florida Housing.
4. Receipt of executed FHFC Fair Housing, Section 504, and ADA as built certification forms 122, 127, 129.
5. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

15-Year Pro Forma

FINANCIAL COSTS:		Year 1	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	\$1,076,904	\$1,098,442	\$1,120,411	\$1,142,819	\$1,165,676	\$1,188,989	\$1,212,769	\$1,237,024	\$1,261,765	\$1,287,000	\$1,312,740	\$1,338,995	\$1,365,775	\$1,393,090	\$1,420,952	
	Other Income																
	Ancillary Income	\$27,600	\$28,152	\$28,715	\$29,289	\$29,875	\$30,473	\$31,082	\$31,704	\$32,338	\$32,985	\$33,644	\$34,317	\$35,003	\$35,704	\$36,418	
	Washer/Dryer Rentals	\$20,700	\$21,114	\$21,536	\$21,967	\$22,406	\$22,854	\$23,312	\$23,778	\$24,253	\$24,738	\$25,233	\$25,738	\$26,253	\$26,778	\$27,313	
	Gross Potential Income	\$1,125,204	\$1,147,708	\$1,170,662	\$1,194,075	\$1,217,957	\$1,242,316	\$1,267,162	\$1,292,506	\$1,318,356	\$1,344,723	\$1,371,617	\$1,399,050	\$1,427,031	\$1,455,571	\$1,484,683	
	Less:																
	Physical Vac. Loss Percentage: 5.00%	\$56,260	\$57,385	\$58,533	\$59,704	\$60,898	\$62,116	\$63,358	\$64,625	\$65,918	\$67,236	\$68,581	\$69,952	\$71,352	\$72,779	\$74,234	
	Collection Loss Percentage: 1.00%	\$11,252	\$11,477	\$11,707	\$11,941	\$12,180	\$12,423	\$12,672	\$12,925	\$13,184	\$13,447	\$13,716	\$13,991	\$14,270	\$14,556	\$14,847	
	Total Effective Gross Income	\$1,057,692	\$1,078,846	\$1,100,423	\$1,122,431	\$1,144,880	\$1,167,777	\$1,191,133	\$1,214,955	\$1,239,254	\$1,264,040	\$1,289,320	\$1,315,107	\$1,341,409	\$1,368,237	\$1,395,602	
	EXPENSES:	Fixed:															
Real Estate Taxes		\$83,954	\$86,473	\$89,067	\$91,739	\$94,491	\$97,326	\$100,245	\$103,253	\$106,350	\$109,541	\$112,827	\$116,212	\$119,698	\$123,289	\$126,988	
Insurance		\$119,600	\$123,188	\$126,884	\$130,690	\$134,611	\$138,649	\$142,809	\$147,093	\$151,506	\$156,051	\$160,732	\$165,554	\$170,521	\$175,637	\$180,906	
Variable:																	
Management Fee Percentage: 5.25%		\$55,529	\$56,639	\$57,772	\$58,928	\$60,106	\$61,308	\$62,534	\$63,785	\$65,061	\$66,362	\$67,689	\$69,043	\$70,424	\$71,832	\$73,269	
General and Administrative		\$46,000	\$47,380	\$48,801	\$50,265	\$51,773	\$53,327	\$54,926	\$56,574	\$58,271	\$60,020	\$61,820	\$63,675	\$65,585	\$67,553	\$69,579	
Payroll Expenses		\$128,800	\$132,664	\$136,644	\$140,743	\$144,966	\$149,315	\$153,794	\$158,408	\$163,160	\$168,055	\$173,096	\$178,289	\$183,638	\$189,147	\$194,822	
Utilities		\$96,600	\$99,498	\$102,483	\$105,557	\$108,724	\$111,986	\$115,345	\$118,806	\$122,370	\$126,041	\$129,822	\$133,717	\$137,729	\$141,860	\$146,116	
Marketing and Advertising		\$9,200	\$9,476	\$9,760	\$10,053	\$10,355	\$10,665	\$10,985	\$11,315	\$11,654	\$12,004	\$12,364	\$12,735	\$13,117	\$13,511	\$13,916	
Maintenance and Repairs/Pest Control		\$41,400	\$42,642	\$43,921	\$45,239	\$46,596	\$47,994	\$49,434	\$50,917	\$52,444	\$54,018	\$55,638	\$57,307	\$59,027	\$60,797	\$62,621	
Grounds Maintenance and Landscaping		\$16,100	\$16,583	\$17,080	\$17,593	\$18,121	\$18,664	\$19,224	\$19,801	\$20,395	\$21,007	\$21,637	\$22,286	\$22,955	\$23,643	\$24,353	
Contract Services		\$6,900	\$7,107	\$7,320	\$7,540	\$7,766	\$7,999	\$8,239	\$8,486	\$8,741	\$9,003	\$9,273	\$9,551	\$9,838	\$10,133	\$10,437	
Reserve for Replacements		\$27,600	\$28,428	\$29,281	\$30,159	\$31,064	\$31,996	\$32,956	\$33,945	\$34,963	\$36,012	\$37,092	\$38,205	\$39,351	\$40,532	\$41,747	
Total Expenses	\$631,683	\$650,078	\$669,014	\$688,507	\$708,573	\$729,229	\$750,492	\$772,382	\$794,916	\$818,112	\$841,992	\$866,575	\$891,882	\$917,934	\$944,754		
Net Operating Income	\$426,009	\$428,768	\$431,409	\$433,924	\$436,307	\$438,548	\$440,640	\$442,573	\$444,339	\$445,927	\$447,328	\$448,532	\$449,527	\$450,303	\$450,848		
Debt Service Payments																	
First Mortgage - CMI	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	\$328,289	
Second Mortgage - FHFC - Viability	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	\$42,653	
Third Mortgage - Saint Johns County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fourth Mortgage - Saint Johns County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
First Mortgage Fees - CMI	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Second Mortgage Fees - FHFC - Viability	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	\$10,663	
Third Mortgage Fees - Saint Johns County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fourth Mortgage Fees - Saint Johns County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Debt Service Payments	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	\$381,605	
Cash Flow after Debt Service	\$44,403	\$47,162	\$49,803	\$52,319	\$54,702	\$56,943	\$59,035	\$60,968	\$62,733	\$64,322	\$65,723	\$66,926	\$67,922	\$68,698	\$69,243		
Debt Service Coverage Ratios																	
DSC - First Mortgage plus Fees	1.30	1.31	1.31	1.32	1.33	1.34	1.34	1.35	1.35	1.36	1.36	1.37	1.37	1.37	1.37	1.37	
DSC - Second Mortgage plus Fees	1.12	1.12	1.13	1.14	1.14	1.15	1.15	1.16	1.16	1.17	1.17	1.18	1.18	1.18	1.18	1.18	
DSC - Third Mortgage plus Fees	1.12	1.12	1.13	1.14	1.14	1.15	1.15	1.16	1.16	1.17	1.17	1.18	1.18	1.18	1.18	1.18	
DSC - Fourth Mortgage plus Fee	1.12	1.12	1.13	1.14	1.14	1.15	1.15	1.16	1.16	1.17	1.17	1.18	1.18	1.18	1.18	1.18	
DSC - All Mortgages and Fees	1.12	1.12	1.13	1.14	1.14	1.15	1.15	1.16	1.16	1.17	1.17	1.18	1.18	1.18	1.18	1.18	
Financial Ratios																	
Operating Expense Ratio	59.72%	60.26%	60.80%	61.34%	61.89%	62.45%	63.01%	63.57%	64.14%	64.72%	65.31%	65.89%	66.49%	67.09%	67.70%		
Break-even Economic Occupancy Ratio (all debt)	90.37%	90.21%	90.06%	89.93%	89.82%	89.73%	89.66%	89.60%	89.56%	89.53%	89.52%	89.53%	89.56%	89.60%	89.65%		

According to the Letter of Intent, dated August 21, 2023, from NEF, reserves will be \$300 per unit per year, increasing 3% per year.

HC Allocation Calculation

Section I: Qualified Basis Calculation

Total Development Costs(including land and ineligible Costs)	\$25,967,507
Less Land Costs	\$763,600
Less Federal Grants and Loans	\$0
Less Other Ineligible Costs	\$2,486,432
Total Eligible Basis	\$22,717,475
Applicable Fraction	100%
DDA/QCT Basis Credit	130%
Qualified Basis	\$29,532,718
Housing Credit Percentage	9.00%
Annual Housing Credit Allocation	\$2,657,945

Notes to the Qualified Basis Calculation:

1. Other ineligible costs include site work, FF&E paid outside constr. contr., purchase of washers/dryers, accounting, FHFC fees, market study, property taxes, title insurance and recording fees, construction loan interest, permanent loan fees, advertising/marketing fees, and operating deficit 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 Local Government Areas of Opportunity; therefore, the 130% basis credit was applied.
4. For purposes of this recommendation a HC percentage of 9% was applied based on the 9% 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.

Section II: GAP Calculation

Total Development Costs(including land and ineligible Costs)	\$25,967,507
Less Mortgages	\$10,077,479
Less Grants	\$0
Equity Gap	\$15,890,028
HC Syndication Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.915
HC Required to meet Equity Gap	\$17,367,888
Annual HC Required	\$1,736,789

Notes to the Gap Calculation:

1. The syndication information was taken from the executed LOI, dated August 21, 2023, from NEF.
2. The committed first mortgage in the amount of \$4,145,000 exceeds the minimum first mortgage requirement of \$4,075,153.

Section III: Summary

HC Per Applicant's Request	\$1,625,000
HC Per Qualified Basis	\$2,657,945
HC Per GAP Calculation	\$1,736,789
Annual HC Recommended	\$1,625,000
Syndication Proceeds based upon Syndication Agreement	\$14,867,263

1. The estimated annual housing credit allocation is limited to the lesser of the Qualified Basis calculation, the GAP calculation or the Applicant's Request. The recommendation is based on the Applicant's Request.
2. FHFC reserves the right to resize the Housing Credit preliminary awarded to the Applicant. The next opportunity for a feasibility review of this transaction will be at cost certification. If the cost certification indicates a need to resize the HC allocation, FHFC will do so at that time.

<u>Rule Chapter 67-48.0072(28)(g)</u>	
<i>Determination of the minimum first mortgage for use in the Housing Credit gap calculation</i>	
Input Variables	
Annual rate of increase for revenues	2.00%
Annual rate of increase for operating expenses	3.00%
Vacancy & Collection Factor in CUR	6.00%
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	92
Potential Gross Income Year 1	\$1,125,204.00
Vacancy & Collection Loss (7.00%)	\$78,764.28
Effective Gross Income Year 1	\$1,046,439.72
Operating Expenses Year 1	\$631,683.00
(i) Actual Debt of Development	\$4,145,000.00
Actual interest rate	7.30%
Actual term of debt amortization	35.00 Yrs
DS Interest Rate floor	7.00%
Application deadline	08/26/21
10-Year Treasury Rate as of App deadline	1.342%
Spread over 10-yr Treasury	325 bps
10-yr Treasury plus the stated spread	4.59%
Greater of interest rate floor or spread over Treasury	7.00%
Maximum Rate	8.00%
Interest Rate to be used for qualifying debt	7.30%
Minimum stated term of debt amortization per RFA	30.00 Yrs
Term of debt amortization to be used for qualifying debt	35.00 Yrs
Resulting Mortgage Constant to be used for qualifying debt	7.92011%
Minimum Debt Service	
NOI Year 15	\$425,277.77
DSCR DS limitation	\$340,222.22
(a) Resulting Debt, Year 15 limitation	\$4,295,674.11
NOI Year 1	\$414,756.72
(b)(i) DSCR DS limitation	\$276,504.48
(b)(i) DSCR Debt Sizing	\$3,491,168.63
(b)(ii) NCF DS limitation	\$322,756.72
(b)(ii) NCF Debt Sizing	\$4,075,153.27
(b) Greater of (i) DSCR debt or (ii) NCF debt, Year 1 limitation	\$4,075,153.27
(ii) Minimum qualifying first mortgage (lesser of (a) or (b))	\$4,075,153.27
Greater of Actual or Minimum	\$4,145,000.00

Viability Loan Sizing

Viability Loan Sizing Parameters and Metrics				
Select the Development	Villages of New Augustine			
RFA of Active Award	RFA 2021-201			
Demographic Commitment	Family			
Total Number of Units	92			
Existing Competitive Active Awards:	Set-Aside Units			
9% HC Allocation	\$ 1,625,000	92		
SAIL	NA	NA		
ELI	NA	NA		
NHTF	NA	NA		
HOME	NA	NA		
Tax Exempt Bond Financing:				
If MMRB, how much is the Perm Amount?		NA		
Viability Funding Limits:				
Gross Per Development Limit	\$ 4,300,000			
Maximum Per Unit Limit	\$ 125,000			
Net Per Development Limit (same as gross)	\$ 4,300,000			
Maximum Limit from PU Limit (92 units x \$125,000 PU)	\$ 11,500,000			
Lesser of Net Per Development or PU Limit	\$ 4,300,000			
Viability Loan Sizing Parameters		Does the stated Eligible Request Amount need to be adjusted?		
a. Eligible Request Amount:		No		
Applicant's Request Amount	\$ 4,265,345	If so, how much should be deducted?		
Per Development/PU Limit	\$ 4,300,000			
Eligible Request Amount:	\$ 4,265,345			
b. Gap Analysis for Viability Sizing Purposes Only:				
Permanent Funding Sources:		DS w/ Fees	DSCR	NCF
Traditional First Mortgage	\$ 4,145,000.00	\$ 328,289	1.2977x	\$ 97,720
Viability	\$ 4,265,345.00	\$ 53,317	1.1164x	\$ 44,403
FHFC Source 1 - NA	\$ -	\$ -	1.1164x	\$ 44,403
FHFC Source 2 - NA	\$ -	\$ -	1.1164x	\$ 44,403
FHFC Source 3 - NA	\$ -	\$ -	1.1164x	\$ 44,403
Saint Johns County - ARPA	\$ 1,207,134.00	\$ -	1.1164x	\$ 44,403
Saint Johns County - LGAO	\$ 460,000.00	\$ -	1.1164x	\$ 44,403
<additional source>	\$ -	\$ -	1.1164x	\$ 44,403
<additional source>	\$ -	\$ -	1.1164x	\$ 44,403
<additional source>	\$ -	\$ -	1.1164x	\$ 44,403
HC Equity	\$ 14,867,263.00			
Deferred Developer Fee (30.01%)	\$ 1,022,765.00			
Total Sources	\$ 25,967,507.00	\$ 381,605	1.1164x	\$ 44,403
Additional First Mortgage (Min 1st Sizing)	\$ -	\$ -		
Additional First Mortgage (DCR Sizing)	\$ -	\$ -		
Total Development Costs	\$25,967,507			
Maximum Developer Fee Percentage		16%		
Total Developer Fee	\$3,407,711			
Minimum 30% Deferred Developer Fee	\$ 1,022,313.30			

*Set-Asides for MMRB are expressed as the greater of MMRB Set-Asides or 4%HC Set-Asides for purposes of calculating Compliance Monitoring Fees on the MMRB loan.

Total FHFC Servicing Fees			
Permanent Loan Servicing		\$ 10,663.36	
MMRB Annual Fee	0.000%	\$ -	
MMRB Annual Minimum	\$0	\$ -	
MMRB Permanent Loan Servicing Fee		\$ -	
Non-MMRB Annual Fee(s)	0.25%	\$ 10,663.36	
Non-MMRB Annual Minimum(s)	\$2,832	\$ 2,832.00	
Non-MMRB Annual Maximum(s)	\$11,232	\$ 11,232.00	
Non-MMRB Permanent Loan Servicing Fee(s)		\$ 10,663.36	
Compliance Monitoring		\$ -	
MMRB Annual Base Fee	\$0	\$ -	
Additional MMRB PSAU Fee	\$0.00	\$ -	
MMRB Minimum Annual Fee	\$0	\$ -	
MMRB Compliance Monitoring Fee		\$ -	
Non-MMRB Annual Base(s)	\$2,196	\$ -	
Additional Non-MMRB PSAU Fee(s)	\$11.24	\$ -	
Non-MMRB Annual Minimum(s)	\$3,432	\$ -	
Multiple Program Fee(s)	\$1,023	\$ -	
Non-MMRB Compliance Monitoring Fee(s)		\$ -	
FHFC MMRB Ongoing Issuer Fees		\$ -	
MMRB Annual Fee	0.00%	\$ -	
MMRB Annual Minimum	\$10,000	\$ -	
FHFC MMRB Trustee Fees		\$ -	
Flat Rate	\$0	\$ -	

Cash Flow Assumptions			
Net Operating Income:			
Total Effective Gross Income in CUR Yr 1		\$ 1,057,691.76	
Total Operating Expenses in CUR Yr 1		\$ 631,682.82	
Net Operating Income in CUR Yr 1		\$ 426,008.94	
Actual Traditional 1st Mortgage:			
Proposed Amount of Traditional 1st Mortgage		\$ 4,145,000.00	
Traditional 1st Mtg Amortization (Years)		35.00	
Traditional 1st Mtg Interest Rate		7.300%	
Traditional 1st Mtg Mortgage Constant		7.92011%	
Local HFA Bond Fees, if applicable			
Traditional 1st Mtg DSCR		1.30x	
Net Cash Flow (NCF) after 1st Mtg Debt Service	\$ 97,720.28		
Debt Service (DS) on FHFC Subsidy Loans (w/ fees)	\$ -		
NCF after FHFC Subsidy Loans DS & Fees	\$ 97,720.28		
RFA 2023-211 Minimum 1st Mortgage:			
Maximum 1st Mtg DSCR from Viability RFA		1.30x	
Sized Debt Service from maximum DSCR	\$ 327,699.19		
When TEBs are not utilized, no fees are included	\$ -		
Sized Debt Service to be incorporated, net of fees	\$ 327,699.19		
Mortgage Constant to be incorporated		7.92011%	
Resulting minimum 1st Mtg	\$ 4,137,557.27		
NCF after resulting minimum 1st Mtg	\$ 98,309.76		
NCF after FHFC Subsidy Loans DS & Fees	\$ 98,309.76		
Rule Chapter 67-48.0072(28)(g)2. Variables and Process:			
Total Vacancy & Collection Rate in CUR		6.000%	
Revenue Growth Rate in CUR		2.000%	
Operating Expense Growth Rate in CUR		3.000%	
Amortization to be incorporated (Years)		35.00	
Interest Rate to be incorporated		7.300%	
Resulting Mortgage Constant for qualifying debt		7.92011%	
Revenue Growth Rate to be incorporated		2.000%	
Operating Expense Growth Rate to be incorporated		3.000%	
Vacancy Rate to be incorporated		7.000%	
Maximum DSCR for Year 1 NOI		1.50x	
Maximum DSCR for Year 15 NOI		1.25x	
Minimum NCF PU Year 1 (after 1st Mtg DS Only)		\$1,000	
Net Operating Income Year 1	\$ 414,756.90		
Net Operating Income Year 15	\$ 425,278.05		
(a) Resulting Debt for Year 15 DSCR Limitations	\$ 4,295,676.90		
(b)(i) Resulting Debt for Year 1 DSCR Limitation	\$ 3,491,170.17		
(b)(ii) Resulting Debt for Year 1 NCS Limitation	\$ 4,075,155.58		
(b) Greater of (b)(i) or (b)(ii)	\$ 4,075,155.58		
Lesser of (a) or (b)	\$ 4,075,155.58		
Sized Minimum 1st Mortgage per Rule	\$ 4,075,155.58		
Resulting DSCR from Sized Minimum 1st Mortgage per Rule (using actual 1st mortgage debt structure)		1.32x	
Verification Debt Coverage Ratio is Not Enhanced			
Prior Overall Debt Coverage Ratio			
Did the Proposed Development have a DSCR prior to the RFA 2023-211 Application Deadline?		No	
If yes, what was the Net Operating Income used in calculating the DSCR?	\$ -		
If yes, what was the total of all debt service and servicing fees of all applicable Permanent Sources of Funding used in calculating the DSCR?	\$ -		
If yes, what was the overall Debt Coverage Ratio, inclusive of all applicable Permanent Sources of Funding?			
The actual overall Debt Coverage Ratio, inclusive of all actual applicable Permanent Sources of Funding (excludes any additional sized 1st Mtg) is:		1.1164x	
The actual overall Debt Coverage Ratio, inclusive of all applicable Permanent Sources of Funding (inclusive of actual debts and applicable additional app sized 1st Mtg) is:		1.1164x	

Since there was no prior existing debt coverage ratio established or drafted prior to the Application Deadline of RFA 2023-211, there is no methodology available to verify whether the debt coverage ratio was or was not enhanced.

Villages of New Augustine
RFA 2021-201 (2022-043C / 2023-271C)
DESCRIPTION OF FEATURES AND AMENITIES

The Development will consist of:

92 apartments units located in 4 garden residential buildings.

Unit Mix:

Twenty (20) one bedroom/one bath units;

Thirty-six (36) two bedroom/two bath units; and

Thirty-six (36) three bedroom/two bath units.

92 Total Units

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.

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.

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.

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;
- 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;
- 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 non-Elderly units;
- Elderly Developments 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; and
- Full-size range and oven in all 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. 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.

(1) Required 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) 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.

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 ≥ 2.5 over a 77° rise or 0.87 UEF and GPM of ≥ 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:
 - ≥ 8.5 HSPF/ ≥ 15 SEER/ ≥ 12.5 EER for split systems
 - ≥ 8.2 HSPF ≥ 15 SEER/ ≥ 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);
- X Florida Green Building Coalition (FGBC);
- _____ Enterprise Green Communities; or
- _____ ICC 700 National Green Building Standard (NGBS)

e. This Family Development will provide the following resident programs:

- (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) 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.

DEVELOPMENT

NAME: Villages of New Augustine

DATE: October 13, 2023

In accordance with the applicable Program Rule(s), the applicant is required to submit the information required to evaluate, complete, and determine its sufficiency in satisfying the requirements for Credit Underwriting to the Credit Underwriter in accordance with the schedule established by the Florida Housing Finance Corporation ("FHFC"). The following items must be satisfactorily addressed. "Satisfactorily" means that the Credit Underwriter has received assurances from third parties unrelated to the applicant that the transaction can close within the allowed time frame. Unsatisfactory items, if any, are noted below in the "Issues and Concerns" section of the Executive Summary.

FINAL REVIEW	STATUS	NOTE
REQUIRED ITEMS:	Satis. / Unsatis.	
1. The development's final "as submitted for permitting" plans and specifications. Note: Final "signed, sealed, and approved for construction" plans and specifications will be required thirty days before closing.	Satis.	
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	1.
4. Pre-construction analysis ("PCA"). a. No construction costs exceeding 20% is subcontracted to any one entity with the exception of a subcontractor contracted to deliver the building shell of a building of at least 5 stories which may not have more than 31% of the construction cost in a subcontract. b. No construction costs is subcontracted to any entity that has common ownership or is an affiliate of the general contractor of the developer.	Satis. Satis. Satis.	
5. Survey.	Satis.	
6. Complete, thorough soil test reports.	Satis	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice.	Satis.	
8. Market Study separate from the Appraisal.	Satis.	
9. Environmental Site Assessment – Phase I and/or the Phase II if applicable (If Phase I and/or II disclosed environmental problems requiring remediation, a plan, including time frame and cost, for the remediation is required). If the report is not dated within one year of the application date, an update from the assessor must be provided indicating the current environmental status.	Satis.	
10. Audited financial statements for the most recent fiscal year ended or acceptable alternative as stated in Rule for credit enhancers, applicant, general partner, principals, guarantors and general contractor.	Satis.	
11. Resumes and experience of applicant, general contractor and management agent. Confirmed active status on Sunbiz for Applicant, Developer, and GC entities.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Unsatis.	2.
13. Management Agreement and Management Plan.	Satis.	3.
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	N/A	

15. Firm commitment letter from the syndicator, if any.	Satis.	4.
16. Firm commitment letter(s) for any other financing sources.	Satis.	5-6.
17. Updated sources and uses of funds.	Satis.	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Satis.	
19. Fifteen-year income, expense, and occupancy projection.	Satis.	
20. Executed general construction contract with "not to exceed" costs.	Satis.	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis.	
22. Any additional items required by the credit underwriter.	Satis.	
23. Receipt of executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128.	Satis.	
24. If the owner has a HAP Contract or ACC with HUD, then receipt of HUD approval for an owner-adopted preference or limited preference specifically for individuals or families who are referred by a designated Referral Agency serving the county where the Development is located.	N/A	
25. Receipt of Tenant Selection Plan	Satis.	
26. Receipt of GC Certification	Satis.	
27. Reliance for FHDC as agent for FHFC is include in all applicable third-party reports: Appraisal, Market Study, PCA, CNA, and Phase I.	Satis.	

1. Acceptable permits or a permit ready letter is a condition to close.
2. Closing is conditioned upon receipt of a satisfactory bank reference or bank statement for Ability Housing.
3. Closing is conditioned upon receipt of an executed Management Agreement and Management Plan.
4. Closing is conditioned upon receipt of an Amended and Restated Operating Agreement.
5. Closing is conditioned upon receipt of a firm commitment from BoA (construction) and CMI (permanent) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
6. Closing is conditioned upon final loan documents for the third and fourth mortgages with terms that are not substantially different than those utilized in this credit underwriting report.

Florida Housing Finance Corporation

Credit Underwriting Report

Naranja Grand
RFA 2021-203 (2022-084C/2023-263C)
RFA 2023-211 (2023-235V)

**Housing Credit Financing for Affordable Housing Developments Located in
Miami-Dade County**

Construction Inflation Response Viability Funding (“Viability”)

9% Housing Credits (“HC”) and Viability Funding

Section A: Report Summary

**Section B: Viability Special and General Loan Closing Conditions and
Housing Credit Allocation Recommendations and Contingencies**

Section C: Supporting Information and Schedules

Prepared by

AmeriNat®

Final Report

December 1, 2023

Naranja Grand

TABLE OF CONTENTS

Section A

Report Summary	<u>Page</u>
➤ Recommendation	A1-A10
➤ Overview	A11-A15
➤ Uses of Funds	A16-A21
➤ Operating Pro Forma	A22-A24

Section B

Viability Special and General Loan Closing Conditions	B1-B6
HC Allocation Recommendations and Contingencies	B7

Section C

Supporting Information and Schedules	
➤ Additional Development & Third-Party Information	C1-C4
➤ Borrower Information	C5-C11
➤ Guarantor Information	C12
➤ Syndicator Information	C13
➤ General Contractor Information	C14-C15
➤ Property Management Information	C16

Exhibits

15 Year Pro Forma	1-1
Description of Features & Amenity Characteristics	2 1-6
Housing Credit Allocation Calculation	3 1-2
Completeness and Issues Checklist	4 1-2
Minimum First Mortgage Calculation	5-1
Viability Calculation	6-1

Section A

Report Summary

Recommendation

AmeriNat® (“AmeriNat”) recommends Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) issue a Viability loan in the amount of \$4,300,000 and an annual 9% HC allocation in the amount of \$2,858,700 to Naranja Grand Senior, Ltd. (“Applicant”) for the construction and permanent financing of Naranja Grand (the proposed “Development”).

DEVELOPMENT & SET-ASIDES

Development Name: Naranja Grand

RFA/Program Numbers: RFA 2021-203 / 2022-084C 2023-263C RFA 2023-211/2023-235V

Address: Waldin Dr., at the intersection of Waldin Dr. and SW 147th Ave

City: Leisure City Zip Code: 33032 County: Miami-Dade County Size: Large

Development Category: New Construction Development Type: High Rise

Construction Type: Masonry

Demographic Commitment:
Primary: Elderly: 55+ or 62+ for 100% of the Units

Unit Composition:
of ELI Units: 20 ELI Units Are Restricted to 30% AMI, or less. Total # of units with PBRA? 0
of Link Units: 10 Are the Link Units Demographically Restricted? Yes # of NHTF Units: 0

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	15	650	30%			\$580	\$79	\$501		\$501	\$501	\$501	\$90,180
1	1.0	32	650	60%			\$1,161	\$79	\$1,082		\$1,082	\$1,082	\$1,082	\$415,488
1	1.0	44	650	70%			\$1,355	\$79	\$1,276		\$1,276	\$1,276	\$1,276	\$673,728
2	2.0	5	975	30%			\$696	\$91	\$605		\$605	\$605	\$605	\$36,300
2	2.0	8	975	60%			\$1,393	\$91	\$1,302		\$1,302	\$1,302	\$1,302	\$124,992
2	2.0	16	975	70%			\$1,625	\$91	\$1,534		\$1,534	\$1,534	\$1,534	\$294,528
		120	87,425											\$1,635,216

Please note that the average square footage size is shown for the rental units at the Development. The total square footage, per the Plan and Cost Review, is 87,031.

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.

According to Request for Application 2021-203 (“RFA”), since the Applicant selected the Average Income Test, the Applicant must set-aside 15% of the total units (18 units) as Extremely Low Income (“ELI”) set-aside units. The Applicant has committed to set-aside an additional 1.667% of the total units (2 units) as ELI units for a total set-aside of 16.667% (20 units) ELI units. Persons with Special Needs Set-Aside Commitment: The proposed Development must set aside fifty percent (50%) of the ELI Set-Aside units (10 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 Link Memorandum of Understanding (“MOU”) with at least one designated Special Needs Household Referral Agency

HC CREDIT & VIABILITY UNDERWRITING REPORT

AMERINAT

("Referral Agency") serving the county and intended population where the Development will be located (Miami-Dade County) and rent units to households referred by the Referral Agency with which the MOU is executed. The fully executed MOU was approved by Florida Housing on September 21, 2022.

For the Average Income Test, Development's must set aside a total of at least 80 percent of the Development's total units at 80 percent AMI or less, but the Average AMI of the Qualifying Housing Credit Units cannot exceed 60 percent.

The Tenant Selection Plan was approved by FHFC on January 24, 2023.

Note: Surtax funding requires 16% of the total units (20 units) to be set aside as ELI units.

Buildings: Residential - 1 Non-Residential - 0
 Parking: Parking Spaces - 118 Accessible Spaces - 4

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
HC	16.667%	20	30%	50
HC	33.333%	40	60%	50
HC	50.000%	60	70%	50
Surtax	16.667%	20	30%	30

Absorption Rate: 25 units per month for 5 months.

Occupancy Rate at Stabilization: Physical Occupancy 96.00% Economic Occupancy 95.00%
 Occupancy Comments Average overall vacancy rate for LIHTC properties is 1.2%

DDA: No QCT: Yes Multi-Phase Boost: No QAP Boost: No
 Site Acreage: 1.35 Density: 89 units/acre Flood Zone Designation: X
 Zoning: RM (Residential Modified) Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	Naranja Grand, Senior, Ltd.	% Ownership
General Partner	HTG Naranja Grand Member, LLC	0.0070%
General Partner	Elite Equity Development, Inc.	0.0030%
Limited Partner	Raymond James Affordable Housing Investments, Inc. or an affiliate	99.990%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Naranja Grand Senior, Ltd.	
CC Guarantor 2:	HTG Naranja Grand Member, LLC	
CC Guarantor 3:	Elite Equity Development, Inc.	
CC Guarantor 4:	Naranja Grand Developer, LLC	
CC Guarantor 5:	Roosevelt Bradley and Nicole Bradley	
CC Guarantor 6:	Matthew A. Rieger, Matthew A. Rieger Family Trust and MAR Family Partnership, Ltd.	
CC Guarantor 7:	Balogh Family Partnership, LLC	
CC Guarantor 8:	Randy Rieger, LLC	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Naranja Grand Senior, Ltd.	
OD Guarantor 2:	HTG Naranja Grand Member, LLC	
OD Guarantor 3:	Elite Equity Development, Inc.	
OD Guarantor 4:	Roosevelt Bradley and Nicole Bradley	
OD Guarantor 5:	Matthew A. Rieger, Matthew A. Rieger Family Trust and MAR Family Partnership, Ltd.	
OD Guarantor 6:	Balogh Family Partnership, LLC	
OD Guarantor 7:	Randy Rieger, LLC	
OD Guarantor 8:	Naranja Grand Developer, LLC	
Developer:	Naranja Grand Developer, LLC	
Principal 1	HTG Florida Developer, LLC	
Principal 2	Elite Equity Development, Inc.	
Principal 3	Matthew A. Rieger	
General Contractor 1:	HTG Gomez Construction, LLC	
Management Company:	HTG Management, LLC	
Syndicator:	Raymond James Affordable Housing Investments, Inc. or an affiliate	
Architect:	ATL Architecture, LLC	
Market Study Provider:	Novogradac Consulting, LLP	
Appraiser:	Novogradac Consulting, LLP	

HC CREDIT & VIABILITY UNDERWRITING REPORT

AMERINAT

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lien Position	1	2	3			
Lender/Grantor	Berkadia/ Freddie Mac	FHFC-Viability	Miami-Dade County - Surtax			
Amount	\$9,032,000	\$4,300,000	\$3,000,000			
Underwritten Interest Rate	6.96%	1.00%	1.00%			
All In Interest Rate	6.96%	1.00%	1.00%			
Loan Term	15	15.5	30			
Amortization	40	0	0			
Market Rate/Market Financing LTV	37%	54%	67%			
Restricted Market Financing LTV	65%	95%	117%			
Loan to Cost - Cumulative	20%	30%	37%			
Debt Service Coverage	1.18	1.10	1.05			
Operating Deficit & Debt Service Reserves	\$405,720					
# of Months covered by the Reserves	3.0					

Deferred Developer Fee	\$1,889,611
As-Is Land Value	\$3,600,000
Market Rent/Market Financing Stabilized Value	\$24,500,000
Rent Restricted Market Financing Stabilized Value	\$14,000,000
Projected Net Operating Income (NOI) - Year 1	\$793,223
Projected Net Operating Income (NOI) - 15 Year	\$836,021
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Housing Credit (HC) Syndication Price	\$0.92
HC Annual Allocation - Initial Award	\$2,858,700
HC Annual Allocation - Qualified in CUR	\$2,858,700
HC Annual Allocation - Equity Letter of Interest	\$2,858,700

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Regulated Mortgage Lender	TD Bank (Const) Berkadia/Freddie Mac (Perm)	\$26,200,000	\$9,032,000	\$75,267
FHFC - Viability	FHFC	\$4,300,000	\$4,300,000	\$35,833
Local Government Subsidy	Miami-Dade County - Surtax	\$0	\$3,000,000	\$25,000
HC Equity	RJAH	\$11,833,835	\$26,297,410	\$219,145
Deferred Developer Fee	Developer	\$2,185,186	\$1,889,611	\$15,747
TOTAL		\$44,519,021	\$44,519,021	\$370,992

HC CREDIT & VIABILITY UNDERWRITING REPORT

AMERINAT

Credit Underwriter: AmeriNat Loan Services
Date of Final CUR: 12/01/2023
TDC PU Limitation at Application: \$374,700 TDC PU Limitation at Credit Underwriting: \$485,611
Minimum 1st Mortgage per Rule: \$9,032,000 Amount Dev. Fee Reduced for TDC Limit: \$0

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?	1.	
Are all funding sources the same as shown in the Application?		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.	
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?		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	
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?		6.
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. On June 20, 2022, the Applicant requested a change in the name of the Applicant from Naranja Grand, LLC to Naranja Grand Senior, Ltd. and remove HTG Naranja Grand Manager, LLC as the Manager. FHFC staff approved this request on September 13, 2022.
2. Since the time of Application, the construction and permanent lender has changed from JPMorgan Chase Bank, NA ("Chase") to TD Bank, NA ("TD Bank") for the construction financing and Berkadia Commercial Mortgage, LLC ("Berkadia") for the permanent financing. The original construction loan amount from Chase was \$27,000,000 and the permanent loan amount was \$10,000,000. The construction loan amount to be provided by TD Bank has decreased to \$25,000,000 and the permanent loan amount to be provided by Berkadia has decreased to \$9,567,000, per the letters of intent provided.

The Applicant applied for RFA 2023-211 Construction Inflation Response Viability Funding (“Viability”) additional loan funding from FHFC, and the Application was accepted by FHFC on June 9, 2023. A preliminary Viability allocation of \$4,300,000 has been sized based on the requirements of the RFA.

Miami-Dade County will provide an additional Source in the form of a Surtax loan in the amount of \$3,000,000.

3. The Applicant submitted a request on July 21, 2023 to change a selection of the Resident Programs. Florida Housing staff approved the following change to the Resident Programs on September 13, 2023.

From:
Adult Literacy

To:
Resident Assurance Check-In Program

4. Total Development Costs have increased from \$31,548,579 to \$44,519,021 for a difference of \$12,970,442 since the Application due to increases in Construction, General and Financial Costs, Developer Fee, and the inclusion of Reserves.
5. The Applicant submitted a request on July 11, 2023 to change the unit mix and set-asides. Florida Housing staff approved the following unit mix change on September 14, 2023:

FROM:

Number of Bedrooms/Bathrooms per Unit	Number of Units Per Bedroom Type	Number of Units that are ELI Set-Aside Units
1 bedroom/1 bathroom	62	10
2 bedrooms/2 bathrooms	58	8
	120	18

TO:

Number of Bedrooms/Bathrooms per Unit	Number of Units Per Bedroom Type	Number of Units that are ELI Set-Aside Units
1 bedroom/1 bathroom	91	16
2 bedrooms/2 bathrooms	29	4
	120	20

Florida Housing staff approved the following set-aside changes on September 13, 2023:

FROM: Average Income Test

% Of Units	# Of Units	AMI Level
15.000%	18	30%
40.000%	48	60%
45.000%	54	70%
100.000%	120	

TO: Average Income Test

% Of Units	# Of Units	AMI Level
16.667%	20	30%
33.333%	40	60%
50.000%	60	70%
100.000%	120	

6. Since the time of Application, Raymond James Tax Credit Funds, Inc. ("RJTCF"), the proposed syndicator, has changed to Raymond James Affordable Housing Investments, Inc. ("RJAHI"). The annual Housing Credit equity investment has decreased from \$26,583,300 to \$26,297,410 for a difference of \$285,890. The rate of syndication was reduced from \$0.93 per allocated tax credit dollar to \$0.92 per allocated tax credit dollar. The Development remains financially feasible as proposed.

The changes have no substantial material impact to the Viability or HC recommendation for the Development.

Does the Development Team have any FHFC Financed Developments on the Past Due/Non-Compliance Report?

- According to the October 18, 2023 Asset Management Noncompliance Report, the Development Team has no noncompliance items.
- According to the October 18, 2023 Florida Housing Past Due Report, the Development Team has no past due items.

This recommendation is subject to satisfactory resolution of any outstanding past due and/or noncompliance 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.

2. Per the appraiser, Novogradac Company, LLP (“Novogradac”) the comparable properties to the Development have a vacancy rate of 1.2%. The performance of comparable properties indicates significant demand for affordable housing.

Other Considerations:

1. 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 15, 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 Limited Partnership Agreement, once drafted.

Issues and Concerns:

None.

Waiver Requests:

1. At the June 9, 2023 FHFC Board meeting, a waiver of Rule 67-48.002(96), FAC (2021), and the timing provisions of subsection II.J of the 2021 QAP for the Applicant to exchange its 2022 Housing Credits for an allocation of 2023 Housing Credits was approved.
2. According to the RFA, the Corporation will review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. If the limited partnership agreement or limited liability company operating agreement does not specifically state that the parties will comply with the Corporation’s RFA requirements, the Corporation will require an amendment of the agreement and will not issue IRS form(s) 8609 until the amendment is executed and provided to the Corporation. The RFA includes language restricting the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve’s original purpose has terminated or is near termination. The RFA also requires the Corporation to review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. While Florida Housing will continue to require the Applicant to adhere to all requirements in the RFA including the restrictions on the disposition of any funds in an operating deficit reserve account, Florida Housing will not monitor the limited partnership agreement or limited liability company operating agreement language for compliance with these requirements, as this would require analysis of a legal contract. This deviation in process was included as an Information Item in the April 29, 2022 FHFC Board Meeting.

Special Conditions:

1. A letter from the Applicant requesting changes to the Applicant Entity Structure and Guarantors and a revised Principal Disclosure form is a condition precedent to loan closing and listed in Section B, Special Conditions.

Additional Information:

1. In accordance with RFA 2021-203, 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 (new construction, High-Rise-ESSC), inclusive of an 8.00% weighted average upward escalation adjustment applied to the base \$449,640 per unit allowable ratified at the April 1, 2022 Telephonic FHFC Board meeting, is \$485,611.20 per unit. The TDC as underwritten equals \$350,319.18 which is less than the maximum TDC per unit.

Recommendation:

AmeriNat recommends a Viability loan in the amount of \$4,300,000 and an annual 9% HC allocation in the amount of \$2,858,700 to be utilized for the construction and permanent financing of the Development.

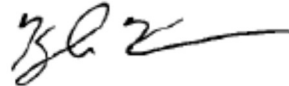
These recommendations are based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, these recommendations are subject to the Viability Special and General Loan Closing Conditions and HC Allocation Recommendations and Contingencies (Section B). This recommendation is only valid for six months from the date of the report. The reader is cautioned to refer to these sections for complete information.

Prepared by:



Kimberly A. Thorne
Senior Credit Underwriter

Reviewed by:



Kyle Kuenn
Multifamily Chief Credit Underwriter

Overview

Construction Financing Sources:

Source	Lender	Applicant's Total	Applicant's Revised Total	Underwriter's Total	Interest Rate	Debt Service During Construction
Regulated Mortgage Lender	TD Bank, NA	\$27,000,000	\$26,200,000	\$26,200,000	8.56%	\$3,032,706
FHFC - Viability	FHFC	\$0	\$4,300,000	\$4,300,000	1.00%	\$0
Local Government Subsidy	Miami-Dade County - Surtax	\$0	\$0	\$0	0.00%	\$0
HC Equity	RJAHl	\$13,291,650	\$11,833,835	\$11,833,835		
Deferred Developer Fee	Developer	\$2,000,000	\$2,072,696	\$2,185,186		
Total :		\$42,291,650	\$44,406,531	\$44,519,021		\$3,032,706

Proposed First Mortgage Loan:

The Applicant provided a Term Sheet dated August 8, 2023, from TD Bank, NA (“TD Bank”) that illustrates the terms in which TD Bank will make a construction loan in an amount up to \$25,000,000. According to the draft loan documents, the construction loan amount will be \$26,200,000. The maximum loan amount shall be the lesser of 80% of the appraised as-stabilized/as-restricted value including the value of the Low-Income Housing Tax Credits, or 80% of the total project cost ratio (excluding deferred developer fee and any required reserves).

Per the term sheet, the construction loan will have an initial term of 30 months with one six-month extension option available. During construction, the loan will be interest-only during the construction period with payments due monthly. The variable interest rate will be based on the one-month Secured Overnight Financing Rate (“SOFR”) (5.31% currently) plus 225 basis points (“bps”). In addition, AmeriNat added an additional 1.00% underwriting cushion for an all-in interest rate of 8.56%. A 65-bps commitment fee is due at closing.

Proposed Viability Loan:

AmeriNat reviewed a Notice of Preliminary Award from Florida Housing, dated June 14, 2023, with a preliminary Viability Loan in the amount of \$4,300,000. Based on the sizing parameters in RFA 2023-211, AmeriNat has sized the Viability Loan in the amount of \$4,300,000.

The Viability Loan is non-amortizing with an interest rate of 1.00% over the life of the loan with annual payments based upon available cash flow. The Viability loan will have a total term of 18.5 years including a 36-month construction/stabilization period, with a 15.5-year permanent period. As required by Freddie Mac and as permitted by RFA 2023-211, the Viability loan will be coterminous with the first mortgage plus six months (total term of 18.5 years). Annual payments of all applicable fees will be required. Any unpaid interest will be deferred until cash flow is available. The Applicant shall not be obligated to pay more than 75% of surplus cash on an annual basis as required by Freddie Mac. However, at the maturity of the Viability Loan, all principal and unpaid interest will be due. Viability loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the Viability loan to Total Development Costs, unless approved by the credit underwriter.

Proposed Surtax:

A Conditional Loan Commitment dated June 8, 2023 was provided whereby Miami-Dade County will provide up to \$3,000,000 in Surtax/SHIP program funds to the Development. The terms of the Surtax loan provide for a 0.00% interest rate during construction, years 1-2, and 1.00% interest only payments from Development cash flow years 3-30, with another 1.00% interest accruing and due at maturity. The permanent term is 30-years. Full principal is due at maturity.

Note: The Surtax funding will not be closing simultaneously with all other funding sources; therefore, the Surtax funding is not shown as a source during the construction period.

Additional Construction Sources of Funds:

The Applicant provided a letter of intent "(LOI)" dated July 24, 2023 from Raymond James Affordable Housing Investments, Inc. ("RJAHI") that outlines the terms and conditions of the purchase of the HC. RJAHI will provide a net equity investment of \$26,297,410 in exchange for a 99.99% limited partnership ownership interest. The HC allocation will be syndicated at a rate of approximately \$0.92 per \$1.00 of delivered tax credits. An initial HC equity installment of \$3,944,612 will be available at construction loan closing, which satisfies the 15% RFA requirement. Additional installments include \$2,629,742 paid at 25% construction completion, \$1,314,870 paid at 50% construction completion and \$3,944,611 paid at 98% completion, which yields a total of \$11,833,835 in HC equity available during construction.

Deferred Developer Fee:

The Applicant will be required to defer \$2,185,186 or 37.69% of the total developer fee during the construction phase.

Permanent Financing Sources:

Source	Lender	Applicant's Total	Applicant's Revised Total	Underwriter's Total	Interest Rate	Amortization Years	Term Years	Annual Debt Service
Regulated Mortgage Lender	Berkadia/Freddie Mac	\$10,000,000	\$9,032,000	\$9,032,000	6.96%	40	15	\$670,385
FHFC - Viability	FHFC	\$0	\$4,300,000	\$4,300,000	1.00%	0	15.5	\$43,000
Local Government Subsidy	Miami-Dade County - Surtax	\$0	\$3,000,000	\$3,000,000	1.00%	0	30	\$30,000
HC Equity	RJAH	\$26,583,300	\$26,297,409	\$26,297,410				
Deferred Developer Fee	Developer	\$2,000,000	\$1,777,121	\$1,889,611				
Total :		\$38,583,300	\$44,406,530	\$44,519,021				\$743,385

Proposed First Mortgage Loan:

The Applicant provided a final Commitment Letter, dated November 28, 2023, from Berkadia Commercial Mortgage, LLC (“Berkadia” or “Lender”) whereby Berkadia will provide a thirty-month forward commitment, with two optional 6-month extensions, for a permanent first mortgage loan in the amount of \$9,032,000 through the Federal Home Loan Mortgage (“Freddie Mac”) TAH Unfunded Forward Commitment Program. The loan is subject to (i) a maximum loan to value of 75% of the fair market value as determined by Lender and Freddie Mac; (ii) a minimum debt service coverage (“DSC”) ratio of 1.15x based upon the final underwritten net operating income for the Development as determined by Lender and Freddie Mac, and (iii) the additional terms set for in the final Commitment Letter. The permanent loan amount is underwritten at \$9,032,000.

Upon the satisfaction of the conditions to conversion (“Conditions to Conversion”) to be described in the Loan Commitment and the Construction Phase Financing Agreement to be delivered on the Origination Date (the “Construction Phase Financing Agreement”) among Freddie Mac, the Lender, the Construction Lender and the Borrower, the Loan will be funded by Lender to take out the Construction Lender and convert (the “Conversion”) to the permanent phase (the “Permanent Phase”). Thereafter the Lender will deliver the Loan to Freddie Mac for purchase pursuant to the Program. The date on which the Conditions to Conversion are satisfied and the Seller purchases the Loan is referred to as the Conversion Date.

Berkadia will size the Permanent Loan based on the Freddie Mac requirements at permanent loan conversion. However, approval of FHFC’s Board will be required if the permanent loan is sized to an amount greater than the current recommended amount of \$9,032,000. Terms include a 40-year amortization and a 15-year term commencing on the conversion date. There is an interest only period of three years, followed by a 40-year amortization schedule. Based on the final Commitment Letter, dated November 28, 2023, the interest rate will be based on the U.S. Treasury Securities with a maturity date of 10-years (4.54% rate-locked) plus a spread of 242 bps, for an all-in interest rate of 6.96%. Monthly principal and interest payments will be due and payable on the first day of each month through the remaining loan term.

A 1.00% origination fee will be due at loan closing. Additional fees include (i) a Conversion Fee of \$10,000 upon Conversion and (ii) a Delivery Assurance Fee of 5% of the Loan Amount.

Proposed Viability Loan:

AmeriNat reviewed a Notice of Preliminary Award from Florida Housing, dated June 14, 2023, with a preliminary Viability Loan in the amount of \$4,300,000. Based on the sizing parameters in RFA 2023-211, AmeriNat has sized the Viability Loan in the amount of \$4,300,000.

The Viability Loan is non-amortizing with an interest rate of 1.00% over the life of the loan with annual payments based upon available cash flow. The Viability loan will have a total term of 18.5 years including a 36-month construction/stabilization period, with a 15.5-year permanent period. As required by Freddie Mac and as permitted by RFA 2023-211, the Viability loan will be coterminous with the first mortgage plus six months (total term of 18.5 years). Annual payments of all applicable fees will be required. Any unpaid interest will be deferred until cash flow is available. The Applicant shall not be obligated to pay more than 75% of surplus cash on an annual basis as required by Freddie Mac. However, at the maturity of the Viability Loan, all principal and unpaid interest will be due.

Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$936 per month, subject to a minimum of \$236 per month.

Proposed Surtax:

A Conditional Loan Commitment dated June 8, 2023 was provided whereby Miami-Dade County will provide up to \$3,000,000 in Surtax/SHIP program funds to the Development. The terms of the Surtax loan provide for a 0.00% interest rate during construction, years 1-2, and 1.00% interest only payments from Development cash flow years 3-30, with another 1.00% interest accruing and due at maturity. The permanent term is 30-years. Full principal is due at maturity.

Additional Permanent Sources of Funds:

According to the LOI dated July 24, 2023, RJAHI will purchase a 99.99% interest in the limited partnership at loan closing at a syndication rate of \$0.92 per dollar of HC for a total net HC equity investment of \$26,297,410 to be paid as follows:

HC CREDIT & VIABILITY UNDERWRITING REPORT

AMERINAT

Capital Contributions	Amount	Percent of Total	Due upon
1st Installment	\$3,944,612	15.00%	Paid prior to or simultaneously with loan closing
2nd Installment	\$2,629,742	10.00%	Paid at later of 25% construction completion or 2/1/24
3rd Installment	\$1,314,870	5.00%	Paid at later of 50% construction completion or 5/1/24
4th Installment	\$3,944,611	15.00%	Paid at later of 98% construction completion or 2/1/25
5th Installment	\$14,363,575	54.62%	Paid at later of Stabilized Operations or 2/1/26
6th Installment	\$100,000	0.38%	Paid at receipt of Forms 8609
Total:	\$26,297,410	100%	

Annual Credits Per Syndication Agreement	\$2,858,700
Total Credits Per Syndication Agreement	\$28,587,000
Calculated HC Rate:	\$0.92
Limited Partner Ownership Percentage	99.99%
Proceeds During Construction	\$11,833,835

Deferred Developer Fee:

The Developer will be required to permanently defer \$1,889,611 or 32.59% of Developer Fee, which meets the Viability 30% requirement.

As previously stated with regard to possible tax credit recapture, if the fee cannot be paid back within 15-years based on available cash flow. In the event that the Partnership has not timely paid all or part of the amounts due, the General Partner ("GP") shall contribute to the Partnership the remainder of any unpaid principal amount of the Developer Fee, and the Partnership shall thereupon make a payment in an equal amount to pay off all amounts due by the final date by which all amounts must be paid thereunder. As such, any risk associated with any tax credit recapture resulting from the non-payment of any Developer Fee is assumed by the GP. The principals of the GP and Developer have sufficient financial capacity to make a loan to the partnership, if needed.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$17,239,313	\$22,969,586	\$20,786,043	\$173,217	\$0
Recreational Amenities	\$300,000	\$0	\$25,000	\$208	\$0
Site Work	\$250,000	\$0	\$1,740,785	\$14,507	\$0
Furniture, Fixture, & Equipment	\$0	\$0	\$417,758	\$3,481	\$229,696
Constr. Contr. Costs subject to GC Fee	\$17,789,313	\$22,969,586	\$22,969,586	\$191,413	\$229,696
General Conditions	\$0	\$1,378,175	\$1,378,175	\$11,485	\$0
Overhead	\$0	\$459,392	\$459,392	\$3,828	\$0
Profit	\$2,484,750	\$1,378,174	\$1,378,175	\$11,485	\$0
General Liability Insurance	\$0	\$209,483	\$209,483	\$1,746	\$0
Payment and Performance Bonds	\$0	\$261,853	\$261,853	\$2,182	\$0
Total Construction Contract/Costs	\$20,274,063	\$26,656,663	\$26,656,664	\$222,139	\$229,696
Hard Cost Contingency	\$993,059	\$1,332,833	\$1,332,833	\$11,107	\$0
FF&E paid outside Constr. Contr.	\$0	\$350,000	\$350,000	\$2,917	\$0
Other: Offsite Roadwork	\$0	\$1,129,646	\$1,129,646	\$9,414	\$1,129,646
Total Construction Costs:	\$21,267,122	\$29,469,142	\$29,469,143	\$245,576	\$1,359,342

Notes to Actual Construction Costs:

1. A 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 in the amount \$26,656,664 (the "Construction Contract") was provided and dated July 5, 2023, between the Applicant and HTG Gomez Construction, LLC. The Construction Contract indicates substantial completion shall be achieved no later than 474 days from the date of commencement. Retainage shall be limited to a minimum of 10% retainage holdback on all construction draws until the Development is 50% complete and 0% retainage thereafter.
2. General Contractor's Fee (consisting of general conditions, overhead and profit) does not exceed the 14% maximum per RFA 2021-203 and Rule 67-48 and is calculated excluding Payment & Performance Bonds and General Liability Insurance.
3. Hard Cost Contingency has been adjusted to 5.00% of Total Construction Costs per RFA 2021-203 and Rule 67-48.
4. Furniture, Fixture & Equipment included in the Construction Contract contains \$229,696 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.
5. Furniture, Fixture & Equipment outside of the Construction Contract includes signage, fitness equipment, computers, dog park, generator and security systems.
6. Offsite Roadwork is being mandated by the county traffic division and the cost is outside of the Construction Contract. AmeriNat was provided with an estimated breakdown of the costs, which are ineligible.
7. On Solid Ground, LLC ("OSG") provided a Plan and Cost Review ("PCR"), dated July 28, 2023, on the Development. The cost of the project is \$26,656,663.94 for a unit cost of \$207,425, excluding the cost

HC CREDIT & VIABILITY UNDERWRITING REPORT

AMERINAT

of sitework and special construction. OSG stated the overall costs appear in the acceptable range as compared to similar type developments. The comparable developments' cost per unit were between \$186,637/unit to \$210,840/unit. The construction schedule indicates completion in 474 calendar days. OSG stated the construction duration appears to be appropriate for the Development.

OSG noted a total of \$593,300 in the allowances and finds the allowances are reasonable for the project. The allowances are as follows:

- \$ 10,000 ALTA Survey
- \$ 30,000 Code & Building Signage
- \$ 25,000 Dog Park
- \$ 138,300 Plumbing Fixtures
- \$ 250,000 Access Control
- \$ 140,000 BDA System
- \$ 593,300

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$40,000	\$30,000	\$30,000	\$250	\$7,500
Appraisal	\$10,000	\$10,000	\$6,750	\$56	\$0
Architect's and Planning Fees	\$527,000	\$555,000	\$555,000	\$4,625	\$0
Architect's Fee - Supervision	\$90,000	\$75,000	\$75,000	\$625	\$0
Building Permits	\$132,000	\$234,960	\$234,960	\$1,958	\$0
Builder's Risk Insurance	\$172,393	\$344,544	\$344,544	\$2,871	\$0
Engineering Fees	\$100,000	\$120,750	\$120,750	\$1,006	\$0
Environmental Report	\$10,000	\$10,000	\$10,000	\$83	\$0
FHFC Administrative Fees	\$257,283	\$257,283	\$257,283	\$2,144	\$257,283
FHFC Application Fee	\$3,000	\$3,000	\$3,500	\$29	\$3,500
FHFC Credit Underwriting Fee	\$21,845	\$17,845	\$20,167	\$168	\$20,167
FHFC Compliance Fee	\$212,332	\$213,000	\$233,638	\$1,947	\$233,638
FHFC Other Processing Fee(s)	\$0	\$50,000	\$50,000	\$417	\$50,000
Impact Fee	\$240,000	\$177,828	\$27,561	\$230	\$0
Lender Inspection Fees / Const Admin	\$60,000	\$60,000	\$60,000	\$500	\$0
Green Building Cert. (LEED, FGBC, NAHB)	\$25,000	\$25,300	\$25,300	\$211	\$0
Insurance	\$124,514	\$228,000	\$228,000	\$1,900	\$0
Legal Fees - Organizational Costs	\$250,000	\$200,000	\$200,000	\$1,667	\$200,000
Market Study	\$10,000	\$10,000	\$10,000	\$83	\$10,000
Marketing and Advertising	\$100,000	\$25,000	\$25,000	\$208	\$25,000
Plan and Cost Review Analysis	\$0	\$5,000	\$3,400	\$28	\$0
Property Taxes	\$0	\$72,272	\$72,272	\$602	\$0
Soil Test	\$10,000	\$10,000	\$10,000	\$83	\$0
Survey	\$25,000	\$25,000	\$25,000	\$208	\$0
Title Insurance and Recording Fees	\$128,321	\$187,038	\$187,038	\$1,559	\$28,055
Traffic Study	\$0	\$10,000	\$10,000	\$83	\$0
Utility Connection Fees	\$250,000	\$150,000	\$150,000	\$1,250	\$0
Soft Cost Contingency	\$135,050	\$163,303	\$152,533	\$1,271	\$22,000
Other: Organizational Costs	\$0	\$10,000	\$10,000	\$83	\$10,000
Other: Site Preparation	\$0	\$35,500	\$35,500	\$296	\$35,500
Other: Zoning, Site Plan & Platting Fees	\$0	\$30,000	\$30,000	\$250	\$30,000
Total General Development Costs:	\$2,933,738	\$3,345,623	\$3,203,196	\$26,693	\$932,643

Notes to the General Development Costs:

HC CREDIT & VIABILITY UNDERWRITING REPORT

AMERINAT

1. Building Permit Fees are an estimate provided by the Applicant.
2. FHFC Credit Underwriting Fee includes the HC Credit Underwriting Fee (\$13,063), PRL Underwriting Fee (\$1,658), Viability Credit Underwriting Fee (\$5,146) and a \$300 credit reporting fee.
3. FHFC Other Processing Fees includes extension fees for the following: (\$10,000) Site Control and 10% Test, (\$10,000) Notice of Commencement, (\$5,000) Credit Underwriting Report, (\$10,000) Closing of Tax Credit Partnership; and (\$15,000) Tax Credit Exchange Fee.
4. Impact Fees are reflected as the net number in the budget, which includes fee waivers as noted in the Impact Fee Waiver Form and Covenant Relating to Exemption from Educational Facilities Impact Fee for Elderly Housing by Miami-Dade County.
5. The FHFC Administrative Fee is based upon a fee of 9.00% of the Initial HC Award (\$2,858,700) recommended herein. The FHFC HC Compliance Fee was derived from the 2023 HC Compliance Monitoring Fee Chart.
6. Lender Inspection Fees / Construction Admin costs are based on proposals for building envelope, threshold, and materials testing and inspections provided by the Applicant, site inspections by OSG, and construction loan administration for draw processing.
7. AmeriNat received a Consultant Agreement, dated June 6, 2023 between the Applicant and Abney + Abney Green Solutions to perform National Green Building Standard (“NGBS”) Certification on the Development.
8. A soft cost contingency of 5% has been underwritten, which is consistent with underwriting standards and may be utilized by the Applicant in the event soft costs exceed these estimates as permitted by RFA 2021-203 and Rule 67-48.
9. The remaining general development costs appear reasonable.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Commitment Fee	\$195,000	\$162,500	\$170,300	\$1,419	\$0
Construction Loan Closing Costs	\$52,000	\$25,000	\$25,000	\$208	\$0
Construction Loan Interest	\$908,519	\$2,288,959	\$3,032,706	\$25,273	\$560,806
Permanent Loan Commitment Fee	\$91,800	\$106,270	\$90,320	\$753	\$90,320
Permanent Loan Closing Costs	\$25,000	\$25,000	\$25,000	\$208	\$25,000
Misc Loan Underwriting Fee	\$0	\$8,750	\$8,750	\$73	\$8,750
Misc Loan Origination Fee	\$0	\$30,000	\$30,000	\$250	\$30,000
Misc Loan Interest	\$0	\$15,000	\$15,000	\$125	\$0
Legal Fees - Financing Costs	\$0	\$80,000	\$80,000	\$667	\$40,000
Other: Syndication Fees	\$0	\$30,000	\$30,000	\$250	\$30,000
Other: Viability Commitment Fee	\$0	\$43,000	\$43,000	\$358	\$43,000
Other: Viability Closing Costs	\$0	\$17,500	\$17,500	\$146	\$17,500
Total Financial Costs:	\$1,272,319	\$2,831,979	\$3,567,576	\$29,730	\$845,376
Dev. Costs before Acq., Dev. Fee & Reserves	\$25,473,179	\$35,646,744	\$36,239,915	\$301,999	\$3,137,361

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 Commitment Fee is based on a 0.65% of the loan amount per the TD Bank LOI.
3. The Permanent Loan Commitment Fee is based on a 1.00% of the loan amount per the Berkadia LOI.
4. An interest reserve for the Construction Loan is supported by the Construction Loan terms illustrated in the LOI provided by TD Bank and Berkadia, 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.
5. Miscellaneous Loan Fees are attributed to the Surtax loan, which includes the credit underwriting fee and a 1.00% commitment fee.
6. Miscellaneous Loan Interest is attributed to the pre-development loan interest expense.
7. Other: Viability Commitment Fee represents 1.00% of the loan amount as required in RFA 2023-211.
8. Other: FHFC Viability Closing Costs consist of \$17,500 for the Viability Loan FHFC legal counsel fees.
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	\$4,075,400	\$5,712,679	\$5,798,386	\$48,320	\$0
Total Other Development Costs:	\$4,075,400	\$5,712,679	\$5,798,386	\$48,320	\$0

Notes to Developer Fee on Non-Acquisition Costs:

1. The total Developer Fee does not exceed 16.00% of the Total Development Costs exclusive of Land Costs and Reserves, which is permitted by RFA 2023-211 and Rule Chapter 67-48.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land Acquisition Cost	\$2,000,000	\$2,000,000	\$2,000,000	\$16,667	\$2,000,000
Total Acquisition Costs:	\$2,000,000	\$2,000,000	\$2,000,000	\$16,667	\$2,000,000

Notes to Land Acquisition Costs:

1. AmeriNat received and reviewed a Ground Lease (the "Lease") between the Elite Equity Development, Inc. ("Landlord") and Elite Naranja Grand, Inc. ("Tenant") dated August 18, 2021. The term of the Lease is 75 years from the closing of construction financing. The Lease stipulated a capital lease payment of \$2,000,000 with 50% of the payment due at the time of the closing of the construction loan of the first phase, with the remainder to be paid at the time of the closing of the first phase permanent loan.

2. A Sublease Agreement was provided, dated August 18, 2021, between Elite Naranja Grand, Inc. (“Sublessor”) and the Applicant (“Sublessee”). The Sublessor will sublease to the Sublessee the property described in Exhibit B of the Sublease (1.35 acres) on the same terms and conditions set forth in the Master Lease. The capital lease payment totals \$2,000,000 with 50% of the payment due at the time of the construction loan closing and the remainder 50% is due at the time of the permanent loan closing.

3. An Appraisal performed by Novogradac & Company, LLP dated July 26, 2023 identifies an “as is” market value of the vacant land at \$3,600,000.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Syndicator)	\$0	\$405,720	\$405,720	\$3,381	\$405,720
Reserves - Start-Up/Lease-up Expenses	\$0	\$75,000	\$75,000	\$625	\$75,000
Total Reserve Accounts:	\$0	\$480,720	\$480,720	\$4,006	\$480,720

Notes to the Reserve Accounts:

1. Operating Deficit Reserve (“ODR”) is based on the Applicant’s estimate, which is approximately three months of operating expenses, debt service and replacement reserves. 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. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its Servicer and its Legal Counsel.

In exchange for receiving funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve’s original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer Fee), the Development’s capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant’s obligation to periodically fund the replacement reserve account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant’s organizational agreement (i.e., operating or limited partnership agreement). The actual direction of the disposition is at the Applicant’s discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA and Rule Chapter 67-48.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$31,548,579	\$43,840,143	\$44,519,021	\$370,992	\$5,618,081

Notes to Total Development Costs:

1. Total Development Costs have increased from \$31,548,579 to \$44,519,021 for a difference of \$12,970,442 since the Application due to increases in Construction, General and Financial Costs, Developer Fee, and the inclusion of Reserves.
2. In accordance with RFA 2021-203, 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 (new construction, High-Rise-ESSC), inclusive of an 8.00% weighted average upward escalation adjustment applied to the base \$449,640 per unit allowable ratified at the April 1, 2022 Telephonic FHFC Board meeting, is \$485,611.20 per unit. The TDC as underwritten equals \$350,319.18 which is less than the maximum TDC per unit.
3. Per RFA 2023-211, the maximum Viability loan amount cannot exceed \$38,000 per unit. The Viability loan amount of \$4,300,000 equates to \$35,833 per unit and meets this requirement.

OPERATING PRO FORMA

FINANCIAL COSTS:		Year 1	Year 1 Per Unit
OPERATING PRO FORMA			
INCOME:	Gross Potential Rental Income	\$1,635,216	\$13,627
	Rent Subsidy (ODR)	\$57,500	\$479
	Other Income		
	Miscellaneous	\$10,800	\$90
	Washer/Dryer Rentals	\$56,400	\$470
	Gross Potential Income	\$1,759,916	\$14,666
	Less:		
	Physical Vac. Loss Percentage: 3.87%	\$68,097	\$567
	Collection Loss Percentage: 0.97%	\$17,024	\$142
	Total Effective Gross Income	\$1,674,795	\$13,957
EXPENSES:	Fixed:		
	Real Estate Taxes	\$139,407	\$1,162
	Insurance	\$228,000	\$1,900
	Variable:		
	Management Fee Percentage: 4.83%	\$80,865	\$674
	General and Administrative	\$54,000	\$450
	Payroll Expenses	\$169,300	\$1,411
	Utilities	\$72,000	\$600
	Maintenance and Repairs/Pest Control	\$102,000	\$850
	Reserve for Replacements	\$36,000	\$300
Total Expenses	\$881,572	\$7,346	
Net Operating Income	\$793,223	\$6,610	
Debt Service Payments			
First Mortgage - Berkadia/Freddie Mac	\$670,385	\$5,587	
Second Mortgage - FHFC Viability	\$43,000	\$358	
Third Mortgage - Miami-Dade County Surtax	\$30,000	\$250	
First Mortgage Fees - Berkadia/Freddie Mac	\$0	\$0	
Second Mortgage Fees - FHFC Viability	\$10,750	\$90	
Third Mortgage Fees - Miami-Dade County	\$0	\$0	
Total Debt Service Payments	\$754,135	\$6,284	
Cash Flow after Debt Service	\$39,088	\$326	
Debt Service Coverage Ratios			
DSC - First Mortgage plus Fees		1.18x	
DSC - Second Mortgage plus Fees		1.10x	
DSC - Third Mortgage plus Fees		1.05x	
DSC - All Mortgages and Fees		1.05x	
Financial Ratios			
Operating Expense Ratio		52.64%	
Break-even Economic Occupancy Ratio (all debt)		93.18%	

Notes to the Operating Pro Forma and Ratios:

- The Development will be utilizing Housing Credits that will impose rent restrictions. Gross Potential Rental Revenue (“GPR”) is based upon the 2023 restricted rents published by Florida Housing under the HC program less utility allowances. The utility allowances are based on a Utility Allowance Energy Consumption Model Estimate provided by Matern Professional Engineering, Inc., dated June 21, 2023 and approved by Florida Housing on July 10, 2023. Novogradac indicates that the maximum 2023 restricted rents for the area are achievable.

A rent roll for the Development property 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	15	650	30%			\$580	\$79	\$501		\$501	\$501	\$501	\$90,180
1	1.0	32	650	60%			\$1,161	\$79	\$1,082		\$1,082	\$1,082	\$1,082	\$415,488
1	1.0	44	650	70%			\$1,355	\$79	\$1,276		\$1,276	\$1,276	\$1,276	\$673,728
2	2.0	5	975	30%			\$696	\$91	\$605		\$605	\$605	\$605	\$36,300
2	2.0	8	975	60%			\$1,393	\$91	\$1,302		\$1,302	\$1,302	\$1,302	\$124,992
2	2.0	16	975	70%			\$1,625	\$91	\$1,534		\$1,534	\$1,534	\$1,534	\$294,528
		120	87,425											\$1,635,216

- When calculating an average market rental rate based on the unit mix and income restricted rents, the average market rental rates are in excess of 110% of maximum HC rental rates as required by the Rule.
- Since the projected DSCR is less than 1.10x, a portion of the Operating Reserve (\$57,500) is projected to be needed in the first stabilized year to yield an NOI sufficient to achieve a 1.10x DSCR for the combined first and second mortgages. Over the 15-year term, \$222,000 is projected to be needed to maintain a 1.10x DSCR for the combined first and second mortgages.
- Miscellaneous Income, estimated at \$90 per unit, is comprised of fees associated with late charges, cleaning fees, pet deposits and forfeiture of security deposits.
- The Development will provide washers/dryers to the tenants with an option to lease at \$60 per month. Novogradac estimated a 65% utilization rate and rounded it to \$470 per unit.
- A 5.00% vacancy and collection loss rate was concluded by the appraisal based on comparables in the market. AmeriNat relied upon this figure for underwriting purposes.
- Real Estate Taxes are estimated at \$1,162 per unit at an assessed value of \$68,163 per unit.
- The insurance expense was reconciled based on restricted rate comparables and the Developer’s pro forma. Novogradac concluded with an expense of \$1,900 per unit or \$228,000 per year.
- The Appraiser concluded a management fee of 5.00%, which is reflected in the Management Agreement, and utilized by AmeriNat.
- Replacement Reserves are budgeted at \$300 per unit per year, which is consistent with RFA 2021-203 and Rule 67-48 minimum requirements.

10. The Viability Loan has an annual Permanent Loan Servicing Fee based on 25 basis points of the outstanding loan amount, with a maximum of \$936 per month, subject to a minimum of \$236 per month.
11. Based upon an estimated Net Operating Income (“NOI”) of \$793,223 for the proposed Development’s initial year of stabilized operations; the first mortgage loan can be supported by operations at a 1.18x to 1.00 Debt Service Coverage (“DSC”), the second mortgage Viability loan can be supported by operations at a DSC of 1.10x to 1.00 including the first and second mortgages and fees. The Development meets the minimum 1.10x to 1.00 DSC requirement for all first and second mortgages for Housing Credits.
12. A 15-year Operating Pro Forma attached hereto as Exhibit 1 reflects rental income increasing at an annual rate of 2% and expenses increasing at an annual rate of 3%.
13. The Break-even Economic Occupancy Ratio includes all debt; however, interest payments on the Viability and Surtax loans are based on available cash flow. This ratio would improve to 90.03% if these interest payments were not included.

Section B

**Viability Special and General Loan Closing Conditions and
HC Allocation Recommendations 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 the Viability loan closing. Failure to submit and to receive approval of these items within this time frame may result in postponement of the Viability loan closing.

1. Receipt of a letter from the Applicant requesting changes to the Applicant Entity Structure and Guarantors and a revised Principal Disclosure form.

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 the Viability loan closing. Failure to submit and to receive approval of these items within this time frame may result in postponement of the Viability loan closing.

1. Borrower is to comply with any and all recommendations noted in the Plan & Cost Review prepared by On Solid Ground, LLC.
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. 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.
4. 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.
5. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. Viability loan proceeds shall be disbursed during the construction phase in an amount per Draw that does not exceed the ratio of the Viability loan to the Total Development Cost, unless approved by the Credit Underwriter. The closing draw shall include appropriate backup and ACH wiring instructions.

6. 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, payable Developer Fee will be in an amount equal to Total Developer Fee less Deferred Developer Fee less the amount of the Surtax Loan. After the Borrower provides FHFC and its Servicer evidence, in form and substance acceptable to FHFC in its sole discretion, the Surtax Loan has closed, 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.

7. 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.
8. Evidence of insurance coverage pursuant to the Request for Application RFA 2023-211 governing this proposed transaction and, as 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 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.
11. A copy of the Limited Partnership Agreement ("LPA") reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The LPA shall be in a form and of financial substance satisfactory to Servicer, Florida Housing, and its Legal Counsel.
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).

13. Final “as permitted” (signed and sealed) site plans, building plans and specifications. The geotechnical report must be bound within the final plans and specifications.
14. Satisfactory resolution of any outstanding past due and/or noncompliance items.
15. An Operating Deficit Reserve (“ODR”) in the collective amount of approximately three 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 Chapter 67-48. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its Servicer 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 the Viability loan closing. Failure to submit and to receive approval of these items within this time frame may result in postponement of the Viability loan closing.

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 Viability 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 Viability 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 Viability loan has 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 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 Viability loan.
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.

This recommendation is also contingent upon the following additional conditions.

1. Compliance with all applicable provisions of 420.507 and 420.509, Florida Statutes, Rule Chapter 67- 48 F.A.C., Rule Chapter 67-53, F.A.C., Rule Chapter 67-60, F.A.C., Section 42 I.R.C., RFA 2021-203, RFA 2023-211, and any other applicable State and Federal requirements.
2. Acceptance by the Borrower and execution of all documents evidencing and securing the Viability 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 and Extended Low Income Housing Agreement/Final Cost Certificate.

3. For the Viability 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 Viability Loan as determined by Florida Housing or the 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") or 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.
4. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of the Viability 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. Closing of all funding sources simultaneous with or prior to closing of the Viability loan.
9. A mortgagee title insurance policy naming Florida Housing as the insured in the amount of the Viability loan 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 Fiscal Agent 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 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 Fiscal Agent, or Florida Housing's loan servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per RFA and Rule 67-48, in the amount of \$36,000 (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.

12. On Solid Ground, LLC 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 completion of construction and issuance of all certificates of occupancy. The construction contract specifies retainage of 10% be withheld until completion reaches 50% at which time retainage will be reduced to 0%. This meets RFA 2021-203 and Rule Chapter 67-48 minimum requirements.
14. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or Servicer, if applicable.
15. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

Housing Credit Allocation Recommendation

AmeriNat recommends an annual allocation of 9% HC in the amount of \$2,858,700. Please refer to Exhibit 3 - HC Allocation Calculation for further detail.

Contingencies

1. Closing of all funding sources prior to or simultaneously with the closing of the Viability Loan.
2. Purchase of the HC by the Syndicator or its assigns under the terms consistent with assumptions of this report.
3. Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
4. On Solid Ground, LLC is to act as construction phase inspector for Florida Housing.
5. Satisfactory resolution of any outstanding past due and/or noncompliance items.
6. Any other reasonable requirements of Florida Housing, its Legal Counsel or Servicer.

Exhibit 1
Naranja Grand
15 Year Operating Pro Forma

FINANCIAL COSTS:	Year 1	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															
Gross Potential Rental Income	\$1,635,216	\$1,667,920	\$1,701,279	\$1,735,304	\$1,770,010	\$1,805,411	\$1,841,519	\$1,878,349	\$1,915,916	\$1,954,234	\$1,993,319	\$2,033,186	\$2,073,849	\$2,115,326	\$2,157,633
Rent Subsidy (ODR)	\$57,500	\$48,500	\$40,000	\$31,500	\$23,000	\$14,500	\$7,000								
Other Income															
Miscellaneous	\$10,800	\$11,016	\$11,236	\$11,461	\$11,690	\$11,924	\$12,163	\$12,406	\$12,654	\$12,907	\$13,165	\$13,428	\$13,697	\$13,971	\$14,250
Washer/Dryer Rentals	\$56,400	\$57,528	\$58,679	\$59,852	\$61,049	\$62,270	\$63,516	\$64,786	\$66,082	\$67,403	\$68,751	\$70,126	\$71,529	\$72,959	\$74,419
Gross Potential Income	\$1,759,916	\$1,784,964	\$1,811,194	\$1,838,117	\$1,865,750	\$1,894,105	\$1,924,197	\$1,955,541	\$1,994,652	\$2,034,545	\$2,075,236	\$2,116,740	\$2,159,075	\$2,202,257	\$2,246,302
Less:															
Physical Vac. Loss Percentage: 3.87%	\$68,097	\$69,066	\$70,081	\$71,123	\$72,192	\$73,289	\$74,454	\$75,666	\$77,180	\$78,723	\$80,298	\$81,904	\$83,542	\$85,213	\$86,917
Collection Loss Percentage: 0.97%	\$17,024	\$17,266	\$17,520	\$17,780	\$18,048	\$18,322	\$18,613	\$18,916	\$19,295	\$19,681	\$20,074	\$20,476	\$20,885	\$21,303	\$21,729
Total Effective Gross Income	\$1,674,795	\$1,698,632	\$1,723,592	\$1,749,214	\$1,775,510	\$1,802,494	\$1,831,130	\$1,860,958	\$1,898,177	\$1,936,141	\$1,974,864	\$2,014,361	\$2,054,648	\$2,095,741	\$2,137,656
Fixed:															
Real Estate Taxes	\$139,407	\$143,589	\$147,897	\$152,334	\$156,904	\$161,611	\$166,459	\$171,453	\$176,597	\$181,895	\$187,351	\$192,972	\$198,761	\$204,724	\$210,866
Insurance	\$228,000	\$234,840	\$241,885	\$249,142	\$256,616	\$264,314	\$272,244	\$280,411	\$288,824	\$297,488	\$306,413	\$315,605	\$325,073	\$334,826	\$344,870
Variable:															
Management Fee Percentage: 4.83%	\$80,865	\$82,016	\$83,221	\$84,458	\$85,728	\$87,031	\$88,413	\$89,854	\$91,551	\$93,484	\$95,553	\$97,760	\$99,206	\$101,190	\$103,214
General and Administrative	\$54,000	\$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	\$169,300	\$174,379	\$179,610	\$184,999	\$190,549	\$196,265	\$202,153	\$208,218	\$214,464	\$220,898	\$227,525	\$234,351	\$241,381	\$248,623	\$256,081
Utilities	\$72,000	\$74,160	\$76,385	\$78,676	\$81,037	\$83,468	\$85,972	\$88,551	\$91,207	\$93,944	\$96,762	\$99,665	\$102,655	\$105,734	\$108,906
Maintenance and Repairs/Pest Control	\$102,000	\$105,060	\$108,212	\$111,458	\$114,802	\$118,246	\$121,793	\$125,447	\$129,211	\$133,087	\$137,079	\$141,192	\$145,428	\$149,790	\$154,284
Reserve for Replacements	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000
Total Expenses	\$881,572	\$905,664	\$930,499	\$956,074	\$982,412	\$1,009,536	\$1,037,514	\$1,066,347	\$1,096,359	\$1,127,253	\$1,160,136	\$1,193,986	\$1,228,833	\$1,264,706	\$1,301,635
Net Operating Income	\$793,223	\$792,968	\$793,094	\$793,140	\$793,098	\$792,958	\$793,617	\$794,611	\$801,819	\$808,888	\$814,728	\$820,375	\$825,815	\$831,035	\$836,021
Debt Service Payments															
First Mortgage - Berkadia/Freddie Mac	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385	\$670,385
Second Mortgage - FHFC Viability	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000
Third Mortgage - Miami-Dade County Surtax	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
First Mortgage Fees - Berkadia/Freddie Mac	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Fees - FHFC Viability	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750
Third Mortgage Fees - Miami-Dade County Surtax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service Payments	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135	\$754,135
Cash Flow after Debt Service	\$39,088	\$38,832	\$38,958	\$39,005	\$38,962	\$38,822	\$39,481	\$40,476	\$47,683	\$54,753	\$60,593	\$66,239	\$71,680	\$76,900	\$81,885
Debt Service Coverage Ratios															
DSC - First Mortgage plus Fees	1.18x	1.18x	1.18x	1.18x	1.18x	1.18x	1.18x	1.19x	1.20x	1.21x	1.22x	1.22x	1.23x	1.24x	1.25x
DSC - Second Mortgage plus Fees	1.10x	1.10x	1.10x	1.10x	1.10x	1.10x	1.10x	1.10x	1.11x	1.12x	1.13x	1.13x	1.14x	1.15x	1.15x
DSC - Third Mortgage plus Fees	1.05x	1.05x	1.05x	1.05x	1.05x	1.05x	1.05x	1.05x	1.06x	1.07x	1.08x	1.09x	1.10x	1.10x	1.11x
DSC - All Mortgages and Fees	1.05x	1.05x	1.05x	1.05x	1.05x	1.05x	1.05x	1.05x	1.06x	1.07x	1.08x	1.09x	1.10x	1.10x	1.11x
Financial Ratios															
Operating Expense Ratio	52.64%	53.32%	53.99%	54.66%	55.33%	56.01%	56.66%	57.30%	57.76%	58.22%	58.75%	59.27%	59.81%	60.35%	60.89%
Break-even Economic Occupancy Ratio (all debt)	93.18%	93.22%	93.25%	93.27%	93.31%	93.35%	93.35%	93.33%	93.01%	92.71%	92.48%	92.27%	92.08%	91.91%	91.75%

Exhibit 2
Naranja Grand
RFA 2021-203 (2022-084C/2023-263C)
RFA 2023-211 (2023-235V)
Description of Features and Amenities

The Development will consist of:

120 apartment units located in 1 high-rise residential building.

Unit Mix:

Ninety-one (91) one bedroom/one bath units; and

Twenty-nine (29) two bedroom/two bath units.

120 Total Units

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.

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.

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;
- 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.
- 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 non-Elderly units;
- Elderly Developments 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; and
- Full-size range and oven in all 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. 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.

(1) Required 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) Accessibility Features in all Developments with the Elderly (ALF or Non-ALF)

Demographic must also provide the following 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 "overtravel 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.

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 ≥ 2.5 over a 77° rise or 0.87 UEF and GPM of ≥ 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:
 - ≥ 8.5 HSPF/ ≥ 15 SEER/ ≥ 12.5 EER for split systems
 - ≥ 8.2 HSPF ≥ 15 SEER/ ≥ 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. This Elderly Development will provide the following resident programs:

- (1) Required Resident Program for all Applicants that select the Elderly Demographic (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.

(2) Daily Activities

The Applicant or its Management Company must provide on-site supervised, structured activities, at no cost to the resident, at least five days per week which must be offered between the hours of 8:00 a.m. and 7:00 p.m. 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.

(4) Resident Assurance Check-In Program

Provide and use an established system for checking in with each resident on a pre-determined basis not less than once per day, at no cost to the resident. Residents may opt out of this program with a written certification that they choose not to participate.

HOUSE CREDIT ALLOCATION CALCULATION

Qualified Basis Calculation

Total Development Cost	\$44,519,021
Less Land Costs	\$2,000,000
Less Other Ineligible Costs	\$3,618,081
Total Eligible Basis	\$38,900,940
Applicable Fraction	100%
DDA/QCT Basis Credit, if applicable	130%
Qualified Basis	\$50,571,222
Housing Credit Percentage (Federal allocation)	9.00%
Annual Housing Credit Allocation	\$4,551,410

Notes to the Qualified Basis Calculation:

1. "Other Ineligible Costs" include, *but are not limited to*, offsite roadwork, accounting fees, legal fees, market study, Florida Housing administrative, application, and underwriting fees, washer/dryer rentals, marketing/advertising fees, various fees associated with the Viability and Surtax 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. The Development is located in a Qualified Census Tract ("QCT"); therefore, the 130% multiplier for the DDA/QCT Basis Credit was utilized.
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

Total Development Cost (including land and ineligible costs)	\$44,404,459
Less Mortgages	\$15,336,000
Equity Gap	\$29,068,459
HC Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.92
HC Required to meet Equity Gap	\$31,599,311
Annual HC Required	\$3,159,931

Notes to the GAP Calculation:

HC CREDIT & VIABILITY UNDERWRITING REPORT

1. Mortgages include a first mortgage by Berkadia/Freddie Mac, second mortgage Viability loan, and a third mortgage Surtax loan.
2. According to Rule Chapter 67-48 F.A.C., the Development meets the minimum qualifying first mortgage amount, which is the actual amount committed to the Development.
3. The HC Syndication Pricing of \$0.92 per dollar and HC Percentage to Investment Partnership are based upon Enterprise’s letter of intent dated July 24, 2023.

Note: The actual HC syndication pricing is \$0.9200000014/credit in order to be consistent with the equity contribution stated in the letter of intent.

Summary

HC Per Applicant's Request	\$2,858,700
HC Per Qualified Basis	\$4,542,191
HC Per GAP Calculation	\$3,159,931
Annual HC Recommended	\$2,858,700
HC Proceeds Recommended	\$26,297,410

Notes to Summary:

1. The Annual HC Recommended is equal to the lesser of the Applicant’s Request, the Qualified Basis or the GAP Calculation. Therefore, the Applicant’s Request was utilized.

COMPLETENESS AND ISSUES CHECKLIST

DEVELOPMENT NAME: Naranja Grand
DATE: December 1, 2023

In accordance with the applicable Program Rule(s), the Applicant is required to submit the information required to evaluate, complete, and determine its sufficiency in satisfying the requirements for Credit Underwriting to the Credit Underwriter in accordance with the schedule established by the Florida Housing. The following items must be satisfactorily addressed. "Satisfactorily" means that the Credit Underwriter has received assurances from third parties unrelated to the Applicant that the transaction can close within the allowed timeframe. Unsatisfactory items, if any, are noted below and in the "Issues and Concerns" section of the Executive Summary.

FINAL REVIEW REQUIRED ITEMS:	STATUS	NOTE
	Satis. / Unsatis.	
1. The development's final "as submitted for permitting" plans and specifications. Note: Final "signed, sealed, and approved for construction" plans and specifications will be required thirty days before closing.	Satis.	
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	
4. Pre-construction analysis ("PCA").	Satis.	
5. Survey.	Satis.	
6. Complete, thorough soil test reports.	Satis.	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice.	Satis.	
8. Market Study separate from the Appraisal.	Satis.	
9. Environmental Site Assessment – Phase I and/or the Phase II if applicable (If Phase I and/or II disclosed environmental problems requiring remediation, a plan, including time frame and cost, for the remediation is required). If the report is not dated within one year of the application date, an update from the assessor must be provided indicating the current environmental status.	Satis.	
10. Audited financial statements for the most recent fiscal year ended or acceptable alternative as stated in Rule for credit enhancers, applicant, general partner, principals, guarantors, and general contractor.	Satis.	
11. Resumes and experience of applicant, general contractor, and management agent.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Satis.	
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	N/A	
15. Firm commitment letter from the syndicator, if any.	Satis.	
16. Firm commitment letter(s) for any other financing sources.	Satis.	
17. Updated sources and uses of funds.	Satis.	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Satis.	
19. Fifteen-year income, expense, and occupancy projection.	Satis.	

COMPLETENESS AND ISSUES CHECKLIST

FINAL REVIEW REQUIRED ITEMS:	STATUS	NOTE
20. Executed general construction contract with "not to exceed" costs.	Satis.	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis	
22. Any additional items required by the credit underwriter.	Unsatis.	1.

NOTES AND DEVELOPER RESPONSES:

1. A letter from the Applicant requesting changes to the Applicant Entity Structure and Guarantors and a revised Principal Disclosure form is a condition precedent to loan closing and listed in Section B, Special Conditions.

Minimum First Mortgage Determination

<u>Rule Chapter 67-48.0072(28)(g)</u>	
<i>Determination of the minimum first mortgage for use in the Housing Credit gap calculation</i>	
Input Variables	
Annual rate of increase for revenues	2.00%
Annual rate of increase for operating expenses	3.00%
Vacancy & Collection Factor in CUR	4.84%
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	120
Potential Gross Income Year 1	\$1,759,916.00
Vacancy & Collection Loss (7.00%)	\$123,194.12
Effective Gross Income Year 1	\$1,636,721.88
Operating Expenses Year 1	\$881,572.00
(i) Actual Debt of Development	\$9,032,000.00
Actual interest rate	6.96%
Actual term of debt amortization	40.00 Yrs
DS Interest Rate floor	7.00%
Application deadline	08/27/21
10-Year Treasury Rate as of App deadline	1.342%
Spread over 10-yr Treasury	325 bps
10-yr Treasury plus the stated spread	4.59%
Greater of interest rate floor or spread over Treasury	7.00%
Maximum Rate	8.00%
Interest Rate to be used for qualifying debt	7.00%
Minimum stated term of debt amortization per RFA	30.00 Yrs
Term of debt amortization to be used for qualifying debt	40.00 Yrs
Resulting Mortgage Constant to be used for qualifying debt	7.45718%
Minimum Debt Service	
NOI Year 15	\$826,163.01
DSCR DS limitation	\$660,930.41
(a) Resulting Debt, Year 15 limitation	\$8,863,012.85
NOI Year 1	\$755,149.88
(b)(i) DSCR DS limitation	\$503,433.25
(b)(i) DSCR Debt Sizing	\$6,750,991.22
(b)(ii) NCF DS limitation	\$635,149.88
(b)(ii) NCF Debt Sizing	\$8,517,298.44
(b) Greater of (i) DSCR debt or (ii) NCF debt, Year 1 limitation	\$8,517,298.44
(ii) Minimum qualifying first mortgage (lesser of (a) or (b))	\$8,517,298.44
Greater of Actual or Minimum	\$9,032,000.00

Viability Calculation

Viability Loan Sizing Parameters and Metrics

Select the Development	Naranja Grand	
RFA of Active Award	RFA 2021-203	
Demographic Commitment	Elderly, Non-ALF	
Total Number of Units	120	
Existing Competitive Active Awards:	Set-Aside Units	
9% HC Allocation	\$ 2,858,700	120
SAIL	NA	NA
ELI	NA	NA
NHTF	NA	NA
HOME	NA	NA
Tax Exempt Bond Financing:		
If MMRB, how much is the Perm Amount?		NA
Viability Funding Limits:		
Gross Per Development Limit	\$ 4,300,000	
Maximum Per Unit Limit	\$ 125,000	
Net Per Development Limit (same as gross)	\$ 4,300,000	
Maximum Limit from PU Limit (120 units x \$125,000 PU)	\$ 15,000,000	
Lesser of Net Per Development or PU Limit	\$ 4,300,000	

Viability Loan Sizing Parameters

a. Eligible Request Amount:		No
Applicant's Request Amount	\$ 4,300,000	
Per Development/PU Limit	\$ 4,300,000	
Eligible Request Amount:	\$ 4,300,000	

b. Gap Analysis for Viability Sizing Purposes Only:

Permanent Funding Sources:		DS w/ Fees	DSCR	NCF
Traditional First Mortgage	\$ 8,036,000.00	\$ 565,942	1.3000x	\$ 169,781
Viability	\$ 4,300,000.00	\$ 53,750	1.1872x	\$ 116,031
FHFC Source 1 - NA	\$ -	\$ -	1.1872x	\$ 116,031
FHFC Source 2 - NA	\$ -	\$ -	1.1872x	\$ 116,031
FHFC Source 3 - NA	\$ -	\$ -	1.1872x	\$ 116,031
PHCD - Surtax	\$ 3,000,000.00	\$ -	1.1872x	\$ 116,031
<additional source>	\$ -	\$ -	1.1872x	\$ 116,031
<additional source>	\$ -	\$ -	1.1872x	\$ 116,031
<additional source>	\$ -	\$ -	1.1872x	\$ 116,031
<additional source>	\$ -	\$ -	1.1872x	\$ 116,031
HC Equity	\$ 26,297,410.00			
Deferred Developer Fee (47.92%)	\$ 2,771,049.00			
Total Sources	\$ 44,404,459.00	\$ 619,692	1.1872x	\$ 116,031
Additional First Mortgage (Min 1st Sizing)	\$ -	\$ -		
Additional First Mortgage (DCR Sizing)	\$ -	\$ -		

Total Development Costs	\$44,404,459
Maximum Developer Fee Percentage	16%
Total Developer Fee	\$5,782,584
Minimum 30% Deferred Developer Fee	\$ 1,734,775.20

*Set-Asides for MMRB are expressed as the greater of MMRB Set-Asides or 4%HC Set-Asides for purposes of calculating Compliance Monitoring Fees on the MMRB loan.

Cash Flow Assumptions

Net Operating Income:	
Total Effective Gross Income in CUR Yr 1	\$1,617,295
Total Operating Expenses in CUR Yr 1	\$881,572
Net Operating Income in CUR Yr 1	\$ 735,723.00

Actual Traditional 1st Mortgage:

Proposed Amount of Traditional 1st Mortgage	\$ 8,036,000.00
Traditional 1st Mtg Amortization (Years)	40.00
Traditional 1st Mtg Interest Rate	6.5200%
Traditional 1st Mtg Mortgage Constant	7.04259%
Local HFA Bond Fees, if applicable	
Traditional 1st Mtg DSCR	1.30x
Net Cash Flow (NCF) after 1st Mtg Debt Service	\$ 169,780.76
Debt Service (DS) on FHFC Subsidy Loans (w/ fees)	\$ -
NCF after FHFC Subsidy Loans DS & Fees	\$ 169,780.76

RFA 2023-211 Minimum 1st Mortgage:

Maximum 1st Mtg DSCR from Viability RFA	1.30x
Sized Debt Service from maximum DSCR	\$ 565,940.77
When TEBS are not utilized, no fees are included	\$ -
Sized Debt Service to be incorporated, net of fees	\$ 565,940.77
Mortgage Constant to be incorporated	7.04259%
Resulting minimum 1st Mtg	\$ 8,035,979.11
NCF after resulting minimum 1st Mtg	\$ 169,782.23
NCF after FHFC Subsidy Loans DS & Fees	\$ 169,782.23

Rule Chapter 67-48.0072(28)(g)2. Variables and Process:

Total Vacancy & Collection Rate in CUR	5.0000%
Revenue Growth Rate in CUR	2.0000%
Operating Expense Growth Rate in CUR	3.0000%
Amortization to be incorporated (Years)	40.00
Interest Rate to be incorporated	7.0000%
Resulting Mortgage Constant for qualifying debt	7.45718%
Revenue Growth Rate to be incorporated	2.0000%
Operating Expense Growth Rate to be incorporated	3.0000%
Vacancy Rate to be incorporated	7.0000%
Maximum DSCR for Year 1 NOI	1.50x
Maximum DSCR for Year 15 NOI	1.25x
Minimum NCF PU Year 1 (after 1st Mtg DS Only)	\$1,000
Net Operating Income Year 1	\$ 701,674.88
Net Operating Income Year 15	\$ 755,603.89
(a) Resulting Debt for Year 15 DSCR Limitations	\$ 8,106,060.00
(b)(i) Resulting Debt for Year 1 DSCR Limitation	\$ 6,272,928.17
(b)(ii) Resulting Debt for Year 1 NCS Limitation	\$ 7,800,203.86
(b) Greater of (b)(i) or (b)(ii)	\$ 7,800,203.86
Lesser of (a) or (b)	\$ 7,800,203.86
Sized Minimum 1st Mortgage per Rule	\$ 7,800,203.86
Resulting DSCR from Sized Minimum 1st Mortgage per Rule (using actual 1st mortgage debt structure)	1.34x

SELTZER MANAGEMENT GROUP, INC.

17633 ASHLEY DRIVE
PANAMA CITY BEACH, FL 32413
TEL: (850) 233-3616
FAX: (850) 233-1429

December 4, 2023

Mr. Tim Kennedy
Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
City Centre Building
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

Re: Courtside Apartments, Phase II –SAIL RFA 2021-208 (2021-323S) / Construction Inflation Response Viability Funding RFA 2023-211 (2023-257V) / 4% HC 2020-528C
Credit Underwriting Report (“CUR”) Update Letter– Changes to the final CUR dated August 24, 2023 to approve an increase in the Permanent First Mortgage and the addition of a Bridge Loan in the Construction period

Dear Mr. Kennedy:

Seltzer Management Group, Inc. (“SMG” or “Seltzer”) is in receipt of email correspondence dated September 6, 2023 and correspondence dated October 30, 2023, from AMC HTG 2, Ltd. (“Borrower”) requesting Florida Housing Finance Corporation’s (“FHFC” or “Florida Housing”) consent to an increase in the permanent first mortgage loan and a change in construction sources with the addition of a Bridge Loan during the construction period for the above referenced transaction. At your direction, SMG has reviewed the request and formulated a recommendation. Seltzer’s findings are presented below.

The CUR, for the above referenced development was approved at the September 8, 2023 FHFC Board meeting and has not closed. Borrower requests that FHFC consent to an increase in the permanent first mortgage loan amount, provided by Grandbridge Real Estate Capital (“Grandbridge”), from \$12,625,000 to \$17,260,000. The Borrower also requests that FHFC consent to an additional source during the construction period in the form of a Bridge Loan from JPMorgan Chase Bank, N.A. (“Chase”) in the amount of \$6,000,000.

The terms and conditions of the permanent first mortgage loan will remain consistent with the terms as described in the CUR. The CUR contemplated an interest rate of 6.31%. However, the updated interest rate as of September 12, 2023 is 6.44%. The term of the loan will stay at 15 years, preceded by a 30-month unfunded forward commitment, and be amortized over a 40-year period.

The annual Multifamily Mortgage Revenue Bond Issuer Fees, Fiscal Agent Fees, Permanent Loan Servicing Fees, and Compliance Monitoring Fees are reflected in the operating pro forma. Conversion requirements include confirmation that all labor and materials for which disbursements have been requested are incorporated into the Development or suitably stored upon the Mortgaged Property in accordance with reasonable and standard building practices, the Continuing Covenant Agreement and all applicable laws, ordinances, rules and regulations of any governmental authority having jurisdiction over the Mortgaged Property. In addition, the materials, supplies and equipment furnished or installed for the Repairs cannot be subject to any Lien or security interest or funds to be disbursed pursuant to this Disbursement Request cannot be used to satisfy any such Lien or security interest.

Mr. Tim Kennedy
Courtside Apartments, Phase II
December 4, 2023

The terms and conditions of the bridge loan will be a loan in an amount up to \$7,000,000, currently estimated at \$6,000,000 for a period of 30 months, with one six month conditional extension , with an interest rate of the One Month Term Secured Overnight Financing Rate (“SOFR”), currently estimated at 5.39%, a spread of 225 basis point and Seltzer has included a 100 basis point underwriting cushion for an all-in interest rate of 0.00%. The lender for the first mortgage construction loan also changed to Chase. The CUR contemplated a loan in the amount of \$30,000,000 with a 30-month term and an underwritten interest rate of 8.82%. The terms of the new Chase loan are for a \$30,000,000 loan with a term of 30 months, with one six-month conditional extension. The new interest rate is based on the 3-year SOFR, currently estimated at 4.67% as of October 30, 2023, plus a spread of 175 basis points. Seltzer has included an underwriting cushion of 100 basis points, for an “all-in” rate of 7.42%

Revised Construction Financing Sources

Please note that in the following table, the Applicant column reflects the Construction Financing Sources as reflected in the CUR Underwriter column.

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Construction Debt Service
First Mortgage	HFAMD Bonds / Chase	\$30,000,000	\$30,000,000	\$30,000,000	7.42%	\$3,229,440
Bridge Loan	Chase	\$0	\$6,000,000	\$6,000,000	8.64%	\$751,680
Second Mortgage	FHFC - Viability	\$4,300,000	\$4,300,000	\$4,300,000	1.00%	\$62,350
Third Mortgage	FHFC - SAIL	\$2,750,000	\$2,750,000	\$2,750,000	1.00%	\$39,875
Fourth Mortgage	Miami-Dade Surtax	\$2,500,000	\$2,500,000	\$2,500,000	0.00%	\$0
HC Equity	Truist	\$10,142,882	\$14,478,386	\$4,374,335		
Deferred Developer Fee	Developer	\$5,801,862	\$4,849,165	\$6,093,571		
Total		\$55,494,744	\$64,877,551	\$56,017,906		\$4,083,345

Changes to the Construction Financing Sources:

1. Housing Credits (“HC”) Equity has decreased by \$5,768,547 from \$10,142,882 to \$4,374,335 due to a new Letter of Intent from Truist Community Capital, LLC (“Truist”) dated October 3, 2023.
2. Total Development Costs and Uses have increased by \$517,099 from \$55,494,744 to \$56,017,906, mainly due to increases in financial costs, general development costs and financial costs.
3. Deferred Developer Fee has increased by \$291,709 from \$5,801,862 to \$6,093,571, due to the increased permanent first mortgage.

Mr. Tim Kennedy
Courtside Apartments, Phase II
December 4, 2023

Revised Permanent Financing Sources

Please note that in the following table, the Applicant column reflects the Permanent Financing Sources as reflected in the CUR Underwriter column.

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Amort. Yrs.	Term Yrs.	Annual Debt
First Mortgage	HFAMD Bonds / Grandbridge / Freddie	\$12,625,000	\$17,347,246	\$17,260,000	6.37%	40	15	\$1,193,468
Second Mortgage	FHFC - Viability	\$4,300,000	\$4,300,000	\$4,300,000	1.00%	N/A	15.5	\$43,000
Third Mortgage	FHFC - SAIL	\$2,750,000	\$2,750,000	\$2,750,000	1.00%	N/A	15.5	\$27,500
Fourth Mortgage	Miami-Dade Surtax	\$2,500,000	\$2,500,000	\$2,500,000	1.00%	N/A	30	\$25,000
HC Equity	Truist	\$25,357,204	\$25,400,678	\$25,726,580				
Def. Developer Fee	Developer	\$7,962,540	\$2,540,836	\$3,481,326				
Total		\$55,494,744	\$54,838,760	\$56,017,906				\$1,288,968

1. HC Equity has increased by \$369,376 from \$25,357,204 to \$25,726,580 due to a new Letter of Intent from Truist dated October 3, 2023.
2. Total Development Costs and Uses have increased by \$523,162 from \$55,494,744 to \$56,017,906, mainly due to increases in financial costs and general development costs.
3. Deferred Developer Fee has decreased by \$4,481,214 from \$7,962,540 to \$3,481,326, due to the increased permanent first mortgage.
4. The Viability 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 RFA 2023-211, the Viability loan will be coterminous with the first mortgage plus six months (total term of 18.5 years).
5. The SAIL 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 RFA 2023-211, the SAIL will be coterminous with the first mortgage plus six months (total term of 18.5 years).

Mr. Tim Kennedy
Courtside Apartments, Phase II
December 4, 2023

Housing Credits Equity Investment:

Capital Contributions	Amount	Percent of Total	When Due
1st Installment	\$4,374,335	17.00%	Paid at closing
2nd Installment	\$10,290,632	40.00%	latest to occur of: 1) 98% completion (as certified by the architect and confirmed by TCC's construction inspector), 2) receipt of a satisfactory ALTA as-built survey (if new construction or exterior improvements/alterations). 100% of this capital contribution shall be allocated toward reducing the construction loan.
3rd Installment	\$10,911,613	42.41%	100% Completion
4th Installment	\$150,000	0.58%	8609s
Total	\$25,726,580	100.00%	

Annual Tax Credits per Trust:	\$2,708,359
Total HC Available to Syndicator (10 years):	\$27,080,611
Syndication Percentage (investor member interest):	99.989%
Calculated HC Exchange Rate (per dollar):	\$0.950
Proceeds Available During Construction:	\$4,374,335

It should be noted that Seltzer did not include the second equity installment during the construction period as a construction period source, because it will not be paid until a final ALTA as-built survey is completed. At least 15% of the total equity will be provided prior to or simultaneously with the closing of the construction / permanent financing, which meets the RFA requirement.

Seltzer is in receipt of an appraisal from Walter Duke + Partners ("WDP") dated October 31, 2023. WDP indicated Courtside Apartments, Phase II is achieving 2023 Maximum Allowable HC Rents. Additionally, the Borrower was awarded thirty (30) Project Based Vouchers from Miami-Dade Department of Public Housing & Community Development ("PHCD"). These include ten (10) one (1) bedroom units; ten (10) two (2) bedroom units; ten (10) three (3) bedroom units under the PHCD's Section 8 Housing Choice Voucher (Section 8 HCV) program. These are reflected in the rent roll below.

Mr. Tim Kennedy
Courtside Apartments, Phase II
December 4, 2023

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

Miami – Miami Beach – Kendall HMFA / Miami-Dade 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	10	625	30%			\$580	\$96	\$484	\$1,976	\$1,976	\$506	\$1,976	\$237,120
1	1.0	2	625	50%			\$968	\$74	\$894		\$894	\$894	\$894	\$21,456
1	1.0	14	625	60%			\$1,161	\$74	\$1,087		\$1,087	\$1,087	\$1,087	\$182,616
1	1.0	32	625	70%			\$1,355	\$74	\$1,281		\$1,281	\$1,281	\$1,281	\$491,904
2	2.0	7	900	30%			\$696	\$151	\$545	\$2,405	\$2,405	\$545	\$2,405	\$202,020
2	2.0	3	900	50%			\$1,161	\$151	\$1,010	\$2,405	\$2,405	\$2,439	\$2,405	\$86,580
2	2.0	8	900	60%			\$1,393	\$85	\$1,308		\$1,308	\$1,308	\$1,308	\$125,568
2	2.0	22	900	70%			\$1,393	\$85	\$1,308		\$1,308	\$1,308	\$1,308	\$345,312
3	2.0	3	1,050	30%			\$805	\$225	\$580	\$3,104	\$3,104	\$580	\$3,104	\$111,744
3	2.0	1	1,050	50%			\$1,341	\$225	\$1,116	\$3,104	\$3,104	\$1,229	\$3,104	\$37,248
3	2.0	6	1,050	60%			\$1,610	\$225	\$1,385	\$3,104	\$3,104	\$1,498	\$3,104	\$223,488
3	2.0	12	1,050	70%			\$1,878	\$112	\$1,766		\$1,766	\$1,766	\$1,766	\$254,304
		120	95,350											\$2,319,360

Mr. Tim Kennedy
Courtside Apartments, Phase II
December 4, 2023

Operating Pro forma

OPERATING PRO FORMA		ANNUAL	PER UNIT
INCOME	Gross Potential Rental Income	\$2,319,360	\$19,328
	Other Income:		
	Miscellaneous	\$33,000	\$275
	Washer/Dryer Rentals	\$82,080	\$684
	Gross Potential Income	\$2,434,440	\$20,287
	Less:		
	Physical Vacancy Loss - Percentage: 4.0%	(\$97,378)	(\$811)
Collection Loss - Percentage: 1.0%	(\$24,344)	(\$203)	
Total Effective Gross Revenue		\$2,312,718	\$19,273
EXPENSES	Fixed:		
	Sub-Ground Lease	\$75	\$1
	Real Estate Taxes	\$148,667	\$1,239
	Insurance	\$180,000	\$1,500
	Variable:		
	Management Fee - Percentage: 6.0%	\$138,763	\$1,156
	General and Administrative	\$45,000	\$375
	Payroll Expenses	\$132,000	\$1,100
	Utilities	\$90,000	\$750
	Marketing and Advertising	\$3,000	\$25
	Maintenance and Repairs	\$41,675	\$347
Reserve for Replacements	\$36,000	\$300	
Total Expenses		\$815,180	\$6,793
Net Operating Income		\$1,497,538	\$12,479
Debt Service Payments			
DEBT SERVICE	First Mortgage - HFAMD Bonds / Grandbridge / Freddie	\$1,193,468	\$9,946
	Second Mortgage - FHFC - Viability	\$43,000	\$358
	Third Mortgage - FHFC - SAIL	\$27,500	\$229
	Fourth Mortgage - Miami-Dade Surtax	\$25,000	\$208
	All Other Mortgages -	\$0	\$0
	First Mortgage Fees - HFAMD Bonds / Grandbridge / Freddie	\$50,750	\$423
	Second Mortgage Fees - FHFC - Viability	\$11,773	\$98
	Third Mortgage Fees - FHFC - SAIL	\$7,898	\$66
	Fourth Mortgage Fees - Miami-Dade Surtax	\$0	\$0
	All Other Mortgages Fees -	\$0	\$0
Total Debt Service Payments		\$1,359,389	\$11,328
Cash Flow After Debt Service		\$138,149	\$1,151
Debt Service Coverage Ratios			
	DSC - First Mortgage plus Fees	1.204	
	DSC - Second Mortgage plus Fees	1.153	
	DSC - Third Mortgage plus Fees	1.122	
	DSC - Fourth Mortgage plus Fees	1.102	
	DSC - All Mortgages and Fees	1.102	
Financial Ratios			
	Operating Expense Ratio	35.2%	
	Break-Even Ratio	89.6%	

Mr. Tim Kennedy
Courtside Apartments, Phase II
December 4, 2023

Notes to the Operating Pro Forma and Ratios:

1. The First Mortgage plus Fees Debt Service Coverage ("DSC") ratio in the CUR increased from 1.123x to 1.204x to 1.00x. The DSC for the first mortgage and Viability second mortgage increased from 1.059x to 1.153x to 1.00x. The DSC for the first mortgage, Viability second mortgage and third mortgage SAIL increased from 1.021x to 1.122x to 1.00x.

The Debt Service Coverage ("DSC") ratio for the first mortgage, Viability Loan and SAIL reflects a ratio lower than 1.10 to 1.00. According to Rule 67-48, the minimum Debt Service Coverage ("DSC") shall be 1.10 to 1.00 for the SAIL, including superior mortgages. However, per Rule 67-48, 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 show permanent Deferred Developer Fee of at least 35% as the SAIL Loan DSC is 1.095x.

2. Real estate tax expense is based on the WDP' estimate.
3. Other operating expense estimates are based on comparable properties and are supported by the appraisal.

Conclusion

SMG concludes that the increase in the permanent first mortgage loan in the amount of \$17,260,000 from Grandbridge and that the addition of a construction period bridge loan in the amount of \$6,000,000 from Chase will not adversely impact the transaction and/or FHFC's security position. Accordingly, SMG provides this analysis for FHFC's consideration to approve the Borrower's request, subject to the following:

- Review and approval of all loan documents consistent with the terms outlined above by FHFC Housing, it's Legal Counsel and Servicer.
- All closing conditions in the CUR must be met.
- Any other due diligence required by FHFC, its Legal Counsel and Servicer.

Should you have any questions please feel free to contact me directly.

SELTZER MANAGEMENT GROUP, INC.



Justin Coles
Credit Underwriter

Florida Housing Finance Corporation

Credit Underwriting Report

Pinnacle at La Cabaña

Competitive 9% Housing Credits and Viability Funding

RFA 2021-202 / 2022-131C / 2023-264C

RFA 2023-211 / 2023-233V

**Housing Credit Financing for Affordable Housing Developments Located in
Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties /
Construction Inflation Response Viability Funding**

Section A: Report Summary

**Section B: Viability Loan Special and General Conditions
Housing Credit Allocation Recommendation & Contingencies**

Section C: Supporting Information & Schedules

Prepared by

First Housing Development Corporation of Florida

Final Report

December 4, 2023

Pinnacle at La Cabaña

TABLE OF CONTENTS

	<u>Page</u>
Section A	
Report Summary	
Recommendation	A1-A8
Overview	A9-A14
Uses of Funds	A15-A20
Operating Pro Forma	A21-A23
Section B	
Viability Special and General Conditions	B1-8
Housing Credit Allocation Recommendation & Contingencies	B9
Section C	
Supporting Information & Schedules	
Additional Development & Third Party Information	C1-C7
Applicant Information	C8-C13
Guarantor Information	C14
Syndication Information	C15
General Contractor Information	C16
Property Management Information	C17
Exhibits	
15 Year Pro Forma	1
Housing Credit Allocation Calculation	2. 1-3
Viability Loan Sizing	3. 1
Description of Features and Amenities	4. 1-7
Completion and Issues Checklist	5. 1-2

Section A

Report Summary

Recommendation

Pinnacle at La Cabana, LLLP ("Applicant") has applied for a \$2,882,000 Federal 9% Housing Credit ("HC") determination to finance the new construction of Pinnacle at La Cabaña ("Development"). First Housing Development Corporation of Florida ("FHDC", "First Housing", or "Servicer") recommends a Viability Loan in the amount of \$4,300,000 and an annual 9% HC Allocation of \$2,882,000 be awarded for the construction and permanent financing of the Development.

DEVELOPMENT & SET-ASIDES									
Development Name: <u>Pinnacle at La Cabaña</u>									
RFA/Program Numbers: <u>RFA 2021-202</u> / <u>2022-131C / 2023-264C</u> / <u>RFA 2023-211 / 2023-233V</u>									
Address: <u>On Miramar Parkway, approximately 700 feet west of the intersection of Miramar Parkway and Douglas Road (S.W. 89th Avenue)</u>									
City: <u>Miramar</u> Zip Code: <u>33025</u> County: <u>Broward</u> County Size: <u>Large</u>									
Development Category: <u>New Construction</u> Development Type: <u>Mid-Rise (5-6 Stories)</u>									
Construction Type: <u>Masonry</u>									
Demographic Commitment: Primary: <u>Elderly: 55+ or 62+</u> for <u>80%</u> of the Units									
Unit Composition: # of ELI Units: <u>11</u> ELI Units Are Restricted to <u>28%</u> AMI, or less. Total # of units with PBRA? <u>0</u> # of Link Units: <u>6</u> Are the Link Units Demographically Restricted? <u>Yes</u> # of NHTF Units: <u>0</u>									

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	6	691	28%			\$504	\$68	\$ 436		\$ 436	\$ 436	\$ 436	\$ 31,392
1	1.0	59	691	60%			\$1,080	\$68	\$ 1,012		\$ 1,012	\$ 1,012	\$ 1,012	\$ 716,496
2	2.0	5	967	28%			\$604	\$81	\$ 523		\$ 523	\$ 523	\$ 523	\$ 31,380
2	2.0	40	967	60%			\$1,296	\$81	\$ 1,215		\$ 1,215	\$ 1,215	\$ 1,215	\$ 583,200
		110	88,430											\$ 1,362,468

The Applicant selected 40% of units at 60% or lower as the minimum set-aside commitment; therefore, according to Request for Applications 2021-202 ("RFA") the Applicant must set-aside 10% of the units (11 units) as Extremely Low Income ("ELI") Set-Asides at 28% Area Median Income ("AMI"). The proposed Development must set aside 50% of the ELI Set-Aside units (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 (Broward County). The MOU was approved by Florida Housing Finance Corporation ("FHFC" or "Florida Housing") on September 14, 2022.

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. The Tenant Selection Plan was approved by Florida Housing on February 21, 2022.

Buildings: Residential - 1 Non-Residential - 0
 Parking: Parking Spaces - 96 Accessible Spaces - 4

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
HC	10%	11	28%	50
HC	90%	99	60%	50

Absorption Rate: 30 units per month for 3.7 months.

Occupancy Rate at Stabilization: Physical Occupancy 97.00% Economic Occupancy 95.00%
 Occupancy Comments N/A - New Construction

DDA: Yes QCT: No Multi-Phase Boost: No QAP Boost: Yes
 Site Acreage: 2.34 Density: 47.0085 Flood Zone Designation: X
 Zoning: ML - Mixed-Use Low Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	Pinnacle at La Cabana, LLLP	% Ownership
General Partner	Everglades Housing Trust, Incorporated	0.001%
Limited Partner	PC - Cabana, LLC	0.0090%
Limited Partner	Bank of America, N.A. ("BoA") or its affiliate	99.9900%
Special LP	BoA or its affiliate	0.0000%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Pinnacle at La Cabana, LLLP	
CC Guarantor 2:	Everglades Housing Trust, Incorporated	
CC Guarantor 3:	PC - Cabana, LLC	
CC Guarantor 4:	DOD Affordable, LLC	
CC Guarantor 5:	Wolfpack Affordable, LLC	
CC Guarantor 6:	MMF Affordable, LLC	
CC Guarantor 7:	David O. Deutch, Louis Wolfson III, and The Estate of Mitchell M. Friedman	
CC Guarantor 8:	Pinnacle Communities, LLC ("Pinnacle")	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Pinnacle at La Cabana, LLLP	
OD Guarantor 2:	Everglades Housing Trust, Incorporated	
OD Guarantor 3:	PC - Cabana, LLC	
OD Guarantor 4:	DOD Affordable, LLC	
OD Guarantor 5:	Wolfpack Affordable, LLC	
OD Guarantor 6:	MMF Affordable, LLC	
OD Guarantor 7:	David O. Deutch, Louis Wolfson III, and The Estate of Mitchell M. Friedman	
OD Guarantor 8:	Pinnacle	
Developer:	Pinnacle	
General Contractor 1:	PC Building, LLC	
Management Company:	Professional Management, Inc.	
Syndicator:	BoA	
Architect:	Joseph B. Kaller & Associates, P.A. dba Kaller Architecture	
Market Study Provider:	Meridian Appraisal Group, Inc. ("Meridian")	
Appraiser:	Meridian	

PERMANENT FINANCING INFORMATION				
	1st Source	2nd Source	3rd Source	4th Source
Lien Position	First	Second	Third	Fourth
Lender/Grantor	Neighborhood Lending Partners of Florida, Inc. ("NLP")	FHFC - Viability	City of Miramar	United Way of Broward County, Inc.
Amount	\$5,700,000	\$4,300,000	\$656,000	\$750,000
Underwritten Interest Rate	7.18%	1.00%	4.19%	0.00%
All In Interest Rate	7.18%	1.00%	4.19%	0.00%
Loan Term	16	16	16.5	30
Amortization	35	0	0	0
Market Rate/Market Financing LTV	18%	32%	34%	37%
Restricted Market Financing LTV	57%	100%	106%	113%
Loan to Cost - Cumulative	14%	24%	26%	28%
Debt Service Coverage	1.17	1.04	1.04	1.04
Operating Deficit & Debt Service Reserves	\$318,937			
# of Months covered by the Reserves	3.0			

The Debt Service Coverage (“DSC”) ratio for the Viability Loan, including all superior mortgage reflects a ratio lower than 1.10x to 1.00. Per RFA 2023-211, the minimum DSC ratio shall be 1.10x for the Viability Loan, including all superior mortgages. However, per RFA 2023-211, 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 Viability Loan, including all superior mortgages. The Applicant will be required to show permanent Deferred Developer Fee of at least 35% as the Viability Loan DSC is 1.04x.

Deferred Developer Fee	\$2,507,004
As-Is Land Value	\$3,300,000
Market Rent/Market Financing Stabilized Value	\$30,990,000
Rent Restricted Market Financing Stabilized Value	\$10,050,000
Projected Net Operating Income (NOI) - Year 1	\$520,148
Projected Net Operating Income (NOI) - 15 Year	\$547,695
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Housing Credit (HC) Syndication Price	\$0.95
HC Annual Allocation - Initial Award	\$2,882,000
HC Annual Allocation - Qualified in CUR	\$2,882,000
HC Annual Allocation - Equity Letter of Interest	\$2,882,000

CONSTRUCTION/PERMANENT SOURCES:

Source	Lender	Construction	Permanent	Perm Loan/Unit
Regulated Mortgage Lender	BoA/NLP	\$25,000,000	\$5,700,000	\$51,818
FHFC - Viability	FHFC	\$4,300,000	\$4,300,000	\$39,091
Local Government Subsidy	City of Miramar	\$656,000	\$656,000	\$5,964
Other	United Way of Broward County, Inc.	\$750,000	\$750,000	\$6,818
HC Equity	BoA	\$8,076,263	\$27,376,263	\$248,875
Deferred Developer Fee	Pinnacle	\$2,507,004	\$2,507,004	\$22,791
HC Equity	BoA	\$91,750	\$91,750	\$834
TOTAL		\$41,381,017	\$41,381,017	\$376,191

Credit Underwriter: First Housing

Date of Final CUR: _____

TDC PU Limitation at Application: \$361,000 TDC PU Limitation at Credit Underwriting: \$467,856

Minimum 1st Mortgage per Rule: \$4,878,015 Amount Dev. Fee Reduced for TDC Limit: \$0

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?	1.	
Are all funding sources the same as shown in the Application?		2-3
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?		4.
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?	5.	
Is the Development in all other material respects the same as presented in the Application?	X	

The following are explanations of each items listed in the table above:

1. The Applicant and Developer entities were changed from Application and the changes were approved at the April 28, 2023 FHFC Board Meeting. Regarding the Applicant entity, the changes included removing Mitchell M. Friedman as Manager of PC – Cabana, LLC; replacing Mitchell M. Friedman as a 33.33% member of PC GP Holdings, LLC with The Estate of Mitchell M. Friedman; removing Mitchell M. Friedman as a Manager of PC GP Holdings, LLC. Regarding the Developer entity, changes included replacing Mitchell M. Friedman as Managing Member of Pinnacle Communities, LLC with The Estate of Mitchell M. Friedman as Member.

The Applicant entity was further changed from the above and the changes were approved at the September 8, 2023 FHFC Board Meeting. The changes approved are: replace Sole Member of the General Partner, PC GP Holdings, LLC, and Managers Louis Wolfson III and David O. Deutch, with Managing Members DOD Affordable, LLC and Wolfpack Affordable, LLC and Member MMF Affordable, LLC. Additional change approved is admitting Everglades Housing Trust, Incorporated as Co-General Partner.

The Applicant entity was further changed and was approved at the October 27, 2023 FHFC Board Meeting. The change was to have Everglades Housing Trust, Incorporated as the sole general partner and PC – Cabana, LLC as a Class B limited partner. Please refer to Section C for the final ownership structure of the Applicant.

2. At Application, it was anticipated that Citibank, N.A. would provide a construction loan in the amount of \$26,000,000 and a permanent loan in the amount of \$4,000,000. BoA is now providing a construction loan in the maximum amount of \$25,000,000 and NLP is providing a permanent loan in the amount of \$5,700,000. In addition, the Syndicator has changed from Citibank, N.A. to Bank of America, N.A.
3. Since the Application, a Viability Loan from FHFC in the amount of \$4,300,000 and a Loan from United Way of Broward County, Inc. in the amount of \$750,000 have been added as a construction and permanent source of funds.
4. The Total Development Costs (“TDC”) have increased by a total of \$7,198,148 or 21.06% from \$34,182,869 to \$41,381,017 since the Application. The change is mainly due to an increase in construction costs and financial costs.
5. Since the Application, the syndication rate has increased from \$0.92 to \$0.95.

The above changes have no substantial material impact to the Viability Loan 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 October 18, 2023, the Development Team has the following noncompliance item(s) not in the correction period:

- None

According to the FHFC Past Due Report, dated October 18, 2023, the Development Team has the following past due item(s):

- None

Strengths:

1. The Principals of the Developer, General Contractor, and the Management Company are experienced in affordable multifamily housing.
2. The Principals have sufficient experience and substantial financial resources to construct and operate the proposed Development.

Issues and Concerns:

None

Mitigating Factors:

None

Waiver/Special Conditions:

1. According to the RFA, the Corporation will review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. If the limited partnership agreement or limited liability company operating agreement does not specifically state that the parties will comply with the Corporation's RFA requirements, the Corporation will require an amendment of the agreement and will not issue IRS form(s) 8609 until the amendment is executed and provided to the Corporation.

The RFA includes language restricting the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. The RFA also requires the Corporation to review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. While Florida Housing will continue to require the Applicant to adhere to all requirements in the RFA including the restrictions on the disposition of any funds in an operating deficit reserve account, Florida Housing will not monitor the limited partnership agreement or limited liability company operating agreement language for compliance with these requirements, as this would require analysis of a legal contract. This deviation in process was included as an Information Item in the April 29, 2022 FHFC Board Meeting.

Additional Information:

1. Based on the TDC per unit limitations in affect as of the April 1, 2022 FHFC Telephonic Board meeting, FHFC has set the TDC for the RFA, exclusive of land costs and Operating Deficit Reserves (“ODR”), of \$467,856 per unit for a new Enhanced Structural Systems (“ESS”) Construction, mid-rise (5-6 stories) development located in Broward County. The Development’s per unit TDC, less land costs and reserves is \$39,082,080 or \$355,292 per unit, which is within the parameters.
2. FHDC has completed the required minimum first mortgage qualifying test and finds that the proposed first mortgage in the amount of \$5,700,000 exceeds the minimum requirement of \$4,878,015.

Recommendation:

First Housing recommends a Viability Loan in the amount of \$4,300,000 and an annual 9% Housing Credit Allocation of \$2,882,000 be awarded to finance the Development.

This recommendation is based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, these recommendations are subject to the Viability Loan Special and General Conditions and the Housing Credit Allocation Recommendation and Contingencies (Section B). **This recommendation is only valid for six months from the date of the report.**

The reader is cautioned to refer to these sections for complete information.

Prepared by:

Thomas Wright

Thomas Wright
Credit Underwriter

Reviewed by:

Ed Busansky

Ed Busansky
Senior Vice President

Overview

Construction Financing Sources:

Construction Sources	Lender	Application	Revised Applicant	Underwriter	Construction Interest Rate	Annual Construction Debt Service
Regulated Mortgage Lender	BoA	\$26,000,000	\$25,000,000	\$25,000,000	8.76%	\$2,190,000
FHFC - Viability	FHFC	\$0	\$4,300,000	\$4,300,000	1.00%	\$43,000
Local Government Subsidy	City of Miramar	\$656,000	\$656,000	\$656,000	0.00%	\$0
Other	United Way of Broward County, Inc.	\$0	\$750,000	\$750,000	0.00%	\$0
HC Equity	BoA	\$13,255,876	\$10,950,505	\$8,076,263	N/A	N/A
Deferred Developer Fee	Pinnacle	\$4,439,381	\$4,798,592	\$2,507,004	N/A	N/A
HC Equity	BoA	\$0	\$92,900	\$91,750	N/A	N/A
Total		\$44,351,257	\$46,547,997	\$41,381,017		\$2,233,000

First Mortgage:

First Housing received a Term Sheet from BoA, dated June 13, 2023, for a construction loan in an amount that is the least of \$25,000,000, 85% Loan to Cost, or 80% of the Adjusted Loan-to-Value Ratio which is the appraised value of the land and improvements calculated on a “restricted rent” income approach basis as determined by BoA plus the value of the tax credits as determined by BoA. Interest only payments will be required during construction. The interest rate is floating based on the Bloomberg Short Term Bank Yield “BSBY” Daily Floating Rate, with a floor of 1%, plus a spread of 2.35%. BoA has indicated, via email, that the term is 27 months, with one 6-month extension option available. The construction loan interest is calculated based on the BSBY Daily Floating Rate of 5.41%, as of September 18, 2023, plus a 2.35% spread, and an underwriting cushion of 1.00%, for an overall interest rate of 8.76%.

FHFC Viability Loan:

First Housing reviewed a Notice of Preliminary Award from FHFC, dated June 14, 2023, with a preliminary Viability Loan in the amount of up to \$4,300,000. Based on the sizing parameters in RFA 2023-211, First Housing has sized the Viability Loan in the amount of \$4,300,000.

The Viability Loan is non-amortizing with an interest rate of 1% over the life of the loan with annual payments based upon available cash flow. The Viability loan will have a total term of 18.75 years, of which 33 months is for the construction/stabilization period and 16 years is for the permanent period. As required by the first mortgage lender and permitted by RFA 2023-211, the Viability Loan will be coterminous with the first mortgage. Annual payments of all applicable fees will be required. Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the Viability Loan, all principal and unpaid interest will be due.

City of Miramar:

First Housing received a commitment letter from City of Miramar, dated May 24, 2023 and updated on September 26, 2023, for a loan in the amount \$656,000. The loan is non-recourse with a total term of 19.5 years with 3 years for the construction period and 16.5 years for the permanent period. The loan has a 0% interest rate throughout the construction period and then the long term applicable federal rate (“AFR”) in effect for the month the loan closes for the permanent period. Interest shall accrue on a simple, non-compounding basis and become due and payable at the end of the permanent loan term.

United Way of Broward County, Inc.:

First Housing received a commitment letter from United Way of Broward County, Inc., dated September 25, 2023, for a loan in the amount \$750,000. The loan shall mature 30 years from the date of the closing of the permanent first mortgage loan. In no event shall this loan be longer than 33 years. During its term, the interest rate on the loan shall be 0% per annum. No payments of principal will be due during the term of the loan. The entire outstanding principal balance of the loan shall be paid in full on the maturity date. However, the loan shall have a provision for forgiveness of the principal amount within the sole and absolute discretion of the lender.

Housing Credit Equity:

First Housing has reviewed an executed Letter of Interest (“LOI”), dated June 13, 2023, indicating BoA, and or its affiliates, will acquire 99.99% ownership interest in the Applicant. Based on the LOI, the annual HC allocation is estimated to be in the amount of \$2,882,000 with a syndication rate of \$0.95 for a net capital contribution of \$27,376,263. BoA has committed to make available 40% or \$10,950,505 of the total net equity during construction. An additional \$16,425,758 will be available in two additional installments at stabilization and upon receipt of the Forms 8609. The first installment, in the amount of \$4,106,439, meets the RFA requirement that 15% of the total equity must be contributed at or prior to the closing.

The LOI indicates a total capital contribution in the amount of \$27,376,262 but the installments add to \$27,376,263.

First Housing received an email, dated October 2, 2023, from BoA which indicates that the second installment will be paid at 95% construction complete. First Housing has shown \$8,076,263 of equity during the construction phase as the full second installment is not needed to balance the sources and uses.

Additional HC Equity:

According to the LOI, the Investor is responsible for all of the Investor's transaction expenses up to \$91,750. The Investor's expenses will be paid in the form of capital contribution in addition to the capital contributions mentioned above.

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent period, the Developer is required to defer \$2,507,004 or approximately 46.51% of the total Developer Fee of \$5,390,631.

Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
Regulated Mortgage Lender	NLP	\$4,000,000	\$5,600,000	\$5,700,000	16	35	7.18%	\$445,639
FHFC - Viability	FHFC	\$0	\$4,300,000	\$4,300,000	16	0	1.00%	\$43,000
Local Government Subsidy	City of Miramar	\$656,000	\$656,000	\$656,000	16.5	0	4.19%	\$0
Other	United Way of Broward County, Inc.	\$0	\$750,000	\$750,000	30	0	0.00%	\$0
HC Equity	BoA	\$26,511,749	\$27,376,262	\$27,376,263	N/A	N/A	N/A	N/A
Deferred Developer Fee	Pinnacle	\$4,439,381	\$2,549,552	\$2,507,004	N/A	N/A	N/A	N/A
HC Equity	BoA	\$0	\$204,900	\$91,750	N/A	N/A	N/A	N/A
Total		\$35,607,130	\$41,436,714	\$41,381,017				\$488,639

First Mortgage:

First Housing received a Letter of Interest from NLP, dated November 17, 2023, for a permanent loan. Based on the letter of interest, NLP will provide a permanent loan in an amount up to \$5,700,000 or not to exceed 80% of the stabilized rent restricted appraised value. The term of the loan will be a maximum of 16 years. The amortization for the permanent loan will be a maximum of 35 years. The interest rate will be fixed at a rate equal to the 10-year Treasury plus 265 basis points with a floor rate of 5.75%. First Housing has based the interest rate on the 10-year Treasury rate of 4.53%, as of November 15, 2023, plus 265 basis points for an all-in rate of 7.18%. In the event the permanent period First Mortgage interest rate locked at closing exceeds 7.18%, the Servicer will review and confirm if the Development is still able to support the proposed First Mortgage Loan amount or if a reduction to the loan amount is necessary to ensure that a minimum DSC of 1.00x on the Viability Loan is achieved. The Servicer's DSC confirmation is a condition to close.

First Housing received an email, dated October 2, 2023, from NLP which confirms that the permanent loan is being underwritten with a 16-year term and payments based on a 35 year amortization.

FHFC Viability Loan:

First Housing reviewed a Notice of Preliminary Award from FHFC, dated June 14, 2023, with a preliminary Viability Loan in the amount of up to \$4,300,000. Based on the sizing parameters in RFA 2023-211, First Housing has sized the Viability Loan in the amount of \$4,300,000.

The Viability Loan is non-amortizing with an interest rate of 1% over the life of the loan with annual payments based upon available cash flow. The Viability loan will have a total term of 18.75 years, of which 33 months is for the construction/stabilization period and 16 years is for the permanent period. As required by the first mortgage lender and permitted by RFA 2023-211, the

Viability Loan will be coterminous with the first mortgage. Annual payments of all applicable fees will be required. Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the Viability Loan, all principal and unpaid interest will be due.

Fees includes an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$936 per month, subject to a minimum of \$236 per month.

City of Miramar:

First Housing received a commitment letter from City of Miramar, dated May 24, 2023 and updated on September 26, 2023, for a loan in the amount \$656,000. The loan is non-recourse with a total term of 19.5 years with 3 years for the construction period and 16.5 years for the permanent period. The loan has a 0% interest rate throughout the construction period and then the long term applicable federal rate in effect for the month the loan closes for the permanent period. Interest shall accrue on a simple, non-compounding basis and become due and payable at the end of the permanent loan term. First Housing has based the interest rate on the long-term AFR rate of 4.19% for September 2023.

United Way of Broward County, Inc.:

First Housing received a commitment letter from United Way of Broward County, Inc., dated September 25, 2023, for a loan in the amount \$750,000. The loan shall mature 30 years from the date of the closing of the permanent first mortgage loan. In no event shall this loan be longer than 33 years. During its term, the interest rate on the loan shall be 0% per annum. No payments of principal will be due during the term of the loan. The entire outstanding principal balance of the loan shall be paid in full on the maturity date. However, the loan shall have a provision for forgiveness of the principal amount within the sole and absolute discretion of the lender.

Housing Credit Equity:

First Housing has reviewed an executed LOI, dated June 13, 2023, indicating BoA and or its affiliates, will acquire 99.99% ownership interest in the Applicant. Based on a syndication rate of \$0.95, BoA anticipates a net capital contribution of \$27,376,263 paid in four installments, as shown below. First Housing received an email, dated October 2, 2023, from BoA which indicates that the second installment will be paid at 95% construction complete.

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$4,106,439	15.00%	Closing
2nd Installment	\$6,844,066	25.00%	The later of 95% completion, no mechanics lien exceptions on the title policy, and April 1, 2025.
3rd Installment	\$15,741,351	57.50%	The later of three consecutive calendar months of 1.15x, 90% occupancy, all tax credits units have been leased to qualified tenants at least one time, all permanent loans have closed and funded, permanent CO for each building, all reserves funded, a draft cost certification, and January 1, 2026.
4th Installment	\$684,407	2.50%	The later of Form 8609 for each building, a final cost certification, recorded Extended Use Agreement, third-party compliance audit of the initial tenant files, deferred developer fee note, calculations of final adjusters, and January 1, 2026.
Total	\$27,376,263	100.00%	

Annual Credit Per Syndication Agreement	\$2,882,000
Calculated HC Exchange Rate	\$0.95
Limited Partner Ownership Percentage	99.99%
Proceeds Available During Construction	\$10,950,505

First Housing has shown \$8,076,263 of equity during the construction phase as the full second installment is not needed to balance the sources and uses.

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent period, the Developer is required to defer \$2,507,004 or approximately 46.51% of the total Developer Fee of \$5,390,631. Therefore, the Applicant is meeting the Viability requirement of deferring at least 30% of the Developer Fee and it meets the requirement of deferring 35% of the Developer Fee since the Viability loan debt service coverage is below 1.10x.

Additional HC Equity:

According to the LOI, the Investor is responsible for all of the Investor's transaction expenses up to \$91,750. The Investor's expenses will be paid in the form of capital contribution in addition to the capital contributions mentioned above.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$17,599,800	\$21,781,020	\$19,768,648	\$179,715	\$100,000
Site Work	\$0	\$0	\$1,827,698	\$16,615	\$200,000
Constr. Contr. Costs subject to GC Fee	\$17,599,800	\$21,781,020	\$21,596,346	\$196,330	\$300,000
General Conditions	\$0	\$0	\$1,295,780	\$11,780	\$0
Overhead	\$0	\$0	\$1,295,780	\$11,780	\$0
Profit	\$2,437,791	\$3,049,342	\$431,927	\$3,927	\$0
General Liability Insurance	\$0	\$0	\$145,740	\$1,325	\$0
Contract Costs not subject to GC Fee	\$0	\$0	\$64,789	\$589	\$0
Total Construction Contract/Costs	\$20,037,591	\$24,830,362	\$24,830,362	\$225,731	\$300,000
Hard Cost Contingency	\$1,021,675	\$1,241,517	\$1,241,518	\$11,287	\$0
FF&E paid outside Constr. Contr.	\$400,000	\$537,000	\$537,000	\$4,882	\$187,000
Total Construction Costs:	\$21,459,266	\$26,608,879	\$26,608,880	\$241,899	\$487,000

Notes to the General Development Costs:

1. The Applicant has provided an executed construction contract, dated September 1, 2023, in the amount of \$24,830,362. The contract is a Standard Form of Agreement between Pinnacle at La Cabana, LLLP (“Owner”) and PC Building, LLC (“Contractor”) where the basis of payment is the Cost of Work Plus a fee with a Guaranteed Maximum Price (“GMP”). The contract specifies substantial completion of not later than 488 calendar days from the date of commencement of Work. Retainage of 10% shall be withheld from payment through 50% completion of work and 0% retainage withheld on amounts due after 50% completion.
2. The GC Fees are within the maximum 14% of hard costs allowed by RFA 2021-202 and Rule Chapter 67-48. The GC Fee stated herein is for credit underwriting purposes only, and the final GC fee will be determined pursuant to the final cost certification process as per Rule Chapter 67-48.023, F.A.C.
3. HC ineligible costs include \$100,000 for the retail space, \$200,000 for site work, and \$187,000 for the purchase of washer and dryers since they will be leased to the residents.
4. Construction Costs not subject to GC Fee is the costs for a Letter of Credit.
5. The GC Contract includes \$380,000 in allowances which is 1.53% of the GMP. On Solid Ground, LLC (“OSG”) found the allowances to be acceptable.

Custom Cabinets and Countertops	\$215,000
Signage	\$30,000
CCTV/Access Control	\$125,000
Additional electrical outlets	\$10,000
Total	\$380,000

6. Hard Cost Contingency is within 5% of total construction costs, as allowed for new construction developments by RFA 2021-202 and Rule Chapter 67-48.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$75,000	\$75,000	\$75,000	\$682	\$20,000
Appraisal	\$11,200	\$11,200	\$5,500	\$50	\$0
Architect's Fee - Site/Building Design	\$585,000	\$427,500	\$427,500	\$3,886	\$0
Architect's Fee - Supervision	\$65,000	\$47,500	\$47,500	\$432	\$0
Building Permits	\$759,944	\$874,911	\$874,911	\$7,954	\$0
Builder's Risk Insurance	\$218,357	\$248,304	\$248,304	\$2,257	\$0
Engineering Fees	\$352,750	\$382,500	\$382,500	\$3,477	\$0
Environmental Report	\$45,000	\$81,000	\$81,000	\$736	\$40,500
FHFC Administrative Fees	\$259,380	\$304,380	\$259,380	\$2,358	\$259,380
FHFC Application Fee	\$3,000	\$3,500	\$3,500	\$32	\$3,500
FHFC Credit Underwriting Fee	\$14,721	\$30,309	\$20,309	\$185	\$20,309
FHFC Compliance Fee	\$219,333	\$229,598	\$229,598	\$2,087	\$229,598
FHFC Other Processing Fee(s)	\$0	\$0	\$45,000	\$409	\$45,000
Lender Inspection Fees / Const Admin	\$60,000	\$60,000	\$60,000	\$545	\$0
Green Building Cert. (LEED, FGBC, NAHB)	\$35,000	\$35,000	\$35,000	\$318	\$0
Insurance	\$99,000	\$220,000	\$220,000	\$2,000	\$220,000
Legal Fees - Organizational Costs	\$400,000	\$400,000	\$400,000	\$3,636	\$350,000
Market Study	\$5,500	\$5,500	\$5,500	\$50	\$5,500
Marketing and Advertising	\$125,000	\$100,000	\$100,000	\$909	\$100,000
Plan and Cost Review Analysis	\$0	\$0	\$2,900	\$26	\$0
Property Taxes	\$196,020	\$66,000	\$66,000	\$600	\$66,000
Soil Test	\$5,000	\$9,000	\$9,000	\$82	\$4,500
Survey	\$62,250	\$67,500	\$67,500	\$614	\$0
Title Insurance and Recording Fees	\$200,000	\$190,000	\$190,000	\$1,727	\$0
Utility Connection Fees	\$492,855	\$57,640	\$57,640	\$524	\$0
Soft Cost Contingency	\$214,465	\$202,172	\$195,677	\$1,779	\$0
Total General Development Costs:	\$4,503,775	\$4,128,514	\$4,109,219	\$37,357	\$1,364,287

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: FHFC Application Fee, Appraisal, Market Study, and Plan and Cost Review.
3. The FHFC Application Fee of \$3,500 includes a \$3,000 initial application fee and a \$500 fee for the Viability Loan.
4. FHFC Compliance Fee is based on the compliance fee calculator spreadsheet provided by FHFC.
5. The FHFC Processing Fees includes a Notice of Construction Extension Fee of \$10,000, a LPA Extension Fee of \$10,000, a \$5,000 CUR Extension, a \$5,000 10% Test Extension, and a \$15,000 Credit Swap Fee.

6. The FHFC Administrative Fee is based on 9% of the recommended annual housing credit allocation.
7. The FHFC Credit Underwriting Fee includes an underwriting fee of \$13,455, a Preliminary Recommendation Letter fee of \$1,708, and a Viability underwriting fee of \$5,146.
8. The Applicant provided a Professional Services Proposal, dated April 6, 2023, between Pinnacle at La Cabana, LLLP and Abney + Abeny Green Solutions for NGBS Green Administration and Verification services for the Development.
9. First Housing has adjusted Soft Cost Contingency to be 5% of the General Development Costs, less the contingency as allowed by RFA 2021-202 and Rule Chapter 67-48 for new construction developments.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Origination Fee	\$445,000	\$560,870	\$187,500	\$1,705	\$0
Construction Loan Interest	\$1,315,447	\$2,386,942	\$2,350,600	\$21,369	\$587,650
Permanent Loan Application Fee	\$0	\$0	\$8,000	\$73	\$8,000
Permanent Loan Origination Fee	\$40,000	\$56,000	\$57,000	\$518	\$57,000
Permanent Loan Closing Costs	\$0	\$0	\$3,000	\$27	\$3,000
Legal Fees - Financing Costs	\$0	\$0	\$306,750	\$2,789	\$306,750
Other: FHFC Viability Commitment Fee	\$0	\$0	\$43,000	\$391	\$43,000
Other: FHFC Viability Closing Costs	\$0	\$0	\$17,500	\$159	\$17,500
Total Financial Costs:	\$1,800,447	\$3,003,812	\$2,973,350	\$27,030	\$1,022,900
Dev. Costs before Acq., Dev. Fee & Reserves	\$27,763,488	\$33,741,205	\$33,691,449	\$306,286	\$2,874,187

Notes to the Financial Costs:

1. The Construction Loan Origination Fee is based on 0.75% of the construction loan in the amount of \$25,000,000.
2. The Construction Loan Interest is based on an interest rate of 8.76%, a 23-month term, and an average outstanding loan balance of 56%. The GC Contract specifies a substantial completion of not later than approximately 17 months and considering it will take approximately 6 months to lease-up, First Housing has estimated that a construction term of 23-months is reasonable and conservative.
3. The Permanent Loan Origination Fee is based on 1% of the permanent loan.
4. The FHFC Viability Commitment Fee is based on 1% of the Viability Loan.

5. First Housing included FHFC Closing costs of \$17,500 for the Viability Loan FHFC legal counsel fees.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Total Non-Land Acquisition Costs:	\$0	\$0	\$0	\$0	\$0

Notes to the Non-Land Acquisition Costs:

1. As this is new construction, non-land acquisition costs are not applicable.

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	\$4,439,381	\$5,398,591	\$5,390,631	\$49,006	\$0
Total Other Development Costs:	\$4,439,381	\$5,398,591	\$5,390,631	\$49,006	\$0

Notes to the Other Development Costs:

1. The recommended Developer Fee does not exceed 16% of total development cost before Developer Fee and Operating Deficit Reserves as allowed by RFA 2021-202 and Rule Chapter 67-48.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$1,980,000	\$1,980,000	\$1,980,000	\$18,000	\$1,980,000
Total Acquisition Costs:	\$1,980,000	\$1,980,000	\$1,980,000	\$18,000	\$1,980,000

Notes to Acquisition Costs:

1. First Housing reviewed a Ground Lease Agreement, dated October 16, 2019, between City of Miramar, Florida (“Landlord”) and Pinnacle at La Cabana, LLLP. The Lease shall commence on the closing date of the construction loan and expire on the 65th anniversary. The annual base rent shall be \$1 per year. At closing, the Tenant shall pay to the Landlord a capital lease payment in an amount equal to the actual number of units multiplied by \$18,000 but no less than \$1,800,000. First Housing received a First Amendment to Ground Lease Agreement, dated June 20, 2023. The Landlord and Tenant acknowledge that in the event financing does not close by March 31, 2024, then the Lease may be terminated.
2. The appraisal indicates the market value of the fee simple interest in the Development, as is, based on market conditions prevailing on May 22, 2023, was \$3,300,000, which supports the capital lease payment.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Syndicator)	\$0	\$316,918	\$318,937	\$2,899	\$318,937
Total Reserve Accounts:	\$0	\$316,918	\$318,937	\$2,899	\$318,937

Notes to Reserve Accounts:

1. Based on the LOI, dated June 13, 2023, an ODR in the estimated amount of \$318,937 is required by the Syndicator. In exchange for receiving funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve’s original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer Fee), the Development’s capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant’s obligation to periodically fund the replacement reserve account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant’s organizational agreement (i.e., operating or limited partnership agreement whereby its final disposition remains under this same restriction. The actual direction of the disposition is at the Applicant’s discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA.

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 Chapter 67-48. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its legal counsel, and its Servicer.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$34,182,869	\$41,436,714	\$41,381,017	\$376,191	\$5,173,124

Notes to Total Development Costs:

1. The Total Development Costs have increased by a total of \$7,198,148 or 21.06% from \$34,182,869 to \$41,381,017 since the Application. The change is mainly due to an increase in construction costs and financial costs.

Operating Pro Forma – Pinnacle at La Cabaña

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			\$1,362,468	\$12,386
	Other Income				
	Ancillary Income			\$30,000	\$273
	Washer/Dryer Rentals			\$46,200	\$420
	Gross Potential Income			\$1,438,668	\$13,079
	Less:				
	Physical Vac. Loss		Percentage: 3.00%	\$43,160	\$392
	Collection Loss		Percentage: 2.00%	\$28,773	\$262
	Total Effective Gross Income			\$1,366,735	\$12,425
	EXPENSES:	Fixed:			
Real Estate Taxes			\$66,000	\$600	
Insurance			\$220,000	\$2,000	
Variable:					
Management Fee		Percentage: 5.00%	\$68,337	\$621	
General and Administrative			\$44,000	\$400	
Payroll Expenses			\$187,000	\$1,700	
Utilities			\$112,750	\$1,025	
Marketing and Advertising			\$5,500	\$50	
Maintenance and Repairs/Pest Control			\$49,500	\$450	
Grounds Maintenance and Landscaping			\$22,000	\$200	
Contract Services			\$38,500	\$350	
Reserve for Replacements			\$33,000	\$300	
Total Expenses			\$846,587	\$7,696	
Net Operating Income			\$520,148	\$4,729	
Debt Service Payments					
First Mortgage - NLP			\$445,639	\$4,051	
Second Mortgage - FHFC - Viability			\$43,000	\$391	
Third Mortgage - City of Miramar			\$0	\$0	
Fourth Mortgage - United Way of Broward County, Inc.			\$0	\$0	
First Mortgage Fees - NLP			\$0	\$0	
Second Mortgage Fees - FHFC - Viability			\$10,750	\$98	
Third Mortgage Fees - City of Miramar			\$0	\$0	
Fourth Mortgage Fees - United Way of Broward County,			\$0	\$0	
Total Debt Service Payments			\$499,389	\$4,540	
Cash Flow after Debt Service			\$20,759	\$189	
Debt Service Coverage Ratios					
DSC - First Mortgage plus Fees			1.17x		
DSC - Second Mortgage plus Fees			1.04x		
DSC - Third Mortgage plus Fees			1.04x		
DSC - Fourth Mortgage plus Fee			1.04x		
Financial Ratios					
Operating Expense Ratio			61.94%		
Break-even Economic Occupancy Ratio (all debt)			93.81%		

Notes to the Operating Pro Forma and Ratios:

- The Development will be utilizing Housing Credits, which will impose rent restrictions. The rent levels are based on the 2023 maximum LIHTC rents published on FHFC's website for Broward County less the applicable utility allowance. Below is the rent roll for the Development.

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	6	691	28%			\$504	\$68	\$ 436		\$ 436	\$ 436	\$ 436	\$ 31,392
1	1.0	59	691	60%			\$1,080	\$68	\$ 1,012		\$ 1,012	\$ 1,012	\$ 1,012	\$ 716,496
2	2.0	5	967	28%			\$604	\$81	\$ 523		\$ 523	\$ 523	\$ 523	\$ 31,380
2	2.0	40	967	60%			\$1,296	\$81	\$ 1,215		\$ 1,215	\$ 1,215	\$ 1,215	\$ 583,200
		110	88,430											\$ 1,362,468

2. The utility allowances are based on the schedule provided by Broward County Housing Authority for buildings which are 4 floors or more, dated January 1, 2023.
3. The appraisal projected vacancy and collection loss at 5% which First Housing has also utilized.
4. On the ground floor of the building, there is approximately 700 square foot of retail space. The Developer does not currently have any tenants or plans for that space at this time. Therefore, no income was included in the appraisal for this space. However, First Housing has assumed that the space could be leased for \$24 per square foot for a triple net lease including a 20% vacancy rate. Therefore, Ancillary Income includes \$16,800 for possible commercial lease income.
5. The Appraisal projected Miscellaneous Income of \$13,200 which is comprised of revenue from vending machines, late charges, pet deposits, and forfeited security deposits. Ancillary Income totals \$30,000, which consists of the Miscellaneous Income and the commercial lease income.
6. The Development will offer full size washer/dryer appliances for rent to residents. The appraisal projects a participation rate of 70% and a monthly premium of \$50 or \$46,200 annually.
7. Based upon operating data from comparable properties, third-party reports (Appraisal and Market Study) and the Credit Underwriter'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.
8. The Applicant has submitted a Property Management Agreement between Pinnacle at La Cabana, LLLP and Professional Management, Inc., dated September 20, 2023. The Applicant also submitted an executed Management Agreement Addendum. The Agreement and Addendum reflects a start date of April 1, 2025 and a management fee of \$3,500 per month or 5% of the effective gross income, whichever is greater. The management agreement also has a compliance administrative fee of \$3.50 per unit per

month. First Housing and the appraisal used a management fee of 5% which is industry standard.

9. The Development will seek an ad valorem property tax exemption under Florida Statute 196.1975. The Development's ownership will be a Florida limited partnership, with the sole general partner that is a not-for-profit corporation. A real estate counsel's opinion letter verifying the proposed organizational structure meets the requirements under this statute, is a condition to close. The Appraisal projected \$2,763 in non-ad valorem and personal property taxes that are not exempt. However, the Developer projected \$66,000 in non-ad valorem and personal property taxes that are not exempt. First Housing has based its projection on the Developer's estimate as its more conservative.
10. Residents are responsible for electric and cable/phone/internet expenses. The landlord is responsible for water/sewer, trash, and common area utility expenses.
11. Replacement Reserves of \$300 per unit per year are required per RFA 2021-202 and Rule Chapter 67-48.
12. The Break-even Economic Occupancy Ratio includes all debt; however, the Viability Loan interest payments are based on available cash flow. This ratio would improve to 90.82% if the Viability Loan interest payments were not included in the calculation.
13. Refer to Exhibit 1, Page 1 for a 15-Year Pro Forma, which reflects rental income increasing at an annual rate of 2%, and expenses increasing at an annual rate of 3%.
14. The DSC ratio for the Viability Loan, including all superior mortgage reflects a ratio lower than 1.10x to 1.00. Per RFA 2023-211, the minimum DSC ratio shall be 1.10x for the Viability Loan, including all superior mortgages. However, per RFA 2023-211, 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 Viability Loan, including all superior mortgages. The Applicant will be required to show permanent Deferred Developer Fee of at least 35% as the Viability Loan DSC is 1.04x.

Section B

Viability Loan Special and General Conditions

Housing Credit Allocation Recommendation & 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 Viability Loan closing date.

1. The permanent first mortgage loan amount approved at closing cannot be increased without approval from FHFC staff.
2. Firm Commitment from BoA (construction financing) and NLP (permanent financing) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
3. Final loan documents for the third and fourth mortgage with terms which are not substantially different than those utilized in this credit underwriting report.
4. Receipt and satisfactory review of the Final signed, sealed “approved for construction” plans and specifications by the Construction Consultant and the Servicer.
5. Servicer’s review and confirmation of the DSC upon rate lock of the permanent first mortgage interest rate verifying that the combined Viability Loan and permanent first mortgage meets a minimum 1.00 DSC per the RFA 2023-211.
6. At least 30% of the Developer Fee must be deferred pursuant to the requirements of the Viability Loan.
7. 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 25% 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. As an exception for this transaction the General Contractor may provide a 15% LOC (which meet the same requirements as listed above), with the requirement that the Developer must defer 100% of the Developer Fee (except for any required payments to non-affiliate consultants due at closing) until achieving stabilized occupancy, as defined by the permanent period first mortgage permanent lender. In addition, First Housing and/or FHFC Legal Counsel

will review the terms of the LOC to ensure the LOC stipulates that, if drawn/called, the funds will go to completing construction before anything else.

8. Satisfactory receipt and review of updated financials for the Guarantors, dated within 90 days of closing.
9. The DSC ratio for the Viability Loan, including all superior mortgage reflects a ratio lower than 1.10x to 1.00. Per RFA 2023-211, the minimum DSC ratio shall be 1.10x for the Viability Loan, including all superior mortgages. However, per RFA 2023-211, 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 Viability Loan, including all superior mortgages. The Applicant will be required to show permanent Deferred Developer Fee of at least 35% as the Viability Loan DSC is 1.04x.
10. A real estate counsel's opinion letter verifying the proposed organizational structure meets the requirements under Florida Statute 196.1975.
11. Receipt of bank references for PC Building, LLC., the 2017 Jennifer Deutch Family Trust, the 2017 Matthew Deutch Family Trust, Trust for Randi Faith Wolfson, Trust for Lindsey Paige Wolfson, Trust for Louis Wolfson IV, Everglades Housing Trust, Incorporated and Pinnacle Communities, LLC.
12. Receipt of bank references for Everglades Housing Trust, Incorporated.
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 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 67-48.0075 (5) F.A.C. of an Applicant or a Developer).

2. OSG 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. Viability Loan proceeds shall be disbursed during the construction phase in an amount per draw that does not exceed the ratio of the Viability 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. 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.
12. Borrower is to comply with any and all recommendations noted in the Plan and Cost Analysis, prepared by OSG.
13. 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. 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 two weeks prior to Real Estate Loan Closing**. Failure 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 9% Housing Credits and purchase of HC by BoA 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 Loan 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 limited liability limited partnership 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 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

This recommendation is also contingent upon satisfaction of the following additional conditions:

1. Compliance with all provisions of Section 420.507 Florida Statutes, Rule 67-48 F.A.C., Rule Chapter 67-53, F.A.C., Rule Chapter 67-60 F.A.C., RFA 2021-202, RFA 2023-211, 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 Viability 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), Extended Land Use Agreement(s), and Final Cost Certificate.
3. Receipt and satisfactory review of a Joint Funding Agreement between Applicant and BoA 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. Guarantors to provide the standard FHFC Construction Completion Guaranty, to be released upon lien-free completion, as approved by the Servicer.
5. For the Viability 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 Viability 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.
6. Guarantors to provide the Standard FHFC Environmental Indemnity Guaranty.
7. Guarantors to provide the Standard FHFC Guaranty of Recourse Obligations.
8. 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.
9. 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.

10. 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(s) servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per 67-48 F.A.C., in the amount of \$33,000 (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 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 15th year after the initial Replacement Reserve Date and subsequently every five (5) years thereafter.
11. 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 of each application for payment. After the completed work has reached 50% of the work, retainage will be reduced to 0%. This meets RFA 2021-202 and Rule Chapter 67-48 minimum requirements.
12. Closing of all funding sources prior to or simultaneous with the Viability loan.
13. Satisfactory completion of a pre-loan closing compliance audit conducted by FHFC or Servicer, if applicable.
14. Satisfactory resolution of any outstanding past due and/or noncompliance items.
15. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

Housing Credit Allocation Recommendation

First Housing Development Corporation has estimated a preliminary annual HC allocation of \$2,882,000. Please see the HC Allocation Calculation in Exhibit 2 of this report for further details.

Contingencies

The HC allocation will be contingent upon the receipt and satisfactory review of the following items by First Housing and Florida Housing by the deadline established in the Preliminary Determination. Failure to submit these items within this time frame may result in forfeiture of the HC Allocation.

1. Satisfactory resolution of any outstanding past due and/or noncompliance issues.
2. Receipt of executed FHFC Fair Housing, Section 504, and ADA as built certification forms 122, 127, 129.
3. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

15-Year Pro Forma

FINANCIAL COSTS:		Year 1	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	\$1,362,468	\$1,389,717	\$1,417,512	\$1,445,862	\$1,474,779	\$1,504,275	\$1,534,360	\$1,565,047	\$1,596,348	\$1,628,275	\$1,660,841	\$1,694,058	\$1,727,939	\$1,762,498	\$1,797,748	
	Other Income																
	Ancillary Income	\$30,000	\$30,600	\$31,212	\$31,836	\$32,473	\$33,122	\$33,785	\$34,461	\$35,150	\$35,853	\$36,570	\$37,301	\$38,047	\$38,808	\$39,584	
	Washer/Dryer Rentals	\$46,200	\$47,124	\$48,066	\$49,028	\$50,008	\$51,009	\$52,029	\$53,069	\$54,131	\$55,213	\$56,318	\$57,444	\$58,593	\$59,765	\$60,960	
	Gross Potential Income	\$1,438,668	\$1,467,441	\$1,496,790	\$1,526,726	\$1,557,261	\$1,588,406	\$1,620,174	\$1,652,577	\$1,685,629	\$1,719,341	\$1,753,728	\$1,788,803	\$1,824,579	\$1,861,070	\$1,898,292	
	Less:																
	Physical Vac. Loss Percentage: 3.00%	\$43,160	\$44,023	\$44,904	\$45,802	\$46,718	\$47,652	\$48,605	\$49,577	\$50,569	\$51,580	\$52,612	\$53,664	\$54,737	\$55,832	\$56,949	
	Collection Loss Percentage: 2.00%	\$28,773	\$29,349	\$29,936	\$30,535	\$31,145	\$31,768	\$32,403	\$33,052	\$33,713	\$34,387	\$35,075	\$35,776	\$36,492	\$37,221	\$37,966	
	Total Effective Gross Income	\$1,366,735	\$1,394,069	\$1,421,951	\$1,450,390	\$1,479,397	\$1,508,985	\$1,539,165	\$1,569,948	\$1,601,347	\$1,633,374	\$1,666,042	\$1,699,363	\$1,733,350	\$1,768,017	\$1,803,377	
	EXPENSES:	Fixed:															
Real Estate Taxes		\$66,000	\$67,980	\$70,019	\$72,120	\$74,284	\$76,512	\$78,807	\$81,172	\$83,607	\$86,115	\$88,698	\$91,359	\$94,100	\$96,923	\$99,831	
Insurance		\$220,000	\$226,600	\$233,398	\$240,400	\$247,612	\$255,040	\$262,692	\$270,572	\$278,689	\$287,050	\$295,662	\$304,531	\$313,667	\$323,077	\$332,770	
Variable:																	
Management Fee Percentage: 5.00%		\$68,337	\$69,703	\$71,098	\$72,519	\$73,970	\$75,449	\$76,958	\$78,497	\$80,067	\$81,669	\$83,302	\$84,968	\$86,667	\$88,401	\$90,169	
General and Administrative		\$44,000	\$45,320	\$46,680	\$48,080	\$49,522	\$51,008	\$52,538	\$54,114	\$55,738	\$57,410	\$59,132	\$60,906	\$62,733	\$64,615	\$66,554	
Payroll Expenses		\$187,000	\$192,610	\$198,388	\$204,340	\$210,470	\$216,784	\$223,288	\$229,986	\$236,886	\$243,993	\$251,312	\$258,852	\$266,617	\$274,616	\$282,854	
Utilities		\$112,750	\$116,133	\$119,616	\$123,205	\$126,901	\$130,708	\$134,629	\$138,668	\$142,828	\$147,113	\$151,527	\$156,072	\$160,755	\$165,577	\$170,544	
Marketing and Advertising		\$5,500	\$5,665	\$5,835	\$6,010	\$6,190	\$6,376	\$6,567	\$6,764	\$6,967	\$7,176	\$7,392	\$7,613	\$7,842	\$8,077	\$8,319	
Maintenance and Repairs/Pest Control		\$49,500	\$50,985	\$52,515	\$54,090	\$55,713	\$57,384	\$59,106	\$60,879	\$62,705	\$64,586	\$66,524	\$68,520	\$70,575	\$72,692	\$74,873	
Grounds Maintenance and Landscaping		\$22,000	\$22,660	\$23,340	\$24,040	\$24,761	\$25,504	\$26,269	\$27,057	\$27,869	\$28,705	\$29,566	\$30,453	\$31,367	\$32,308	\$33,277	
Contract Services		\$38,500	\$39,655	\$40,845	\$42,070	\$43,332	\$44,632	\$45,971	\$47,350	\$48,771	\$50,234	\$51,741	\$53,293	\$54,892	\$56,539	\$58,235	
Reserve for Replacements		\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,990	\$35,010	\$36,060	\$37,142	\$38,256
Total Expenses		\$846,587	\$870,311	\$894,733	\$919,874	\$945,755	\$972,398	\$999,826	\$1,028,061	\$1,057,128	\$1,087,051	\$1,118,846	\$1,151,578	\$1,185,276	\$1,219,967	\$1,255,682	
Net Operating Income	\$520,148	\$523,758	\$527,217	\$530,515	\$533,642	\$536,587	\$539,339	\$541,888	\$544,220	\$546,323	\$547,196	\$547,785	\$548,074	\$548,050	\$547,695		
Debt Service Payments																	
First Mortgage - NLP	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	\$445,639	
Second Mortgage - FHFC - Viability	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	
Third Mortgage - City of Miramar	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fourth Mortgage - United Way of Broward County, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
First Mortgage Fees - NLP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Second Mortgage Fees - FHFC - Viability	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	
Third Mortgage Fees - City of Miramar	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fourth Mortgage Fees - United Way of Broward County,	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Debt Service Payments	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	\$499,389	
Cash Flow after Debt Service	\$20,759	\$24,369	\$27,828	\$31,126	\$34,253	\$37,198	\$39,950	\$42,498	\$44,830	\$46,934	\$47,807	\$48,395	\$48,685	\$48,660	\$48,306		
Debt Service Coverage Ratios																	
DSC - First Mortgage plus Fees	1.17	1.18	1.18	1.19	1.20	1.20	1.21	1.22	1.22	1.23	1.23	1.23	1.23	1.23	1.23	1.23	
DSC - Second Mortgage plus Fees	1.04	1.05	1.06	1.06	1.07	1.07	1.08	1.09	1.09	1.09	1.10	1.10	1.10	1.10	1.10	1.10	
DSC - Third Mortgage plus Fees	1.04	1.05	1.06	1.06	1.07	1.07	1.08	1.09	1.09	1.09	1.10	1.10	1.10	1.10	1.10	1.10	
DSC - Fourth Mortgage plus Fee	1.04	1.05	1.06	1.06	1.07	1.07	1.08	1.09	1.09	1.09	1.10	1.10	1.10	1.10	1.10	1.10	
Financial Ratios																	
Operating Expense Ratio	61.94%	62.43%	62.92%	63.42%	63.93%	64.44%	64.96%	65.48%	66.01%	66.55%	67.16%	67.77%	68.38%	69.00%	69.63%		
Break-even Economic Occupancy Ratio (all debt)	93.81%	93.59%	93.39%	93.21%	93.05%	92.91%	92.78%	92.68%	92.59%	92.52%	92.52%	92.54%	92.58%	92.64%	92.71%		

HC Allocation Calculation

Section I: Qualified Basis Calculation

Total Development Costs(including land and ineligible Costs)	\$41,381,017
Less Land Costs	\$1,980,000
Less Federal Grants and Loans	\$0
Less Other Ineligible Costs	\$3,193,124
Total Eligible Basis	\$36,207,893
Applicable Fraction	100%
DDA/QCT Basis Credit	130%
Qualified Basis	\$47,070,261
Housing Credit Percentage	9.00%
Annual Housing Credit Allocation	\$4,236,323

Notes to the Qualified Basis Calculation:

1. Other ineligible costs include retail space construction costs, site work, purchase of washer/dryers, accounting fees, environmental report, FHFC fees, insurance, legal, market study, advertising/marketing, property taxes, construction loan interest, financial costs, and operating deficit reserves.
2. The Development has a 100% set-aside. Therefore, the Applicable Fraction is 100%.
3. The Development is located in a Small Area Difficult Development Area, Local Government Area of opportunity, and Geographic Area of Opportunity; therefore, the 130% basis credit was applied.
4. For purposes of this recommendation a HC percentage of 9% was applied based on the 9% 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.

Section II: GAP Calculation

Total Development Costs(including land and ineligible Costs)	\$41,381,017
Less Mortgages	\$11,497,750
Less Grants	\$0
Equity Gap	\$29,883,267
HC Syndication Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.95
HC Required to meet Equity Gap	\$31,459,216
Annual HC Required	\$3,145,922

Notes to the Gap Calculation:

1. The syndication information was taken from the executed LOI, dated June 13, 2023, from BoA.
2. The committed first mortgage in the amount of \$5,700,000 exceeds the minimum first mortgage requirement of \$4,878,015.

Section III: Summary

HC Per Applicant's Request	\$2,882,000
HC Per Qualified Basis	\$4,236,323
HC Per GAP Calculation	\$3,145,922
Annual HC Recommended	\$2,882,000
Syndication Proceeds based upon Syndication Agreement	\$27,376,263

1. The estimated annual housing credit allocation is limited to the lesser of the Qualified Basis calculation, the GAP calculation or the Applicant's Request. The recommendation is based on the Applicant's Request.
2. FHFC reserves the right to resize the Housing Credit preliminary awarded to the Applicant. The next opportunity for a feasibility review of this transaction will be at cost certification. If the cost certification indicates a need to resize the HC allocation, FHFC will do so at that time.

Rule Chapter 67-48.0072(28)(g)	
Determination of the minimum first mortgage for use in the Housing Credit gap calculation	
Input Variables	
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	110
Potential Gross Income Year 1	\$1,438,668.00
Vacancy & Collection Loss (7.00%)	\$100,706.76
Effective Gross Income Year 1	\$1,337,961.24
Operating Expenses Year 1	\$846,586.73
(i) Actual Debt of Development	\$5,700,000.00
Actual interest rate	7.18%
Actual term of debt amortization	35.00 Yrs
DS Interest Rate floor	7.00%
Application deadline	08/31/21
10-Year Treasury Rate as of App deadline	1.285%
Spread over 10-yr Treasury	325 bps
10-yr Treasury plus the stated spread	4.54%
Greater of interest rate floor or spread over Treasury	7.00%
Maximum Rate	8.00%
Interest Rate to be used for qualifying debt	7.18%
Minimum stated term of debt amortization per RFA	30.00 Yrs
Term of debt amortization to be used for qualifying debt	35.00 Yrs
Resulting Mortgage Constant to be used for qualifying debt	7.81823%
Minimum Debt Service	
NOI Year 15	\$484,873.05
DSCR DS limitation	\$387,898.44
(a) Resulting Debt, Year 15 limitation	\$4,961,459.83
NOI Year 1	\$491,374.51
(b)(i) DSCR DS limitation	\$327,583.01
(b)(i) DSCR Debt Sizing	\$4,189,988.28
(b)(ii) NCF DS limitation	\$381,374.51
(b)(ii) NCF Debt Sizing	\$4,878,014.72
(b) Greater of (i) DSCR debt or (ii) NCF debt, Year 1 limitation	\$4,878,014.72
(ii) Minimum qualifying first mortgage (lessor of (a) or (b))	\$4,878,014.72
Greater of Actual or Minimum	\$5,700,000.00

Viability Loan Sizing

Viability Loan Sizing Parameters and Metrics

Select the Development	Pinnacle at La Cabana	
RFA of Active Award	RFA 2021-202	
Demographic Commitment	Elderly, Non-ALF	
Total Number of Units	110	
Existing Competitive Active Awards:	Set-Aside Units	
9% HC Allocation	\$ 2,882,000	110
SAIL	NA	NA
ELI	NA	NA
NHTF	NA	NA
HOME	NA	NA
Tax Exempt Bond Financing:		
If MMRB, how much is the Perm Amount?	NA	
Viability Funding Limits:		
Gross Per Development Limit	\$ 4,300,000	
Maximum Per Unit Limit	\$ 125,000	
Net Per Development Limit (same as gross)	\$ 4,300,000	
Maximum Limit from PU Limit (110 units x \$125,000 PU)	\$ 13,750,000	
Lesser of Net Per Development or PU Limit	\$ 4,300,000	

Viability Loan Sizing Parameters

a. Eligible Request Amount:	No	
Applicant's Request Amount	\$ 4,300,000	If so, how much should
Per Development/PU Limit	\$ 4,300,000	be deducted?
Eligible Request Amount:	\$ 4,300,000	

b. Gap Analysis for Viability Sizing Purposes Only:

Permanent Funding Sources:		DS w/ Fees	DSCR	NCF
Traditional First Mortgage	\$ 5,700,000.00	\$ 449,508	1.1572x	\$ 70,640
Viability	\$ 4,300,000.00	\$ 53,750	1.0336x	\$ 16,890
FHFC Source 1 - NA	\$ -	\$ -	1.0336x	\$ 16,890
FHFC Source 2 - NA	\$ -	\$ -	1.0336x	\$ 16,890
FHFC Source 3 - NA	\$ -	\$ -	1.0336x	\$ 16,890
City of Miramar	\$ 656,000.00	\$ -	1.0336x	\$ 16,890
United Way of Broward County, Inc.	\$ 750,000.00	\$ -	1.0336x	\$ 16,890
HC Equity	\$ 91,750.00	\$ -	1.0336x	\$ 16,890
	\$ -	\$ -	1.0336x	\$ 16,890
	\$ -	\$ -	1.0336x	\$ 16,890
HC Equity	\$ 27,376,263.00			
Deferred Developer Fee (46.51%)	\$ 2,507,004.00			
Total Sources	\$ 41,381,017.00	\$ 503,258	1.0336x	\$ 16,890
Additional First Mortgage (Min 1st Sizing)	\$ -	\$ -		
Additional First Mortgage (DCR Sizing)	\$ -	\$ -		

Total Development Costs	\$41,381,017
Maximum Developer Fee Percentage	16%
Total Developer Fee	\$5,390,631
Minimum 30% Deferred Developer Fee	\$ 1,617,189.30

*Set-Asides for MMRB are expressed as the greater of MMRB Set-Asides or 4%HC Set-Asides for purposes of calculating Compliance Monitoring Fees on the MMRB loan.

Cash Flow Assumptions

Net Operating Income:

Total Effective Gross Income in CUR Yr 1	\$ 1,366,735.00
Total Operating Expenses in CUR Yr 1	\$ 846,587.00
Net Operating Income in CUR Yr 1	\$ 520,148.00

Actual Traditional 1st Mortgage:

Proposed Amount of Traditional 1st Mortgage	\$ 5,700,000.00
Traditional 1st Mtg Amortization (Years)	35.00
Traditional 1st Mtg Interest Rate	7.260%
Traditional 1st Mtg Mortgage Constant	7.88610%
Local HFA Bond Fees, if applicable	
Traditional 1st Mtg DSCR	1.16x
Net Cash Flow (NCF) after 1st Mtg Debt Service	\$ 70,640.20
Debt Service (DS) on FHFC Subsidy Loans (w/ fees)	\$ -
NCF after FHFC Subsidy Loans DS & Fees	\$ 70,640.20

RFA 2023-211 Minimum 1st Mortgage:

Maximum 1st Mtg DSCR from Viability RFA	1.30x
Sized Debt Service from maximum DSCR	\$ 400,113.85
When TEBS are not utilized, no fees are included	\$ -
Sized Debt Service to be incorporated, net of fees	\$ 400,113.85
Mortgage Constant to be incorporated	7.88610%
Resulting minimum 1st Mtg	\$ 5,073,658.18
NCF after resulting minimum 1st Mtg	\$ 120,034.15
NCF after FHFC Subsidy Loans DS & Fees	\$ 120,034.15

Rule Chapter 67-48.0072(28)(g)2. Variables and Process:

Total Vacancy & Collection Rate in CUR	5.000%
Revenue Growth Rate in CUR	2.000%
Operating Expense Growth Rate in CUR	3.000%
Amortization to be incorporated (Years)	35.00
Interest Rate to be incorporated	7.260%
Resulting Mortgage Constant for qualifying debt	7.88610%
Revenue Growth Rate to be incorporated	2.000%
Operating Expense Growth Rate to be incorporated	3.000%
Vacancy Rate to be incorporated	7.000%
Maximum DSCR for Year 1 NOI	1.50x
Maximum DSCR for Year 15 NOI	1.25x
Minimum NCF PU Year 1 (after 1st Mtg DS Only)	\$1,000
Net Operating Income Year 1	\$ 491,374.63
Net Operating Income Year 15	\$ 484,873.16
(a) Resulting Debt for Year 15 DSCR Limitations	\$ 4,918,761.41
(b)(i) Resulting Debt for Year 1 DSCR Limitation	\$ 4,153,929.26
(b)(ii) Resulting Debt for Year 1 NCS Limitation	\$ 4,836,034.89
(b) Greater of (b)(i) or (b)(ii)	\$ 4,836,034.89
Lesser of (a) or (b)	\$ 4,836,034.89
Sized Minimum 1st Mortgage per Rule	\$ 4,836,034.89
Resulting DSCR from Sized Minimum 1st Mortgage per Rule (using actual 1st mortgage debt structure)	1.36x

PINNACLE AT LA CABAÑA
RFA 2021-202 (2022-131C/2023-264C) / RFA 2023-211 (2023-233V)
DESCRIPTION OF FEATURES AND AMENITIES

The Development will consist of:

110 apartments units located in 1 mid-rise residential building.

Unit Mix:

Sixty-five (65) one bedroom/one bath units; and

Forty-five (45) two bedroom/two bath units;

110 Total Units

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.

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.

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;
- 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;
- 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 non-Elderly units;
- Elderly Developments 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; and

- Full-size range and oven in all 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. 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.

(1) Required 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) Accessibility Features in all Developments with the Elderly (ALF or Non-ALF) Demographic must also provide the following 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 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.

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 ≥ 2.5 over a 77° rise or 0.87 UEF and GPM of ≥ 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:
 - ≥ 8.5 HSPF/ ≥ 15 SEER/ ≥ 12.5 EER for split systems
 - ≥ 8.2 HSPF ≥ 15 SEER/ ≥ 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 Building Communities; or

___X___ ICC 700 National Green Building Standard (NGBS)

- e. This Elderly (Non-ALF) Development will provide the following resident programs:

- (1) Required Resident Program for all Applicants that select the Elderly Demographic (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.

(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) 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.

(4) Daily Activities

The Applicant or its Management Company must provide on-site supervised, structured activities, at no cost to the resident, at least five days per week which must be offered between the hours of 8:00 a.m. and 7:00 p.m. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.

DEVELOPMENT

NAME: Pinnacle at La Cabaña

DATE: December 4, 2023

In accordance with the applicable Program Rule(s), the applicant is required to submit the information required to evaluate, complete, and determine its sufficiency in satisfying the requirements for Credit Underwriting to the Credit Underwriter in accordance with the schedule established by the Florida Housing Finance Corporation ("FHFC"). The following items must be satisfactorily addressed. "Satisfactorily" means that the Credit Underwriter has received assurances from third parties unrelated to the applicant that the transaction can close within the allowed time frame. Unsatisfactory items, if any, are noted below in the "Issues and Concerns" section of the Executive Summary.

FINAL REVIEW	STATUS	NOTE
REQUIRED ITEMS:	Satis. / Unsatis.	
1. The development's final "as submitted for permitting" plans and specifications. Note: Final "signed, sealed, and approved for construction" plans and specifications will be required thirty days before closing.	Satis.	
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	
4. Pre-construction analysis ("PCA"). a. No construction costs exceeding 20% is subcontracted to any one entity with the exception of a subcontractor contracted to deliver the building shell of a building of at least 5 stories which may not have more than 31% of the construction cost in a subcontract. b. No construction costs is subcontracted to any entity that has common ownership or is an affiliate of the general contractor of the developer.	Satis. Satis. Satis.	
5. Survey.	Satis.	
6. Complete, thorough soil test reports.	Satis	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice.	Satis.	
8. Market Study separate from the Appraisal.	Satis.	
9. Environmental Site Assessment – Phase I and/or the Phase II if applicable (If Phase I and/or II disclosed environmental problems requiring remediation, a plan, including time frame and cost, for the remediation is required). If the report is not dated within one year of the application date, an update from the assessor must be provided indicating the current environmental status.	Satis.	
10. Audited financial statements for the most recent fiscal year ended or acceptable alternative as stated in Rule for credit enhancers, applicant, general partner, principals, guarantors and general contractor.	Satis.	
11. Resumes and experience of applicant, general contractor and management agent. Confirmed active status on Sunbiz for Applicant, Developer, and GC entities.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Satis.	
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	N/A	

15. Firm commitment letter from the syndicator, if any.	Satis.	1.
16. Firm commitment letter(s) for any other financing sources.	Satis.	2-3.
17. Updated sources and uses of funds.	Satis.	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Satis.	4.
19. Fifteen-year income, expense, and occupancy projection.	Satis.	
20. Executed general construction contract with "not to exceed" costs.	Satis.	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis.	
22. Any additional items required by the credit underwriter.	Satis.	
23. Receipt of executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128.	Satis.	
24. If the owner has a HAP Contract or ACC with HUD, then receipt of HUD approval for an owner-adopted preference or limited preference specifically for individuals or families who are referred by a designated Referral Agency serving the county where the Development is located.	N/A	
25. Receipt of Tenant Selection Plan	Satis.	
26. Receipt of GC Certification	Satis.	
27. Reliance for FHDC as agent for FHFC is include in all applicable third party reports: Appraisal, Market Study, PCA, CNA, and Phase I.	Satis.	

1. Closing is conditioned upon receipt of an Amended and Restated Limited Partnership Agreement.
2. Closing is conditioned upon receipt of a firm commitment from BoA (construction financing) and NLP (permanent financing) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
3. Closing is conditioned upon final loan documents for the third and fourth mortgages with terms that are not substantially different than those utilized in this credit underwriting report.
4. Closing is conditioned upon receipt of a final draw schedule.

Exhibit A
Hurricane Idalia - Progress Report on Reconstruction and Re-housing of Displaced Households
as of 10/31/2023

HFA#	FEMA IA County	Development Name	City	County	Total Units	Total Bldgs.	Buildings Damaged	Units Damaged	Households Displaced	Estimated Damage	Progress as of 10/31/2023	Households Displaced as of 10/31/2023
1630	Yes	Arbours at Madison	Madison	Madison	72	9	9	2	0	LIMITED	Initial reports of limited roof shingle damage to residential to non-residential buildings (clubhouse, mail kiosk and covered picnic facility). As of 10/31/2023, the insurance adjuster has determined the scope of work on the roofs and exterior siding. Anticipated completion date is TBD once the adjuster settles the claim. All work should be completed 90 days from the proof of loss date.	0
309	Yes	Greenbriar	Jasper	Hamilton	24	5	1	0	0	LIMITED	Initial reports of limited roof damage to one (1) residential buildings. As of 9/30/2023, owner reports that all roof damage has been repaired. As of 10/31/2023, all storm-related repairs from fallen trees etc. are complete.	0
311	Yes	Greenhaven	Jasper	Hamilton	37	7	1	0	0	LIMITED	Initial reports of limited roof damage to one (1) residential buildings. As of 9/30/2023, owner reports that all roof damage has been repaired. As of 10/31/2023, all storm-related repairs are complete.	0
324	Yes	Hamilton Village	Jennings	Hamilton	24	5	1	0	0	LIMITED	Initial reports of limited roof damage to one (1) residential buildings. As of 9/30/2023, owner reports that all roof damage has been repaired. As of 10/31/2023, minor repairs from fallen trees etc. have been cleared and cleaned up. All storm-related repairs are complete.	0
3128	Yes	Hilltop	Madison	Madison	72	15	2	3	1	MODERATE	Initial reports of moderate roof damage to two (2) residential buildings with three (3) Units in the building damaged. One household was required to move out. As of 10/31/2023, all fallen trees have been removed from the roofs and grounds of the development. Roofs have been tarped to prevent any further damage. Bids have been received by several vendors. Work will begin once the insurance claim is settled.	0

Exhibit A
Hurricane Idalia - Progress Report on Reconstruction and Re-housing of Displaced Households
as of 10/31/2023

HFA#	FEMA IA County	Development Name	City	County	Total Units	Total Bldgs.	Buildings Damaged	Units Damaged	Households Displaced	Estimated Damage	Progress as of 10/31/2023	Households Displaced as of 10/31/2023
2464	Yes	Live Oak - Meadows	Live Oak	Suwannee	87	18	1		1	MODERATE	Initial Report of extensive damage to non-residential buildings and amenities. moderate roof damage to residential buildings. As of 10/31/2023, owner is waiting on receipt the architect/engineer plans. Everything needed for permitting should be received no later than 11/30/2023.	0
1020	No	Mission Pointe	Jacksonville	Duval	388	18	3	0	0	LIMITED	Initial reports of limited roof damage to three (3) residential buildings. As of 10/31/2023, owner had received bids for roof repairs. Anticipated completion date is unknown at this time.	0
566	Yes	Oaktree	Jasper	Hamilton	24	6	1	0	0	LIMITED	Initial reports of limited roof damage to one (1) residential building. As of 10/31/2023, all storm-related repairs are complete.	0
615	No	Parkside Gardens	Ocala	Marion	144	1	3	0	0	LIMITED	Initial reports of limited roof damage to three (3) residential buildings. As of 10/31/2023, all repairs to damaged roofs are complete.	0
2909	Yes	Perrytown	Perry	Taylor	100	11	3	3	3	EXTENSIVE	As of 9/30/2023, owner reported extensive roof damage to two (2) residential buildings resulting in three (3) households being displaced. As of 10/31/2023, owner is negotiating claim with the insurance adjuster. All roofs have been tarped and units dried. No anticipated completion date at this time.	3
3100	Yes	Southern Villas of Madison	Madison	Madison	36	7	6			LIMITED	Initial report of limited roof and window damage to residential buildings. Limited damage to non-residential buildings and amenities also reported. As of 10/31/2023, owner reported no unit interior damage and no displaced households. Work has not yet begun as the owner is currently prioritizing work at other developments affected by the storm.	0

Exhibit A
Hurricane Idalia - Progress Report on Reconstruction and Re-housing of Displaced Households
as of 10/31/2023

HFA#	FEMA IA County	Development Name	City	County	Total Units	Total Bldgs.	Buildings Damaged	Units Damaged	Households Displaced	Estimated Damage	Progress as of 10/31/2023	Households Displaced as of 10/31/2023
3068	Yes	Southern Villas of Perry	Perry	Taylor	36	6	4		3	EXTENSIVE	Initial Report of extensive roof damage to four (4) residential buildings and one (1) non-residential building. Three (3) household reported as displaced. As of 9/30/2023 , owner is soliciting bids from contractors and coordinating with claims adjusters. As of 10/31/2023, Architect/Engineer plans were received . All Interior demolition Has been completed. One of the displaced households was transferred to another unit on site. No anticipated completion date of 10/31/2023. All documentation required for permitting should be available no later than 11/30/2023.	2
3023	Yes	Springhill	Madison	Madison	76	8	2	4	4	MODERATE	Initial Report of moderate roof damage to two (2) residential buildings with four (4) households displaced as a result. As of 9/30/2023, all damage roofs are tarped and owner is soliciting bids from contractors. As of 10/31/2023, owner continues to negotiate claim with :Insurance adjuster. No anticipated completion date as this time.	3
1180	0	Thomas Chase	Jacksonville	Duval	268	10	2	0	0	MODERATE	Initial Report of moderate roof damage to two (2) residential buildings and limited damage to non-residential buildings. As of 10/31/2023, all storm-related damage has been completed.	0
3209	Yes	Timbers	Cross City	Dixie	32		8	1	0	MODERATE	Initial report of moderate damage to one (1) residential building with one (1) unit damaged. As of 10/31/2023, all affected buildings have been secured while the Owner continues to negotiate a claim with the insurance company. Construction period is estimated to be within 90 days of contract execution.	0
3211	Yes	Trenton I	Trenton	Gilchrist	36		4	0	0	LIMITED	Initial reports of limited roof damage to four (4) residential buildings. 10/31/23: Storm related repairs are 100% complete and no households are displaced.	0
3212	Yes	Trenton II	Trenton	Gilchrist	24		4	0	0	LIMITED	Initial reports of limited roof damage to four (4) residential buildings. 10/31/23: Storm related repairs are 100% complete and no households are displaced.	0

Displaced Households- Total

8

RFA	Application Number	Name of Development	Funding Amount	Name of Applicant	Name of Developers	County	Total Units	Demographic	Current Status	Assigned Credit Underwriter	Credit Underwriting Status, if applicable
2023-304 (RRLP)	2023-201R	Lofts on Lemon Phase II	\$10,657,100.00	Lofts on Lemon II, LLC	Lofts II Fortis Developer, LLC; SHA Affordable Development, LLC	Sarasota	93	F	Invited into credit underwriting on August 23, 2023.	First Housing	
2023-304 (RRLP)	2023-216BR	Palms Landing	\$8,096,200.00	SP Palms LLC	Southport Development, Inc.	Lee	88	F	Invited into credit underwriting on August 23, 2023.	First Housing	
2023-304 (RRLP)	2023-220BR	Legacy Park II	\$8,950,600.00	HTG Legacy II, Ltd.	HTG Legacy II Developer, LLC	Lee	80	E, Non-ALF	Invited into credit underwriting on August 23, 2023.	AmeriNat	
2023-304 (RRLP)	2023-226BR	New York Avenue Apartents	\$9,353,500.00	Blue Ian, LLC	Blue Ian Developer, LLC	Volusia	84	F	Invited into credit underwriting on August 23, 2023.	AmeriNat	
2023-304 (RRLP)	2023-196BR	Town Oaks Apartments	\$5,340,600.00	ECG Town Oaks, LP	ECG Town Oaks Developer, LLC	Orange	60	F	Invited into credit underwriting on August 23, 2023.	Seltzer	
2023-304 (RRLP)	2023-206BR	Lakewood Senior Housing	\$5,394,400.00	Lakewood Senior Housing, LLLP	ACRUVA Community Developers, LLC; Neighborhood Renaissance, Inc.	Volusia	56	E, Non-ALF	Invited into credit underwriting on August 23, 2023.	Seltzer	
2023-304 (RRLP)	2023-202BR	Oak Park	\$10,721,600.00	CORE Oak Park LLLP	CORE Oak Park Developer LLC	Lee	144	E, Non-ALF	Invited into credit underwriting on November 1, 2023.	First Housing	
2023-304 (RRLP)	2023-197BR	Princeton Oaks	\$9,227,900.00	Archway Princeton Oaks, LLC	Archway Princeton Oaks Developer, LLC	Orange	90	F	Invited into credit underwriting on November 1, 2023.	AmeriNat	
2023-304 (RRLP)	2023-211R	Amaryllis Park Place III	\$11,059,100.00	Amaryllis Park Place III, LLC	Amaryllis III Fortis Developer, LLC; SHA Affordable Development, LLC	Sarasota	108	F	Invited into credit underwriting on November 1, 2023.	Seltzer	
2023-108 (HC and RRLP)	2023-190CRA	Blue Coral Apartments	\$2,040,000 HC \$4,200,000 RRLP	Blue CASL Coral, LLC	Blue BC Developer, LLC; CASL Developer, LLC	Lee	72	H	Invited into credit underwriting on June 20, 2023. Carryover Allocation Agreement executed October 4, 2023.	First Housing	
2023-108 (HC and RRLP)	2023-192CRA	Fox Pointe	\$2,040,000 HC \$4,200,000 RRLP	HFH Fox Pointe, LLC	HTG Fox Pointe Developer, LLC; HFH Fox Pointe Developer, LLC	Volusia	70	H	Invited into credit underwriting on June 20, 2023. Carryover Allocation Agreement executed October 2, 2023.	Seltzer	
2022-206 (HOME)	2023-162H	Parc East	\$6,600,000.00	Parc East, LLC	Rural Neighborhoods, Incorporated	Okeechobee	28	F	Invited into credit underwriting on June 12, 2023.	AmeriNat	
2022-206 (HOME)	2023-163H	Wauchula Place	\$5,700,000.00	NDA Wauchula, LLC	NDA Developer, LLC	Hardee	22	F	Invited into credit underwriting on May 24, 2023. CUR approval on December 15, 2023 Board agenda.	First Housing	
2022-206 (HOME)	2023-164H	Phoenix Crossings	\$6,250,000.00	Phoenix Crossings, LLC	Rural Neighborhoods, Incorporated	Flagler	28	F	Invited into credit underwriting on May 24, 2023.	AmeriNat	
2022-206 (HOME)	2023-165BH	Sovereign at Harbor West	\$6,173,749.00	Sovereign at Harbor West, LLC	Strategic Sovereign Developers, LLC; N Vision Communities, Inc.	Charlotte	32	F	Invited into credit underwriting on May 24, 2023.	Seltzer	
2022-206 (HOME)	2023-166BH	Sovereign at Parkside East	\$5,653,571.00	Sovereign at Parkside East, LLC	Strategic Sovereign Developers, LLC; N Vision Communities, Inc.	Charlotte	32	E, Non-ALF	Invited into credit underwriting on May 24, 2023.	Seltzer	
2022-206 (HOME)	2023-168H	Holy Child	\$6,994,000.00	Holy Child Housing, Inc.	NDA Developer, LLC; Holy Child Developer, Inc.	Hardee	25	F	Invited into credit underwriting on June 12, 2023. CUR approved by Board at October 27, 2023 meeting.	First Housing	

Exhibit C
Hurricane Ian- Progress Report on Reconstruction and Re-housing of Displaced Households
as of 10/31/2023

Displaced HHs with Catastrophic, Extensive, or Moderate Damage

HFA#	Event	FEMA IA County	Property-HDR	City	County	Ttl Units HDR	Buildings Damaged	Units Damaged	Households Displaced	Estimated Damage	Construction Progress as of 9/30/2023	Households Displaced at 10/31/2023
2278	Hurricane Ian	Yes	Renaissance Phase II	Ft. Myers	Lee	96	15	18	6	EXTENSIVE	All tenants were relocated to other properties operated by the Housing Authority of the City of Ft. Myers (HACFM). As of 3/31/2023, HACFM is waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs are currently tarped. Anticipated completion date is 2024. As of 6/15/2023, owner was still waiting on funds from FEMA and/or insurance carrier to commence work. As of 9/30/2023, the owner continues to negotiate the claim with the insurer. Contract for roof work is anticipated no earlier than December 2023. Anticipated completion date for all work is during the first quarter of 2024.	0
2466	Hurricane Ian	Yes	Renaissance Phase III	Ft. Myers	Lee	88	8	11	4	EXTENSIVE	All tenants were relocated to other properties operated by the Housing Authority of the City of Ft. Myers (HACFM). As of 3/31/2023, HACFM is waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs are currently tarped. Anticipated completion date is 2024. As of 6/15/2023, owner was still waiting on funds from FEMA and/or insurance carrier to commence work. As of 9/30/2023, the owner continues to negotiate the claim with the insurer. Contract for roof work is anticipated no earlier than December 2023. Anticipated completion date for all work is during the first quarter of 2024.	0
2710	Hurricane Ian	Yes	Renaissance Phase IV	Ft. Myers	Lee	88	8	11	3	EXTENSIVE	All tenants were relocated to other properties operated by the Housing Authority of the City of Ft. Myers (HACFM). As of 3/31/2023, HACFM is waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs are currently tarped. Anticipated completion date is 2024. As of 6/15/2023, owner was still waiting on funds from FEMA and/or insurance carrier to commence work. As of 9/30/2023, the owner continues to negotiate the claim with the insurer. Contract for roof work is anticipated no earlier than December 2023. Anticipated completion date for all work is during the first quarter of 2024.	0

Exhibit C
Hurricane Ian- Progress Report on Reconstruction and Re-housing of Displaced Households
as of 10/31/2023

Displaced HHs with Catastrophic, Extensive, or Moderate Damage

HFA#	Event	FEMA IA County	Property-HDR	City	County	Ttl Units HDR	Buildings Damaged	Units Damaged	Households Displaced	Estimated Damage	Construction Progress as of 9/30/2023	Households Displaced at 10/31/2023
2010	Hurricane Ian	Yes	Renaissance Senior	Ft. Myers	Lee	120	1	8	0	EXTENSIVE	All tenants were relocated to other properties operated by the Housing Authority of the City of Ft. Myers (HACFM). As of 3/31/2023, HACFM is waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs are currently tarped. Anticipated completion date is 2024. No change as of 5/15/2023. As of 6/15/2023, owner and insurance carrier were working to finalize contracts for reconstruction. As of 9/30/2023, the owner continues to negotiate the claim with the insurer. Contract for roof work is anticipated no earlier than December 2023. Anticipated completion date for all work is during the first quarter of 2024.	0
1608	Hurricane Ian	Yes	Valencia Gardens	Wauchula	DeSoto	104	1	16	16	CATASTROPHIC	Sixteen (16) units destroyed by fire due to the Hurricane. No anticipated completion date. Seven (7) households were re-housed at Valencia Gardens. As of 3/31/2023, debris removal has started. Bids for reconstruction of the building are being reviewed. A contract should be finalized by 4/30/2023. As of 5/15/2023, the building site was cleared of all debris. As of 6/15/2023, owner and insurance carrier are working to finalize contracts for reconstruction. As of 7/31/2023, environmental and geotechnical site studies are being conducted along with and draft architectural plans and preliminary cost estimates. As of 9/30/2023, full set of construction plans are complete and being reviewed by claims adjuster. Contractor will then provide updated price based on adjuster's review. As of 10/31/2023, plans have been submitted to the local governments for permit review.	9
Total											9	

Exhibit D
Hurricane Eta (FEMA-3551_FL) Damage Assessment
as of 10/31/ 2023

Development	City	County	Demographic	# Units	Damage reported	Current Status (According to Glorieta Gardens Management)	# Displaced Households
Glorieta Gardens	Opa Locka	Miami-Dade	Family	330	Flood damage to first floor units of two (2) buildings	The Local government has agreed to issue permits to begin demolition work. However, commencement of work is dependent on a damaged storm drain line that extends from the property to a city-owned canal. As of 2/15/2021, building permit are secured and all tenants have been relocated. Owners anticipate having the units back on line by April 30, 2021. As of 4/9/2021, the tenants have all been relocated to either a hotel or another unit at the development. As of 5/15/2021, the completion has been extended to 7/31/2021. There are now 28 tenants currently displaced. As of 6/30/2021, there are now 26 tenants currently displaced. The anticipated completion date is still 7/31/2021. There are now 19 tenants currently displaced. Anticipated completion date is October 31, 2021. As of 9/30/2021, there are 43 units out of service. There are now 15 households currently displaced. There are now 13 tenants currently displaced. No work was completed due to shortage in supply/material. Contractors have placed material and supply orders directly through the manufacturers to expedite delivery. Anticipated completion date is March 31, 2022. As of 2/15/2022, there are remain 13 households displaced and the anticipated completion date continues to be 3/31/2022. As of 3/31/2022, 13 residents are in hotels. Seven (7) units were ready for move-in on 3/31/2022. However, inspection backlogs within the City of Opa Locka Building Dept. have delayed receipt of COs. As of 5/31/2022, 24 units are still out of service and 8 households remain displaced. However, by Thursday, 6/2 only one tenant will remain in a hotel. Pending additional site work, the new anticipated completion date is June 30, 2022. As of 8/31/2022, 16 units remain out of service with 1 household displaced. As of 3/31/2023, one(1) unit remains out-of-service from flooding caused by Hurricane Eta. No households displaced. As of 5/15/2023, one (1) unit remains out-of-service while awaiting air quality testing and final inspection. As of 6/15/2023, the unit has been fully inspected and a new tenant has a scheduled move-in date of June 28th. As of 10/31/2023, the final unit remains unoccupied.	1