October 22, 2024
Information Items
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ASSET MANAGEMENT

Information

I. ASSET MANAGEMENT

A. Florida Housing Multifamily Rental Portfolio Compliance Dashboard

1. <u>Background/Present Situation:</u>

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) Data was analyzed from all reviews conducted between October 1, 2021, and September 30, 2024.

c) During the study period, Florida Housing conducted a total of 3,222 MRPI Reports across 1,502 different developments. Most of these reviews, 87.5%, were successfully closed, reflecting a strong commitment to compliance and quality. The following observations are based on reviews completed during the study period:

(1) 254 or 16% of all developments and 94 owners from the review period have unsatisfactory ratings for examination of records. Examination of records noncompliance can include issues like miscalculating household income, inadequately verifying tenant income and assets, and improperly calculating utility allowances.

(2) 275 or 18% of all developments and 98 owners from the review period have unsatisfactory rating(s) regarding the physical condition of the development. Physical condition noncompliance can range from minor issues like missing tub stoppers and broken light fixtures to severe problems such as structural damage, mold, and inadequate heating or plumbing.

(3) 205 or 14% of all developments from the review period have deficiencies in both the examination of record and physical inspection categories.

II. FISCAL

A. Operating Budget Analysis for August 31, 2024

1. **Background/Present Situation:**

a) The Financial Analysis is attached as Exhibit A.

b) The Operating Budget for the period ending August 31, 2024 is attached as Exhibit B.

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 September 30, 2024, 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.[1] Currently, there are no foreclosures in inventory and no developments in monetary default in the portfolio.

2. Corpus and Portfolio Risk Exposure:

a) In response to the 2008 global liquidity crisis, the Guarantee Program restructured its debt, paying off $89 million and refinancing $156.2 million in variable rate bonds into a 5-year term loan with Citibank on December 31, 2009. The Citibank loan was successfully paid off in 2012, in less than 3 years reducing the Guarantee Fund's capitalizing debt to zero ($0). At the time of the restructuring, the Guarantee Program's total risk exposure was $754.5 million.

b) Following the 2009 global liquidity crisis, a prolonged period of relatively low interest rates combined with the Guarantee Program's risk mitigation initiatives, prompted many Developers to refinance their properties. Approximately $115 million in partial prepayments from SAIL ELI proceeds, funded prior to or at the time of closing, contributed to the refinancing activity. These measures, along with other risk reduction actions by the Guarantee Program, collectively served as the primary driver behind the remarkable 99% reduction in total risk exposure. This highlights the program's adaptability and effective risk management in challenging economic conditions.

c) At September 30, 2024, the Guarantee Fund corpus contained approximately $150.8 million in capital invested in the Florida Treasury, Special Purpose Investment Account (SPIA) rated "AA-f" by Standard & Poor's as of September 29, 2023

1 Real Capital Analytics, April 2011.

B. Current Ratings (Insurer Financial Strength):

1. <u>Background:</u>

a) Standard & Poor's: September 2023 A+ / Stable outlook

(1) Cited strengths: "…fund's highly strategic status in relation to FHFC…Excellent financial strength…Strong state financial support …experienced asset management team."[2]

b) Fitch: March 2018 A+ / Stable outlook

(1) Cited strengths: "Low Risk-to-Capital Ratio…Limited State support…Minimal Multifamily Losses…"[3]

C. Risk-to-Capital Ratio:

1. <u>Background/Present Situation:</u>

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 September 30, 2024. 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 (<u>Exhibit A</u>)

2 Standard & Poor's, "Florida Affordable Housing Guarantee Fund", September 18, 2024, www.standardandpoors.com/ratingsdirect. Standard & Poor's.

3 Fitch Ratings, "Fitch Affirms Florida Housing Finance Corp's Guarantee Fund at 'A+'; Outlook Stable", March 28, 2018, www.fitchratings.com. Fitch Ratings 2024 surveillance was concluded on April 18, 2024 and resulted in Review-No Action of the rating.

IV. HOME RENTAL

A. Thomas Pines (RFA 2020-206 / 2021-281H) Request approval of Credit Underwriting Update Letter for the Approval of Additional Funding

<table>
<tr><td>Development Name:</td><td>Thomas Pines</td><td>Location:</td><td>Jackson County</td></tr>
<tr><td>Applicant / Borrower:</td><td>Ad Meliora Community Development, Inc.</td><td>Developers:</td><td>Ad Meliora Community Development, Inc.</td></tr>
<tr><td>Principal(s):</td><td></td><td>Co-Developer(s):</td><td>Volunteers of America of Florida, Inc.</td></tr>
<tr><td>Owner:</td><td>Ad Meliora Community Development, Inc.</td><td colspan="2" rowspan="2"></td></tr>
<tr><td>Parent Owner:</td><td></td></tr>
<tr><td>Development Category:</td><td>New Construction</td><td>Development Type:</td><td>Duplexes/Triplexes</td></tr>
<tr><td>Demographic Category:</td><td>Family</td><td>Total Units:</td><td>35</td></tr>
<tr><td colspan="2">Funding Amount(s) Requested:</td><td colspan="2">Set Aside Units:</td></tr>
<tr><td>HOME</td><td>$7,756,051</td><td colspan="2">7 units @ 50%
28 units @ 60%</td></tr>
</table>

1. **Background:**

a) The Applicant applied for funding under Request for Applications ("RFA") 2022-206 seeking an allocation of HOME Financing for the Construction of Small, Rural Developments.

b) On January 22, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the six (6) eligible Applicants. After a formal written protest by the Developer of Hermosa Arcadia, the Board on March 12, 2021 approved the funding of all seven (7) Applicants, including Hermosa Arcadia.

c) On March 18, 2021, staff issued a preliminary commitment letter. In accordance with Rule 67-48, the Developers had a March 25, 2022 deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to Rule 67-48.0072(21)(b) the Applicants may request one extension of the deadline of up to six months.

d) On March 4, 2022, the Board approved: 1) the request to extend the firm loan commitment by six (6) months from March 25, 2022 until September 21, 2022, as a result of experiencing several delays due to the Covid-19 pandemic and the current rising construction costs; and 2) labor and supply chain issues.

e) On September 16, 2022, the Board approved the final credit underwriting report with a positive recommendation for a HOME loan in the amount of $5,556,051 and a HOME Viability Loan of $2,200,000. The loan closed January 12, 2023.

f) On August 23, 2023, Ad Meliora Community Development, Inc. (Applicant/Borrower) received correspondence from the Federal Home Loan

Bank of Atlanta with an award amount of $750,000 from its Affordable Housing Program (AHP) to help fund Thomas Pines.

2. **Present Situation:**

   a) On July 16, 2024, staff received correspondence requesting the inclusion of the $750,000 FHLB AHP award as an additional funding source for Thomas Pines.

   b) As of September 23, 2024, the development is 93% complete.

3. **Recommendation:**

   a) On September 6, 2024, staff received an update to the final credit underwriting report (CUR) with a positive recommendation to add the additional funding (Exhibit A). Staff has reviewed and approved the CUR and finds that the Development meets all requirements of the RFAs.

V. HOUSING CREDITS

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

1. <u>Background/Present Situation:</u>

a) Hickory Pointe Apartments (1998-053C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement (EUA) was recorded in Brevard County on December 8, 1999. Subsequently The First Amendment to the Extended Low-Income Housing Agreement was recorded in Brevard County on June 21, 2013. An Assignment and Assumption of the Extended Low-Income Housing Agreement was recorded in Brevard County on January 10, 2018.

b) On August 27, 2024, staff received a letter from the Owner requesting a revision to Section 2(e)(2) of the EUA to swap tight-napped Berber-type carpet for tight-napped Berber-type carpet or vinyl plank flooring in all units.

c) Staff will amend the EUA as appropriate.

2. <u>Background/Present Situation:</u>

a) St. Luke's Life Center (2005-044C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement (EUA) was recorded in Polk County on August 21, 2008. Subsequently The First Amendment to the Extended Low-Income Housing Agreement was recorded in Polk County on January 6, 2009. A Second Amendment to the Extended Low-Income Housing Agreement was recorded in Polk County on July 15, 2009. An Assignment, Assumption and Affirmation of and Third Amendment to the Extended Low-Income Housing Agreement was recorded in Polk County on February 18, 2019. An Assignment and Assumption of and Fourth Amendment to the Extended Low-Income Housing Agreement was recorded in Polk County on August 26, 2022.

b) On August 27, 2024, staff received a letter from the Owner requesting a revision to Exhibit B. Section C(2) of the EUA to swap tight-napped Berber-type carpet for tight-napped Berber-type carpet or vinyl plank flooring in all units.

c) Staff will amend the EUA as appropriate.

3. <u>Background/Present Situation:</u>

a) Magnolia Pointe Apartments (1998-050C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement (EUA) was recorded in Orange County on December 6, 1999. Subsequently, the First Amendment to the Extended Low-Income Housing Agreement was recorded in Orange County on October 23, 2003. A Second Amendment to the Extended Low-Income Housing Agreement was recorded in Orange County on June 1, 2015. An Assignment and Assumption of the Extended Low-Income Housing Agreement was recorded in Orange County on January 11, 2018.

b) On August 27, 2024, staff received a letter from the Owner requesting a revision to Section 2 (e)(2) of the EUA to swap tight-napped Berber-type carpet for tight-napped Berber-type carpet or vinyl plank flooring in all units.

c) Staff will amend the EUA as appropriate.

4. **Background/Present Situation:**

a) Royal Palms Senior (2005-126C/2008-007C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement (EUA) was recorded in Brevard County on September 25, 2008. A First Amendment to the Extended Low-Income Housing Agreement was recorded in Brevard County on May 24, 2011. A Second Amendment to the Extended Low-Income Housing Agreement was recorded in Brevard County on July 20, 2011. An Assignment and Assumption of and Third Amendment to Extended Low-Income Housing Agreement was recorded in Brevard County on September 28, 2023.

b) On August 27, 2024, staff received a letter from the Owner requesting a revision to Exhibit B. Section C(2) of the EUA to swap tight-napped Berber-type carpet for tight-napped Berber-type carpet or vinyl plank flooring in all units.

c) Staff will amend the EUA as appropriate.

5. **Background/Present Situation:**

a) Aria Landing I (1998-002C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement (EUA) was recorded in Lee County on December 22, 1999. A First Amendment to the Extended Low-Income Housing Agreement was recorded in Lee County on April 13, 2009. A Second Assignment and Assumption of Extended Low-Income Housing Agreement was recorded in Lee County on July 12, 2022.

b) On July 26, 2024, staff received a letter from the Owner requesting a revision to Section 2(e)(2), Section 2(e)(3) and Section 2(f) of the EUA to update their features and amenities, and tenant programs to swap (1) microwave oven in each unit for ceiling fans in bedrooms and living area; (2) Security Features - gated entrance/fence for Security Features - camera system and key fobs; and (3) van/private transportation for the Development (on-site) for healthcare (on-site). These changes will not affect the scoring of the Application.

c) Staff will amend the EUA as appropriate.

6. **Background/Present Situation:**

a) Mandarin Trace Apartments (2022-518C) is a 4% Housing Credit Development. The Extended Low-Income Housing Agreement (EUA) was recorded in Duval County on April 22, 2024.

b) On August 26, 2024 staff received a letter from the Owner requesting a revision to Section 2(e) of the EUA to correct the unit mix and square footage of the units.

c) Staff will amend the EUA as appropriate.

VI. LIVE LOCAL

A. Florida Housing Multifamily Rental Portfolio Live Local Tax Credit Contribution Program

1. <u>Background/Present Situation:</u>

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 October 2, 2024, $99,575,000 in total program credit allocation has been requested from DOR. Florida Housing has received $3,750,000 in contributions, applied to the 2023 tax year.

d) As of October 2, 2024, for the 2024 tax year, $2,886,667 in program credit allocation has been requested from DOR. Florida Housing has received $316,667 in contributions, applied to the 2024 tax year.

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

1. <u>Background/Present Situation:</u>

a) Florida Housing issued certifications for 120 properties. Owners were required to submit applications for property exemptions with the local property appraisers by March 1, 2024.

b) Staff is monitoring the status of exemption applications. There is no mechanism for Florida Housing to report denials of exemption requests or differentiate between denials and whether an owner that optioned a certification decided not to apply for an exemption.

c) The portal for 2025 certifications opened September 30, 2024. The portal will close on December 15, 2024. To date, Florida Housing has not received any requests.

C. Florida Hometown Heroes

1. <u>Background/Present Situation:</u>

a) Reservations for the $100 million appropriated for the 2024-2025 fiscal year opened on July 1, 2024.

b) As of Monday, August 20, 2024, all $100 million was reserved, representing loans to over 6,100 families throughout Florida.

c) Any funds that become available due to loan fallout are periodically made available to approved lenders for new reservations.

D. Additional SAIL – Innovative Multifamily Development Opportunities & Proceeds from Live Local Program Tax Credit Contributions

1. <u>Background/Present Situation:</u>

a) A portion of the $150 million in SAIL financing for innovative developments for the 2024-2025 fiscal year was workshopped on October 10, 2024.

VII. MULTIFAMILY BONDS

A. Parrish Oaks II (2021 Series E / RFA 2019-116 / 2020-384BS / 2019-544C) has requested approval to increase the principal amount of their permanent first mortgage:

1. <u>Background/Present Situation:</u>

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 Application of the above named Development, Rule Chapter 67-48.010(15), F.A.C (effective July 11, 2019), states:

> (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 July 23, 2024, staff received an update to the final credit underwriting report with a positive recommendation to increase the principal amount of the permanent first mortgage (Exhibit A). Staff has reviewed this report and approved the Applicant's request.

B. Ekos Allegro (2022 Series B-1 and B-2 / RFA 2019-116 / 2020-385BSN / 2019-563C) has requested approval for additional subordinate debt:

1. <u>Background/Present Situation:</u>

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 Application of the above named Development, Rule Chapter 67-48.010(15), F.A.C. (effective July 11, 2019)

> (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 October 8, 2024, staff received an update to the final credit underwriting report with a positive recommendation for additional subordinate debt (Exhibit B). Staff has reviewed this report and approved the Applicant's request.

VIII. MULTIFAMILY PROGRAMS

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

1. <u>Background/Present Situation</u>

a) Brandon Crossing Apartments / SAIL 1998 Cycle / 1998-060S: The Borrower has requested to replace "carpet throughout the remaining living areas" with " carpet or vinyl plank flooring throughout the remaining living areas". The scoring of the Application will remain unaffected.

b) Staff will amend the SAIL Land Use Restriction Agreement and the Extended Use Agreement for the Development as appropriate.

2. <u>Background/Present Situation</u>

a) Willow Creek Apartments / 2000 Universal Cycle / 2000-018CS: The Borrower has requested to replace "carpet throughout the remaining living areas" with "carpet or vinyl plank flooring throughout the remaining living areas" and "tight-napped Berber-type carpet" with "tight-napped Berber-type carpet or vinyl plank flooring". The scoring of the Application will remain unaffected.

b) Staff will amend the SAIL Land Use Restriction Agreement and the Extended Use Agreement for the Development as appropriate.

3. <u>Background/Present Situation</u>

a) Willow Creek Apartments II / 2002 Universal Cycle / 2002-061S: The Borrower has requested to replace "Tight-napped Berber-type carpet" with " tight-napped Berber-type carpet or vinyl plank flooring". The scoring of the Application will remain unaffected.

b) Staff will amend the SAIL Land Use Restriction Agreement and the Extended Use Agreement for the Development as appropriate.

4. <u>Background/Present Situation</u>

a) The Crossings at Cape Coral Apartments / SAIL 1999 Cycle / 1999-060S & 2000 Combined Cycle / 2000-525C: The Borrower has requested to remove the Tenant Program, After School Program for Children. The Applicant exceeded the maximum number of points that could be awarded for the category. The scoring of the Application will remain unaffected.

b) Staff will amend the SAIL Land Use Restriction Agreement and the Extended Use Agreement for the Development as appropriate.

B. Edison Place (RFA 2017-107/2018-054S/2016-582C) Request approval to increase permanent first mortgage loan:

1. <u>Background/Present Situation:</u>

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 24, 2017) stated:

> (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 September 5, 2024, staff received an update to the final credit underwriting report with a positive recommendation to increase permanent first mortgage loan (Exhibit A). Staff has reviewed this report and finds that it meets all requirements of the RFA.

C. Metro Grande III (RFA 2019-111/2020-041R/ 2019-553C) Request approval for additional superior and subordinate debt:

1. <u>Background/Present Situation:</u>

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 Request for Applications (RFA) at the time of the Application, Exhibit G, Part D(18) (effective August 1, 2019) stated:

> (18) 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 RRLP mortgage without prior approval of the Corporation's Board of Directors.

c) On July 26, 2024, staff received an update to the final credit underwriting report with a positive recommendation for additional superior and subordinate debt (Exhibit B). Staff has reviewed this report and finds that it meets all requirements of the RFA.

D. St. Mary Towers (RFA 2022-101/2023-019S) Request approval for additional subordinate debt:

1. <u>Background/Present Situation:</u>

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 6, 2022) stated:

> (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 October 8, 2024, staff received an update to the final credit underwriting report with a positive recommendation for additional subordinate debt (Exhibit C). Staff has reviewed this report and finds that it meets all requirements of the RFA.

E. Cross Creek Gardens at Quincy (RFA 2021-203/2022-247H & RFA 2023-211/2023-243V) Request approval for additional subordinate debt:

1. <u>Background/Present Situation:</u>

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:

> (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.

On October 9, 2024, staff received an update to the final credit underwriting report with a positive recommendation to increase permanent first mortgage loan (Exhibit D). Staff has reviewed this report and finds that it meets all requirements of the RFA.

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

1. <u>Background/Present Situation:</u>

a) On March 12, 2021, the Board delegated authority to staff to approve the 20% subcontractor limitation set forth in Rule Chapter 67-21.026(13)(g) (2021) as stated below:

> (13) The General Contractor must meet the following conditions;
>
> (g) For Developments with a Development category of Rehabilitation or Substantial Rehabilitation, unless otherwise approved by the Corporation for a specific Development, ensure that not more than 20 percent of the construction cost, not to include the General Contractor fee or pass-through fees paid by the General Contractor, is subcontracted to any one entity or any group of entities that have common ownership or are Affiliates of any other subcontractor, with the exception of a subcontractor (or any group of entities that have common ownership or are Affiliates of any other subcontractor) contracted to perform work on both the HVAC and electrical components of a building of at least seven (7) stories which may not have more than 31 percent of the construction cost in a subcontract, unless otherwise approved by the Corporation for a specific Development. With regard to said approval, the Corporation shall require an analysis from the Credit Underwriter and consider the facts and circumstances of each Applicant's request, inclusive of construction costs and the General Contractor's fees. For purposes of this paragraph, "Affiliate" has the meaning given in subsection 67-21.002(5), F.A.C., except that the term "Applicant" therein shall mean "subcontractor".

b) 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 Rule 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
Beachwood Apartments	2021-501C	$2,493,881	21.8%

IX. MULTIFAMILY PROGRAMS - ALLOCATIONS

A. Multifamily Programs - Allocations Updates

1. RFA Updates:

a) RFA 2025-102 SAIL Financing for Smaller Permanent Supportive Housing Developments for Persons with Special Needs was issued on September 5, 2024 with an Application Deadline of November 21, 2024.

b) RFA 2025-103 Housing Credit and SAIL Financing to Develop Housing for Homeless Persons was issued on October 17, 2024, with an Application Deadline of January 21, 2025.

c) RFA 2025-106 Financing to Develop Housing for Persons with Disabling Conditions/Developmental Disabilities was issued on October 17, 2024, with an Application Deadline of February 4, 2025.

d) A workshop regarding RFA 2024-213 Live Local SAIL Financing for Mixed Income, Mixed-Use, and Urban Infill Developments, to be held on October 10, 2024, has been postponed due to Hurricane Milton.

e) A workshop regarding RFA 2024-204 SAIL Financing for the Preservation of Elderly Developments is scheduled for October 24, 2024. Staff expects to issue the RFA on November 14, 2024, with an anticipated Application Deadline of December 10, 2024.

2. 2024 Rule Development

a) Rule 67-60.010, F.A.F., was filed for adoption on October 8, 2024, with an effective date of October 28, 2024.

3. RFA Funding Tracking

a) RFA funding tracking for 2023-2025 is attached as Exhibit A.

X. NATIONAL HOUSING TRUST FUND

A. The Fountains at Hidden Lake (RFA 2022-201 and 2023-205 / 2023-026CN) Request approval of Credit Underwriting Report

Development Name:	The Fountains at Hidden Lake	**Location:**	Citrus County
Applicant / Borrower:	HTG Hidden Lake, Ltd.	**Developers:**	HTG Hidden Lake Developer, LLC.
Principal(s):		**Co-Developer(s):**	N/A
Owner:	HTG Hidden Lake, Ltd.		
Parent Owner:			
Development Category:	New Construction	**Development Type:**	Mid-Rise (4 Stories)
Demographic Category:	Elderly Non-ALF	**Total Units:**	81
Funding Amount(s) Requested:		**Set Aside Units:**	
NHTF	$2,080,000	8 units @ 30%	
Annual 9% HC	$2,039,000	9 units @ 40% 64 units @ 60%	

1. **Background:**

   a) On November 14, 2022, Florida Housing Finance Corporation issued Request for Applications (RFA) 2022-201 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. On May 26, 2023, staff issued an invitation to enter credit underwriting to the Applicant for Housing Credits. The Acknowledgement was received on May 30, 2023.

2. **Present Situation:**

   a) On June 3, 2024, Florida Housing Finance Corporation staff issued an invitation to enter credit underwriting to the Applicant for National Housing Trust Fund (NHTF) funding. The availability of NHTF funding was contingent upon the Board's Approval of an RFA waiver for the addition of NHTF Funding to the development financing and approval of Credit Underwriting Report. The RFA waiver was approved by the Board at the June 28, 2024, Board Meeting. NHTF criteria will be governed by RFA 2023-205 SAIL Financing of Affordable Multifamily Housing Developments to Be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits.

3. **Recommendation:**

   a) On August 30, 2024, staff received a final credit underwriting report (CUR) with a positive recommendation for funding (Exhibit A). Staff has reviewed and approved the CUR and finds that the Development meets all requirements of the RFAs.

NATIONAL HOUSING TRUST FUND

Information

B. Roseland Gardens fka Southridge Phase I (RFA 2022-202 and 2023-205 / 2023-115CN) Request approval of Credit Underwriting Report

Development Name:	Roseland Gardens fka Southridge Phase I	**Location:**	Palm Beach County
Applicant / Borrower:	Roseland Gardens, LLLP.	**Developers:**	SHAG Roseland Gardens Developer, LLC.
Principal(s):		**Co-Developer(s):**	Magnolia Affordable Development, Inc.
Owner:	Roseland Gardens, LLLP.		
Parent Owner:			
Development Category:	New Construction	**Development Type:**	Mid-Rise (4 Stories)
Demographic Category:	Elderly Non-ALF	**Total Units:**	148
Funding Amount(s) Requested:		**Set Aside Units:**	
NHTF	$2,065,000	7 units @ 30%	
Annual 9% HC	$2,850,000	15 units @ 30% 126 units @ 60%	

1. **Background:**

    a) On November 14, 2022, Florida Housing Finance Corporation issued Request for Applications (RFA) 2022-202 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties. On April 14, 2023, staff issued an invitation to enter credit underwriting to the Applicant for Housing Credits. The Acknowledgement was received on April 14, 2023.

2. **Present Situation:**

    a) On June 3, 2024, Florida Housing Finance Corporation staff issued an invitation to enter credit underwriting to the Applicant for National Housing Trust Fund (NHTF) funding. The availability of NHTF funding was contingent upon the Board's Approval of an RFA waiver for the addition of NHTF Funding to the development financing and approval of Credit Underwriting Report. The RFA waiver was approved by the Board at the June 28, 2024, Board Meeting. NHTF criteria will be governed by RFA 2023-205 SAIL Financing of Affordable Multifamily Housing Developments to Be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits.

3. **Recommendation:**

    a) On September 13, 2024, staff received a final credit underwriting report (CUR) with a positive recommendation for funding (Exhibit B). Staff has reviewed and approved the CUR and finds that the Development meets all requirements of the RFAs.

C. Avon Park Apartments (RFA 2023-201 and 2023-205 / 2024-077CN) Request approval of Credit Underwriting Report

Development Name:	Avon Park Apartments	**Location:**	Highlands County
Applicant / Borrower:	JIC Avon Park Apartments, LLC.	**Developers:**	JIC Florida Development, LLC.
Principal(s):		**Co-Developer(s):**	N/A
Owner:	JIC Avon Park Apartments, LLC.		
Parent Owner:			
Development Category:	New Construction	**Development Type:**	Garden Apartments
Demographic Category:	Family	**Total Units:**	80
Funding Amount(s) Requested:		**Set Aside Units:**	
NHTF	$1,650,000	6 units @ 30%	
Annual 9% HC	$2,141,000	12 units @ 40% 62 units @ 60%	

1. **Background:**

   a) On July 7, 2023, Florida Housing Finance Corporation issued Request for Applications (RFA) 2023-201 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. On December 15, 2023, staff issued an invitation to enter credit underwriting to the Applicant for Housing Credits. The Acknowledgement was received on December 15, 2023.

2. **Present Situation:**

   a) On June 3, 2024, Florida Housing Finance Corporation staff issued an invitation to enter credit underwriting to the Applicant for National Housing Trust Fund (NHTF) funding. The availability of NHTF funding was contingent upon the Board's Approval of an RFA waiver for the addition of NHTF Funding to the development financing and approval of Credit Underwriting Report. The RFA waiver was approved by the Board at the June 28, 2024, Board Meeting. NHTF criteria will be governed by RFA 2023-205 SAIL Financing of Affordable Multifamily Housing Developments to Be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits.

3. **Recommendation:**

   a) On September 13, 2024, staff received a final credit underwriting report (CUR) with a positive recommendation for funding (Exhibit C). Staff has reviewed and approved the CUR and finds that the Development meets all requirements of the RFAs.

XI. NATURAL DISASTER UPDATES

A. Hurricane Idalia

1. <u>Background/Present Situation:</u>

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 is one (1) property with work to be completed as of 9/30/2024. However, because of overlapping damage from Hurricane Helene, subsequent reporting of Hilltop will be included under Hurricane Helene.

c) A summary of the status of the development within Florida Housing's portfolio that sustained damage from Hurricane Idalia and has 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 had 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. <u>Background/Present Situation:</u>

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 moderate damage, there are five (5) developments with work to be completed. Those developments have a total of nine (9) displaced households as of 9/30/2024.

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. May 2024 Tornados and Severe Storms

1. <u>Background/Present Situation:</u>

a) Florida Housing has 127 developments comprised of 10,882 units in our portfolio located in the 15 counites where a state of emergency was declared by the Governor’s Executive Order Number 24-95.

b) Of the nine (9) developments reporting damage, two (2) have work to be completed as of 9/30/2024. A summary of those two (2) developments that sustained damage from the May 2024 Tornados and Severe Storms, and have not completed all repair work is attached as Exhibit D

E. Hurricane Debby

1. <u>Background/Present Situation:</u>

a) On August 5, 2024, Hurricane Debby made landfall near Steinhatchee. Florida Housing has 368 developments with 2,586 residential buildings comprised of 41,904 units in our portfolio located in the 17 counties declared by FEMA as a major disaster due to Hurricane Debby.

b) As of September 30, 2024, 488 damage reports were received with 462 of those reporting no damage and no displaced households. Two (2) developments reported moderate damage to ten (10) buildings and 18 units. Twenty-four (24) developments reported limited damage to 7 buildings and 66 units. A summary of 26 development that have sustained damage from Hurricane Debby is attached as Exhibit E.

F. Hurricane Helene

1. <u>Background/Present Situation:</u>

a) Florida Housing has 711 developments with 4,919 residential buildings comprised of 82,909 units in our portfolio located in 29 of 30 counties declared by FEMA as a major disaster due to Hurricane Helene as of October 8, 2024. In accordance with our asset management protocols, we will continue to solicit comprehensive damage assessments for the multifamily rental properties in our portfolio as FEMA expands the counties eligible for IA.

b) As of October 4, 2024, 555 damage reports were received with 452 of those reporting no damage and no displaced households. Five (5) developments reported moderate damage to nine (9) buildings and 85 units. Fifty-two (52) developments reported limited damage to 38 buildings and 36 units. A summary of 57 development that have sustained damage from Hurricane Helene is attached as Exhibit F.

XII. SINGLE FAMILY HOMEBUYER PROGRAMS

A. 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 Freddie Mac HFA Advantage Conventional Loan Program (HFA Advantage), the Fannie Mae HFA Preferred Conventional Loan Program (HFA Preferred), and 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. On October 2, 2024, we launched a new Government "To Be Announced" (TBA) program, Florida First TBA. This program offers both FHA and VA Loans as a TBA funded product. Initially, the funding will be from the issuance of taxable bonds which are less restrictive than tax-exempt bonds. Once this funding is exhausted, we will fund through forward delivery TBA. The program offers higher loan and income limits than traditional tax-exempt bond programs and is a good addition to our product line, especially when Hometown Heroes funds are exhausted.

c) The HFA Preferred and HFA Advantage programs offer first mortgage loan products developed specifically for state housing finance agencies. The HFA Advantage program is offered both as a bond financed product as well as a forward delivery TBA product 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. HFA Preferred is offered only in conjunction with bond financing. 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 interest rates and insurance costs on these loans when compared to other conventional mortgage products, as well as similar government-insured loans such as FHA.

d) As part of SB 328 passed by the Florida Legislature in the 2024 session, the Florida Hometown Hero Program ("Hometown Heroes" or "HTH") received $100 million of new funding on July 1, 2024. In addition, a statutory change eliminated the requirement that a qualified borrower must work a minimum of 35 hours per week and now requires fulltime employment by a business located in Florida. Staff conducted a total of eight HTH-specific lender trainings before we opened reservations on July 1st. We also held four HTH-specific realtor trainings with almost 500 participants attending statewide. We were fully committed on August 20th. As of October 7th, we had 6,081 loan commitments totaling over $1.96 billion of first mortgage loans, utilizing $99.2 million of HTH DPA. We continue to offer funds for new reservations with funds from loans that do not meet program eligibility and therefore cancel.

e) 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.

f) 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.

g) 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.

h) 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 offering these classes statewide twice each month. This has been effective in reaching our realtor partners while also freeing up staff time to devote to program support and lender management. Since our last Board Report, we have conducted three classes that were attended by 117 realtors.

i) 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 provide lenders with information to better assist with the origination, delivery, and purchase of first and second mortgages originated through our Homebuyer Loan Program.

j) Additionally, we partner with other stakeholders such as mortgage insurance (MI) providers and Freddie Mac, to better educate and inform our Participating Lenders of recent industry changes. We recently partnered with Essent MI in outreach to realtors. The event was done virtually and was attended by 63 realtors. We also gave an in-person presentation at the National Association of Minority Mortgage Bankers of America annual event in Orlando. There were over 60 mortgage professionals in attendance.

SINGLE FAMILY HOMEBUYER PROGRAMS

Information

2024 HOMEBUYER LOAN PROGRAMS ORIGINATIONS

	2023 HLP Program Totals	2024 HLP Program Totals	2024 HLP Government Loan Programs Totals	2024 HLP Conventional Loan Programs Totals
Average 1st Mortgage Loan Amount	$289,043	$290,461	$292,223	$287,070
Average Acquisition Price	$305,121	$305,460	$300,851	$314,323
Average DPA Amount	$14,271	$14,133	$13,984	$14,420
Average Compliance Income	$83,256	$86,181	$85,902	$86,718
Total Purchased DPA Amounts	$189,686,980	$102,181,027	$66,521,547	$35,659,480
Total Purchased 1st Mortgage Loan Amounts	$3,841,674,166	$2,096,852,648	$1,387,905,811	$708,946,837
Total # of Units	13,291	7,230	4,757	2,473

2024 TOP 10 COUNTIES FOR HOMEBUYER LOAN PROGRAMS ORIGINATIONS

County	Loan Count	1st Mortgage Loan Amount	DPA
Broward	561	$194,976,262	$9,689,857
Miami-Dade	450	$189,210,812	$9,430,141
Polk	415	$107,926,729	$5,193,564
Duval	402	$92,989,465	$4,647,040
Lee	391	$121,137,509	$5,716,629
Palm Beach	363	$119,028,307	$5,938,500
Hillsborough	358	$109,620,049	$5,278,811
Pasco	322	$83,815,188	$4,011,081
Orange	313	$97,318,774	$4,696,246
Volusia	308	$84,818,445	$4,017,123

DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations for the eight months ending August 2024

The budget to actual analysis for the eight months ending August 2024 shows a net of revenues over expenses in the amount of $6,323,908. Variances of note compared to the budget are as follows:

REVENUES

Investment Income (Line 1) is over budget by $3,644,629. 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 $1,717,639 under budget due to the timing of the receipt of commitment fees and extension fees in the multifamily programs and less than anticipated agency fees due to more mortgage-backed securities being settled in bonds instead of TBA sales.

Administrative Fees (Line 3) are $260,792 under budget primarily related to timing of activities in the various federal programs and directly offset variances in expenses.

Other Income (Line 4) is $115,003 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 $2,534,166 primarily due to a vacancy rate greater than budgeted.

OPERATING EXPENSES

Capital Expenses (Line 5) are under budget by $361,000 due to the timing of planned purchases of computer equipment and software.

Conferences & Seminars (Line 7) are $135,034 under budget due to the timing of planned in-house training, schedule conflicts, and efforts to control operating expenses.

Legal Fees (Line 10) are $121,337 under budget due to less than budgeted use of outside counsel primarily in the multifamily programs.

Professional Fees (Line 15) are $472,375 under budget primarily due to the timing of expenses related to the Prolink and Onbase development projects.

Program Administration (Line 16) is $361,107 under budget primarily due to the timing of compliance monitoring and servicer fees in various programs.

Travel Expenses (Line 21-27) are $181,492 under budget due to timing of planned travel and efforts to control operating expenses.

Workshops (Line 28) are over budget $60,500 due to timing of workshops for the Catalyst program.

Total Operating Expenses year-to-date are favorable to the budget by $1,835,861.

FLORIDA HOUSING FINANCE CORPORATION
OPERATING BUDGET TO ACTUAL SUMMARY
PERIOD ENDING August 31, 2024

	2024 BUDGET YTD	2024 ACTUAL YTD	2024 VARIANCE YTD	2024 APPROVED ANNUAL BUDGET
REVENUES				
1. Investment Income	4,418,712	8,063,341	3,644,629	6,628,073
2. Program Fees	11,450,072	9,732,433	(1,717,639)	17,547,105
3. Administrative Fees	7,407,937	7,147,145	(260,792)	13,262,678
4. Other Income	133,864	248,867	115,003	200,800
TOTAL REVENUES	**23,410,585**	**25,191,786**	**1,781,201**	**37,638,656**
EXPENSES				
SALARIES & BENEFITS				
1. Salaries & Benefits	14,221,474	11,687,308	2,534,166	21,581,200
TOTAL SALARIES & BENEFITS	**14,221,474**	**11,687,308**	**2,534,166**	**21,581,200**
OPERATING EXPENSES				
1. Advertising, Marketing & Public Outreach	77,409	31,028	46,381	87,110
2. Bank Charges & Other Fees	27,872	20,031	7,841	41,808
3. Board Meetings	82,125	60,061	22,064	113,175
4. Books & Subscriptions	51,794	32,629	19,165	70,716
5. Capital Expenses	361,000	-	361,000	428,000
6. Furniture, Equipment & Computer Expenses	752,140	695,403	56,737	881,770
7. Conferences & Seminars	187,273	52,239	135,034	235,303
8. Corporate Insurance	300,600	296,791	3,809	345,600
9. General & Administrative Expenses	20,203	5,177	15,026	26,277
10. Legal Fees	236,812	115,475	121,337	688,316
11. Professional Licenses & Membership Dues	79,114	75,263	3,851	82,119
12. Office Supplies	19,382	3,521	15,861	26,987
13. Postage	14,237	4,822	9,415	20,779
14. Printing & Reproduction	12,900	4,482	8,418	15,325
15. Professional Fees	1,470,200	997,825	472,375	3,398,596
16. Program Administration	3,753,573	3,392,466	361,107	6,768,894
17. Rent	568,441	568,384	57	848,359
18. Repairs & Maintenance	4,480	2,966	1,514	7,670
19. Systems Maintenance, Support and Services	393,470	359,387	34,083	482,630
20. Telephone	62,016	42,222	19,794	96,144
21. Travel - Board Members	54,156	14,677	39,479	76,842
22. Travel - Staff to Board Meetings	39,975	25,642	14,333	78,170
23. Travel - Reviews/Monitoring	15,289	-	15,289	37,430
24. Travel - FHFC Workshops	11,205	1,434	9,771	18,650
25. Travel - Staff Development	142,763	67,470	75,293	254,048
26. Travel - Marketing/Public Outreach	31,116	12,027	19,089	55,588
27. Travel - Other	11,836	3,598	8,238	21,873
28. Workshops	235,050	295,550	(60,500)	359,200
TOTAL OPERATING EXPENSES	**9,016,431**	**7,180,570**	**1,835,861**	**15,567,379**
TOTAL EXPENSES	**23,237,905**	**18,867,878**	**4,370,027**	**37,148,579**
REVENUES OVER EXPENSES	**172,680**	**6,323,908**	**6,151,228**	**490,077**

Guarantee Program Portfolio

(as of September 30, 2024)

	Property Name Location	Developer	Issuer Closing Date	Total Units	1st Mortgage Current Bal.	1st Mortgage Debt/Unit	HUD Risk-Share?	GF exposure ($) share of mtg guarantee	SAIL	SMI	SAIL ELI	Projected refinance closing date	Comments / Refi Status
1)	**Vista Palms** Lehigh Acres	Creative Choice	Lee Cnty 6/20/2001	229	$4,660,938	$20,353	N	$4,660,938	$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. As of 1/18/24, the CNA has been received and reviewed, market study and appraisal were very recently received but have not yet been reviewed. GC contract has not been received. As of 3/5/24, the underwriter has received the Market Study, Appraisal, and CNA. GC Contract and updated Phase I are still outstanding. At 3/31/24, the GC Contract and updated Phase I are still outstanding. As of 6/7/24, the underwriter continues to follow up with the applicant, however, there are funding gaps in the construction and permanent periods, missing financial due diligence, no GC contract or statement of values, stale appraisal/market study, etc. As of 7/9/24, the underwriter was still waiting on underwriting due diligence, including the GC Contract/Statement of Values and Property Condition Assessment. In addition, the Applicant does not intend to provide a personal guaranty. As of 9/23/24, the underwriter has not received anything further but potential purchaser affirmed they wished to continue.

GF Total Commitments: $4,660,938

SELTZER MANAGEMENT GROUP, INC.

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

September 6, 2024

Mr. David R. Westcott
Director of Homeownership Programs
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: Thomas Pines – HOME/HOME Viability RFA 2020-206 (2021-281H)

Credit Underwriting Report Update Letter ("CUR Update Letter") – Changes to the Final CUR dated September 9, 2022

Dear Mr. Westcott:

Seltzer Management Group, Inc. ("SMG" or "Seltzer") is in receipt of correspondence from Volunteers of America of Florida, Inc. ("VOAF" or "Applicant" or "Borrower"), dated July 16, 2024, requesting Florida Housing Finance Corporation ("FHFC") consent to additional subordinate debt from Federal Home Loan Bank of Atlanta ("FHLB") and The Bank of Tampa ("Bank") which will fund a loan through the Affordable Housing Program ("AHP") in the amount of $750,000 that will be subordinate to the HOME and HOME Viability loans. At your direction, SMG has reviewed the request and formulated a recommendation. Seltzer's findings are presented below.

The CUR for the above referenced transaction was approved at the September 16, 2022, FHFC Board meeting.

Construction Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Construction Debt Service
First Mortgage	Bank of Tampa	$500,000	$0	$0	8.00%	$0
First Mortgage	FHFC-HOME Fund:	$5,556,051	$5,556,051	$5,556,051	0.00%	$0
First Mortgage	FHFC-Viability HOME Loan	$2,200,000	$2,200,000	$2,200,000	0.00%	$0
Second Mortgage	County Loan	$1,700,000	$1,700,000	$1,700,000	0.00%	$0
Third Mortgage	City Loan	$300,000	$300,000	$300,000	0.00%	$0
Fourth Mortgage	FHLB ATL-AHP	$0	$750,000	$750,000	0.00%	$0
The Home Depot	The Home Depot Foundation-Grant	$100,000	$100,000	$100,000	0.00%	$0
Deferred Developer Fee	Developer	$1,372,109	$1,241,609	$1,241,609		
Total		**$11,728,160**	**$11,847,660**	**$11,847,660**		**$0**

Please note the Applicant column is based on Seltzer's Final Sources and Uses / Construction Draw Schedule dated January 11, 2023 as approved for closing on January 12, 2023.

Notes to Financing:

- As stated above, the Borrower has been awarded an additional $750,000 loan from FHLB and the Bank through the AHP. According to the draft AHP Project Note, the loan is forgivable after

Mr. David Westcott
Thomas Pines
September 6, 2024

the 15 year AHP Retention Period, with no principal or interest payments. In addition, $500,000 will be used to pay off the existing construction loan with the Bank prior to conversion to permanent financing and the remaining $250,000 will be used to pay for construction costs currently sourced with deferred developer fee. The FHLP AHP loan will be in a fourth lien position.

Permanent Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Amort. Yrs.	Term Yrs.	Annual Debt
First Mortgage	Hancock	$500,000	$0	$0	0.00%	N/A	N/A	$0
First Mortgage	FHFC-HOME Funds	$5,556,051	$5,556,051	$5,556,051	0.00%	N/A	20	$0
First Mortgage	FHFC - Viability HOME Loan	$2,200,000	$2,200,000	$2,200,000	0.00%	N/A	20	$0
Second Mortgage	County Loan	$1,700,000	$1,700,000	$1,700,000	0.00%	N/A	30	$0
Third Mortgage	City Loan	$300,000	$300,000	$300,000	0.00%	N/A	30	$0
Fourth Mortgage	FHLB ATL-AHP	$0	$750,000	$750,000	0.00%	N/A	15	$0
The Home Depot	The Home Depot Foundation-Grant	$100,000	$100,000	$100,000	0.00%	N/A	N/A	$0
Def. Developer Fee	Developer	$1,372,109	$1,241,609	$1,241,609				
Total		**$11,728,160**	**$11,847,660**	**$11,847,660**				**$0**

Please note the Applicant column is based on Seltzer's Final Sources and Uses / Construction Draw Schedule dated January 11, 2023 as approved for closing on January 12, 2023.

Notes to Financing:

- With the addition of the new FHLB AHP loan, the permanent financing with Hancock Bank of $500,000 will not be needed and the FHLB AHP loan will remain in a fourth lien position.
- The HOME Viability loan requires the Borrower to defer at least 25% of the Developer Fee. At conversion, deferred Developer Fee is estimated to be approximately 78% of the total Developer Fee. Therefore, no reduction to the HOME Viability funding is anticipated to be required.

Total Development Costs

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR
TOTAL DEVELOPMENT COSTS:	**$11,728,160**	**$11,847,660**	**$11,847,660**

Please note that the Applicant Costs column is based on Seltzer's Final Sources and Uses / Construction Draw Schedule as approved for closing on January 12, 2023.

Notes to Total Development Costs:

- Total Development Costs increased from $11,728,160 at closing to $11,847,660, or $119,500.
- According to the Construction Inspection Report No. 19 issued by On Solid Ground, LLC dated July 25, 2024, Thomas Pines is approximately 93% complete. There have been seven change orders totaling $525,539.46. Change Order #1, in the amount of $1,129,169, was for the difference between the original bid (from the original general contractor) and the contract amount from the current general contractor. Change Order #2, in the amount of $766,495, was a decrease in the contract amount as a result of value engineering. Change Order #3, in the amount of $24,500, was for miscellaneous site changes. Change Order #4, in the amount of $24,293.46 was for utility cost for transformers. Change Order #5, in the amount of $72,200,

was for installation of site electrical primary conduit system per FPUC drawing revisions previously submitted. Change Order #6, in the amount of $13,500, was to upgrade the clubhouse building roof to metal. Change Order #7, in the amount of $28,372, was submitted for Payment #18 to remove hydro seed from the scope of work and add Bahia sod instead. There are no pending change orders at this time. There was $434,130 in hard cost contingency in the final closing budget. Any additional change orders over the original hard cost contingency will be paid from adjustments in other construction line items or additional Deferred Developer Fee.

- To receive the FHLB AHP funding, Borrower had to commit to sitewide Wi-Fi. There is an additional construction cost outside of the GC Contract, in the amount of $68,719.32, for sitewide low voltage for Wi-Fi and cameras.

Mr. David Westcott
Thomas Pines
September 6, 2024

Operating Pro Forma

OPERATING PRO FORMA				ANNUAL	PER UNIT
INCOME	Gross Potential Rental Income			$253,044	$7,230
	Rent Subsidy (ODR)			$0	$0
	Other Income:				
		Miscellaneous		$2,100	$60
		Washer/Dryer Rentals		$0	$0
		Cable/Satellite Income		$0	$0
	Gross Potential Income			$255,144	$7,290
	Less:				
		Physical Vacancy Loss - Percentage:	5.0%	($12,757)	($364)
		Collection Loss - Percentage:	1.0%	($2,551)	($73)
Total Effective Gross Revenue				$239,835	$6,852
EXPENSES	Fixed:				
		Real Estate Taxes		$0	$0
		Insurance		$25,025	$715
		Other		$0	$0
	Variable:				
		Management Fee - Percentage:	7.8%	$18,711	$535
		General and Administrative		$22,750	$650
		Payroll Expenses		$56,000	$1,600
		Utilities		$31,500	$900
		Marketing and Advertising		$1,225	$35
		Maintenance and Repairs		$17,500	$500
		Grounds Maintenance and Landscaping		$11,725	$335
		Resident Programs		$0	$0
		Contract Services		$2,625	$75
		Security		$0	$0
		Other-Pest Control		$0	$0
	Reserve for Replacements			$10,500	$300
Total Expenses				$197,561	$5,645
Net Operating Income				$42,274	$1,208
Debt Service Payments					
DEBT SERVICE		First Mortgage - Hancock		$0	$0
		First Mortgage-FHFC HOME / Viability HOME		$0	$0
		Second Mortgage - County Loan		$0	$0
		Third Mortgage - City Loan		$0	$0
		First Mortgage Fees - Hancock		$0	$0
		First Mortgage Fees-FHFC HOME / Viab. HOME		$14,244	$407
		Second Mortgage Fees - County Loan		$0	$0
		Third Mortgage Fees - City Loan		$0	$0
Total Debt Service Payments				$14,244	$407
Cash Flow After Debt Service				$28,030	$801

Mr. David Westcott
Thomas Pines
September 6, 2024

Debt Service Coverage Ratios	
DSC - First Mortgage plus Fees	0.000
DSC - First Mortgage plus Fees	2.968
DSC - Second Mortgage plus Fees	2.968
DSC - Third Mortgage plus Fees	2.968
DSC - All Mortgages and Fees	2.968

Financial Ratios	
Operating Expense Ratio	82.4%
Break-Even Ratio	83.5%

Notes to the Operating Pro Forma and Ratios:

- As noted in the draft AHP Project Note, the set aside requirements for the AHP loan is at least 60% (or 21 units) must be set aside at or below 50% of the Area Median Income ("AMI") and 40% (or 14 units) must be set aside by persons or households having incomes between 50% or 65% of the AMI as determined by the United States Department of Housing and Urban Development ("HUD"). Due to the change in set-asides from the FHLB – AHP funding and the payoff of the existing Bank loan of $500,000, there is no debt service for the remaining mortgages, except for fees associated with the FHFC funding. The existing HOME Assisted Units require 20% (or 7 units) at 50% AMI or below and 80% (or 28 units) at 60% AMI or below. With the more stringent AMI requirements of FHLB AHP funding, the gross potential rental income decreased from $270,084 to $253,044 (or $17,040). In the CUR, the first mortgage Debt Service Coverage ("DSC") was 1.579x to 1.00. With the payoff of the existing first mortgage with FHLC AHP funding, the HOME loan of $5,556,051 and the HOME Viability Loan of $2,200,000 move into a first lien position. DSC improves from the existing first mortgage and the FHFC second mortgage plus fees from 1.139x to 1.00 to the first mortgage HOME/HOME Viability loan plus fees with a DSC of 2.968x to 1.00. Note: the DSC is based conservatively on 2022 Maximum Allowable HOME Rents at 50% AMI and 60% AMI. Also, HOME has a maximum DSC of 1.50x to 1.00 per Rule 67-48 ("Rule"). However, Thomas Pines has deep subsidy and may exceed the 1.50x to 1.00 maximum, according to the Rule.

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	681	50%	$569			$85	$484		$472	$484	$484	$34,848
1	1.0	4	681	60%		$610		$85	$525		$513	$525	$525	$25,200
2	1.0	10	876	50%	$683			$111	$572		$578	$572	$572	$68,640
2	1.0	7	876	60%		$757		$111	$646		$652	$646	$646	$54,264
3	2.0	5	1,157	50%	$789			$135	$654		$673	$654	$654	$39,240
3	2.0	3	1,157	60%		$992		$135	$857		$876	$857	$857	$30,852
		35	30,958											$253,044

Conclusion

SMG concludes that the additional FHLB AHP subordinate loan and the subordination of the loan to the HOME/HOME Viability loan will not adversely impact the transaction and/or Florida Housing's security position during the construction and permanent periods. The additional funds will be used to pay down the existing first mortgage and pay for construction costs currently sourced with deferred developer fee, and not add any debt service payments. Accordingly, SMG recommends that FHFC approve the additional subordinate debt subject to the following:

- Review and approval of all loan documents consistent with the terms outlined above by Florida Housing, its Legal Counsel and Servicer.
- Payment of any outstanding arrearages to the Corporation, its Legal Counsel, Servicer or any agent or assignee of the Corporation for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-48.0075(5) F.A.C., of an Applicant or a Developer).
- Payment of all costs and fees to Florida Housing, its Legal Counsel and Servicer, as applicable.
- Satisfactory resolution of any outstanding noncompliance and/or past due items.
- All other due diligence required by FHFC, its Legal Counsel and Servicer.

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

Sincerely,

SELTZER MANAGEMENT GROUP, INC.

Keith Whitaker
Senior Credit Underwriter

AMERINAT®

July 23, 2024

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

RE: Parrish Oaks II – MMRN 2021 Series E / SAIL & ELI RFA 2019-116 (2020-384BS) / 4% HC 2019-544C
Credit Underwriting Report ("CUR") Update Letter ("CUL") – Change to the final CUR dated January 13, 2021, to approve an increase to the Permanent First Mortgage Loan

Dear Mr. Kennedy:

AmeriNat® ("AmeriNat") is in receipt of correspondence dated March 15, 2024, from SP Braden LLC ("Borrower") requesting Florida Housing Finance Corporation's ("FHFC" or "Florida Housing") consent to an increase of the first mortgage permanent loan for the above referenced transaction. The Borrower applied and was awarded Multifamily Mortgage Revenue Notes ("MMRN"), State Apartment Incentive Loan ("SAIL"), an Extremely Low-Income ("ELI") Loan, and an annual allocation of 4% Housing Credit ("HC") for the construction and permanent financing of the Development. The CUR for the Development was approved at the January 22, 2021, FHFC Board meeting. The transaction closed on May 20, 2021.

On behalf of Florida Housing, AmeriNat has performed certain due diligence and formulated a recommendation. For the purposes of this analysis, AmeriNat has reviewed the following:

- Final CUR
- Servicer Closing Letter dated May 19, 2021
- Correspondence from Borrower
- Request for Applications ("RFA") 2019-116
- First Supplemental Funding Loan Agreement (to be dated for closing)
- Various loan documents
- Rule Chapters 67-21 and 67-48 F.A.C

Overview

Parrish Oaks II ("Development") is located at 5111 Oxford Rd. Parrish, Manatee County, FL 34219. The Development provides a total of 48 units, consisting of 32 two-bedroom / two-bathroom units, and 16 three-bedroom / two-bathroom units in two residential garden-style buildings. For a period of 50 years, the Development set aside is 100% of the units for tenants at or below 60% of the Area Median Income ("AMI") for the MMRN/HC; and the Development set asides are 10% of its total units (5 units) for tenants at or below 33% of the AMI for SAIL/ELI and 90% of its total units (remaining units) for tenants at or below 60% of the AMI for the SAIL.

On July 20, 2021, the Borrower accepted the preliminary commitment for a SAIL loan in the original principal amount of $2,248,000, and an ELI loan in the original principal amount of $419,100. Per RFA 2019-116, after accepting a preliminary commitment, the Borrower shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the SAIL mortgage without prior approval of Florida Housing's Board of Directors.

Florida Housing issued $6,000,000 of MMRN to the Borrower for the construction and permanent financing of the Development. Allianz Life Insurance Company of North America ("Allianz") acted as the Funding Lender and made a loan in the amount of $6,000,000 to FHFC, the proceeds of which were loaned pursuant to the Borrower Loan Agreement, dated May 1, 2021, to the Borrower for the construction and permanent financing of the Development. The CUR assumed a permanent mortgage in an amount not to exceed $4,026,900.

Permanent Financing Sources

The Financing Sources for the Development in the Servicer Closing Letter were as follows:

CONSTRUCTION/PERMANENT SOURCES:				
Source	**Lender**	**Construction**	**Permanent**	**Perm Loan/Unit**
FHFC - MMRB	FHFC/Allianz	$6,000,000	$3,750,000	$78,125
FHFC - SAIL	FHFC	$2,248,000	$2,248,000	$46,833
FHFC - SAIL ELI	FHFC	$419,100	$419,100	$8,731
Local Government Subsidy	Manatee County	$37,500	$37,500	$781
HC Equity	BFIM	$1,200,000	$3,921,000	$81,688
Deferred Developer Fee	Developer	$860,418	$389,418	$8,113
		$10,765,018	$10,765,018	$224,271

The Borrower proposes to amend the Funding Loan Agreement that reduces the Mandatory Prepayment Amount of the Note (effectively increasing the amount of the permanent first mortgage by $843,000) from $3,750,000 to $4,593,000 . It also increases the initial funding amount of the Operating Deficit Reserve by $44,435 from $249,150 to $293,585. All other terms of the first mortgage financing will remain unchanged.

If approved, the proposed Financing Sources for Development will be as follows:

Source	Lender	Applicant's Total	Applicant's Revised Total	Underwriter's Total	Interest Rate	Amortization Years	Term Years	Annual Debt Service
FHFC - MMRB	FHFC/Allianz	$3,500,000	$5,000,000	$4,593,000	4.51%	40	16	$247,958
FHFC - SAIL	FHFC	$2,248,000	$2,248,000	$2,248,000	1.00%	n/a	20	$22,480
FHFC - SAIL ELI	FHFC	$419,100	$419,100	$419,100	0.00%	n/a	20	$0
Local Government Subsidy	Manatee County	$37,500	$37,500	$37,500				
HC Equity	BFIM	$3,519,648	$2,892,072	$3,921,000				
Deferred Developer Fee	Developer	$1,000,000	$110,984	$693,764				
	Total :	**$10,724,248**	**$10,707,656**	**$11,912,364**				**$270,438**

Notes to the Proposed Financing Sources

1. The Total Development Costs have increased by $1,147,346 from $10,765,018 per the Servicer Closing Letter to $11,912,364 per the draft cost certification. The increase is primarily due to 12 Change

July 23, 2024
Mr. Tim Kennedy
Parrish Oaks II

Orders that that have increased the Guaranteed Maximum Price of the GC Contract by $1,681,253.70 from $5,217,995.57 to $6,899,249.27.

Revised Operating Pro Forma

FINANCIAL COSTS:			Year 1	Year 1 Per Unit
OPERATING PRO FORMA				
INCOME:	Gross Potential Rental Income		$745,560	$15,533
	Miscellaneous		$14,400	$300
	Gross Potential Income		$759,960	$15,833
	Less:			
	Physical Vac. Loss	Percentage: 5.00%	$37,998	$792
Total Effective Gross Income			$721,962	$15,041
EXPENSES:	Fixed:			
	Real Estate Taxes		$81,726	$1,703
	Insurance		$55,200	$1,150
	Variable:			
	Management Fee	Percentage: 4.50%	$32,489	$677
	General and Administrative		$38,400	$800
	Payroll Expenses		$66,600	$1,388
	Utilities		$32,400	$675
	Maintenance and Repairs/Pest Control		$36,000	$750
	Reserve for Replacements		$14,400	$300
Total Expenses			$357,215	$7,442
Net Operating Income			$364,747	$7,599
Debt Service Payments				
	First Mortgage - FHFC/Allianz		$247,958	$5,166
	Second Mortgage - SAIL		$22,480	$468
	Third Mortgage - ELI		$0	$0
	First Mortgage Fees - FHFC/Allianz		$21,979	$458
	Second Mortgage Fees - SAIL		$6,584	$137
	Third Mortgage Fees - ELI		$3,628	$76
Total Debt Service Payments			$302,629	$6,305
Cash Flow after Debt Service			$62,118	$1,294
Debt Service Coverage Ratios				
	DSC - First Mortgage plus Fees		1.35x	
	DSC - Second Mortgage plus Fees		1.22x	
	DSC - Third Mortgage plus Fees		1.21x	
	DSC - All Mortgages and Fees		1.21x	
Financial Ratios				
	Operating Expense Ratio		49.48%	
	Break-even Economic Occupancy Ratio (all debt)		87.05%	

Notes to the Revised Operating Pro Forma:

1. An appraisal engaged by R4 Capital Funding LLC, with an Effective Date of April 26, 2024 prepared by Novogradac & Company LLP, doing business under the brand name Novogradac Consulting ("Novo"), was provided for AmeriNat's review. The appraisal was executed by Kelly Mcnany Gorman, a State Certified General Appraiser whose Florida license number is RZ4397. Florida Housing is an intended

user of the appraisal. Novo reports the Development is achieving the maximum allowable 2023 rent as imposed by the HC program rent restrictions. Novo expects the Development to be able to achieve the maximum allowable 2024 HC rents as leases renew based on the 32% to 65% rental advantage over the achievable market rents that the Development has.

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

MSA: North Port-Sarasota -Bradenton (Manatee 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
2	2.0	4	994	33%			$746	$66	$680		$680	$680	$680	$32,640
2	2.0	28	994	60%			$1,357	$66	$1,291		$1,291	$1,291	$1,291	$433,776
3	2.0	1	1,130	33%			$862	$70	$792		$792	$792	$792	$9,504
3	2.0	15	1,130	60%			$1,568	$70	$1,498		$1,498	$1,498	$1,498	$269,640
		48	49,888											$745,560

2. The first mortgage plus fees Debt Service Coverage ("DSC") ratio increased from 1.15x to 1.00 in the Final CUR to 1.35x to 1.00, inclusive of the higher permanent first mortgage that is the subject of this request. The combined DSC for the first mortgage, SAIL second mortgage, and ELI third mortgage plus fees increased from 1.01x to 1.00 to 1.21x to 1.00.
3. All other operating expense estimates are based on comparable developments and are supported by the appraisal.

<u>**Conclusion**</u>

AmeriNat concludes that increasing the permanent first mortgage loan from Allianz from $3,750,000 to $4,593,000 will not adversely impact the transaction and/or FHFC's security position. Accordingly, AmeriNat recommends that Florida Housing approve the Borrower's request to allow for an increase to the permanent first mortgage, subject to the following:

1. Review and approval of all loan documents consistent with the terms outlined above by Florida Housing, its Legal Counsel, and Servicer.
2. Payment of all costs and fees to Florida Housing, its Legal Counsel, and Servicer, as applicable.
3. Any other reasonable requirements of the Servicer, Florida Housing or its Legal Counsel.

Please feel free to contact me with any questions or comments.

Sincerely,

TA Louloudes

Tom Louloudes
Senior Credit Underwriter

October 8, 2024

Mr. Tim Kennedy
Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-3291

Re: Ekos Allegro f/k/a Allegro at Hacienda Lakes ("Development") - Multifamily Mortgage Revenue Bonds ("MMRB" or "Bonds") 2022 Series B-1 & B-2/ State Apartment Incentive Loan ("SAIL") Program & Extremely Low Income ("ELI") Loan RFA 2019-116 (2020-385BSN)/ 4% Non-Competitive Housing Credits ("HC") 2019-563C

Credit Underwriting Report Update Letter 2 ("CUL 2") – Changes to the Final Credit Underwriting Report ("Final CUR"), dated June 9, 2021, Credit Underwriting Report Update Letter ("CUL"), dated September 29, 2021, and Closing Letter, dated January 27, 2022

Dear Mr. Kennedy,

First Housing Development Corporation of Florida ("FHDC", "First Housing", or "Servicer") received correspondence, dated September 12, 2024, from a representative of MHP Collier, Ltd. ("Borrower" or "Applicant"), requesting Florida Housing Finance Corporation ("FHFC" or "Florida Housing") approve the additional subordinate debt of $767,980.80 in SHIP funding from Collier County. The Collier County SHIP Loan will be subordinate to the FHFC MMRB, SAIL, and ELI loans.

On behalf of Florida Housing, First Housing has performed certain due diligence and formulated a recommendation and closing conditions which are contained at the end of this CUL 2. For the purposes of this analysis, First Housing has reviewed the following:

- Final CUR.

- CUL.

- Servicer Closing Letter and Final Sources & Uses / Construction Draw Schedule, dated January 27, 2022.
- Construction Loan Agreement, dated January 27, 2022, between Borrower and KeyBank National Association ("KeyBank").
- Standby Commitment from KeyBank, dated January 6, 2022.
- SAIL Promissory Note, dated January 27, 2022, between Borrower and FHFC.
- ELI Promissory Note, dated January 27, 2022, between Borrower and FHFC.
- Promissory Note, dated May 17, 2024, between Borrower and Collier County Community Land Trust, Inc. ("CCCLT").
- Draft Promissory Note between Borrower and Collier County, Florida ("Collier County").
- Draft Declaration of Restrictive Covenants between Borrower and Collier County.
- Second Amendment and Restated Agreement of Limited Partnership ("LPA"), dated December 1, 2021.

Background

The Development is located at 8465 Rattlesnake Hammock Road, Naples, FL 34114. The Development consists of 160-units within a single mid-rise residential building, with a unit mix of ninety-one (91) 1-bedroom/1-bath units and sixty-nine (69) 2-bedroom/2-bath units. The demographic commitment is Elderly, non-ALF.

On January 27, 2022, the Borrower closed on the below Construction/Permanent Sources, which is based on the Final Sources & Uses / Construction Draw Schedule. On May 17, 2024, the Borrower closed on an additional loan in the amount of $382,953 related to Federal Home Loan Bank of Atlanta ("FHLBA"). This loan does not have a mortgage. According to a Construction Progress Monitoring Report prepared by Partner Engineering and Science, Inc., dated June 13, 2024, the Development is 100% complete.

CONSTRUCTION/PERMANENT SOURCES:			
Source	**Lender**	**Construction**	**Permanent**
FHFC - MMRB	FHFC / Key Bank / Fannie Mae	$22,500,000	$16,475,000
Regulated Mortgage Lender	Key Bank	$2,500,000	$0
FHFC - SAIL	FHFC	$6,000,000	$6,000,000
FHFC – SAIL ELI	FHFC	$600,000	$600,000
HC Equity	CREA	$9,620,100	$19,387,798
GP Equity	GP	$100	$100
Deferred Developer Fee	MHP Collier Developer, LLC	$2,992,950	$2,137,485
ODR	N/A	$387,233	-
TOTAL		$44,600,383	$44,600,383

With the inclusion of the Collier County SHIP Loan and the FHLBA loan, the Sources will be as follows:

CONSTRUCTION/PERMANENT SOURCES:				
Source	**Lender**	**Construction**	**Permanent**	**Perm Loan/Unit**
FHFC - MMRB	FHFC/Key Bank/Fannie Mae	$22,500,000	$16,475,000	$102,969
Regulated Mortgage Lender	Key Bank	$2,500,000	$0	$0
FHFC - SAIL	FHFC	$6,000,000	$6,000,000	$37,500
FHFC - SAIL ELI	FHFC	$600,000	$600,000	$3,750
Local Government Subsidy	Collier County SHIP Loan	$767,981	$767,981	$4,800
Regulated Mortgage Lender	Federal Home Loan Bank of Atlanta	$382,953	$382,953	$2,393
HC Equity	CREA	$9,620,100	$19,387,798	$121,174
Deferred Developer Fee	MHP Collier Developer, LLC	$4,938,758	$4,083,293	$25,521
Operating Deficit Reserve	N/A	$387,233	$0	$0
Affiliate / Principal	Special Limited Partner Equity	$100	$100	$1
TOTAL		$47,697,124	$47,697,124	$298,107
Cash Collateral Source(s):				
Regulated Mortgage Lender	Key Bank	$22,500,000		
GRAND TOTAL		$70,197,124		

<u>FHFC MMRB and KeyBank Bridge Loan</u>:

First Housing received a Series B-1 Bond Loan Note, dated January 27, 2022, where Borrower promises to pay to FHFC the principal sum of $17,450,000, with interest payable. The interest rate is 2.55%. The entire principal balance of the Note, plus any accrued but unpaid interest shall be due and payable one business day preceding the Final Payment Date of February 1, 2040.

First Housing received a Series B-2 Bond Loan Note, dated January 27, 2022, where Borrower promises to pay in installments to FHFC the principal amount of $5,050,000 and interest on the unpaid balance. The interest rate is 1.00% and has an Initial Mandatory Tender Date of August 1, 2024. Thereafter, the interest rate will be the applicable Remarketing Rate, as established by RBC Capital Markets, LLC ("Remarketing Agent"), and principal amount shall be paid on or before February 1, 2025.

First Housing received a Construction Loan Agreement between the Borrower and KeyBank, dated January 27, 2022, for a loan in the amount of $25,000,000. FHFC issued (i) Multifamily Tax-Exempt Mortgage-backed Bonds, 2022 Series B-1 in the amount of $17,450,000 ("Series B-1 Bonds") and (ii) Multifamily Mortgage Revenue Bonds, 2022 Series B-2 in the amount of $5,050,000 ("Series B-2 Bonds"), collectively the Bonds. KeyBank allocated a portion of the Construction Loan in the amount of $22,500,000 as collateral proceeds and $2,500,000 as Bridge Proceeds. The loan will bear interest a floating rate based on Daily Simple Secured Overnight Financing Rate ("SOFR") plus a margin of 2.00%. The Daily Simple SOFR is defined as an interest rate per annum equal to the greater of (a) SOFR for the day that is five (5) Business Days prior or (b) the Benchmark Floor. The benchmark SOFR had a floor of 0.25%. The loan has a maturity date of July 27, 2024, with a six-month extension option extending the maturity date to January 27, 2025.

First Housing reviewed an Indenture of Trust between FHFC and The Bank of New York Mellon Trust Company, N.A. ("Trustee"), dated January 1, 2022. The Annual Issuer Fee is equal to 24 basis points on the principal amount of the Bonds. After conversion, the fee is applicable to the principal amount of the Bonds outstanding. An Annual Trustee Fee of $4,250 and Annual Dissemination Agent Fee of $250 are required.

<u>Permanent Loan</u>:

First Housing received a Stand-By Commitment, dated January 6, 2022, from KeyBank for mortgage financing under the Fannie Mae DUS MBS as Tax-Exempt Bond Collateral program in the amount of $16,570,000, not to exceed $17,450,000. The loan is underwritten at an interest rate of 3.91% and will require monthly principal and interest based on a 40-year amortization schedule, commencing February 1, 2027. The interest rate for the permanent loan is based on interest rate of the Bonds (2.55%), plus a servicing fee of 85 bps and a Guaranty Fee of 51 bps. The loan will mature on February 1, 2040.

Additional fees included in the Debt Service calculation consist of an annual Permanent Loan Servicing Fee, an annual Compliance Monitoring Fee, an annual Issuer Fee of 24 bps, and an annual Trustee Fee of $4,250. According to the Indenture of Trust, the annual Permanent Loan Servicing Fee is based upon a fee of 2.3 bps of the outstanding principal amount of the Bonds, subject to a month minimum permanent servicing fee of $229. The annual Compliance Monitoring Fee is based upon a total fee which is comprised of a base fee of $178 plus an additional annual $10.91 per set-aside unit, with a minimum monthly compliance monitoring fee of $278 month.

FHFC - SAIL:

First Housing reviewed a Promissory Note, dated January 27, 2022, where the Borrower promises to pay to the order of Florida Housing the principal sum of $6,000,000. The Note shall bear interest at 1% simple interest per annum on the outstanding principal balance. The entire unpaid principal amount, together with all accrued and unpaid interest, shall be due and payable on August 1, 2040.

FHFC – ELI:

First Housing reviewed a Promissory Note, dated January 27, 2022, where the Borrower promises to pay to the order of Florida Housing the principal sum of $600,000. The Note shall bear interest a 0% simple interest per annum. The entire unpaid principal amount of the Note shall be due and payable on August 1, 2040. So long as the Development maintains its required ELI Set-Asides for the first fifteen (15) years of the fifty (50) year Program Compliance Period, and the Borrower complies with all other Program requirements and no Event of Default has occurred, the principal amount of the Note may be forgiven at maturity at the sole discretion of Florida Housing.

First Housing reviewed Compliance Monitoring and Servicing Agreements for the SAIL and ELI Loan, dated January 7, 2022, between the Borrower and FHFC. The annual Compliance Monitoring Multiple Program Fee is $993 for each of the SAIL and ELI loans. The annual Permanent Loan Servicing Fee is based upon the outstanding loan amounts, with a fee of 25 bps of the outstanding loan amount, with a minimum monthly fee of $229 for each loan, and a maximum monthly fee of $909 for each loan.

Collier County SHIP:

First Housing received a letter, dated August 13, 2024, from Collier County Community and Human Services indicating the Borrower has been recommended for $767,980.80 in State Housing Initiative Partnership (SHIP) funds.

First Housing received a Draft Promissory Note between the Borrower and Collier County in the principal amount of $767,980.80. The term of the loan will be 30 years and matures 30 years from the date of disbursement. During the period commencing on the Date of Disbursement and ending on the Maturity Date, the interest rate on this note shall be zero percent (0%) and no payments of principal or interest shall be due. On the Maturity Date, any outstanding principal amount of the indebtedness evidenced by this Note and accrued, but unpaid, interest (if any) shall be due and payable. The Note may, but shall not automatically be, forgiven at the sole and absolute discretion of the Lender on or by on the Maturity Date.

Federal Home Loan Bank of Atlanta:

First Housing reviewed a Multifamily Housing Bridge Fund Agreement, dated February 16, 2024, between FHLBA, FineMark National Bank & Trust ("FineMark"), and CCCLT. FHLBA provided a voluntary grant under a Multifamily Housing Bridge Fund program.

First Housing reviewed a Promissory Note, dated May 17, 2024, where the Borrower promises to pay to the order of CCCLT ("Noteholder") the principal sum of $382,953, together with interest. The Note shall bear interest at a rate of zero percent (0.00%) and will mature on May 17, 2074. The Note and Loan evidenced by the Note may be forgiven in the sole and absolute discretion of the Noteholder on the maturity date.

Housing Credit Equity:

First Housing reviewed the executed LPA, dated December 1, 2021. The Capital Contribution schedule below remains the same as reflected in the Servicer Closing Letter. The LPA shows a syndicate rate of $1.01; however, First Housing has used a syndication rate of $1.0101110913822 to be exact in order to tie to the annual HC allocation per the LPA.

FHDC

Syndication Contributions

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	$2,908,199	15.00%	The later of execution of the agreement, Closing of the Construction Loan and the other loans set forth in Appendix IV and initial funding of the Construction Loan and such other loans, Receipt of a commitment for the Permanent Loan, Receipt of building permits or will issue letter acceptable to the Special Limited Partner, or Approval by all Parties of a revised Financial Forecast in accordance with Section 5.3(hh). Inlcudes $1,000 "initial installment" paid at admission of the limited partner and special limited partner to the Partnership.
2nd Installment	$4,556,133	23.50%	The later of October 1, 2022, 50% Construction Completion, Certification from the Architect that the Project is 50% completed according to the Plans and Specifications, Site visit by the Inspecting SLP Representative and receipt and approval of all documents listed in Section 5.4(a)., or Receipt of a copy of the Nonprofit Special Limited Partner's Section 168(h) election.
3rd Installment	$2,155,768	11.12%	The later of July 1, 2023, 95% Construction Completion, Receipt of a lien waiver from the General Contractor with respect to the work performed and/or materials supplied through the date of 95% Construction Completion for which it has been paid to date, Certification from the Architect that the work has been completed according to the Plans and Specifications, Site visit by the Inspecting SLP Representative, Satisfactory evidence that all environmental remediation of the Project has been completed, Receipt of a copy of the temporary certificates of occupancy for the Project, Receipt by the Special Limited Partner of the Accountants' draft Cost Certification and draft 50% Test, or Evidence that the Cost Segregation Study provider has been engaged, the Cost Segregation Study has been started, and the final Cost Segregation Study will be delivered.
4th Installment	$775,225	4.00%	The later of July 1, 2023, receipt of a date down endorsement or updated title search, evidencing the accuracy of the representation contained in Section 5.3(u) of the Partnership Agreement, or receipt of the final Letter of Map Revision
5th Installment	$8,892,473	45.87%	Later April 1, 2024, Receipt of final title policy, Payment in full of the Construction Loans and closing and funding of the Permanent Loans, Achievement of Stabilized Operations, Special Limited Partner's receipt of evidence of (a) that impact fees have been deferred beyond year 10 of the Compliance Period, or (b) that the MHP Special Limited Partner has established a reserve in an amount to equal the outstanding impact fee, which reserve may be released either upon receipt of evidence of the extended impact fee deferral through year 10 of the Compliance Period, Receipt of a copy of the permanent certificates of occupancy for the Project, Receipt of an ALTA compliant as-built survey of the Project, or receipt by the Special Limited Partner of the Accountants' final Cost Certification and final 50% Test.
6th Installment	$100,000	0.52%	Later July 1, 2024, receipt of IRS Forms 8609 for all buildings, receipt by the Special Limited Partner of a properly recorded Restrictive Covenant, or receipt by the Special Limited Partner of the executed Deferred Developer Fee Note if any Development Amount will be deferred pursuant to the Development Agreement.
Total	$19,387,798	100.00%	

Annual Credit Per Syndication Agreement	$1,919,584
Calculated HC Exchange Rate	$1.0101110913822
Limited Partner Ownership Percentage	99.989%
Proceeds Available During Construction	$9,620,100

Deferred Developer Fee:

In order to balance the sources and uses during the permanent period, the Developer must defer $4,083,293 or 62.82% of the total Developer Fee of $6,499,973.

Operating Deficit Reserve:

According to the LPA, an Operating Deficit Reserve in the amount of $387,233 is required and will be funded from the fifth installment. First Housing has included the ODR to balance the sources.

Special Limited Partner Equity:

According to the LPA, the Special Limited Partner, CREA SLP, LLC, was required to make a capital contribution of $100 upon the date of admission to the partnership.

Uses of Funds

Please note the Applicant Costs column is based on the most recent Construction Draw Schedule and the Revised Applicant Costs column is based on the Applicant's budget.

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
New Rental Units	$21,250,245	$21,250,245	$20,835,875	$130,224
Site Work	$2,806,073	$2,806,073	$2,816,570	$17,604
Constr. Contr. Costs subject to GC Fee	$24,056,318	$24,056,318	$23,652,445	$147,828
General Conditions	$1,342,402	$1,342,402	$1,397,610	$8,735
Overhead	$447,467	$447,467	$473,720	$2,961
Profit	$1,342,402	$1,342,402	$1,425,147	$8,907
General Liability Insurance	$143,190	$143,190	$152,288	$952
Payment and Performance Bonds	$214,784	$214,784	$225,651	$1,410
Total Construction Contract/Costs	$27,546,564	$27,546,564	$27,326,862	$170,793
Hard Cost Contingency	$0	$0	$0	$0
Other: Recreational/Owner Items	$174,942	$174,942	$174,942	$1,093
Total Construction Costs:	**$27,721,506**	**$27,721,506**	**$27,501,803**	**$171,886**

Notes to the Total Construction Costs:

1. First Housing reviewed a construction contract, dated April 19, 2021, in the amount of $23,991,617.06. This is a Standard Form of Agreement between Owner, CORE MHP Collier, Ltd. and Contractor, MHP – Hennessy Construction LLC, where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price ("GMP"). The construction contract specifies retainage of 10% be withheld until completion reaches 50% at which time retainage will be reduced to 5%. First Housing reviewed a Contract Addendum, dated September 15, 2021, which increases the GMP to $25,863,617. The Contract Addendum also corrects the Owner's name to MHP Collier, Ltd. First Housing reviewed a Contract Addendum, dated January 7, 2022, which specifies that retainage is reduced to 0% once completion reaches 50%.

2. First Housing reviewed ten (10) Change Orders, totaling $1,463,244.61, which increases the contract sum to $27,326,861.61 since construction commencement. First Housing reviewed deductive Change Order 10, dated September 24, 2024, in the amount of $219,702.25. The costs will be used for Spine Road fill, which was previously funded but should have been funded from Ekos Cadenza f/k/a Cadenza at Hacienda Lakes instead. Change Order 10 is included in the chart above.

3. The General Contractor ("GC") fee is within the maximum 14% of hard costs allowed by the RFA and Rule Chapters 67-48 and 67-21. 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 Chapters 67-48 and 67-21.

4. The Hard Cost Contingency is within 5% of the total construction cost, as allowed for construction developments by the RFA and Rule Chapters 67-48 and 67-21.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Accounting Fees	$32,371	$32,371	$32,371	$202
Appraisal	$8,500	$8,500	$8,500	$53
Architect's Fee - Landscape	$17,904	$17,904	$17,904	$112
Architect's Fee - Site/Building Design	$279,460	$279,460	$279,460	$1,747
Architect's Fee - Supervision	$71,947	$71,947	$71,947	$450
Building Permits	$210,283	$210,283	$210,283	$1,314
Builder's Risk Insurance	$207,321	$207,321	$207,321	$1,296
Engineering Fees	$193,974	$193,974	$193,974	$1,212
Environmental Report	$20,403	$20,403	$20,403	$128
FHFC Administrative Fees	$173,314	$173,314	$173,314	$1,083
FHFC Application Fee	$3,000	$3,000	$3,000	$19
FHFC Credit Underwriting Fee	$33,235	$33,235	$36,735	$230
Impact Fee	$43,310	$811,291	$811,291	$5,071
Lender Inspection Fees / Const Admin	$83,720	$83,720	$83,720	$523
Green Building Cert. (LEED, FGBC, NAHB)	$27,100	$27,100	$27,100	$169
Insurance	$0	$0	$0	$0
Legal Fees - Organizational Costs	$365,519	$365,519	$365,519	$2,284
Market Study	$7,818	$7,818	$7,818	$49
Marketing and Advertising	$22,350	$22,350	$22,350	$140
Plan and Cost Review Analysis	$3,500	$3,500	$3,500	$22
Property Taxes	$67,715	$67,715	$67,715	$423
Soil Test	$6,308	$6,308	$6,308	$39
Survey	$12,509	$12,509	$12,509	$78
Title Insurance and Recording Fees	$178,121	$178,121	$178,121	$1,113
Traffic Study	$12,968	$12,968	$12,968	$81
Utility Connection Fees	$54,984	$54,984	$54,984	$344
Soft Cost Contingency	$774	$774	$774	$5
Other: Construction Material Testing	$47,600	$47,600	$47,600	$298
Other: Energy Consumption Study	$5,581	$5,581	$5,581	$35
Other: Travel,Printing,Delivery	$3,697	$3,697	$3,697	$23
Total General Development Costs:	**$2,195,287**	**$2,963,267**	**$2,966,767**	**$18,542**

Notes to the General Development Costs:

1. The FHFC Credit Underwriting Fee includes $29,735 for the SAIL, ELI, and HC underwriting, $3,500 for the CUL, and $3,500 for this CUL 2.

2. First Housing has increased Impact Fees based on the Borrower's budget.

FHDC

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Construction Loan Commitment Fee	$125,000	$125,000	$125,000	$781
Construction Loan Closing Costs	$13,520	$13,520	$13,520	$84
Construction Loan Interest	$2,328,530	$3,559,173	$3,559,173	$22,245
Permanent Loan Origination Fee	$174,500	$174,500	$174,500	$1,091
Permanent Loan Closing Costs	$27,111	$27,111	$27,111	$169
FHFC Bond Trustee Fee	$37,515	$37,515	$37,515	$234
FHFC Bond Cost of Issuance	$297,084	$297,084	$297,084	$1,857
SAIL Commitment Fee	$60,000	$60,000	$60,000	$375
SAIL-ELI Commitment Fee	$6,000	$6,000	$6,000	$38
Misc Loan Interest	$0	$0	$0	$0
Legal Fees - Financing Costs	$233,001	$233,001	$233,001	$1,456
Negative Arbitrage	$658,930	$658,930	$658,930	$4,118
Placement Agent/Underwriter Fee	$146,188	$146,188	$146,188	$914
Initial TEFRA Fee	$1,000	$1,000	$1,000	$6
Other: Syndication Fees	$60,000	$60,000	$60,000	$375
Other: MTEB Fees	$108,375	$108,375	$108,375	$677
Other: FHFC Issuer Fee	$135,000	$135,000	$135,000	$844
Total Financial Costs:	**$4,411,752**	**$5,642,395**	**$5,642,395**	**$35,265**
Dev. Costs before Acq., Dev. Fee & Reserves	**$34,328,544**	**$36,327,168**	**$36,110,966**	**$225,694**

Notes to the Financial Costs:

1. First Housing has increased Construction Loan Interest based on the Applicant's updated budget.

DEVELOPER FEE ON NON-ACQUISTION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Developer Fee - Unapportioned	$5,185,653	$6,025,956	$6,499,973	$40,625
Total Other Development Costs:	**$5,185,653**	**$6,025,956**	**$6,499,973**	**$40,625**

Notes to the Other Development Costs:

1. The recommended Developer's Fee does not exceed 18% of Total Development Cost before Developer Fee, Operating Reserves, and Land costs as allowed by the RFA and Rule Chapters 67-48 and 67-21.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Land	$4,650,953	$4,650,953	$4,650,953	$29,068
Total Acquisition Costs:	**$4,650,953**	**$4,650,953**	**$4,650,953**	**$29,068**

Notes to Land Acquisition Costs:

1. The Land Acquisition costs have not changed since closing.

FHDC

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Operating Deficit Reserve (Syndicator)	$387,233	$387,233	$387,233	$2,420
Replacement Reserves (Lender)	$48,000	$48,000	$48,000	$300
Total Reserve Accounts:	**$435,233**	**$435,233**	**$435,233**	**$2,720**

Notes to Reserve Accounts:

1. According to the LPA, the Operating Deficit amount is $387,233.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
TOTAL DEVELOPMENT COSTS:	**$44,600,383**	**$47,439,310**	**$47,697,124**	**$298,107**

Notes to Total Development Costs:

1. The Total Development Costs have increased by a total of 7.53% or $3,096,741 from $44,600,383 to $47,697,124 since the most recent Construction Draw Schedule.

2. Based on the TDC per unit limitations in effect as of July 30, 2021, Board Meeting, FHFC has set the TDC for RFA 2019-116, exclusive of land costs and Operating Deficit Reserves to $343,150.50 per unit for new construction, Enhanced Structural Systems Construction, mid-rise (5-6 stories) apartments located in Collier County which are utilizing MMRB funds. The Development's TDC, less land and ODR is $42,610,939, or $266,318 per unit, which meets the TDC requirement.

Operating Pro Forma: Allegro at Hacienda Lakes (f/k/a Villa Verde)

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			**$1,615,980**	**$10,100**
	Other Income				
	Miscellaneous			$32,684	**$204**
	Washer/Dryer Rentals			$62,400	**$390**
	Cable/Satellite Income			$28,800	**$180**
	Gross Potential Income			**$1,739,864**	**$10,874**
	Less:				
	Physical Vac. Loss	Percentage:	3.00%	$52,196	**$326**
	Collection Loss	Percentage:	2.00%	$34,797	**$217**
Total Effective Gross Income				**$1,652,871**	**$10,330**
EXPENSES:	Fixed:				
	Real Estate Taxes			$3,072	**$19**
	Insurance			$88,000	**$550**
	Variable:				
	Management Fee	Percentage:	4.00%	$66,115	**$413**
	General and Administrative			$72,000	**$450**
	Payroll Expenses			$208,000	**$1,300**
	Utilities			$80,000	**$500**
	Marketing and Advertising			$8,000	**$50**
	Maintenance and Repairs/Pest Control			$72,000	**$450**
	Grounds Maintenance and Landscaping			$24,000	**$150**
	Reserve for Replacements			$24,000	**$150**
Total Expenses				**$645,187**	**$4,032**
Net Operating Income				**$1,007,684**	**$6,298**
Debt Service Payments					
	First Mortgage - FHFC/Key Bank/Fannie Mae			$864,725	**$5,405**
	Second Mortgage - FHFC - SAIL			$60,000	**$375**
	Third Mortgage - FHFC - SAIL ELI			$0	**$0**
	First Mortgage Fees - FHFC/Key Bank/Fannie Mae			$51,421	**$321**
	Second Mortgage Fees - FHFC - SAIL			$11,901	**$74**
	Third Mortgage Fees - FHFC - SAIL ELI/Link Units			$3,741	**$23**
Total Debt Service Payments				**$991,788**	**$6,199**
Cash Flow after Debt Service				**$15,896**	**$99**
Debt Service Coverage Ratios					
	DSC - First Mortgage plus Fees			**1.10x**	
	DSC - Second Mortgage plus Fees			**1.02x**	
	DSC - Third Mortgage plus Fees			**1.02x**	
Financial Ratios					
	Operating Expense Ratio			**39.03%**	
	Break-even Economic Occupancy Ratio (all debt)			**94.29%**	

Notes to the Operating Pro Forma and Ratios:

1. The MMRB program does not impose any rent restrictions. However, in conjunction with the MMRB, this Development will be utilizing Housing Credits, SAIL and ELI financing, which will impose rent restrictions. The rent levels are based on 2021 maximum Low Income Housing Tax Credits ("LIHTC") rents published on FHFC's website for Collier County less the applicable utility allowances.

Collier County / Naples-Immokalee-Marco Island MSA

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	1	555	30%			$474	$123	$ 351		$ 351	$ 351	$ 351	$ 4,212
1	1.0	10	560	30%			$474	$123	$ 351		$ 351	$ 351	$ 351	$ 42,120
1	1.0	28	566	60%			$949	$123	$ 826		$ 826	$ 826	$ 826	$ 277,536
1	1.0	4	555	60%			$949	$123	$ 826		$ 826	$ 826	$ 826	$ 39,648
1	1.0	28	563	60%			$949	$123	$ 826		$ 826	$ 826	$ 826	$ 277,536
1	1.0	10	567	60%			$949	$123	$ 826		$ 826	$ 826	$ 826	$ 99,120
1	1.0	10	558	60%			$949	$123	$ 826		$ 826	$ 826	$ 826	$ 99,120
2	2.0	8	780	30%			$569	$134	$ 435		$ 435	$ 435	$ 435	$ 41,760
2	2.0	2	780	60%			$1,138	$134	$ 1,004		$ 1,004	$ 1,004	$ 1,004	$ 24,096
2	2.0	20	789	60%			$1,138	$134	$ 1,004		$ 1,004	$ 1,004	$ 1,004	$ 240,960
2	2.0	10	779	60%			$1,138	$134	$ 1,004		$ 1,004	$ 1,004	$ 1,004	$ 120,480
2	2.0	4	781	60%			$1,138	$134	$ 1,004		$ 1,004	$ 1,004	$ 1,004	$ 48,192
2	2.0	15	795	60%			$1,138	$134	$ 1,004		$ 1,004	$ 1,004	$ 1,004	$ 180,720
2	2.0	10	791	60%			$1,138	$134	$ 1,004		$ 1,004	$ 1,004	$ 1,004	$ 120,480
		160	105,566											$ 1,615,980

2. The utility allowances are based on the Utility Allowance Study from Enercon Services, Inc., dated December 1, 2020.

3. For the Collier County SHIP loan, the Development will be required to set aside three (3) units at or below 50% of the Area Median Income ("AMI"). Of these units, two (2) units must serve Special Needs households. The existing FHFC MMRB, SAIL, ELI, and HC set-asides are more restrictive.

4. The appraisal included a Vacancy and Collection loss rate of 4.00%. First Housing has used a vacancy and collection loss rate of 5% to be more conservative.

5. Miscellaneous Income is comprised of revenue from vending machines, application fees, late charges, forfeited security deposits and other miscellaneous sources. Total miscellaneous income of $204 per unit per year is supported by the appraisal.

6. Based upon operating data from comparable properties, third-party reports (appraisal and market study) and First Housing's independent due diligence, First Housing represents that, in its professional opinion, estimates for Rental Income, Vacancy, Other Income, and Operating Expenses fall within a band of reasonableness.

7. The Development will seek ad valorem property tax exemption under Florida Statute 196.1975. First Housing received a real estate counsel's opinion letter, dated January 27, 2022, verifying the proposed organizational structure and the Development's demographic commitment meets the requirements under this statute. The appraisal included $3,072 of personal property taxes, which included an early payment discount.

8. First Housing reviewed an executed Property Management Agreement, dated January 27, 2022, between the Borrower and Weller Workforce, LLC ("Manager") which indicates a management fee of 3.0% or a minimum of $3,000, whichever is greater. First Housing utilized a 4% management fee, which is in line with the appraisal.

9. The tenant is responsible for electric, water, sewer, cable, and internet. The landlord is responsible for common area electric, common area water/sewer, and trash removal.

10. According to LPA, dated December 1, 2021, Replacement Reserves of the greater of (i) the amount required by the Project Lenders to be reserved by the Partnership, and (ii) $300 per unit per year, increased annually at a rate of 3% per year, are required. As allowed per Rules 67-48 and 67-21, the Applicant had the option to prepay Replacement Reserves in the amount of $48,000 (one-half the required Replacement Reserves for Years 1 and 2), in order to meet the applicable DSC loan requirements. The Applicant elected to exercise this option. First Housing has shown Replacement Reserves of $24,000 in Years 1 and 2.

11. Refer to Exhibit 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%.

12. The Break-even Economic Occupancy Ratio includes all debt; however, the SAIL Loan requires interest payments that are based on available cash flow. This ratio would improve to 90.84% if these interest payments were not included in the calculation.

13. Per Rule 67-48, the minimum DSC ratio shall be 1.10x for the SAIL Loan, including all superior mortgages. However, per Rule 67-48, if the Applicant defers at least 35% of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation, and when the primary expected source of repayment has been identified as projected cash flow, the minimum DSC shall be 1.00x for the SAIL Loan, including all superior mortgages. The Applicant will be required to show permanent Deferred Developer Fee of at least 35% as the SAIL Loan DSC is 1.02x.

<u>Recommendation:</u>

First Housing's review indicates the additional subordinate debt from Collier County SHIP funding in the amount of $767,980.80 and the subordination of the Collier County SHIP Loan to the FHFC MMRB, SAIL, and ELI Loans has no substantial adverse impact to the Development.

This recommendation is conditioned upon the following:

1. Payment of any outstanding arrearages to the Corporation, its Legal Counsel, Servicer of any agent or assignee of the Corporation for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21.0025(5) F.A.C. and 67-48.0075(5) F.A.C., of an Applicant or a Developer).

2. Final loan documents for the Collier County SHIP Loan with terms which are not substantially different than those utilized in this CUL 2.

3. Review and approval of all loan documents consistent with the terms outlined in this CUL 2 by FHFC, its Legal Counsel and Servicer.

4. Prepayment of any required compliance monitoring fees and servicing fees, as applicable.

5. Payment of all costs and fees to Florida Housing, its Legal Counsel, and Servicer, as applicable.

6. Consent of the HC equity provider, if applicable.

7. Consent of the Lender/s, if applicable.

8. Satisfactory resolution of any outstanding past due and/or noncompliance items.

9. All other due diligence required by FHFC, its Legal Counsel, and Servicer.

Prepared by:	Reviewed by:
Matthew Mosiello	Ed Busansky
Matthew Mosiello	Ed Busansky
Credit Underwriter	Senior Vice President

50% Test

Tax-Exempt Bond Amount	$22,500,000
Less: Debt Service Reserve Funded with Tax-Exempt Bond Proceeds	$0
Other:	$0
Other:	$0
Equals Net Tax-Exempt Bond Amount	$22,500,000
Total Depreciable Cost	$38,169,118
Plus Land Cost	$4,650,953
Aggregate Basis	$42,820,071
Net Tax-Exempt Bond to Aggregate Basis Ratio	52.55%

1. The Development appears to meet the 50% test for 4% Housing Credits. If, at the time of Final Cost Certification, the Tax-Exempt Note amount is less than 50%, Developer Fee will have to be reduced by an amount to ensure compliance with the 50% Test. That may, in turn, result in a reduction to HC Equity.

FHDC

15 Year Proforma

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	**$1,615,980**	**$1,648,300**	**$1,681,266**	**$1,714,891**	**$1,749,189**	**$1,784,172**	**$1,819,856**	**$1,856,253**	**$1,893,378**	**$1,931,246**	**$1,969,871**	**$2,009,268**	**$2,049,453**	**$2,090,442**	**$2,132,251**
Other Income															
Miscellaneous	$32,684	$33,338	$34,004	$34,685	$35,378	$36,086	$36,807	$37,544	$38,295	$39,060	$39,842	$40,638	$41,451	$42,280	$43,126
Washer/Dryer Rentals	$62,400	$63,648	$64,921	$66,219	$67,544	$68,895	$70,273	$71,678	$73,112	$74,574	$76,065	$77,587	$79,138	$80,721	$82,335
Cable/Satellite Income	$28,800	$29,376	$29,964	$30,563	$31,174	$31,798	$32,433	$33,082	$33,744	$34,419	$35,107	$35,809	$36,525	$37,256	$38,001
Gross Potential Income	**$1,739,864**	**$1,774,661**	**$1,810,155**	**$1,846,358**	**$1,883,285**	**$1,920,950**	**$1,959,369**	**$1,998,557**	**$2,038,528**	**$2,079,299**	**$2,120,885**	**$2,163,302**	**$2,206,568**	**$2,250,700**	**$2,295,714**
Less:															
Physical Vac. Loss Percentage: 3.00%	$52,196	$53,240	$54,305	$55,391	$56,499	$57,629	$58,781	$59,957	$61,156	$62,379	$63,627	$64,899	$66,197	$67,521	$68,871
Collection Loss Percentage: 2.00%	$34,797	$35,493	$36,203	$36,927	$37,666	$38,419	$39,187	$39,971	$40,771	$41,586	$42,418	$43,266	$44,131	$45,014	$45,914
Total Effective Gross Income	**$1,652,871**	**$1,685,928**	**$1,719,647**	**$1,754,040**	**$1,789,121**	**$1,824,903**	**$1,861,401**	**$1,898,629**	**$1,936,602**	**$1,975,334**	**$2,014,840**	**$2,055,137**	**$2,096,240**	**$2,138,165**	**$2,180,928**
EXPENSES:															
Fixed:															
Real Estate Taxes	$3,072	$3,164	$3,259	$3,357	$3,458	$3,561	$3,668	$3,778	$3,892	$4,008	$4,129	$4,252	$4,380	$4,511	$4,647
Insurance	$88,000	$90,640	$93,359	$96,160	$99,045	$102,016	$105,077	$108,229	$111,476	$114,820	$118,265	$121,813	$125,467	$129,231	$133,108
Variable:															
Management Fee Percentage: 4.00%	$66,115	$67,437	$68,786	$70,162	$71,565	$72,996	$74,456	$75,945	$77,464	$79,013	$80,594	$82,205	$83,850	$85,527	$87,237
General and Administrative	$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
Payroll Expenses	$208,000	$214,240	$220,667	$227,287	$234,106	$241,129	$248,363	$255,814	$263,488	$271,393	$279,535	$287,921	$296,558	$305,455	$314,619
Utilities	$80,000	$82,400	$84,872	$87,418	$90,041	$92,742	$95,524	$98,390	$101,342	$104,382	$107,513	$110,739	$114,061	$117,483	$121,007
Marketing and Advertising	$8,000	$8,240	$8,487	$8,742	$9,004	$9,274	$9,552	$9,839	$10,134	$10,438	$10,751	$11,074	$11,406	$11,748	$12,101
Maintenance and Repairs/Pest Control	$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
Grounds Maintenance and Landscaping	$24,000	$24,720	$25,462	$26,225	$27,012	$27,823	$28,657	$29,517	$30,402	$31,315	$32,254	$33,222	$34,218	$35,245	$36,302
Reserve for Replacements	$24,000	$24,000	$48,000	$49,440	$50,923	$52,451	$54,024	$55,645	$57,315	$59,034	$60,805	$62,629	$64,508	$66,443	$68,437
Total Expenses	**$645,187**	**$663,161**	**$705,662**	**$726,144**	**$747,226**	**$768,928**	**$791,265**	**$814,259**	**$837,927**	**$862,290**	**$887,369**	**$913,184**	**$939,758**	**$967,112**	**$995,270**
Net Operating Income	**$1,007,684**	**$1,022,767**	**$1,013,985**	**$1,027,896**	**$1,041,894**	**$1,055,975**	**$1,070,136**	**$1,084,370**	**$1,098,674**	**$1,113,043**	**$1,127,471**	**$1,141,953**	**$1,156,482**	**$1,171,053**	**$1,185,658**
Debt Service Payments															
First Mortgage - FHFC/Key Bank/Fannie Mae	$864,725	$864,725	$864,725	$864,725	$864,725	$864,725	$864,725	$864,725	$864,725	$864,725	$864,725	$864,725	$864,725	$864,725	$864,725
Second Mortgage - FHFC - SAIL	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000
Third Mortgage - FHFC - SAIL ELI	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
First Mortgage Fees - FHFC/Key Bank/Fannie Mae	$51,421	$50,987	$50,534	$50,063	$49,571	$49,059	$48,524	$47,968	$47,388	$46,783	$46,153	$45,496	$44,811	$44,098	$43,354
Second Mortgage Fees - FHFC - SAIL	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901
Third Mortgage Fees - FHFC - SAIL ELI/Link Units	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741
Total Debt Service Payments	**$991,788**	**$991,354**	**$990,901**	**$990,430**	**$989,938**	**$989,426**	**$988,892**	**$988,335**	**$987,755**	**$987,150**	**$986,520**	**$985,863**	**$985,178**	**$984,465**	**$983,722**
Cash Flow after Debt Service	**$15,896**	**$31,413**	**$23,084**	**$37,466**	**$51,956**	**$66,550**	**$81,244**	**$96,035**	**$110,920**	**$125,893**	**$140,952**	**$156,090**	**$171,304**	**$186,588**	**$201,936**
Debt Service Coverage Ratios															
DSC - First Mortgage plus Fees	**1.10**	**1.12**	**1.11**	**1.12**	**1.14**	**1.16**	**1.17**	**1.19**	**1.20**	**1.22**	**1.24**	**1.25**	**1.27**	**1.29**	**1.31**
DSC - Second Mortgage plus Fees	**1.02**	**1.04**	**1.03**	**1.04**	**1.06**	**1.07**	**1.09**	**1.10**	**1.12**	**1.13**	**1.15**	**1.16**	**1.18**	**1.19**	**1.21**
DSC - Third Mortgage plus Fees	**1.02**	**1.03**	**1.02**	**1.04**	**1.05**	**1.07**	**1.08**	**1.10**	**1.11**	**1.13**	**1.14**	**1.16**	**1.17**	**1.19**	**1.21**
Financial Ratios															
Operating Expense Ratio	**39.03%**	**39.34%**	**41.04%**	**41.40%**	**41.77%**	**42.14%**	**42.51%**	**42.89%**	**43.27%**	**43.65%**	**44.04%**	**44.43%**	**44.83%**	**45.23%**	**45.64%**
Break-even Economic Occupancy Ratio (all debt)	**94.29%**	**93.43%**	**93.92%**	**93.17%**	**92.44%**	**91.74%**	**91.05%**	**90.39%**	**89.76%**	**89.15%**	**88.55%**	**87.98%**	**87.44%**	**86.91%**	**86.40%**

Based on the LPA, Replacement Reserves will be required at $300 per unit per year, increasing by 3% per year. First Housing has shown this starting in Year 3.

September 5, 2024

Mr. Tim Kennedy
Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-3291

Re: Edison Place f/k/a Edison Gardens ("Development") – State Apartment Incentive Loan ("SAIL") Program RFA 2017-107 (2018-054S) / 4% Non-Competitive Housing Credits ("HC") 2016-582C

Credit Underwriting Report Update Letter ("CUL") – Changes to the Final Credit Underwriting Report, dated November 27, 2019 ("Final CUR")

Dear Mr. Kennedy,

First Housing Development Corporation of Florida ("FHDC", "First Housing", or "Servicer") has received a request letter on August 19, 2024 from Tacolcy Edison Gardens LLC ("Borrower") requesting that Florida Housing Finance Corporation ("FHFC" or "Florida Housing") approve the increase in the permanent first mortgage loan from the amount approved at closing. Based on the closing letter, the anticipated permanent loan was in the amount of $20,800,000. The Borrower is now anticipating a permanent loan in the amount of $22,880,000.

On behalf of FHFC, First Housing has performed certain due diligence and formulated a recommendation and closing conditions which are contained at the end of this CUL. For the purposes of this analysis, First Housing has reviewed the following:

- Final CUR.
- Servicer Closing Letter and Final Sources & Uses / Construction Draw Schedule, dated March 25, 2020.
- Updated Sources and Uses from Borrower, dated August 16, 2024.

- Appraisal, dated August 6, 2024, prepared by Apprise by Walker & Dunlop.

- Sixth Loan Extension and Modification Agreement, dated August 6, 2024, between the Borrower and Bank of America, N.A. and Tacolcy Economic Development Corporation, Inc. which extends the construction loan maturity date to September 1, 2024. However, the lender may in its sole discretion authorize an additional one-month extension to October 1, 2024.

- Letter, dated February 15, 2023, from Walker & Dunlop, LLC which extends the forward commitment maturity date to September 1, 2024.

Background

The Development is located at 610 NW 60th Street, 651 and 670 58th Street, and 5900 NW 6th Avenue, Miami, Miami-Dade County, Florida 33127. The Development has a Family demographic commitment and consists of 200 apartment units located in three residential buildings. According to the Construction Progress Monitoring Report, dated May 21, 2024, prepared by Partner the Development is 100% complete. The original financing closed on March 25, 2020. It was anticipated that the Development would be complete with construction by March 1, 2022. The delay in construction was caused by the COVID-19 pandemic and the delay in receipt of full building permits. The additional costs were mostly in construction loan interest and hard costs. Since rents in the Miami-Dade County market have increased substantially and given the increase in total development costs, the Borrower would like to increase the permanent first mortgage loan. Please note that the conversion must occur on or before September 1, 2024 under the current permanent loan documents. Evidence of an extension of the forward commitment is a condition to this CUL.

Operating Pro Forma: Edison Place f/k/a Edison Gardens

					Year 1	Year 1 Per Unit
FINANCIAL COSTS:						
OPERATING PRO FORMA						
INCOME:	Gross Potential Rental Income				$3,571,548	$17,858
	Other Income					
		Miscellaneous			$85,000	$425
	Gross Potential Income				$3,656,548	$18,283
	Less:					
		Physical Vac. Loss	Percentage:	3.00%	$109,696	$548
		Collection Loss	Percentage:	2.00%	$73,131	$366
Total Effective Gross Income					**$3,473,721**	**$17,369**
EXPENSES:	Fixed:					
		Real Estate Taxes			$284,172	$1,421
		Insurance			$463,600	$2,318
	Variable:					
		Management Fee	Percentage:	5.00%	$173,686	$868
		General and Administrative			$120,000	$600
		Payroll Expenses			$320,000	$1,600
		Utilities			$159,000	$795
		Marketing and Advertising			$5,000	$25
		Maintenance and Repairs/Pest Control			$134,136	$671
		Grounds Maintenance and Landscaping			$30,000	$150
		Contract Services			$0	$0
		Security			$75,000	$375
	Reserve for Replacements				$84,200	$421
Total Expenses					**$1,848,794**	**$9,244**
Net Operating Income					**$1,624,927**	**$8,125**
Debt Service Payments						
	First Mortgage - HFAMDC/Walker Dunlop/Freddie Mac				$1,189,474	$5,947
	Second Mortgage - FHFC - SAIL				$85,000	$425
	Third Mortgage - Miami-Dade PHCD				$60,000	$300
	Fourth Mortgage - Miami-Dade PHCD				$52,909	$265
	Fifth Mortgage - Miami-Dade PHCD				$0	$0
	All Other Mortgages - Seller Note/Reserve Loan				$145,267	$726
	First Mortgage Fees - HFAMDC				$67,024	$335
	Second Mortgage Fees - FHFC				$11,429	$57
	Third Mortgage Fees - Miami-Dade PHCD				$0	$0
	Fourth Mortgage Fees - Miami-Dade PHCD				$0	$0
	Fifth Mortgage Fees - Miami-Dade PHCD				$0	$0
	All Other Mortgages Fees - Seller Note/Reserve Loan				$0	$0
Total Debt Service Payments					**$1,611,103**	**$8,056**
Cash Flow after Debt Service					**$13,824**	**$69**
Debt Service Coverage Ratios						
	DSC - First Mortgage plus Fees				1.29x	
	DSC - Second Mortgage plus Fees				1.20x	
	DSC - Third Mortgage plus Fees				1.15x	
	DSC - Fourth Mortgage plus Fee				1.11x	
	DSC - Fifth Mortgage plus Fees				1.11x	
	DSC - All Mortgages and Fees				1.01x	
Financial Ratios						
	Operating Expense Ratio				53.22%	
	Break-even Economic Occupancy Ratio (all debt)				94.87%	

Notes to the Operating Pro Forma and Ratios:

1. The Development will be utilizing Housing Credits and SAIL financing which will impose rent restrictions. The LIHTC rent levels are based on the 2023 maximum LIHTC rents published on FHFC's website for Miami-Dade County less the utility allowance. Please note that the appraisal is using 2023 maximum LIHTC rents as the current rent rolls are still using 2023 rents.

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	2	590	30%			$580	$60	$ 520		$ 569	$ 511	$ 520	$ 12,480
1	1.0	5	590	60%			$1,161	$60	$ 1,101		$ 1,208	$ 1,092	$ 1,101	$ 66,060
1	1.0	6	590	80%			$1,549	$60	$ 1,489		$ 1,634	$ 1,480	$ 1,489	$ 107,208
2	1.0	10	750	30%			$696	$76	$ 620		$ 690	$ 615	$ 620	$ 74,400
2	1.0	36	750	60%			$1,393	$76	$ 1,317		$ 1,456	$ 1,312	$ 1,317	$ 568,944
2	1.0	54	750	80%			$1,858	$76	$ 1,782		$ 1,967	$ 1,777	$ 1,782	$ 1,154,736
2	2.0	8	922	30%			$696	$70	$ 626		$ 684	$ 621	$ 626	$ 60,096
2	2.0	30	922	60%			$1,393	$70	$ 1,323		$ 1,450	$ 1,318	$ 1,323	$ 476,280
2	2.0	49	922	80%			$1,858	$70	$ 1,788		$ 1,961	$ 1,783	$ 1,788	$ 1,051,344
		200	162,884											$ 3,571,548

2. The utility allowances are based on Energy Consumption Model Estimates prepared by Matern Professional Engineering, Inc. and approved on June 5, 2024 and June 6, 2024 by FHFC staff. The Development has two Energy Consumption Models since one is for the new construction units and one is for the rehabilitation units.

3. First Housing included a Vacancy and Collection loss rate of 5.00% which is more conservative than the 4.5% loss rate included in the appraisal.

4. Miscellaneous Income includes $50,000 which is associated with retained deposits, application fees, transfer fees, month-to-month fees, and pet fees. Laundry income includes $35,000 which is associated with the common laundry facilities within two of three buildings and in-unit washer/dryers in the remaining building. Total other income of $425 per unit per year is supported by the appraisal.

5. Based upon operating data from comparable properties, third-party reports (appraisal and market study) and First Housing's independent due diligence, First Housing represents that, in its professional opinion, estimates for Rental Income, Vacancy, Other Income, and Operating Expenses fall within a band of reasonableness.

6. The Applicant has submitted an executed Management Agreement, dated October 24, 2019, between the Applicant and Tacolcy Property Management Corporation which reflects a monthly management fee of 5% of the gross collection plus a monthly accounting fee of $3 per unit.

7. The tenant is responsible for electric, cable, and internet. The landlord is responsible for common area electric, water/sewer, pest control and trash removal.

8. Replacement Reserves of $421 per unit per year are required, based on the Construction Loan Agreement with FHFC.

9. Refer to Exhibit I, 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%.

10. First Housing has included a permanent first mortgage in the amount of $22,880,000 with an interest rate of 3.84% which includes the locked interest rate of 3.72% plus the Freddie Mac servicing fee of 0.12% and amortization period based on 35 years.

Recommendation

First Housing's review indicates the Development could support the new first mortgage in the amount of $22,880,000.

Closing of the transaction is subject to the following conditions:

1. Evidence of an extension of the forward commitment maturity date.

2. Confirmation of the approval of the increase in the permanent loan amount by all other lenders and the tax credit syndicator.

3. All other due diligence required by FHFC, its Legal Counsel and Servicer.

Prepared by:	Reviewed by:
Taylor Arruda	Ed Busansky
Taylor Arruda	Ed Busansky
Senior Credit Underwriter	Senior Vice President

15 Year Proforma

	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	**$3,571,548**	**$3,642,979**	**$3,715,839**	**$3,790,155**	**$3,865,958**	**$3,943,278**	**$4,022,143**	**$4,102,586**	**$4,184,638**	**$4,268,330**	**$4,353,697**	**$4,440,771**	**$4,529,586**	**$4,620,178**	**$4,712,582**
	Other Income															
	Miscellaneous	$85,000	$86,700	$88,434	$90,203	$92,007	$93,847	$95,724	$97,638	$99,591	$101,583	$103,615	$105,687	$107,801	$109,957	$112,156
	Gross Potential Income	**$3,656,548**	**$3,729,679**	**$3,804,273**	**$3,880,358**	**$3,957,965**	**$4,037,124**	**$4,117,867**	**$4,200,224**	**$4,284,229**	**$4,369,913**	**$4,457,312**	**$4,546,458**	**$4,637,387**	**$4,730,135**	**$4,824,737**
	Less:															
	Physical Vac. Loss Percentage: 3.00%	$109,696	$111,890	$114,128	$116,411	$118,739	$121,114	$123,536	$126,007	$128,527	$131,097	$133,719	$136,394	$139,122	$141,904	$144,742
	Collection Loss Percentage: 2.00%	$73,131	$74,594	$76,085	$77,607	$79,159	$80,742	$82,357	$84,004	$85,685	$87,398	$89,146	$90,929	$92,748	$94,603	$96,495
	Total Effective Gross Income	**$3,473,721**	**$3,543,195**	**$3,614,059**	**$3,686,340**	**$3,760,067**	**$3,835,268**	**$3,911,974**	**$3,990,213**	**$4,070,017**	**$4,151,418**	**$4,234,446**	**$4,319,135**	**$4,405,518**	**$4,493,628**	**$4,583,501**
EXPENSES:	Fixed:															
	Real Estate Taxes	$284,172	$292,697	$301,478	$310,522	$319,838	$329,433	$339,316	$349,496	$359,981	$370,780	$381,903	$393,361	$405,161	$417,316	$429,836
	Insurance	$463,600	$477,508	$491,833	$506,588	$521,786	$537,439	$553,563	$570,170	$587,275	$604,893	$623,040	$641,731	$660,983	$680,812	$701,237
	Variable:															
	Management Fee Percentage: 5.00%	$173,686	$177,160	$180,703	$184,317	$188,003	$191,763	$195,599	$199,511	$203,501	$207,571	$211,722	$215,957	$220,276	$224,681	$229,175
	General and Administrative	$120,000	$123,600	$127,308	$131,127	$135,061	$139,113	$143,286	$147,585	$152,012	$156,573	$161,270	$166,108	$171,091	$176,224	$181,511
	Payroll Expenses	$320,000	$329,600	$339,488	$349,673	$360,163	$370,968	$382,097	$393,560	$405,366	$417,527	$430,053	$442,955	$456,243	$469,931	$484,029
	Utilities	$159,000	$163,770	$168,683	$173,744	$178,956	$184,325	$189,854	$195,550	$201,416	$207,459	$213,683	$220,093	$226,696	$233,497	$240,502
	Marketing and Advertising	$5,000	$5,150	$5,305	$5,464	$5,628	$5,796	$5,970	$6,149	$6,334	$6,524	$6,720	$6,921	$7,129	$7,343	$7,563
	Maintenance and Repairs/Pest Control	$134,136	$138,160	$142,305	$146,574	$150,971	$155,500	$160,165	$164,970	$169,919	$175,017	$180,268	$185,676	$191,246	$196,983	$202,893
	Grounds Maintenance and Landscaping	$30,000	$30,900	$31,827	$32,782	$33,765	$34,778	$35,822	$36,896	$38,003	$39,143	$40,317	$41,527	$42,773	$44,056	$45,378
	Contract Services	$0														
	Security	$75,000	$77,250	$79,568	$81,955	$84,413	$86,946	$89,554	$92,241	$95,008	$97,858	$100,794	$103,818	$106,932	$110,140	$113,444
	Reserve for Replacements	$84,200	$84,200	$84,200	$84,200	$84,200	$84,200	$84,200	$84,200	$84,200	$84,200	$86,726	$89,328	$92,008	$94,768	$97,611
	Total Expenses	**$1,848,794**	**$1,899,995**	**$1,952,697**	**$2,006,945**	**$2,062,784**	**$2,120,262**	**$2,179,426**	**$2,240,327**	**$2,303,016**	**$2,367,545**	**$2,436,496**	**$2,507,473**	**$2,580,538**	**$2,655,751**	**$2,733,177**
	Net Operating Income	**$1,624,927**	**$1,643,200**	**$1,661,362**	**$1,679,395**	**$1,697,283**	**$1,715,006**	**$1,732,548**	**$1,749,886**	**$1,767,002**	**$1,783,873**	**$1,797,950**	**$1,811,662**	**$1,824,980**	**$1,837,877**	**$1,850,324**
	Debt Service Payments															
	First Mortgage - HFAMDC/Walker Dunlop/Freddie Mac	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474	$1,189,474
	Second Mortgage - FHFC - SAIL	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000
	Third Mortgage - Miami-Dade PHCD	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000
	Fourth Mortgage - Miami-Dade PHCD	$52,909	$52,909	$52,909	$52,909	$52,909	$52,909	$52,909	$52,909	$52,909	$52,909	$52,909	$52,909	$52,909	$52,909	$52,909
	Fifth Mortgage - Miami-Dade PHCD	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	All Other Mortgages - Seller Note/Reserve Loan	$145,267	$145,267	$145,267	$145,267	$145,267	$145,267	$145,267	$145,267	$145,267	$145,267	$145,267	$145,267	$145,267	$145,267	$145,267
	First Mortgage Fees - HFAMDC	$67,024	$66,216	$65,377	$64,505	$63,599	$62,657	$61,679	$60,662	$59,606	$58,509	$57,368	$56,183	$54,952	$53,672	$52,343
	Second Mortgage Fees - FHFC	$11,429	$11,429	$11,429	$11,429	$11,429	$11,429	$11,429	$11,429	$11,429	$11,429	$11,429	$11,429	$11,429	$11,429	$11,429
	Third Mortgage Fees - Miami-Dade PHCD	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Fourth Mortgage Fees - Miami-Dade PHCD	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Fifth Mortgage Fees - Miami-Dade PHCD	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	All Other Mortgages Fees - Seller Note/Reserve Loan	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Debt Service Payments	**$1,611,103**	**$1,610,295**	**$1,609,456**	**$1,608,584**	**$1,607,678**	**$1,606,736**	**$1,605,758**	**$1,604,741**	**$1,603,685**	**$1,602,588**	**$1,601,447**	**$1,600,262**	**$1,599,031**	**$1,597,751**	**$1,596,422**
	Cash Flow after Debt Service	**$13,824**	**$32,905**	**$51,906**	**$70,811**	**$89,605**	**$108,270**	**$126,790**	**$145,145**	**$163,317**	**$181,285**	**$196,503**	**$211,400**	**$225,949**	**$240,126**	**$253,902**
	Debt Service Coverage Ratios															
	DSC - First Mortgage plus Fees	**1.29**	**1.31**	**1.32**	**1.34**	**1.35**	**1.37**	**1.38**	**1.40**	**1.41**	**1.43**	**1.44**	**1.45**	**1.47**	**1.48**	**1.49**
	DSC - Second Mortgage plus Fees	**1.20**	**1.22**	**1.23**	**1.24**	**1.26**	**1.27**	**1.29**	**1.30**	**1.31**	**1.33**	**1.34**	**1.35**	**1.36**	**1.37**	**1.38**
	DSC - Third Mortgage plus Fees	**1.15**	**1.16**	**1.18**	**1.19**	**1.20**	**1.22**	**1.23**	**1.24**	**1.26**	**1.27**	**1.28**	**1.29**	**1.30**	**1.31**	**1.32**
	DSC - Fourth Mortgage plus Fee	**1.11**	**1.12**	**1.13**	**1.15**	**1.16**	**1.17**	**1.19**	**1.20**	**1.21**	**1.22**	**1.23**	**1.25**	**1.26**	**1.27**	**1.28**
	DSC - Fifth Mortgage plus Fees	**1.11**	**1.12**	**1.13**	**1.15**	**1.16**	**1.17**	**1.19**	**1.20**	**1.21**	**1.22**	**1.23**	**1.25**	**1.26**	**1.27**	**1.28**
	DSC - All Mortgages and Fees	**1.01**	**1.02**	**1.03**	**1.04**	**1.06**	**1.07**	**1.08**	**1.09**	**1.10**	**1.11**	**1.12**	**1.13**	**1.14**	**1.15**	**1.16**
	Financial Ratios															
	Operating Expense Ratio	**53.22%**	**53.62%**	**54.03%**	**54.44%**	**54.86%**	**55.28%**	**55.71%**	**56.15%**	**56.58%**	**57.03%**	**57.54%**	**58.05%**	**58.58%**	**59.10%**	**59.63%**
	Break-even Economic Occupancy Ratio (all debt)	**94.87%**	**94.37%**	**93.89%**	**93.43%**	**92.99%**	**92.57%**	**92.17%**	**91.79%**	**91.44%**	**91.10%**	**90.84%**	**90.60%**	**90.38%**	**90.17%**	**89.99%**

SELTZER MANAGEMENT GROUP, INC.

17633 ASHLEY DRIVE
PANAMA CITY BEACH, FL 32413
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July 26, 2024

Mr. Tim Kennedy
Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: Metro Grande III – RRLP RFA 2019-111 (2020-041R) / 4% HC 2019-553C

Credit Underwriting Report Update Letter ("CUR Updated Letter") – Changes to the Final CUR dated April 21, 2022

Dear Mr. Kennedy:

Seltzer Management Group, Inc. ("SMG" or "Seltzer") is in receipt of correspondence from Metro Grande III Associates, Ltd. ("Borrower"), dated November 9, 2023 and June 28, 2024, requesting Florida Housing Finance Corporation ("FHFC" or "Florida Housing") consent to the addition of $4,000,000 in construction and permanent Tax Exempt Loan ("TEL") superior first mortgage from the Housing Finance Authority ("HFA"), $1,000,000 of additional subsidy from Miami-Dade County Public Housing and Community Development ("PHCD") for Development Inflation Adjustment Funds/Construction Inflation Relief Funds ("DIAF/CIRF"), $500,000 in additional subordinate debt from the City of Hialeah SHIP ("SHIP"), addition of $354,580 Deferred Operating Deficit Reserve ("ODR") as a construction source of funds, inclusion of the 2024 rent limits and property tax exemption from Florida Legislature House Bill 7073. Borrower requested $4,000,000 in additional TEL from the HFA to meet the 50% test. The tax-exempt loan by R4 Capital Funding ("R4CF") securing the additional TEL will be superior and the DIAF/CIRF, and SHIP loans will both be subordinate to the FHFC Rental Recovery Loan Program ("RRLP") Loan. At your direction, SMG has reviewed the request and formulated a recommendation. Seltzer's findings are presented below.

The CUR for the above referenced transaction was approved at the April 29, 2022 FHFC Board meeting and the transaction closed on May 17, 2022.

- Per an April 29, 2024 Construction Progress Report from Moran Construction Consultants ("Moran"), Metro Grande III is approximately 31% complete. There have been three change orders approved for a total of $574,093.05 and four change orders pending in the amount of $4,344,327.50 (see below). Applicant originally had a Hard Cost Contingency of $1,037,650 with a remaining contingency of $463,556.95. Remaining change orders will be funded through the remaining contingency, the three additional funding sources totaling $4,500,000, and/or deferred developer fee.

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No.	Date	Amount	Day	Status	Description
OCO1	9/25/23	$45,048.81	0	Prev. Approved	Demo of existing duct bank, add'l manhole, vibro compaction adjust.
OCO2	10/25/23	$387,409.62	0	Prev. Approved	Removal of existing 16" main for parking garage construction
OCO3	12/20/23	$141,634.62	0	Prev. Approved	Sewer & Water Material price escalation
PCO4	-	$308,512.50	0	Pending	(5) Different Scope, Please see attached PCO Log
CE	-	$3,418,990.00	0	Pending	Multiple Material Delays & Escalation Cost, See attached PCO Log
CE	-	$566,825.00	0	Pending	Offsite Sewer Upgrades
CE	-	$50,000.00	0	Pending	Art Panel at Parking Garage

- The Applicant closed on a total construction contract of $20,753,000. The Applicant has budgeted new construction costs estimated at $25,398,490, or an increase of $4,645,490.

<u>Construction Sources</u>

Source	Lender	Final CUR	Revised Applicant	Underwriter	Interest Rate	Construction Debt Service
First Mortgage	HFAMD/R4CF	$16,000,000	$16,000,000	$16,000,000	5.30%	$1,633,813
First Mortgage	HFAMD/R4CF TEL	$0	$4,000,000	$4,000,000	6.80%	$524,053
Second Mortgage	FHFC - RRLP	$3,175,000	$3,175,000	$3,175,000	1.00%	$31,750
Third Mortgage	Miami-Dade-GOB	$5,393,796	$5,393,796	$5,393,796	0.00%	$0
Fourth Mortgage	PHCD-Surtax	$2,000,000	$2,000,000	$2,000,000	0.00%	$0
Fifth Mortgage	Redeployed Surtax	$850,000	$850,000	$850,000	0.00%	$0
Sixth Mortgage	PHCD-DIAF	$0	$1,000,000	$1,000,000	0.00%	$0
Seventh Mortgage	Hialeah SHIP	$0	$500,000	$500,000	0.00%	$0
HC Equity	R4 Capital LLC	$2,037,300	$2,353,300	$2,353,300		
Deferred Developer Fee	Developer	$3,106,091	$4,136,395	$4,136,395		
Deferred ODR		$0	$354,580	$354,580		
Total		**$32,562,187**	**$39,763,071**	**$39,763,071**		**$2,189,617**

Please note the Final CUR column is based on Seltzer's Final Sources and Uses / Construction Draw Schedule dated May 16, 2022.

Notes to Financing:

- Per the May 1, 2022 Funding Loan Agreement, the first mortgage loan from R4CF, in the amount of $16,000,000, has a fixed interest rate during construction of 5.30%.
- Applicant provided a revised Letter of Interest ("LOI") from R4CF dated June 24, 2024, to provide an estimated $4,000,000 tax-exempt supplemental loan issued by the HFA to finance the Development and will be purchased by R4CF's designated capital partner. Terms include a fixed interest rate based on the 10-year Treasury Index published by Thomson Reuters, plus a spread of 2.25%, subject to a floor of 6.00%. The 10-year Treasury Index as of July 10, 2024 was 4.30%. Seltzer has added a 0.25% cushion, resulting in an all-in interest rate of 6.80%. The LOI states the interest only period of the construction loan is the period prior to stabilization. It is anticipated that stabilization will occur 30 months from the original closing.
- Metro Grande III received a Notification of Award dated January 20, 2023, for the funding of a PHCD-DIAF loan by PHCD in the amount of $1,000,000. Seltzer received an email dated January 8, 2024 from Miami Dade County stating the DIAF loan will have a 30 year term, will be non-

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amortizing at a 0% interest rate and forgivable at maturity. There will be a mortgage and the set asides will be the same as the Miami-Dade County Surtax loan.

- The City of Hialeah will provide an additional loan from SHIP funds in the amount of $500,000. Applicant provided a draft Promissory Note stating the terms of the Note include a 30 year term with a 0.00% interest rate for year one, then an interest rate of 1.00% for years two through 30 and payable per annum subject to development cash flow. The outstanding principal balance will become due and payable on the maturity date and any remaining interest will be due and payable. The Promissory Note will be secured by a Leasehold Mortgage and Security Agreement.
- Based on a Revised LOI from R4 Capital LLC ("R4") dated June 21, 2024, the equity pay-in schedule has changed to the following with $2,353,300 payable during construction:

Capital Contributions	Amount	Percent of Total	When Due
1st Installment	$2,037,300	12.90%	Admission of Limited Partner to Partnership
2nd Installment	$316,000	2.00%	Latest of 75% completion, 26 months after 1st Installment, or July 1, 2024.
3rd Installment	$2,368,500	15.00%	Latest of 100% completion, 35 months after 1st Installment, or April 1, 2025.
4th Installment	$10,265,560	65.01%	Latest of Rental Achievement or July 1, 2025.
5th Installment	$802,640	5.08%	Latest of Receipt of IRS Form 8609 or April 1, 2026.
Total	$15,790,000	100.00%	

- Note, the Borrower met the 15% requirement at construction closing, prior to the increase in Equity change.

Capital Contributions	Amount	Percent of Total	When Due
1st Installment	$2,037,300	15.00%	Admission of Limited Partner to Partnership
2nd Installment	$2,037,300	15.00%	Latest of 100% completion, 17 months after 1st Installment, or 10/1/2023.
3rd Installment	$9,507,400	70.00%	Latest of Rental Achievement, Receipt of IRS form 8609, 11 months after 2nd Installment or 10/1/2024.
Total	$13,582,000	100.00%	

- Deferred Developer Fee has increased from $3,106,091 to $4,136,395, for a difference of $1,030,304.
- Applicant has added Deferred ODR of $354,580 as an additional source of funds during construction.

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Permanent Sources

Source	Lender	Final CUR	Revised Applicant	Underwriter	Interest Rate	Amort. Yrs.	Term Yrs.	Annual Debt
First Mortgage	HFAMD/R4CF	$6,600,000	$6,600,000	$6,600,000	5.60%	40	16	$413,893
First Mortgage	HFAMD/R4CF TEL	$0	$4,000,000	$4,000,000	6.80%	40	16	$291,340
Second Mortgage	FHFC - RRLP	$3,175,000	$3,175,000	$3,175,000	1.00%	N/A	16	$31,750
Third Mortgage	Miami-Dade-GOB	$5,393,796	$5,393,796	$5,393,796	0.00%	N/A	55	$0
Fourth Mortgage	PHCD-Surtax	$2,000,000	$2,000,000	$2,000,000	1.00%	N/A	30	$20,000
Fifth Mortgage	Redeployed Surtax	$850,000	$850,000	$850,000	0.75%	N/A	30	$6,375
Sixth Mortgage	PHCD-DIAF	$0	$1,000,000	$1,000,000	0.00%	N/A	30	$0
Seventh Mortgage	Hialeah SHIP	$0	$500,000	$500,000	1.00%	N/A	30	$5,000
HC Equity	R4 Capital LLC	$13,582,000	$15,790,000	$15,790,000				
Def. Developer Fee	Developer	$961,391	$454,275	$454,275				
Total		**$32,562,187**	**$39,763,071**	**$39,763,071**				**$768,357**

Please note the Applicant column is based on Seltzer's Final Sources and Uses / Construction Draw Schedule dated May 16, 2022.

Notes to Financing:

- Per the May 1, 2022 Funding Loan Agreement, the first mortgage loan from R4CF, in the amount of $16,000,000, has a fixed interest rate during the permanent period of 5.60%.
- Applicant provided a revised LOI from R4CF dated June 24, 2024, to provide an estimated $4,000,000 tax-exempt supplemental loan issued by the HFA to finance Metro Grande III and will be purchased by R4CF's designated capital partner. Terms include a fixed interest rate based on the 10-year Treasury Index published by Thomson Reuters, plus a spread of 2.25%, subject to a floor of 6.00%. The 10-year Treasury Index as of July 10, 2024 was 4.30%. Seltzer has added a 0.25% cushion, resulting in an all-in interest rate of 6.80%. The permanent loan will have a 40-year amortization with a 16-year term.
- Metro Grande III received a Notification of Award dated January 20, 2023, for the funding of a PHCD-DIAF loan by PHCD in the amount of $1,000,000. Seltzer received an email dated January 8, 2024 from Miami Dade County stating the PHCD-DIAF loan will have a 30 year term, will be non-amortizing at a 0% interest rate and forgivable at maturity. There will be a mortgage and the set asides will be the same as the Miami-Dade County Surtax loan.
- The City of Hialeah will provide an additional loan from SHIP Funds in the amount of $500,000. Applicant provided a draft Promissory Note stating the terms of the Note include a 30 year term with a 0.00% interest rate for year one, then an interest rate of 1.00% for years two through 30 and payable per annum subject to development cash flow. The outstanding principal balance shall become due and payable on the maturity date and any remaining interest shall be due and payable. The Promissory Note will be secured by a Leasehold Mortgage and Security Agreement. Note: the SHIP Funds require four SHIP units, targeting residents with incomes at 50% or less of the Area Median Income ("AMI"), and serving Special Needs. The Development already has 28 Extremely Low Income ("ELI") units and 14 Special Needs units as required by the FHFC RRLP funding, which satisfies the SHIP requirement.
- Based on a Revised LOI from R4 dated June 21, 2024, the equity pay-in schedule has changed as shown previously, with total equity increasing from $13,582,000 to $15,790,000, or a difference of $2,208,000.
- Deferred Developer Fee has decreased from $961,391 to $454,275, for a difference of $507,116.

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- Total Development Costs have increased from $32,562,187 at closing to $39,763,071 , a difference of $7,200,884. The increase is due mainly from the increased construction costs, general development costs, financial costs, developer fee and the ODR.

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New Operating Pro Forma

	OPERATING PRO FORMA			ANNUAL	PER UNIT
INCOME	Gross Potential Rental Income			$1,811,460	$21,565
	Rent Subsidy (ODR)			$0	$0
	Other Income:				
		Ancillary Income-Retail		$43,080	$513
		Miscellaneous		$48,300	$575
		Washer/Dryer Rentals		$0	$0
		Cable/Satellite Income		$0	$0
		Rent Concessions		$0	$0
		Alarm Income		$0	$0
	Gross Potential Income			$1,902,840	$22,653
	Less:				
		Economic Loss - Percentage:	0.0%	$0	$0
		Physical Vacancy Loss - Percentage:	4.0%	($76,114)	($906)
		Collection Loss - Percentage:	1.0%	($19,028)	($227)
Total Effective Gross Revenue				$1,807,698	$21,520
EXPENSES	Fixed:				
		Ground Lease		$969	$12
		Sub-Ground Lease		$0	$0
		Real Estate Taxes		$8,400	$100
		Insurance		$138,600	$1,650
		Other		$0	$0
	Variable:				
		Management Fee - Percentage:	5.0%	$90,385	$1,076
		General and Administrative		$54,600	$650
		Payroll Expenses		$161,200	$1,919
		Utilities		$109,200	$1,300
		Marketing and Advertising		$8,400	$100
		Maintenance and Repairs		$29,400	$350
		Grounds Maintenance and Landscaping		$0	$0
		Resident Programs		$0	$0
		Contract Services		$33,600	$400
		Security		$29,400	$350
		Other-Pest Control		$4,200	$50
	Reserve for Replacements			$25,200	$300
Total Expenses				$693,554	$8,257
Net Operating Income				$1,114,144	$13,264
Debt Service Payments					
DEBT SERVICE		First Mortgage - HFAMD/R4CF		$705,232	$8,396
		Second Mortgage - FHFC - RRLP		$31,750	$378
		Third Mortgage - Miami-Dade-GOB		$0	$0
		Fourth Mortgage - PHCD-Surtax		$20,000	$238
		Fifth Mortgage - Redeployed Surtax		$6,375	$76
		Sixth Mortgage - PHCD - DIAF		$0	$0
		Seventh Mortgage - Hialeah SHIP		$5,000	$60
		First Mortgage Fees - HFAMD/R4CF		$33,020	$393
		Second Mortgage Fees - FHFC - RRLP		$8,931	$106
		Third Mortgage Fees - Miami-Dade-GOB		$0	$0
		Fourth Mortgage Fees - PHCD-Surtax		$0	$0
		Fifth Mortgage Fees - Redeployed Surtax		$0	$0
		Sixth Mortgage Fees - PHCD - DIAF		$0	$0
		Seventh Mortgage Fees - Hialeah SHIP		$0	$0
Total Debt Service Payments				$810,308	$9,647
Cash Flow After Debt Service				$303,836	$3,617

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Debt Service Coverage Ratios	
DSC - First Mortgage plus Fees	1.509
DSC - Second Mortgage plus Fees	1.430
DSC - Third Mortgage plus Fees	1.430
DSC - Fourth Mortgage plus Fees	1.395
DSC - Fifth Mortgage plus Fees	1.383
DSC - Sixth Mortgage plus Fees	1.383
DSC - Seventh Mortgage plus Fees	1.375
DSC - All Mortgages and Fees	1.375

Financial Ratios	
Operating Expense Ratio	38.4%
Break-Even Ratio	79.3%

Notes to the Operating Pro Forma and Ratios:

Post Closing, the following changes have occurred:

- Seltzer received an updated Market Study and Appraisal dated May 17, 2024, reflecting the Development receiving maximum 2024 rents.
- The Development receives 28 Project-Based Rental Assistance (“PBRA”) vouchers providing subsidy where tenants pay no more than 30% of their income towards rent. The Hialeah Housing Authority provides 21 of the vouchers and Miami-Dade County provides seven vouchers to the Development. The Hialeah Housing Authority provided a letter dated May 14, 2024, verifying rents for its 21 PBRA vouchers. Miami-Dade County PHCD provided a letter dated June 26, 2024, verifying rents for its seven PBRA vouchers.
- New Utility Allowances were taken from the Hialeah Housing Authority letter dated May 14, 2024. The Miami Dade County PHCD letter dated June 26, 2024 reflected lower utility allowances for units receiving PBRA and were used only for those units for underwriting purposes.
- Real estate tax expense is based on the Borrower planning to apply for the 100% Ad Valorem Property Tax Exemption passed by H.B. 7073. Beginning in 2026, the property must apply to Miami-Dade Property Appraiser by March 1st of the tax year. Applying for this exemption requires a 99-year compliance period with annual certifications. If the property fails to provide affordable housing under the agreement before the end of the agreement term, there will be a penalty that is equal to 100% of the total amount financed by FHFC multiplied by each year remaining in the agreement. Approvals from all lenders involved in the transaction, confirming they are okay with the above terms, is a condition of this CUR Update Letter. Minor taxes are for Other Taxes or Assessments based on historical figures and supported by the Appraisal.

Mr. Tim Kennedy
Metro Grande III
July 26, 2024

Rent Roll: 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	704	30%			$638	$119	$519	$1,859	$1,896	$1,859	$1,859	$223,080
1	1.0	4	704	30%			$638	$82	$556	$1,990	$1,990	$1,953	$1,990	$95,520
1	1.0	3	704	60%			$1,277	$119	$1,158		$1,195	$1,158	$1,158	$41,688
1	1.0	13	704	70%			$1,490	$119	$1,371		$1,408	$1,371	$1,371	$213,876
1	1.0	11	704	80%			$1,703	$119	$1,584		$1,622	$1,584	$1,584	$209,088
2	2.0	9	1,064	30%			$765	$139	$626	$2,301	$2,327	$2,301	$2,301	$248,508
2	2.0	2	955	30%			$765	$113	$652	$2,425	$2,443	$2,417	$2,425	$58,200
2	2.0	3	1,064	60%			$1,531	$139	$1,392		$1,420	$1,392	$1,392	$50,112
2	2.0	13	955	70%			$1,786	$139	$1,647		$1,675	$1,647	$1,647	$256,932
2	2.0	10	955	80%			$2,042	$139	$1,903		$1,931	$1,903	$1,903	$228,360
3	2.0	2	1,248	30%			$885	$159	$726	$3,019	$3,033	$3,019	$3,019	$72,456
3	2.0	1	1,248	30%			$885	$145	$740	$3,160	$3,184	$3,170	$3,160	$37,920
3	2.0	1	1,248	70%			$2,065	$159	$1,906		$1,921	$1,906	$1,906	$22,872
3	2.0	2	1,248	80%			$2,361	$159	$2,202		$2,217	$2,202	$2,202	$52,848
		84	72,995											$1,811,460

- Since the Final CUR dated April 21, 2022, Gross Potential Rental Income increased from $1,308,060 to $1,811,460 (increase of $503,400). With the increase in first mortgage TEL and other additional subordinate funding sources, total debt service increased from $476,182 to $810,308 (increase of $334,126). Debt Service Coverage ("DSC") for the first mortgage plus fees decreased from 1.519x to 1.509x (decrease of 0.010x). DSC for the first mortgage and RRLP loan plus fees increased from 1.381x to 1.430x (increase of 0.049x). DSC for all mortgages plus fees increased from 1.305x to 1.375x (increase of 0.070x).

Tax-Exempt Bond 50% Test

Section III: Tax-Exempt Bond 50% Test	
Total Depreciable Cost	$35,725,131
Plus Land Cost	$100,000
Aggregate Basis	$35,825,131
Tax-Exempt Bond Amount	$20,000,000
Less Debt Service Reserve	$0
Less Proceeds Used for Costs of Issuance	$0
Plus Tax-exempt GIC earnings	$0
Tax-Exempt Proceeds Used for Building and Land	$20,000,000
Proceeds Divided by Aggregate Basis	55.83%

- Applicant requested $4,000,000 in additional bonds in order to meet the Tax-Exempt Bond 50% Test.

Conclusion

SMG concludes that the additional $4,000,000 construction and permanent superior first mortgage TEL, additional subordinate debt from PHCD-DIAF of $1,000,000, and the City of Hialeah SHIP debt of $500,000, both which will be subordinate to the FHFC RRLP Loan, and inclusion of the 2024 rent limits and property tax exemption from Florida Legislature House Bill 7073, increased the DSC for the

Mr. Tim Kennedy
Metro Grande III
July 26, 2024

Development and will not adversely impact the transaction and/or Florida Housing's security position. SMG recommends that FHFC approve the Borrower's request subject to the following:

- Confirmation from the HFA that the additional $4,000,000 in bond allocation has been approved/granted for this Development.
- Approval from all lenders involved in the transaction, confirming they are okay with the terms of the Ad Valorem Property Tax Exemption
- Review and approval of all loan documents consistent with the terms outlined above by Florida Housing, its Legal Counsel and Servicer.
- Payment of any outstanding arrearages to the Corporation, its Legal Counsel, Servicer or any agent or assignee of the Corporation for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21 .0025(5) F.A.C. and 67-48.0075(5) F.A.C., of an Applicant or a Developer).
- Payment of all costs and fees to Florida Housing, its Legal Counsel and Servicer, as applicable.
- Satisfactory resolution of any outstanding noncompliance and/or past due items.
- Consent of the HC equity provider, if applicable.
- All other due diligence required by FHFC, its Legal Counsel and Servicer.

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

Sincerely,

SELTZER MANAGEMENT GROUP, INC.

Keith Whitaker
Senior Credit Underwriter

October 8, 2024

Mr. Tim Kennedy
Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-3291

Re: St. Mary Towers ("Development") – State Apartment Incentive Loan ("SAIL") & Extremely Low Income ("ELI") Loan RFA 2022-101 (2023-19S) / 4% Non-Competitive Housing Credits ("HC") 2022-519C

Credit Underwriting Report Update Letter ("CUR Update Letter" or "CUL") – Changes to the Final Credit Underwriting Report, dated December 4, 2023 ("Final CUR") and Closing Letter, dated March 13, 2024.

Dear Mr. Kennedy,

First Housing Development Corporation of Florida ("FHDC", "First Housing", or "Servicer") received a letter, dated August 13, 2024, from a representative of St. Mary Towers Apartments, LLLP ("Borrower" or "Applicant"), requesting Florida Housing Finance Corporation ("FHFC" or "Florida Housing") approve the additional subordinate debt of $2,400,000 in Surtax funding from Miami-Dade County. The Miami-Dade County Surtax loan will be subordinate to the FHFC SAIL and ELI loans.

On behalf of Florida Housing, First Housing has performed certain due diligence and formulated a recommendation and closing conditions which are contained at the end of this CUR Update Letter. For the purposes of this analysis, First Housing has reviewed the following:

- Final CUR.
- Servicer Closing Letter and Final Sources & Uses / Construction Draw Schedule.
- Request Letter from Borrower.

- Promissory Note, dated March 13, 2024, between the Borrower and the Housing Finance Authority of Miami-Dade County ("HFAMDC").
- Mortgage Loan Note, dated March 13, 2024, between the Borrower and TD Bank, N.A.
- Letter of Commitment, dated March 11, 2024, from Berkadia Commercial Mortgage LLC ("Berkadia").
- SAIL Promissory Note, dated March 13, 2024, between Borrower and FHFC.
- ELI Promissory Note, dated March 13, 2024, between Borrower and FHFC.
- Promissory Note (Seller/Reserve Loan), dated March 13, 2024, between Borrower and St. Mary Towers, Inc.
- Second Amendment and Restated Agreement of Limited Liability Limited Partnership ("LPA"), dated March 1, 2024.

Background

The Development is located at 7615 NW 2nd Avenue, Miami, FL 33150. The Development consists of 100-units within one mid-rise apartment building and contains twenty-four (24) zero-bedroom/one-bathroom units, seventy-five (75) one-bedroom/one-bathroom units, and one (1) two-bedroom/one-bathroom units. The demographic commitment is Elderly, non-ALF.

On March 13, 2024, the Borrower closed on the below Construction/Permanent Sources, which is based on the Final Sources & Uses / Construction Draw Schedule. According to an Inspection Field Report, dated September 3, 2024, the Development was approximately 40.98% complete.

CONSTRUCTION/PERMANENT SOURCES:			
Source	**Lender**	**Construction**	**Permanent**
Local HFA Bonds	HFAMDC/Berkadia/Freddie Mac	$20,000,000	$9,300,000
Regulated Mortgage Lender	TD Bank	$2,000,000	$0
FHFC - SAIL	FHFC	$1,770,746	$1,770,746
FHFC - NHTF	FHFC	$750,000	$750,000
Seller Financing	St. Mary Towers, Inc.	$10,530,308	$10,530,308
HC Equity	RJAHI	$2,172,330	$14,482,199
Deferred Developer Fee	SHAG St. Mary Towers Developer, LLC & CHS St. Mary Towers Development, LLC	$1,086,183	$1,086,183
Other	Interest Revenue	$1,373,869	$1,764,000
TOTAL		$39,683,436	$39,683,436

With the inclusion of the Miami-Dade Surtax, the Sources will be as follows:

Sources Overview

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Local HFA Bonds	HFAMDC/ Berkadia/ Freddie Mac	$20,000,000	$9,300,000	$93,000
Regulated Mortgage Lender	TD Bank	$2,000,000	$0	$0
FHFC - SAIL	FHFC	$1,770,746	$1,770,746	$17,707
FHFC - SAIL ELI	FHFC	$750,000	$750,000	$7,500
Local Government Subsidy	Miami-Dade Surtax	$1,200,000	$2,400,000	$24,000
Seller Financing	St. Mary Towers, Inc	$9,679,495	$9,679,495	$96,795
HC Equity	RJAHI	$2,172,330	$14,482,199	$144,822
Deferred Developer Fee	SHAG St. Mary Towers Developer, LLC & CHS St. Mary Towers Development, LLC	$2,192,363	$921,827	$9,218
Other	Interest Revenue	$1,303,333	$1,764,000	$17,640
TOTAL		$41,068,267	$41,068,267	$410,683
Cash Collateral Source(s):				
Regulated Mortgage Lender	TD Bank	$20,000,000		

HFAMDC Construction Bonds:

First Housing received a Promissory Note, dated March 13, 2024, where St. Mary Towers Apartments, LLLP promises to pay to the Housing Finance Authority of Miami-Dade County the principal sum of $20,000,000 together with interest. The interest rate is 3.40% and has an Initial Mandatory Tender Date of October 1, 2026.

First Housing received a Mortgage Loan Note, dated March 13, 2024, where St. Mary Towers Apartments, LLLP promises to pay to the order of TD Bank, N.A. the principal amount of $22,000,000 together with interest. The interest rate is floating based on the Term Secured Overnight Financing Rate ("SOFR") plus 2.25% and has a maturity date of March 13, 2026.

The Annual HFAMDC Issuer Fee of 25 basis points of the amount of the outstanding Bonds and the Annual Trustee Fee of $4,500 have been included in the Uses section of the report.

HFAMDC Permanent Loan:

First Housing received a Letter of Commitment, dated March 11, 2024, from Berkadia for a Freddie Mac Multifamily Targeted Affordable Housing Tax-Exempt Loan Program in the maximum amount of $9,300,000. The loan will bear interest at 6.90% (which includes a 0.14% servicing fee) and will require monthly principal and interest based on a 40-year amortization schedule. The loan will mature on April 1, 2041.

Additional fees included in the Debt Service calculation consist of an annual Issuer Fee of 25 bps of the outstanding Bonds, an annual Fiscal Agent Fee of $4,000, and a Rebate Analyst Fee of $800 per annum. The Compliance Monitoring Fee is based on $30 per unit.

FHFC - SAIL:

First Housing reviewed a Promissory Note, dated March 13, 2024, where the Borrower promises to pay to the order of Florida Housing the principal sum of $1,770,746. The Note shall bear interest at 1% simple interest per annum on the outstanding principal balance. The entire unpaid principal amount, together with all accrued and unpaid interest, shall be due and payable on March 13, 2042.

FHFC – ELI:

First Housing reviewed a Promissory Note, dated March 13, 2024, where the Borrower promises to pay to the order of Florida Housing the principal sum of $750,000. The Note shall bear interest a 0% simple interest per annum. The entire unpaid principal amount of the Note shall be due and payable on March 13, 2054. So long as the Development maintains its required ELI Set-Asides for the first 15 years of the 50 year compliance period, the principal amount of the Note may be forgiven at maturity at the sole discretion of Florida Housing.

Miami-Dade County – Surtax:

First Housing received a Miami-Dade Conditional Loan Commitment, dated April 23, 2024. The Board of County Commissioners ("BCC") approved a Conditional Loan Commitment for the Development in the amount up to $2,400,000 of Surtax/SHIP program funds. The term of the loan will be for 30 years, or as established prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting. The interest rate is 0% interest during construction years 1 and 2 and 1% interest only payments for years 3-30 from development cash flow, with another 1% interest accruing and due at maturity. Full principal is due at maturity.

Seller/Reserve Loan:

First Housing reviewed a Promissory Note, dated March 13, 2024, where the Borrower promises to pay to the order of St. Mary Towers, Inc. the principal sum of $10,530,307.69, plus interest. The Note shall bear interest at a rate of 4.52%, compounding annually, payable only to the extent of 47.5% of available cash flow. Any remaining interest and all outstanding principal shall be due and payable on March 31, 2079. According to the updated Sources and Uses from the Borrower, the Seller/Reserve Loan will be decreased to $9,679,495.

Housing Credit Equity:

First Housing reviewed the executed LPA, dated March 1, 2024. The Capital Contribution schedule below remains the same as reflected in the Servicer Closing Letter.

Syndication Contributions

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	$2,172,330	15.00%	Closing
2nd Installment	$2,172,330	15.00%	100% construction completion
3rd Installment	$10,137,539	70.00%	Stabilization and receipt of 8609s
Total	$14,482,199	100.00%	

Annual Credit Per Syndication Agreement	$1,631,960
Calculated HC Exchange Rate	$0.8875
Limited Partner Ownership Percentage	99.99%
Proceeds Available During Construction	$2,172,330

Deferred Developer Fee:

In order to balance the sources and uses during the permanent period, the Developer must defer $921,827 or 15.23% of the total Developer Fee of $6,052,935.

Interest Revenue:

The Bonds were reinvested in U.S. Treasuries and the interest income has been included as a source.

Uses of Funds

Please note the Applicant Costs column is based on the Final Sources & Uses / Construction Draw Schedule and the Revised Applicant Costs column is based on an updated Applicant's budget throughout the CUL.

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Rehab of Existing Common Areas	$0	$0	$0	$0
Rehab of Existing Rental Units	$7,753,711	$9,409,883	$7,753,711	$77,537
Constr. Contr. Costs subject to GC Fee	$7,753,711	$9,409,883	$7,753,711	$77,537
General Conditions	$465,222	$0	$465,222	$4,652
Overhead	$155,074	$0	$155,074	$1,551
Profit	$465,222	$0	$465,222	$4,652
General Liability Insurance	$119,841	$0	$119,841	$1,198
Payment and Performance Bonds	$94,041	$94,041	$94,041	$940
Contract Costs not subject to GC Fee	$450,813	$0	$450,813	$4,508
Total Construction Contract/Costs	$9,503,924	$9,503,924	$9,503,924	$95,039
Hard Cost Contingency	$1,425,588	$1,425,589	$1,425,588	$14,256
FF&E paid outside Constr. Contr.	$400,000	$750,000	$750,000	$7,500
Total Construction Costs:	**$11,329,512**	**$11,679,513**	**$11,679,512**	**$116,795**

Notes to the Total Construction Costs:

1. The Applicant has provided an executed construction contract, dated November 6, 2023, in the amount of $9,042,788. This is a Standard Form of Agreement between Owner, St. Mary Towers Apartments, LLLP, and Contractor, JWR Construction Services, Inc., where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price ("GMP"). Per the contract, substantial completion is to be achieved not later than 305 days from the date of commencement of the work. The construction contract specifies a 10% retainage shall be withheld on all draws through fifty-percent completion of the entire Work, and such retainage shall be withheld until 100% lien-free final completion of the entire Work. Provided that the Contractor is not in default, only five percent (5%) retainage shall be withheld on amounts due and owing for remaining Work performed after fifty-percent completion of the entire Work is achieved. First Housing further received an Amendment No. 1 to Agreement between Owner and Contractor, dated November 6, 2023. According to the Amendment, the GMP was increased by $461,136, from $9,042,788 to $9,503,924.

2. The General Contractor ("GC") fee is within the maximum 14% of hard costs allowed by the RFA and Rule Chapters 67-48 and 67-21. 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 Chapters 67-48 and 67-21.

3. The GC Contract includes $259,528.88 in allowances which equals 2.73% of the GMP. Based on the Plan and Cost Analysis, it is the opinion of GLE Associates, Inc. ("GLE") that the allowances are reasonable for this Development.

Miscellaneous Sidewalk Repairs	$5,000.00
50 LF of Chain Link Fence Repairs & 50 LF of Picket Fence Repairs	$5,000.00
Irrigation Pump Replacement	$5,000.00
Replace or Relocate Sprinkler Heads	$1,500.00
New Site Amenities	$50,000.00
FL Yards & Neighbors	$20,000.00
Unspecified Precast Concrete Cap on Monument Sign	$5,500.00
Chipping and Patching for First Floor Drain Modifications	$12,750.00
Patching and sealing any miscellaneous penetrations	$2,500.00
Stucco Repairs around Window & PTAC Perimeters	$64,190.00
Elevator Cab Renovation	$30,000.00
Replace Insulation as needed for Domestic Water Piping at Roof	$2,500.00
Replacement of 30 LF of Cast Iron Sanitary	$7,500.00
Lint trap cleaning or replacement	$7,500.00
Interior Light Fixture Package	$35,852.77
Exterior Light Fixture Package	$4,736.11
Total	**$259,528.88**

4. The Contract Costs not Subject to a GC Fee includes the Elevator Modernization of $450,813.

5. The Hard Cost Contingency is within 15% of the total construction cost, as allowed for rehabilitation developments by the RFA and Rule Chapters 67-48 and 67-21.

6. FF&E has increased to cover additional scope of work such as increasing IT scope, bolstering cameras, updated FF&E scope of work on furniture, exterior landscape package, as well as energy items.

FHDC

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Accounting Fees	$40,000	$56,000	$56,000	$560
Appraisal	$26,750	$26,750	$26,750	$268
Architect's Fee - Site/Building Design	$572,229	$622,229	$622,229	$6,222
Building Permits	$154,906	$204,906	$204,906	$2,049
Builder's Risk Insurance	$110,000	$110,000	$110,000	$1,100
Capital Needs Assessment/Rehab	$9,690	$9,690	$9,690	$97
Environmental Report	$31,061	$31,061	$31,061	$311
FHFC Administrative Fees	$92,249	$92,249	$92,453	$925
FHFC Application Fee	$3,000	$3,000	$3,000	$30
FHFC Credit Underwriting Fee	$22,840	$42,840	$28,803	$288
FHFC Compliance Fee	$229,477	$229,477	$229,477	$2,295
Lender Inspection Fees / Const Admin	$70,000	$70,000	$70,000	$700
Market Study	$10,000	$10,000	$10,000	$100
Marketing and Advertising	$80,000	$180,000	$180,000	$1,800
Plan and Cost Review Analysis	$9,250	$9,250	$9,250	$93
Survey	$24,332	$24,332	$24,332	$243
Tenant Relocation Costs	$500,000	$600,000	$600,000	$6,000
Title Insurance and Recording Fees	$175,000	$175,000	$175,000	$1,750
Soft Cost Contingency	$107,161	$139,661	$124,147	$1,241
Total General Development Costs:	**$2,267,945**	**$2,636,445**	**$2,607,098**	**$26,071**

Notes to the General Development Costs:

1. The FHFC Administrative Fee is based on 5.5% of the recommended annual 4% Housing Credit allocation.

2. The FHFC Credit Underwriting Fee includes $20,506 for the SAIL, ELI, and HC underwriting, $2,334 for the Capital Needs Analysis ("CNA") review fee, and $5,963 for this CUL.

3. First Housing adjusted the Soft Cost Contingency to be 5% of the General Development Costs less the soft cost contingency, as allowed by the RFA and Rule Chapters 67-48 and 67-21 for rehabilitation developments.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Construction Loan Origination Fee	$165,000	$166,535	$165,000	$1,650
Construction Loan Interest	$2,539,287	$2,759,813	$2,759,813	$27,598
Permanent Loan Origination Fee	$93,000	$93,000	$93,000	$930
Permanent Loan Closing Costs	$49,100	$85,078	$85,078	$851
Local HFA Bond Underwriting Fee	$19,352	$0	$19,269	$193
Local HFA Bond Trustee Fee	$13,000	$0	$13,000	$130
Local HFA Bond Cost of Issuance	$367,650	$299,117	$367,650	$3,677
Local HFA Bond Interest	$1,360,000	$1,360,000	$1,360,000	$13,600
SAIL Commitment Fee	$17,707	$25,207	$17,708	$177
SAIL Closing Costs	$13,000	$0	$13,000	$130
SAIL-ELI Commitment Fee	$7,500	$0	$7,500	$75
SAIL-ELI Closing Costs	$6,500	$0	$6,500	$65
Misc Loan Underwriting Fee	$0	$0	$9,500	$95
Legal Fees - Financing Costs	$600,339	$818,851	$818,851	$8,189
Initial TEFRA Fee	$2,000	$2,000	$2,000	$20
Other:	$101,412	$14,732	$101,412	$1,014
Other: HFA Issuer Fee	$100,000	$100,000	$100,000	$1,000
Total Financial Costs:	**$5,454,848**	**$5,724,333**	**$5,939,281**	**$59,393**
Dev. Costs before Acq., Dev. Fee & Reserves	**$19,052,305**	**$20,040,291**	**$20,225,891**	**$202,259**

Notes to the Financial Costs:

1. First Housing has increased Construction Loan Interest based on the Applicant's updated budget.

2. The Misc. Loan Underwriting Fee of $9,500 is associated with the Surtax Loan.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Building Acquisition Cost	$13,401,532	$13,401,532	$13,401,532	$134,015
Developer Fee on Non-Land Acq. Costs	$0	$0	$2,412,275	$24,123
Total Non-Land Acquisition Costs:	$13,401,532	$13,401,532	$15,813,807	$158,138

Notes to the Non-Land Acquisition Costs:

1. First Housing received a First Amendment to Ground Lease, dated March 13, 2024, between St. Mary Towers, Inc. ("Landlord") and St. Mary Towers Apartments, LLLP ("Tenant"). According to the lease, the Tenant shall pay to the Landlord a one-time capital lease payment of $14,360,000, which is based on $958,468 for the land and $13,401,532 for the improvements of the premises.

DEVELOPER FEE ON NON-ACQUISTION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Developer Fee - Unapportioned	$5,841,690	$6,019,528	$3,640,660	$36,407
Total Other Development Costs:	$5,841,690	$6,019,528	$3,640,660	$36,407

Notes to the Other Development Costs:

1. The recommended Developer's Fee does not exceed 18% of Total Development Cost before Developer Fee and ODR as allowed by the RFA and Rule Chapters 67-48 and 67-21.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Land	$958,468	$958,468	$958,468	$9,585
Total Acquisition Costs:	$958,468	$958,468	$958,468	$9,585

Notes to Acquisition Costs:

1. According to the appraisal, the estimated value of the underlying land value as of August 11, 2023, is $4,000,000. The Miami-Dade County Property Appraiser's website indicated that the land value for the Development as of 2023 is $958,468. First Housing has utilized the lesser value of $958,468 for the land acquisition cost.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Operating Deficit Reserve (Syndicator)	$429,441	$421,797	$429,441	$4,294
Total Reserve Accounts:	$429,441	$421,797	$429,441	$4,294

Notes to Reserve Accounts:

1. According to the LPA, the Operating Deficit amount is $429,441.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
TOTAL DEVELOPMENT COSTS:	$39,683,436	$40,841,616	$41,068,267	$410,683

Notes to Total Development Costs:

1. The Total Development Costs have increased by a total of 2.93% or $1,384,831 from $39,683,436 to $41,068,267 since closing.

2. Based on the TDC per unit limitations in affect as of the April 1, 2022 Telephonic FHFC Board meeting, FHFC has set the TDC for RFA 2022-101, exclusive of purchase price and Operating Deficit Reserves ("ODR"), of $299,700 per unit for an acquisition and preservation, of a non-garden-style Enhanced Structural Systems Construction ("ESSC") development located in Miami-Dade County, which includes the $7,500 add-on. The TDC for the Development, exclusive of relocation costs, purchase price, and reserves, is $25,678,826 or $256,788 per unit, which is within the parameters of the RFA.

Operating Pro Forma: St. Mary Towers

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			$1,984,716	$19,847
	Other Income				
	Miscellaneous			$5,000	$50
	Gross Potential Income			$1,989,716	$19,897
	Less:				
	Physical Vac. Loss	Percentage:	3.00%	$59,691	$597
	Collection Loss	Percentage:	1.75%	$34,793	$348
	Total Effective Gross Income			$1,895,232	$18,952
EXPENSES:	Fixed:				
	Real Estate Taxes			$0	$0
	Insurance			$120,000	$1,200
	Variable:				
	Management Fee	Percentage:	5.00%	$94,762	$948
	General and Administrative			$100,000	$1,000
	Payroll Expenses			$170,000	$1,700
	Utilities			$105,000	$1,050
	Maintenance and Repairs/Pest Control			$145,000	$1,450
	Reserve for Replacements			$35,000	$350
	Total Expenses			$769,762	$7,698
	Net Operating Income			$1,125,470	$11,255
	Debt Service Payments				
	First Mortgage - HFAMDC/Berkadia/Freddie Mac			$685,426	$6,854
	Second Mortgage - FHFC - SAIL			$17,707	$177
	Third Mortgage - FHFC - ELI			$0	$0
	Fourth Mortgage - Miami-Dade County - Surtax			$24,000	$240
	Fifth Mortgage - St. Mary Towers, Inc.			$437,513	$4,375
	First Mortgage Fees - HFAMDC			$30,990	$310
	Second Mortgage Fees - FHFC - SAIL			$5,450	$54
	Third Mortgage Fees - FHFC - ELI			$3,855	$39
	Fourth Mortgage Fees - Miami-Dade County - Surtax			$0	$0
	Fifth Mortgage Fees - St. Mary Towers, Inc.			$0	$0
	Total Debt Service Payments			$1,204,941	$12,049
	Cash Flow after Debt Service			-$79,471	-$795
	Debt Service Coverage Ratios				
	DSC - First Mortgage plus Fees			1.57x	
	DSC - Second Mortgage plus Fees			1.52x	
	DSC - Third Mortgage plus Fees			1.51x	
	DSC - Fourth Mortgage plus Fee			1.47x	
	DSC - Fifth Mortgage plus Fees			0.93x	
	Financial Ratios				
	Operating Expense Ratio			40.62%	
	Break-even Economic Occupancy Ratio (all debt)			99.48%	

Notes to the Operating Pro Forma and Ratios:

1. The Development will be utilizing Housing Credits in conjunction with SAIL and ELI, which will impose rent restrictions. The rent levels are based on 2023 maximum Low Income Housing Tax Credits ("LIHTC") rents published on FHFC's website for Miami-Dade County less the applicable utility allowances. First Housing has received a Project-Based Section 8 Housing Assistance Contact Addendum to Renewal Contract for 99 units. According to Exhibit A2 (Post-Rehabilitation Rents), twenty-four (24) zero-

bedroom units at $1,525 and seventy-five (75) one-bedroom units at $1,700. Below is the rent roll for the Development:

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
0	1.0	4	408	28%			$506	$41	$ 465	$ 1,525	$ 1,525	$ 1,525	$ 1,525	$ 73,200
0	1.0	20	408	60%			$1,084	$41	$ 1,043	$ 1,525	$ 1,525	$ 1,525	$ 1,525	$ 366,000
1	1.0	12	528	28%			$542	$58	$ 484	$ 1,700	$ 1,700	$ 1,700	$ 1,700	$ 244,800
1	1.0	63	528	60%			$1,161	$58	$ 1,103	$ 1,700	$ 1,700	$ 1,700	$ 1,700	$ 1,285,200
2	1.0	1	600	60%			$1,393	$100	$ 1,293		$ -	$ -	$ 1,293	$ 15,516
		100	49,992											$ 1,984,716

2. The utility allowance for the 2-bedroom unit is from Allowances for Tenant-Furnished Utilities and Other Services for Miami-Dade County, FL, which were effective January 1, 2022.

3. The Development will be required to set aside sixteen (16) units at or below 28% of the Area Median Income ("AMI") and eighty-four (84) units at or below 60% of the AMI under the Surtax funding which is more restrictive than the SAIL and ELI restrictions.

4. The Appraiser estimated vacancy and collection loss at 2%. First Housing has included vacancy and collection loss of approximately 4.75%, which is includes loss from revenue form the anticipated manager unit.

5. Miscellaneous Income is comprised of revenue from laundry income. Total Miscellaneous Income of $50/unit/per year is supported by the appraisal.

6. Based upon operating data from comparable properties, third-party reports (appraisal and market study) and First Housing's independent due diligence, First Housing represents that, in its professional opinion, estimates for Rental Income, Vacancy, Other Income, and Operating Expenses fall within a band of reasonableness.

7. The Development will seek 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.

8. The Appraiser concluded to an insurance expense of $81,600 or $816/unit. First Housing concluded to an insurance expense of $120,000 or $1,200/unit to be more conservative and to be in line with the Developer.

9. First Housing received an executed Management Agreement, dated March 13, 2024, between St. Mary Towers Apartments, LLLP ("Owner") and Catholic Housing for the Elderly and Handicapped, Inc. D/B/A Catholic Housing Management ("Agent") which indicates a monthly fee of $59.99/unit/month or the maximum allowable fee per HUD annually. All management fees will be computed and paid in accordance with HUD requirements. In addition, the Agent will earn a bookkeeping fee equal to $3.50 per unit per annum. Agent will additionally earn a rehabilitation management fee of $30/unit/month for the one-year rehabilitation period. First Housing utilized a 5% fee, which is more conservative than the appraiser at 4%.

10. The landlord will pay for water/sewer, common area utilities, trash, and pest control. The tenant will be responsible for electric in their unit.

11. Replacement Reserves of $350 per unit per year are required, per the Capital Needs Assessment. According to LPA, dated March 1, 2024, Replacement Reserves will be $350 per unit and increasing by 3% per year.

12. The Break-even Economic Occupancy Ratio includes all debt; however, the SAIL Loan and the Seller Notes require interest payments that are based on available cash flow. This ratio would improve to 75.40% if these interest payments were not included in the calculation.

13. Based on the operating pro forma analysis contained herein, the Development will support operations of the SAIL and superior loan with an estimated Debt Service Coverage of 1.52.x to 1.00. Florida Housing's SAIL Program per Rule 67-48.0072 (11) F.A.C. has a maximum Debt Service Coverage of 1.50x for the SAIL and all superior mortgages. However, the Development has deep subsidy in the form of 10 ELI units which serve tenants whose income is 28% or less of AMI. As such, exceeding the maximum threshold of 1.50x to 1.00 is permitted.

14. Refer to Exhibit 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%.

Recommendation:

First Housing's review indicates the additional subordinate debt from Miami-Dade County Surtax funding in the amount of $2,400,000 and the subordination of the Miami-Dade County Surtax loan to the SAIL and ELI loans has no substantial adverse impact to the Development.

This recommendation is conditioned upon the following:

1. Payment of any outstanding arrearages to the Corporation, its Legal Counsel, Servicer of any agent or assignee of the Corporation for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-48.0075(5) F.A.C., of an Applicant or a Developer).

2. Final loan documents for the Miami-Dade County loan with terms which are not substantially different than those utilized in the CUR Update Letter.

3. Review and approval of all loan documents consistent with the terms outlined in this CUR Update Letter by FHFC, its Legal Counsel and Servicer.

4. Prepayment of any required compliance monitoring fees and servicing fees, as applicable.

5. Payment of all costs and fees to Florida Housing, its Legal Counsel, and Servicer, as applicable.

6. Consent of the HC equity provider, if applicable.

7. Consent of the Lender/s, if applicable.

8. Satisfactory resolution of any outstanding past due and/or noncompliance items.

9. All other due diligence required by FHFC, its Legal Counsel, and Servicer.

Prepared by:	Reviewed by:
Stephanie Petty	Ed Busansky
Stephanie Petty	Ed Busansky
Senior Credit Underwriter	Senior Vice President

15 Year Proforma

	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	**$1,984,716**	**$2,024,410**	**$2,064,899**	**$2,106,196**	**$2,148,320**	**$2,191,287**	**$2,235,113**	**$2,279,815**	**$2,325,411**	**$2,371,919**	**$2,419,358**	**$2,467,745**	**$2,517,100**	**$2,567,442**	**$2,618,791**
	Other Income															
	Miscellaneous	$5,000	$5,100	$5,202	$5,306	$5,412	$5,520	$5,631	$5,743	$5,858	$5,975	$6,095	$6,217	$6,341	$6,468	$6,597
	Gross Potential Income	**$1,989,716**	**$2,029,510**	**$2,070,101**	**$2,111,503**	**$2,153,733**	**$2,196,807**	**$2,240,743**	**$2,285,558**	**$2,331,269**	**$2,377,895**	**$2,425,453**	**$2,473,962**	**$2,523,441**	**$2,573,910**	**$2,625,388**
	Less:															
	Physical Vac. Loss Percentage: 3.00%	$59,691	$60,885	$62,103	$63,345	$64,612	$65,904	$67,222	$68,567	$69,938	$71,337	$72,764	$74,219	$75,703	$77,217	$78,762
	Collection Loss Percentage: 1.75%	$34,793	$35,488	$36,198	$36,922	$37,661	$38,414	$39,182	$39,966	$40,765	$41,580	$42,412	$43,260	$44,125	$45,008	$45,908
	Total Effective Gross Income	**$1,895,232**	**$1,933,137**	**$1,971,799**	**$2,011,235**	**$2,051,460**	**$2,092,489**	**$2,134,339**	**$2,177,026**	**$2,220,566**	**$2,264,978**	**$2,310,277**	**$2,356,483**	**$2,403,612**	**$2,451,685**	**$2,500,718**
EXPENSES:	Fixed:															
	Real Estate Taxes	$0														
	Insurance	$120,000	$123,600	$127,308	$131,127	$135,061	$139,113	$143,286	$147,585	$152,012	$156,573	$161,270	$166,108	$171,091	$176,224	$181,511
	Variable:															
	Management Fee Percentage: 5.00%	$94,762	$96,657	$98,590	$100,562	$102,573	$104,624	$106,717	$108,851	$111,028	$113,249	$115,514	$117,824	$120,181	$122,584	$125,036
	General and Administrative	$100,000	$103,000	$106,090	$109,273	$112,551	$115,927	$119,405	$122,987	$126,677	$130,477	$134,392	$138,423	$142,576	$146,853	$151,259
	Payroll Expenses	$170,000	$175,100	$180,353	$185,764	$191,336	$197,077	$202,989	$209,079	$215,351	$221,811	$228,466	$235,320	$242,379	$249,651	$257,140
	Utilities	$105,000	$108,150	$111,395	$114,736	$118,178	$121,724	$125,375	$129,137	$133,011	$137,001	$141,111	$145,345	$149,705	$154,196	$158,822
	Maintenance and Repairs/Pest Control	$145,000	$149,350	$153,831	$158,445	$163,199	$168,095	$173,138	$178,332	$183,682	$189,192	$194,868	$200,714	$206,735	$212,937	$219,326
	Reserve for Replacements	$35,000	$36,050	$37,132	$38,245	$39,393	$40,575	$41,792	$43,046	$44,337	$45,667	$47,037	$48,448	$49,902	$51,399	$52,941
	Total Expenses	**$769,762**	**$791,907**	**$814,697**	**$838,152**	**$862,291**	**$887,134**	**$912,702**	**$939,016**	**$966,098**	**$993,971**	**$1,022,657**	**$1,052,182**	**$1,082,569**	**$1,113,844**	**$1,146,034**
	Net Operating Income	**$1,125,470**	**$1,141,230**	**$1,157,102**	**$1,173,083**	**$1,189,169**	**$1,205,355**	**$1,221,637**	**$1,238,010**	**$1,254,468**	**$1,271,007**	**$1,287,620**	**$1,304,301**	**$1,321,043**	**$1,337,840**	**$1,354,684**
	Debt Service Payments															
	First Mortgage - HFAMDC/Berkadia/Freddie Mac	$685,426	$685,426	$685,426	$685,426	$685,426	$685,426	$685,426	$685,426	$685,426	$685,426	$685,426	$685,426	$685,426	$685,426	$685,426
	Second Mortgage - FHFC - SAIL	$17,707	$17,707	$17,707	$17,707	$17,707	$17,707	$17,707	$17,707	$17,707	$17,707	$17,707	$17,707	$17,707	$17,707	$17,707
	Third Mortgage - FHFC - ELI	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Fourth Mortgage - Miami-Dade County - Surtax	$24,000	$24,000	$24,000	$24,000	$24,000	$24,000	$24,000	$24,000	$24,000	$24,000	$24,000	$24,000	$24,000	$24,000	$24,000
	Fifth Mortgage - St. Mary Towers, Inc.	$437,513	$437,513	$437,513	$437,513	$437,513	$437,513	$437,513	$437,513	$437,513	$437,513	$437,513	$437,513	$437,513	$437,513	$437,513
	First Mortgage Fees - HFAMDC	$30,990	$30,962	$30,930	$30,891	$30,845	$30,792	$30,731	$30,662	$30,583	$30,493	$30,393	$30,281	$30,156	$30,017	$29,863
	Second Mortgage Fees - FHFC - SAIL	$5,450	$5,450	$5,450	$5,450	$5,450	$5,450	$5,450	$5,450	$5,450	$5,450	$5,450	$5,450	$5,450	$5,450	$5,450
	Third Mortgage Fees - FHFC - ELI	$3,855	$3,855	$3,855	$3,855	$3,855	$3,855	$3,855	$3,855	$3,855	$3,855	$3,855	$3,855	$3,855	$3,855	$3,855
	Fourth Mortgage Fees - Miami-Dade County - Surtax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Fifth Mortgage Fees - St. Mary Towers, Inc.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Debt Service Payments	**$1,204,941**	**$1,204,914**	**$1,204,881**	**$1,204,842**	**$1,204,797**	**$1,204,744**	**$1,204,683**	**$1,204,613**	**$1,204,534**	**$1,204,445**	**$1,204,345**	**$1,204,233**	**$1,204,108**	**$1,203,969**	**$1,203,814**
	Cash Flow after Debt Service	**-$79,471**	**-$63,684**	**-$47,779**	**-$31,759**	**-$15,628**	**$611**	**$16,954**	**$33,397**	**$49,934**	**$66,562**	**$83,275**	**$100,068**	**$116,936**	**$133,872**	**$150,870**
	Debt Service Coverage Ratios															
	DSC - First Mortgage plus Fees	**1.57**	**1.59**	**1.62**	**1.64**	**1.66**	**1.68**	**1.71**	**1.73**	**1.75**	**1.78**	**1.80**	**1.82**	**1.85**	**1.87**	**1.89**
	DSC - Second Mortgage plus Fees	**1.52**	**1.54**	**1.56**	**1.59**	**1.61**	**1.63**	**1.65**	**1.67**	**1.70**	**1.72**	**1.74**	**1.77**	**1.79**	**1.81**	**1.83**
	DSC - Third Mortgage plus Fees	**1.51**	**1.54**	**1.56**	**1.58**	**1.60**	**1.62**	**1.64**	**1.67**	**1.69**	**1.71**	**1.73**	**1.76**	**1.78**	**1.80**	**1.82**
	DSC - Fourth Mortgage plus Fee	**1.47**	**1.49**	**1.51**	**1.53**	**1.55**	**1.57**	**1.59**	**1.61**	**1.64**	**1.66**	**1.68**	**1.70**	**1.72**	**1.75**	**1.77**
	DSC - Fifth Mortgage plus Fees	**0.93**	**0.95**	**0.96**	**0.97**	**0.99**	**1.00**	**1.01**	**1.03**	**1.04**	**1.06**	**1.07**	**1.08**	**1.10**	**1.11**	**1.13**
	Financial Ratios															
	Operating Expense Ratio	**40.62%**	**40.96%**	**41.32%**	**41.67%**	**42.03%**	**42.40%**	**42.76%**	**43.13%**	**43.51%**	**43.88%**	**44.27%**	**44.65%**	**45.04%**	**45.43%**	**45.83%**
	Break-even Economic Occupancy Ratio (all debt)	**99.48%**	**98.63%**	**97.80%**	**96.99%**	**96.21%**	**95.46%**	**94.73%**	**94.03%**	**93.35%**	**92.69%**	**92.06%**	**91.44%**	**90.85%**	**90.29%**	**89.74%**

Based on the LPA, Replacement Reserves will be required at $350 per unit per year, increasing by 3% per year.

AMERINAT®

October 9, 2024

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

RE: Cross Creek Gardens at Quincy ("Development") - HOME Investment Partnerships Program ("HOME") Loan RFA 2021-206 (2022-247H) / Construction Inflation Response Viability Funding ("Viability") Loan RFA 2023-211 (2023-243V)

Credit Underwriting Report Update Letter ("CUL") – Changes to the Final CUR dated January 22, 2024 ("Final CUR") and CUR Update Letter dated April 25, 2024, to approve a request to increase Permanent First Mortgage

Dear Mr. Kennedy:

Florida Housing Finance Corporation ("Florida Housing" or "FHFC") has requested that AmeriNat® ("AmeriNat" or "Servicer") review correspondences from various parties as outlined in this CUL requesting approval of the change above. Specifically, AmeriNat has been requested to provide a recommendation for the above-referenced change to the Final CUR that was approved at the February 2, 2024, FHFC Board meeting and the CUR Update Letter. An analysis of the proposed change follows below.

AmeriNat reviewed the requests, performed certain due diligence, and formulated a recommendation and closing conditions which are contained at the end of this CUL. For purposes of this analysis, AmeriNat reviewed the following due diligence:

1. Final CUR
2. CUR Update Letter
3. Correspondence from Cross Creek Gardens at Quincy, LLC ("Applicant")
4. Letter of Interest, dated August 20, 2024 from Florida Community Loan Fund
5. Request Letter from Applicant to increase Permanent First Mortgage dated August 8, 2024

Background:

The Development will be located on South Springs Road, approximately 1,500 feet west of the intersection of Pat Thomas Parkway and South Springs Road in Quincy, Gadsden County, Florida 32351. The Development will be the new construction of two, garden-style apartment buildings consisting of 36 units that will serve a family demographic.

Per the Final CUR and CUR Update Letter, AmeriNat recommended FHFC fund a Viability Loan in the amount of $1,300,000 and a HOME Loan in the amount of $6,000,000.

The construction and permanent funding sources in the CUR Update Letter were as follows:

CONSTRUCTION/PERMANENT SOURCES:				
Source	**Lender**	**Construction**	**Permanent**	**Perm Loan/Unit**
Regulated Mortgage	Chase	$8,000,000	$1,600,000	$44,444
FHFC - Viability	FHFC	$42,948	$1,300,000	$36,111
FHFC - HOME	FHFC	$6,000,000	$6,000,000	$166,667
HC Equity	Alliant	$907,580	$6,050,528	$168,070
Deferred Developer Fee	Developer	$607,432	$607,432	$16,873
TOTAL		$15,557,960	$15,557,960	$432,166

The proposed revised construction and permanent funding sources are as follows:

CONSTRUCTION/PERMANENT SOURCES:				
Source	**Lender**	**Construction**	**Permanent**	**Perm Loan/Unit**
Regulated Mortgage	Chase	$8,000,000	$1,800,000	$50,000
FHFC - Viability	FHFC	$242,948	$1,300,000	$36,111
FHFC - HOME	FHFC	$6,000,000	$6,000,000	$166,667
HC Equity	Alliant	$907,580	$6,050,528	$168,070
Deferred Developer Fee	Developer	$914,788	$914,788	$25,411
TOTAL		$16,065,316	$16,065,316	$446,259

Total Development Costs (“TDC”) were increased by $507,356 from $15,557,960 to $16,065,316 primarily due to increase in Construction Costs. AmeriNat received an executed Contract Addendum #1 dated July 1, 2024, that amends the time to achieve substantial completion from 420 days from the date of commencement of work to 504 days and increases the Guaranteed Maximum Price from $9,596,404 to $10,298,670. Contract Addendum #1 also removed the South Springs Road Extension from the scope of work; however, Contract Addendum #1 adds the cost to construct a temporary access road resulting in a net increase in costs.

In accordance with RFA 2021-206, FHFC limits the 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, Garden-Style, ESSC), inclusive of a $7,500/unit add-on for using HOME funds and a 8.00% weighted average upward escalation adjustment applied to the base $374,280 per unit allowable ratified at the April 1, 2022 Telephonic FHFC Board meeting, is $412,322.40 per unit. The TDC as underwritten equals $432,905.31. This amount exceeds the maximum TDC per unit. However, the Developer’s Fee was reduced by $1,010,000 in accordance with the RFA. The TDC, as underwritten, satisfies the 5% test as illustrated in the RFA.

Please note that, as the transaction is currently on track to close sometime in the fourth quarter of 2024, costs remain fluid and are subject to further adjustment prior to closing.

Details of the changes to the Permanent First Mortgage are outlined below.

The Multifamily Mortgage Revenue Bonds is expected to be redeemed in full and the $8,000,000 construction loan is projected to be repaid with equity and other loan proceeds. Per an executed Letter of Interest (“LOI”), dated August 20, 2024, Florida Community Loan Fund (“FCLF”) will provide a permanent loan in an amount not to exceed $1,800,000, upon achievement of the following conversion requirements:

a. Receipt of Final Certificate of Occupancy
b. Receipt of Architect’s Certificate of Substantial Completion
c. Three months of at least 90% occupancy paying rent for no less than Project pro forma rents, with a minimum debt service coverage ratio of 1.12x times for the same three-month period
d. Construction loan has at all times been current, with no existing defaults thereunder

e. The first mortgage construction loan has been paid in full and satisfied of public record (prior to or concurrent with the Permanent Loan closing) so that the Permanent Loan is a first lien and security interest in the Development
f. Commitment to Endorse FCLF's Mortgage Title Insurance Policy
g. Completed value property insurance policy on ACORD 28 certificate
h. The date of conversion funding is no more than 36 months following the construction finance closing
i. Such other commercially reasonable requirements as FCLF shall require.

During construction period, the Permanent loan shall be secured by a second lien position behind the construction loan with minimal funding ($50,000). As such, the Permanent loan shall have a term of 17 years (with an additional six months if the construction loan is extended by that amount). Upon conversion, the Permanent loan shall be secured by a first lien position. The Permanent loan will require monthly interest-only payments during the construction phase, converting to equal monthly payments of principal and interest upon conversion with payments based on a 35-year amortization and a fixed interest rate of 7.75%.

Debt Service Coverage:

With the increase to the Permanent Loan, the Debt Service Coverage ("DSC") for the first mortgage, Viability Loan and HOME Loan changed from 1.00x to 1.01x. Per FHFC Rule Chapter 67-48, the minimum DSC shall be 1.10x to 1.00 for the HOME loan and all superior mortgages. However, if the Applicant defers at least 35 percent of Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation, and when the primary expected source of repayment has been identified as projected cash flow, the minimum DSC shall be 1.00x for the HOME loan, including all superior mortgages. The Applicant will be required to show permanent Deferred Developer Fee of at least 35% as the HOME Loan DSC is 1.01x.

The One-Year Operating Pro Forma is as follows. Exhibit 1 of this CUR Update Letter illustrates the 15-Year Pro Forma.

OPERATING PRO FORMA

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			**$453,888**	**$12,608**
	Other Income				**$0**
	Ancillary Income			$12,960	**$360**
	Gross Potential Income			**$466,848**	**$12,968**
	Less:				
	Physical Vac. Loss	Percentage:	4.00%	$18,674	**$519**
	Collection Loss	Percentage:	1.00%	$4,668	**$130**
	Total Effective Gross Income			**$443,506**	**$12,320**
EXPENSES:	Fixed:				
	Real Estate Taxes			$43,990	**$1,222**
	Insurance			$54,000	**$1,500**
	Variable:				
	Management Fee	Percentage:	5.00%	$22,175	**$616**
	General and Administrative			$10,800	**$300**
	Payroll Expenses			$54,000	**$1,500**
	Utilities			$31,500	**$875**
	Marketing and Advertising			$1,800	**$50**
	Maintenance and Repairs/Pest Control			$18,000	**$500**
	Grounds Maintenance and Landscaping			$8,100	**$225**
	Contract Services			$1,080	**$30**
	Security			$6,300	**$175**
	Reserve for Replacements			$10,800	**$300**
	Total Expenses			**$262,545**	**$7,293**
	Net Operating Income			**$180,961**	**$5,027**
	Debt Service Payments				
	First Mortgage - FCLF			$149,510	**$4,153**
	Second Mortgage - Viability			$13,000	**$361**
	Third Mortgage - HOME			$0	**$0**
	First Mortgage Fees - FCLF			$0	**$0**
	Second Mortgage Fees - Viability			$3,250	**$90**
	Third Mortgage Fees - HOME			$12,622	**$351**
	Total Debt Service Payments			**$178,382**	**$4,955**
	Cash Flow after Debt Service			**$2,579**	**$72**
	Debt Service Coverage Ratios				
	DSC - First Mortgage plus Fees			**1.21x**	
	DSC - Second Mortgage plus Fees			**1.09x**	
	DSC - Third Mortgage plus Fees			**1.01x**	
	DSC - All Mortgages and Fees			**1.01x**	
	Financial Ratios				
	Operating Expense Ratio			**59.20%**	
	Break-even Economic Occupancy Ratio (all debt)			**94.70%**	

1. The Development will be utilizing Housing Credits in conjunction with HOME funds that will impose rent restrictions. Gross potential rental revenue is based upon 2024 HOME rents for the Tallahassee, FL HUD Metro FMR area. The Development will offer 8 Low HOME units at or below 50% of AMI and 28 High HOME units at or below 60% of AMI, as required by RFA 2021-206. The utility allowances are $83 for one-bedroom units, $107 for two-bedroom units, and $131 for three-bedroom units based on the Utility Allowance Schedule approved by the NW Florida Regional Housing Authority, effective as of March 25, 2024. Meridian opines that Development will be able to achieve the maximum 50%

and 60% of AMI HOME rents based on the market analysis performed. A rent roll for the Development property is illustrated in the following table:

Tallahassee, FL HUD Metro FMR Area (HFMA) / Gadsden 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	2	694	50%	$831		$831	$83	$748		$727	$748	$748	$17,952
1	1.0	8	679	60%		$1,062	$998	$83	$915		$888	$915	$915	$87,840
2	2.0	3	970	50%	$998		$998	$107	$891		$865	$891	$891	$32,076
2	2.0	11	970	60%		$1,276	$1,198	$107	$1,091		$1,059	$1,091	$1,091	$144,012
3	2.0	3	1,270	50%	$1,153		$1,153	$131	$1,022		$993	$1,022	$1,022	$36,792
3	2.0	9	1,270	60%		$1,465	$1,383	$131	$1,252		$1,216	$1,252	$1,252	$135,216
		36	35,640											$453,888

2. A 5.00% total economic vacancy rate (4.00% physical and 1.00% collections) was applied for underwriting purposes based on the appraisal and the comparables listed therein.

3. Miscellaneous Income is comprised of income related to multifamily operations in the form of late charges, pet deposits, and forfeited security deposits.

4. Real Estate taxes of $1,222 per unit are based upon an estimated assessed value of $85,800 per unit. The Appraiser concluded the taxes based upon a 70% adjusted assessment ratio of the appraised value, the current millage rate, and an early payment discount of 4%.

5. AmeriNat utilized an estimate of $1,500 per unit for insurance based on the representations of the appraiser. Restricted comparable properties had a cost range between $533 and $1,561 per unit, with an average of $1,009 per unit.

6. The Applicant has submitted an executed Management Agreement (the "Agreement") dated December 12, 2023, between Your Way Home Realty, Inc. ("YWHR") and the Applicant. The initial term of the Agreement is for a one-year period, and automatically renews each year thereafter until terminated per the term s of the Agreement. Compensation is 5.00% of gross monthly income, which is within the range of 3.00% to 6.00% as presented in the appraisal.

7. Replacement Reserves of $300 per unit per year were underwritten by AmeriNat as required per RFA 2021-206 and Rule.

8. The Viability Loan has an annual Permanent Loan Servicing Fee based on 25 basis points of the outstanding loan amount, with a maximum of $964 per month, subject to a minimum of $243 per month.

9. The HOME Loan has an annual Permanent Loan Servicing Fee based on 25 basis points of the outstanding loan amount, with a maximum of $964 per month, subject to a minimum of $243 per month. The annual Compliance Multiple Program Monitoring Fee is $1,054.

10. The estimated Net Operating Income ("NOI") for the Development is $180,961 in the initial year of stabilized operations. The First Mortgage can be supported by operations at a DSC of 1.21x to 1.00 Debt Service Coverage Ratio ("DSC") in Year 1 of stabilized operations. The combined amount of the First Mortgage, Viability Loan, and HOME Loan can be supported by operations at a 1.01x to 1.00 DSC including all debt and fees.

11. The Break-even Economic Occupancy Ratio includes all debt; however, payments of interest on the FHFC debt are based on available cash flow. This ratio would improve to 91.66% if these interest and associated servicing payments were not included.

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%.

Appraised Value: AmeriNat received and satisfactorily reviewed an updated appraisal prepared by Meridian Appraisal Group, Inc. ("Meridian") dated August 1, 2024. The appraisal was executed by Robert Von, a State Certified General Appraiser whose Florida license number is RZ1604.

The report estimates the hypothetical leased fee value, "As if Stabilized" of the Development's leased fee interest, subject to unrestricted rents, as of June 20, 2024, including $55,000 in personal property, is $5,030,000. The resulting loan to value for the permanent First Mortgage is equal to 35.8%, with a loan to value of 61.6% for the combined permanent First Mortgage and Viability Loan, and a loan to value of 180.9% for the combined permanent First Mortgage, Viability Loan, and HOME Loan, upon stabilization.

The report also estimates the hypothetical value, "As if Stabilized" of the Development's leased fee interest, subject to the proposed HC, Viability, and HOME restrictions, as of June 20, 2024, including $55,000 in personal property, is $3,450,000. The resulting loan to value for the permanent First Mortgage is equal to 52.2%, with a loan to value of 89.9% for the combined permanent First Mortgage and Viability Loan, and a loan to value of 263.8% for the combined permanent First Mortgage, Viability Loan, and HOME Loan, upon stabilization.

The report concludes that the market value of the fee simple interest in the Development's site, as is, without the benefit of the access road and utilities, as $245,000. AmeriNat reflects the lesser of the purchase price and the market value as the land costs.

Recommendation:

AmeriNat's review indicates that the increase to the Permanent First Mortgage does not adversely impact the transaction as previously underwritten. Accordingly, AmeriNat recommends that FHFC consent to and approve these changes to the Final CUR and CUR Update Letter, subject to the following:

1. All of the closing conditions in the Final CUR and the CUR Update Letters are to be met.
2. Any other requirement of Florida Housing, its Legal Counsel and Servicer.

Please contact AmeriNat if you have any questions or if we can provide further assistance.

Sincerely,

Kyle Kuenn
Multifamily Chief Credit Underwriter

Exhibit 1
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															
INCOME: Gross Potential Rental Income	**$453,888**	**$462,966**	**$472,225**	**$481,670**	**$491,303**	**$501,129**	**$511,152**	**$521,375**	**$531,802**	**$542,438**	**$553,287**	**$564,353**	**$575,640**	**$587,153**	**$598,896**
Rent Subsidy (ODR)	$0														
Other Income															
Ancillary Income	$12,960	$13,219	$13,484	$13,753	$14,028	$14,309	$14,595	$14,887	$15,185	$15,488	$15,798	$16,114	$16,436	$16,765	$17,100
Gross Potential Income	**$466,848**	**$476,185**	**$485,709**	**$495,423**	**$505,331**	**$515,438**	**$525,747**	**$536,262**	**$546,987**	**$557,927**	**$569,085**	**$580,467**	**$592,076**	**$603,918**	**$615,996**
Less:															
Physical Vac. Loss Percentage: 4.00%	$18,674	$19,047	$19,428	$19,817	$20,213	$20,618	$21,030	$21,451	$21,880	$22,317	$22,764	$23,219	$23,683	$24,157	$24,640
Collection Loss Percentage: 1.00%	$4,668	$4,761	$4,857	$4,954	$5,053	$5,154	$5,257	$5,362	$5,469	$5,579	$5,690	$5,804	$5,920	$6,039	$6,159
Total Effective Gross Income	**$443,506**	**$452,376**	**$461,424**	**$470,652**	**$480,065**	**$489,666**	**$499,460**	**$509,449**	**$519,638**	**$530,031**	**$540,631**	**$551,444**	**$562,473**	**$573,722**	**$585,197**
EXPENSES: Fixed:															
Real Estate Taxes	$43,990	$45,310	$46,669	$48,069	$49,511	$50,996	$52,526	$54,102	$55,725	$57,397	$59,119	$60,892	$62,719	$64,601	$66,539
Insurance	$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
Variable:															
Management Fee Percentage: 5.00%	$22,175	$22,619	$23,071	$23,532	$24,003	$24,483	$24,973	$25,472	$25,982	$26,501	$27,031	$27,572	$28,123	$28,686	$29,259
General and Administrative	$10,800	$11,124	$11,458	$11,801	$12,155	$12,520	$12,896	$13,283	$13,681	$14,092	$14,514	$14,950	$15,398	$15,860	$16,336
Payroll Expenses	$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
Utilities	$31,500	$32,445	$33,418	$34,421	$35,454	$36,517	$37,613	$38,741	$39,903	$41,100	$42,333	$43,603	$44,911	$46,259	$47,647
Marketing and Advertising	$1,800	$1,854	$1,910	$1,967	$2,026	$2,087	$2,149	$2,214	$2,280	$2,349	$2,419	$2,492	$2,566	$2,643	$2,723
Maintenance and Repairs/Pest Control	$18,000	$18,540	$19,096	$19,669	$20,259	$20,867	$21,493	$22,138	$22,802	$23,486	$24,190	$24,916	$25,664	$26,434	$27,227
Grounds Maintenance and Landscaping	$8,100	$8,343	$8,593	$8,851	$9,117	$9,390	$9,672	$9,962	$10,261	$10,569	$10,886	$11,212	$11,549	$11,895	$12,252
Contract Services	$1,080	$1,112	$1,146	$1,180	$1,216	$1,252	$1,290	$1,328	$1,368	$1,409	$1,451	$1,495	$1,540	$1,586	$1,634
Security	$6,300	$6,489	$6,684	$6,884	$7,091	$7,303	$7,523	$7,748	$7,981	$8,220	$8,467	$8,721	$8,982	$9,252	$9,529
Reserve for Replacements	$10,800	$10,800	$10,800	$10,800	$10,800	$10,800	$10,800	$10,800	$10,800	$10,800	$11,124	$11,458	$11,801	$12,155	$12,520
Total Expenses	**$262,545**	**$269,876**	**$277,422**	**$285,190**	**$293,186**	**$301,418**	**$309,891**	**$318,614**	**$327,594**	**$336,838**	**$346,678**	**$356,808**	**$367,237**	**$377,973**	**$389,025**
Net Operating Income	**$180,961**	**$182,501**	**$184,002**	**$185,462**	**$186,879**	**$188,249**	**$189,569**	**$190,835**	**$192,044**	**$193,193**	**$193,953**	**$194,636**	**$195,236**	**$195,750**	**$196,172**
Debt Service Payments															
First Mortgage - FCLF	$149,510	$149,510	$149,510	$149,510	$149,510	$149,510	$149,510	$149,510	$149,510	$149,510	$149,510	$149,510	$149,510	$149,510	$149,510
Second Mortgage - Viability	$13,000	$13,000	$13,000	$13,000	$13,000	$13,000	$13,000	$13,000	$13,000	$13,000	$13,000	$13,000	$13,000	$13,000	$13,000
Third Mortgage - HOME	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
First Mortgage Fees - FCLF	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Second Mortgage Fees - Viability	$3,250	$3,250	$3,250	$3,250	$3,250	$3,250	$3,250	$3,250	$3,250	$3,250	$3,250	$3,250	$3,250	$3,250	$3,250
Third Mortgage Fees - HOME	$12,622	$12,654	$12,686	$12,720	$12,754	$12,790	$12,827	$12,864	$12,903	$12,943	$12,984	$13,027	$13,071	$13,116	$13,162
Total Debt Service Payments	**$178,382**	**$178,414**	**$178,446**	**$178,480**	**$178,514**	**$178,550**	**$178,587**	**$178,624**	**$178,663**	**$178,703**	**$178,744**	**$178,787**	**$178,831**	**$178,876**	**$178,922**
Cash Flow after Debt Service	**$2,579**	**$4,087**	**$5,556**	**$6,983**	**$8,365**	**$9,699**	**$10,982**	**$12,210**	**$13,381**	**$14,490**	**$15,209**	**$15,849**	**$16,405**	**$16,874**	**$17,250**
Debt Service Coverage Ratios															
DSC - First Mortgage plus Fees	**1.21x**	**1.22x**	**1.23x**	**1.24x**	**1.25x**	**1.26x**	**1.27x**	**1.28x**	**1.28x**	**1.29x**	**1.30x**	**1.30x**	**1.31x**	**1.31x**	**1.31x**
DSC - Second Mortgage plus Fees	**1.09x**	**1.10x**	**1.11x**	**1.12x**	**1.13x**	**1.14x**	**1.14x**	**1.15x**	**1.16x**	**1.17x**	**1.17x**	**1.17x**	**1.18x**	**1.18x**	**1.18x**
DSC - Third Mortgage plus Fees	**1.01x**	**1.02x**	**1.03x**	**1.04x**	**1.05x**	**1.05x**	**1.06x**	**1.07x**	**1.07x**	**1.08x**	**1.09x**	**1.09x**	**1.09x**	**1.09x**	**1.10x**
DSC - Fourth Mortgage plus Fee	**1.01x**	**1.02x**	**1.03x**	**1.04x**	**1.05x**	**1.05x**	**1.06x**	**1.07x**	**1.07x**	**1.08x**	**1.09x**	**1.09x**	**1.09x**	**1.09x**	**1.10x**
DSC - Fifth Mortgage plus Fees	**1.01x**	**1.02x**	**1.03x**	**1.04x**	**1.05x**	**1.05x**	**1.06x**	**1.07x**	**1.07x**	**1.08x**	**1.09x**	**1.09x**	**1.09x**	**1.09x**	**1.10x**
DSC - All Mortgages and Fees	**1.01x**	**1.02x**	**1.03x**	**1.04x**	**1.05x**	**1.05x**	**1.06x**	**1.07x**	**1.07x**	**1.08x**	**1.09x**	**1.09x**	**1.09x**	**1.09x**	**1.10x**
Financial Ratios															
Operating Expense Ratio	**59.20%**	**59.66%**	**60.12%**	**60.59%**	**61.07%**	**61.56%**	**62.05%**	**62.54%**	**63.04%**	**63.55%**	**64.12%**	**64.70%**	**65.29%**	**65.88%**	**66.48%**
Break-even Economic Occupancy Ratio (all debt)	**94.70%**	**94.39%**	**94.11%**	**93.84%**	**93.59%**	**93.37%**	**93.16%**	**92.97%**	**92.80%**	**92.65%**	**92.58%**	**92.52%**	**92.48%**	**92.46%**	**92.45%**

Status of RFAs and Funding Amounts

Housing Credits – 2024-2025 Cycle

RFA Number	RFA Title	Housing Credit Funding Made Available	Housing Credit Funding Awarded	Housing Credit Funding Remaining	Status
2024-201	Housing Credit Financing for Affordable Housing Developments Located in Small and Medium Counties	$22,718,520	$22,330,320	$388,200	No Litigation
2024-202*	Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties	$26,877,902	$27,029,800	($151,898)	No Litigation
2024-203	Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County	$9,957,110	$9,740,000	$217,110	Litigation Ongoing
2024-213	SAIL Funding for Live Local Mixed Income, Mixed-Use, and Urban Infill Developments (Keys Goal)	$1,629,260		$1,629,260	RFA Issue Date - November 2024
2025-103	Housing Credit and SAIL Financing to Develop Housing for Homeless Persons	$6,500,000		$6,500,000	RFA issued October 17, 2024
2025-106	Financing to Develop Housing for Persons with Disabling Conditions / Developmental Disabilities	$3,466,500		$3,466,500	RFA issued October 17, 2024
Totals		**$71,149,292**	**$59,100,120**	**$12,049,172**	

*Includes $1,819,292 in allocation remaining from 2024 allocation that Board approved to be allocated in 2024-202 as 2024 credits

SAIL – 2024-2025 Cycle

RFA Number	RFA Title	SAIL Funding Made Available	SAIL Funding Awarded	SAIL Funding Remaining	Status
2024-204	SAIL Financing for the Preservation of Elderly Developments	$3,675,000		$3,675,000	RFA Issue Date - November 2024
2024-205	SAIL Financing of Affordable Multifamily Housing Developments	$87,825,000	$86,216,300	$1,608,700	Preliminary Awards being presented at October Board Meeting
2025-102*	SAIL Financing for Smaller Permanent Supportive Housing Developments for Persons with Special Needs	$12,815,413		$12,815,413	RFA issued on September 5, 2024
2025-103	Housing Credit and SAIL Financing to Develop Housing for Homeless Persons	$12,500,000		$12,500,000	RFA issued on October 17, 2024
2025-104	SAIL Financing Farmworker and Commercial Fishing Worker Housing	$6,250,000		$6,250,000	RFA Issue Date - April 2025
2025-106	Financing to Develop Housing for Persons with Disabling Conditions / Developmental Disabilities	$6,000,000		$6,000,000	RFA issued on October 17, 2024
Totals		**$129,065,413**	**$86,216,300**	**$42,849,113**	

*Includes $4,065,413 leftover from RFA 2024-102

Live Local SAIL – 2024-2025 Cycle

RFA Number	RFA Title	Live Local SAIL Funding Made Available	Live Local SAIL Funding Awarded	Live Local SAIL Funding Remaining	Status
2023-213*	SAIL Funding for Live Local Mixed Income, Mixed-Use and Urban Infill Developments	$100,389,979		$100,389,979	RFA Issue Date - November 2024
2024-206	HOME and Live Local SAIL Financing to be Used for Rental Developments in Rural Areas of Opportunity	$7,000,000		$7,000,000	RFA Issue Date - TBD
2024-214**	Live Local SAIL Financing to be Used for Developing and Reconstructing Affordable Multifamily Housing Developments	$40,000,000	$40,000,000	$0	No Litigation
2024-215**	SAIL Funding for Development near Military Installations Pursuant to The Live Local Act; 420.50871, F.S.	$46,000,000	$39,992,400	$6,007,600	Preliminary Awards being presented at October Board Meeting
2024-216	SAIL Funding for Large Scale Developments of Significant Regional Impact	$50,000,000	$50,000,000	$0	No Litigation
2025-XXX	SAIL Funding for Large Scale Developments of Significant Regional Impact	$49,575,000		$49,575,000	RFA Issue Date - Beginning of 2025
Totals		**$292,964,979**	**$129,992,400**	**$162,972,579**	

*Includes $389,979 leftover from 2023-2024 Cycle

**Includes 2023 and 2024 Funding Allocations

HOME – 2024-2025 Cycle

RFA Number	RFA Title	HOME Funding Made Available	HOME Funding Awarded	HOME Funding Remaining	Status
2025-206*	HOME and Live Local SAIL Financing to be Used for Rental Developments in Rural Areas of Opportunity	$30,000,000		$30,000,000	RFA Issue Date - TBD
Totals		**$30,000,000**	**$0**	**$30,000,000**	

*Estimated amount

CDBG-DR

RFA Number	RFA Title	CDBG-DR Funding Made Available	CDBG-DR Funding Awarded	CDBG-DR Funding Remaining	Status
2024-305*	Community Development Block Grant-Disaster Recovery (CDBG DR) Financing for Affordable Housing Developments located in Hurricane Sally impacted areas	$23,750,000	$20,980,000	$2,770,000	No Litigation - Invited into Credit Underwriting
2024-306	Community Development Block Grant-Disaster Recovery (CDBG DR) Financing for Affordable Housing Developments located in Hurricane Ian impacted areas	$90,000,000	$89,900,000	$100,000	Preliminary Awards being presented at October Board Meeting
Totals		**$113,750,000**	**$110,880,000**	**$2,870,000**	

*Staff coordinated with Commerce and will disburse the remaining $2,770,000 of funding to the awardees.

Grant Funding

RFA Number	RFA Title	Grant Funding Made Available	Grant Funding Awarded	Grant Funding Remaining	Status
2025-106	Financing to Develop Housing for Persons with Disabling Conditions / Developmental Disabilities	$5,572,918.00		$5,572,918.00	RFA issued on October 17, 2024

Florida Housing Finance Corporation

Credit Underwriting Report

The Fountains at Hidden Lake
RFA 2022-201 (2023-026CN)

Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties

9% Housing Credits ("HC") &
National Housing Trust Fund ("NHTF") Loan

Section A: Report Summary

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

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Prepared by

AmeriNat®

Final Report

August 30, 2024

The Fountains at Hidden Lake

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Report Summary

Recommendation

AmeriNat® ("AmeriNat") recommends Florida Housing Finance Corporation ("FHFC" or "Florida Housing") fund a NHTF loan in the amount of $2,080,000 and issue an annual 9% HC allocation in the amount of $2,039,900 to HTG Hidden Lake, Ltd. ("Applicant") for the construction and permanent financing of The Fountains at Hidden Lake (the proposed "Development").

DEVELOPMENT & SET-ASIDES

Development Name: The Fountains at Hidden Lake

RFA/Program Numbers: RFA 2022-201 / 2023-026CN

Address: W. Ashburn Lane, W. Ashburn Lane and US Highway 19

City: Crystal River Zip Code: 34428 County: Citrus County Size: Medium

Development Category: New Construction Development Type: Mid-Rise (4 Stories)

Construction Type: Wood Frame

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

Unit Composition:
# of ELI Units: 9 ELI Units Are Restricted to 40% AMI, or less. Total # of units with PBRA? 0
# of Link Units: 5 Are the Link Units Demographically Restricted? Yes # of NHTF Units: 8

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	664	30%			$435	$131	$304		$304	$304	$304	$21,888
1	1.0	7	664	40%			$581	$131	$450		$450	$450	$450	$37,800
1	1.0	48	664	60%			$871	$131	$740		$740	$740	$740	$426,240
2	2.0	2	925	30%			$522	$149	$373		$373	$373	$373	$8,952
2	2.0	2	925	40%			$697	$149	$548		$548	$548	$548	$13,152
2	2.0	16	925	60%			$1,045	$149	$896		$896	$896	$896	$172,032
		81	59,004											$680,064

As required by the Federal Fair Housing Act and the Request for Application 2022-201 ("RFA") at least 80% of the total units will be rented to residents that qualify as Elderly.

According to the RFA, since the Applicant selected 40% of the units at 60% of the Area Median Income ("AMI") or lower, the Applicant must set-aside 10% of the total units (9 units) as Extremely Low Income ("ELI") set-aside units. Persons with Special Needs Set-Aside Commitment: The proposed Development must set aside fifty percent (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 Link Memorandum of Understanding ("MOU") with at least one designated Special Needs Household Referral Agency ("Referral Agency") serving the county and intended population where the Development will be located (Citrus County) and rent units to households referred by the Referral Agency with which the MOU is executed. The fully executed MOU approved by Florida Housing is a condition precedent to loan closing.

NHTF Units Set-Aside Commitment: The proposed Development must set aside eight (8) units as NHTF Link units targeted for Persons with Special Needs. These units are required to be set aside for residents earning at or below 30% of AMI and are in addition to the fifty percent (50%) requirement for ELI set-aside units (5 units). Therefore, the Development will have a total of thirteen (13) units targeted for Persons with Special Needs (ELI-5 units, NHTF-8 units). After 30 years, all of the NHTF units may convert to serve residents at or below 60% of AMI. However, the Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

The Tenant Selection Plan was approved by FHFC on October 17, 2023.

Buildings: Residential - 1 Non-Residential - 0
Parking: Parking Spaces - 86 Accessible Spaces - 5

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
HC	11%	9	40%	50
HC	89%	72	60%	50
NHTF	10%	8	30%	50

Absorption Rate 20 units per month for 4 months.

Occupancy Rate at Stabilization: Physical Occupancy 95.00% Economic Occupancy 94.00%
Occupancy Comments Like kind weighted average occupancy rate is 99%

DDA: No QCT: Yes Multi-Phase Boost: No QAP Boost: No
Site Acreage: 7.37 Density: 11 units/acre Flood Zone Designation: AE
Zoning: PUD-Planned Unit Development Flood Insurance Required?: Yes

DEVELOPMENT TEAM		
Applicant/Borrower:	HTG Hidden Lake, Ltd.	% Ownership
General Partner	AM Affordable Housing, Inc. (Non Profit)	0.010%
General Partner	HTG Hidden Lake, LLC (Non-Investor LP)	0.001%
Limited Partner	CREA The Fountains at Hidden Lake, LLC	99.988%
Special LP	CREA SLP, LLC	0.0010%
Construction Completion Guarantor(s):		
CC Guarantor 1:	HTG Hidden Lake, Ltd.	
CC Guarantor 2:	AM Affordable Housing, Inc. (Non Profit)	
CC Guarantor 3:	HTG Hidden Lake, LLC (Non-Investor LP)	
CC Guarantor 4:	HTG Affordable Holdings, LLC	
CC Guarantor 5:	Matthew A. Rieger	
CC Guarantor 6:	Matthew A. Rieger Investment Trust	
CC Guarantor 7:	HTG Hidden Lake Developer, LLC	
CC Guarantor 8:	HTG Florida Developer, LLC	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	HTG Hidden Lake, Ltd.	
OD Guarantor 2:	AM Affordable Housing, Inc. (Non Profit)	
OD Guarantor 3:	HTG Hidden Lake, LLC (Non-Investor LP)	
OD Guarantor 4:	HTG Affordable Holdings, LLC	
OD Guarantor 5:	Matthew A. Rieger	
OD Guarantor 6:	Matthew A. Rieger Investment Trust	
OD Guarantor 7:	HTG Hidden Lake Developer, LLC	
OD Guarantor 8:	HTG Florida Developer, LLC	
Developer:	HTG Hidden Lake Developer, LLC	
Principal 1	HTG Florida Developer, LLC	
Principal 2	Matthew A. Rieger	
General Contractor 1:	BDI Construction Company	
Management Company:	HTG Management, LLC	
Syndicator:	CREA The Fountains at Hidden Lake, LLC	
Architect:	Edward Hunton, AIA (Fugelberg Koch, LLC)	
Market Study Provider:	Meridian Appraisal Group, Inc.	
Appraiser:	Meridian Appraisal Group, Inc.	

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lien Position	1	2	3			
Lender/Grantor	KeyBank NA / Freddie Mac	FHFC-NHTF	City of Crystal River			
Amount	$3,025,000	$2,080,000	$340,000			
Underwritten Interest Rate	6.84%	0.00%	3.00%			
All In Interest Rate	6.84%	0.00%	3.00%			
Loan Term	15	30	3			
Amortization	40	0	0			
Market Rate/Market Financing LTV	26%	44%	47%			
Restricted Market Financing LTV	69%	117%	125%			
Loan to Cost - Cumulative	12%	20%	22%			
Debt Service Coverage	1.15	1.11	1.07			
Operating Deficit & Debt Service Reserves	$181,100					
# of Months covered by the Reserves	3.2					

Deferred Developer Fee	$1,556,151
As-Is Land Value	$1,380,000
Market Rent/Market Financing Stabilized Value	$11,590,000
Rent Restricted Market Financing Stabilized Value	$4,370,000
Projected Net Operating Income (NOI) - Year 1	$253,592
Projected Net Operating Income (NOI) - 15 Year	$267,003
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Housing Credit (HC) Syndication Price	$0.8825
HC Annual Allocation - Initial Award	$2,039,900
HC Annual Allocation - Qualified in CUR	$2,039,900
HC Annual Allocation - Equity Letter of Interest	$2,040,000

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Regulated Mortgage Lender	KeyBank NA (Const) KeyBank NA/Freddie Mac (Perm)	$17,110,000	$3,025,000	$37,346
FHFC - NHTF	FHFC	$1,405,626	$2,080,000	$25,679
Local Government Subsidy	City of Crystal River	$340,000	$340,000	$4,198
HC Equity	CREA	$4,590,214	$18,000,840	$222,233
Deferred Developer Fee	Developer	$1,556,151	$1,556,151	$19,212
TOTAL		$25,001,991	$25,001,991	$308,667

Credit Underwriter:	AmeriNat Loan Services		
Date of Final CUR:	08/30/2024		
TDC PU Limitation at Application:	$370,000	TDC PU Limitation at Credit Underwriting:	$392,200
Minimum 1st Mortgage per Rule:	$2,187,885	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?	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?		3.
Is the Development feasible using the set-asides committed to in the Application?		4.
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?		6.

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

1. AM Affordable Housing, Inc., the General Partner’s percentage of interest has increased slightly since the time of Application from 0.0010% to 0.010%. HTG Hidden Lake, LLC, the Non-Investor Limited Partner’s percentage of interest has decreased slightly since the time of Application from 0.009% to 0.001%.

   The General Contractor has changed from Gomez Construction Company (“Gomez”) to BDI Construction Company (“BDI”). Gomez provided its prior experience chart within the submission deadline stipulated in the Invitation to Credit Underwriting. BDI has also provided its prior experience chart.

2. Since the time of Application, the construction and permanent lender has changed from JPMorgan Chase Bank, NA ("Chase") to KeyBank National Association ("KeyBank"). The original construction loan amount from Chase was $18,500,000 and the permanent loan amount was $2,825,000. The construction loan amount to be provided by KeyBank is $17,110,000 and the permanent loan amount has increased to a maximum of $4,117,000, per the letter of intent provided.

   Per an Invitation to Enter Credit Underwriting from FHFC dated June 3, 2024, the Applicant received a preliminary commitment for a NHTF loan in the amount of $2,080,000 for the construction/permanent financing of the Development.

3. Total Development Costs have increased from $23,047,750 to $25,001,991 for a difference of $1,954,241 since the Application due to increases in Construction and Financial Costs, Developer Fee, and the inclusion of Reserves.

4. The Applicant submitted a request dated May 31, 2023 to change the unit mix. Florida Housing staff approved the change on August 1, 2023 as follows:

From:

# of Bedrooms	# of Bathrooms	Number of Units per Bedroom Type	Number of Units that are ELI Set-Aside Units
1	1	43	5
2	2	38	4

To:

# of Bedrooms	# of Bathrooms	Number of Units per Bedroom Type	Number of Units that are ELI Set-Aside Units
1	1	61	7
2	2	20	2

5. Since the time of Application, Raymond James Tax Credit Funds, Inc. ("RJTCF"), the proposed syndicator, has changed to CREA The Fountains at Hidden Lake, LLC ("CREA"). The annual Housing Credit equity investment has decreased from $18,357,300 to $18,000,840 for a difference of $356,460. The rate of syndication was reduced from $0.90 per allocated tax credit dollar to $0.8825 per allocated tax credit dollar. The Development remains financially feasible as proposed.

6. Since the time of Application, the Applicant submitted a request dated December 5, 2023 to approve a revision to the legal description of the Development decreasing the size of the property from approximately 10.29 acres to 7.37 acres to open the remaining land for future phases of the Development. Florida Housing staff approved the revision of the legal description on December 19, 2023.

The changes have no substantial material impact to the 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 August 12, 2024 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, Meridian Appraisal Group, Inc. ("Meridian") the comparable like-kind properties to the Development have an occupancy rate of 99%. The performance of comparable properties indicates 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.

Issues and Concerns:

None.

Waiver Requests:

None.

Special Conditions:

1. Completion of the HUD Section 3 pre-construction conference is a condition precedent to loan closing and listed in Section B of this report.

2. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 75) is a condition precedent to loan closing and listed in Section B of this report.

3. Receipt of the fully executed MOU approved by FHFC is a condition precedent to loan closing and listed in Section B of this report.

4. Satisfactory receipt of the Affirmative Fair Housing Marketing Plan is a condition precedent to loan closing and listed in Section B of this report.

Additional Information:

1. In accordance with RFA 2022-201, 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, Mid-Rise (4 stories) Non-ESSC), inclusive of an 6.00% weighted average upward escalation adjustment applied to the base $370,000 per unit allowable, is $392,000 per unit. The TDC as underwritten equals $284,949.27 which is less than the maximum TDC per unit.

Recommendation:

AmeriNat recommends FHFC fund a NHTF loan in the amount of $2,080,000 and issue an annual 9% HC allocation in the amount of $2,039,900 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 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:	Reviewed by:
Kimberly A Thorne	
Kimberly A. Thorne	Kyle Kuenn
Senior Credit Underwriter	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	KeyBank NA	$18,500,000	$17,100,000	$17,110,000	8.33%	$1,386,369
FHFC - NHTF	FHFC	$0	$2,080,000	$1,405,626	0.00%	$0
Local Government Subsidy	City of Crystal River	$340,000	$340,000	$340,000	3.00%	$0
HC Equity	CREA	$9,178,650	$4,590,214	$4,590,214		
Deferred Developer Fee	Developer	$2,500,000	$930,873	$1,556,151		
	Total :	**$30,518,650**	**$25,041,087**	**$25,001,991**		**$1,386,369**

Proposed First Mortgage Loan:

AmeriNat was provided a Promissory Note and Construction Loan Agreement, both dated May 23, 2024, between the Applicant and KeyBank National Association ("KeyBank") in the amount of $17,110,000 for the construction financing of the Development. The initial term of the construction loan is 24 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 Daily Secured Overnight Financing Rate ("SOFR") (5.33% currently) plus 225 basis points ("bps"). AmeriNat added an additional 0.75% underwriting cushion for an all-in interest rate of 8.33%. A 65-bps commitment fee was paid at closing.

Proposed Second Mortgage Loan:

Per an Invitation to Enter Credit Underwriting from FHFC dated June 3, 2024, the Applicant received a preliminary commitment for an NHTF loan of $2,080,000 for the construction/permanent financing of the Development. In order to balance the Sources & Uses, the anticipated amount of NHTF funding is $1,405,626 during the construction period. The NHTF loan shall be a non-amortizing loan with an interest rate of 0.00% per annum for a total term of 32.5 years, including a 30-month construction/stabilization period and a 30-year permanent period. The principal of the loan will be forgiven at maturity provided the units for which the NHTF loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. The NHTF loan funding will subsidize additional deep targeted units for Persons with Special Needs (NHTF Link units) at 30% of AMI. After 30 years, all of the NHTF Link units may convert to serve residents at or below 60% of AMI; however, the Persons with Special Needs set-aside commitments must be maintained throughout the entire 50-year Compliance Period. NHTF loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the NHTF loan to Total Development Costs, unless approved by the credit underwriter.

Proposed Third Mortgage Loan:

A Loan Commitment, dated February 12, 2024, was provided whereby the City of Crystal River will provide $340,000 at a 3.00% fixed simple interest rate with a three-year term, with interest only payments due based upon available cash flow. The outstanding principal and all unpaid accrued interest shall be due and payable three years from loan funding. An Escrow Account in the amount of the City loan is included in the Uses and will pay off the City loan at the time of maturity.

Additional Construction Sources of Funds:

According to the Amended and Restated Partnership Agreement ("LPA"), dated May 1, 2024, CREA The Fountains at Hidden Lake, LLC, Limited Partner and CREA SLP, LLC, Special Limited Partner will provide a net equity investment of $18,000,840 in exchange for 99.988% limited partnership ownership interest. The HC allocation is syndicated at a rate of approximately $0.8825 per $1.00 of delivered tax credits. An initial HC equity installment of $3,600,168 was paid at construction loan closing, which satisfies the 15% RFA requirement. Additional installments include $990,046 paid at 50% construction completion, and $3,600,168 paid at 95% completion, which yields a total of $8,190,382 in HC equity available during construction. Due to the late timing of the third installment during construction, this amount is not included as a Source during construction.

Deferred Developer Fee:

The Applicant will be required to defer $1,556,151 or 48.88% 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	KeyBank NA/Freddie Mac	$2,825,000	$3,628,000	$3,025,000	6.84%	40	15	$221,373
FHFC - NHTF	FHFC	$0	$2,080,000	$2,080,000	0.00%	0	30	$0
Local Government Subsidy	City of Crystal River	$340,000	$340,000	$340,000	3.00%	0	3	$10,200
HC Equity	CREA	$18,357,300	$18,000,839	$18,000,840				
Deferred Developer Fee	Developer	$2,500,000	$992,248	$1,556,151				
	Total :	$24,022,300	$25,041,087	$25,001,991				$231,573

Proposed First Mortgage Loan:

The $17,110,000 MMRB construction loan will be paid down with equity and subordinate loan proceeds to $3,025,000 as underwritten.

The Applicant provided a final Commitment Letter, dated May 20, 2024, whereby KeyBank provided a forward commitment maturity date of December 1, 2026 (with one six-month extension for a fee of $4,500), for a permanent first mortgage loan in an amount not to exceed $4,117,000 through the Federal Home Loan Mortgage ("Freddie Mac") TAH Unfunded Forward Commitment Program (the "Program"). The loan is subject to 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 other additional terms set for in the final Commitment Letter.

The conditions for conversion include a maximum loan amount of $4,117,000 and minimum debt service coverage ratio of 1.15 to 1.00 and the requirements stated in Section 19A of the Freddie Mac Guide. At permanent loan conversion, KeyBank 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.

KeyBank will size the Permanent Loan based on the Freddie Mac requirements at permanent loan conversion. However, approval of FHFC's staff will be required if the permanent loan is sized to an amount greater than the current recommended amount of $3,025,000. 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 Interest Rate and Mortgage Terms (Exhibit A) of the final Commitment Letter, the interest rate is based on the U.S. Treasury Securities with a maturity date of 10-years (4.41% rate-locked) plus a spread of 243 bps, for an all-in interest rate of 6.84%. 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 permanent loan closing. Additional fees include (i) a Conversion Fee of $18,000 upon Conversion and (ii) a Delivery Assurance Fee of 5% of the Loan Amount.

Proposed Second Mortgage Loan:

Per an Invitation to Enter Credit Underwriting from FHFC dated June 3, 2024, the Applicant received a preliminary commitment for an NHTF loan of $2,080,000 for the construction/permanent financing of the Development. The NHTF loan shall be a non-amortizing loan with an interest rate of 0.00% per annum for a total term of 32.5 years, including a 30-month construction/stabilization period and a 30-year permanent period. The principal of the loan will be forgiven at maturity provided the units for which the NHTF loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. The NHTF loan funding will subsidize additional deep targeted units for Persons with Special Needs (NHTF Link units) at 30% of AMI. After 30 years, all of the NHTF Link units may convert to serve residents at or below 60% of AMI; however, the Persons with Special Needs set-aside commitments must be maintained throughout the entire 50-year Compliance Period. Annual payments of all applicable fees will be required. Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of $964 per month, subject to a minimum of $243 per month, and an annual Compliance Monitoring Multiple Program Fee of $1,054.

Proposed Third Mortgage Loan:

A Loan Commitment, dated February 12, 2024, was provided whereby the City of Crystal River will provide $340,000 at a 3.00% fixed simple interest rate with a three-year term, with interest only payments due based upon available cash flow. The outstanding principal and all unpaid accrued interest shall be due and payable three years from loan funding. An Escrow Account in the amount of the City loan is included in the Uses and will pay off the City loan at the time of maturity.

Additional Permanent Sources of Funds:

According to the LPA, dated May 1, 2024, CREA The Fountains at Hidden Lake, LLC, Limited Partner and CREA SLP, LLC, Special Limited Partner purchased a 99.988% interest in the limited partnership at loan closing at a syndication rate of $0.8825 per dollar of HC for a total net HC equity investment of $18,000,840 to be paid as follows:

Capital Contributions	Amount	Percent of Total	Due upon
1st Installment	$3,600,168	20.00%	Paid prior to or simultaneous with closing
2nd Installment	$990,046	5.50%	Paid at 50% Completion
3rd Installment	$3,600,168	20.00%	Paid at 95% Completion
4th Installment	$9,630,450	53.50%	Paid at Stabilization
5th Installment	$180,008	1.00%	Paid at receipt of 8609s
Total:	**$18,000,840**	**100%**	

Annual Credits Per Syndication Agreement	$2,040,000
Total Credits Per Syndication Agreement	$20,400,000
Calculated HC Rate:	$0.8825
Limited Partner Ownership Percentage	99.988%
Proceeds During Construction	$4,590,214

Deferred Developer Fee:

The Developer will be required to permanently defer an estimated $1,556,151 or 48.88% of Developer Fee.

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	$9,550,000	$13,196,770	$10,823,150	$133,619	$76,859
Site Work	$2,500,000	$0	$2,248,620	$27,761	$112,431
Swimming Pool	$250,000	$0	$125,000	$1,543	$0
Constr. Contr. Costs subject to GC Fee	$12,300,000	$13,196,770	$13,196,770	$162,923	$189,290
General Conditions	$0	$791,806	$791,806	$9,775	$0
Overhead	$0	$263,935	$263,935	$3,258	$0
Profit	$1,700,000	$395,903	$395,903	$4,888	$0
General Liability Insurance	$0	$83,879	$83,879	$1,036	$0
Payment and Performance Bonds	$0	$121,986	$121,986	$1,506	$0
Total Construction Contract/Costs	$14,000,000	$14,854,279	$14,854,279	$183,386	$189,290
Hard Cost Contingency	$650,000	$742,714	$742,713	$9,169	$0
FF&E paid outside Constr. Contr.	$0	$200,000	$200,000	$2,469	$0
Total Construction Costs:	**$14,650,000**	**$15,796,993**	**$15,796,992**	**$195,025**	**$189,290**

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 $14,854,279 (the “Construction Contract”) was provided and dated February 14, 2023, between the Applicant and BDI Construction Company. The Construction Contract indicates substantial completion shall be achieved no later than 396 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. A First Amendment to The Foundations at Hidden Lake Construction Contract was provided, dated June 18, 2024, which includes Section 3 of the Housing and Urban Development Act of 1968, as amended, and the implementing regulations at 24 CFR Part 75 requirements.

3. General Contractor’s Fee (consisting of general conditions, overhead and profit) does not exceed the 14% maximum per the RFA and Rule 67-48 and is calculated excluding Payment & Performance Bonds and General Liability Insurance.

4. Hard Cost Contingency does not exceed 5.00% of Total Construction Costs per the RFA and Rule 67-48.

5. Equipment included in the Construction Contract contains $76,859 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.

6. Furniture, Fixture & Equipment outside of the Construction Contract includes signage, fitness equipment, computers, patio furniture and office furniture.

7. Moran Construction Consultants (“Moran”) provided a Plan and Cost Review (“PCR”), dated August 28, 2024, on the Development. The cost of the project is $14,854,279 for a unit cost of $183,386.14. Moran stated the overall costs appear in the acceptable range as compared to similar type developments. The comparable developments’ costs per unit were between $190,494.08 to

$264,814.79. The construction schedule indicates completion in 396 calendar days. Moran stated the construction duration appears to be appropriate for the Development.

Moran noted a total of $983,881 in the allowances, which is approximately 6.62% of the Contract sum. The recommended maximum allowance tolerance is between 5.00% and 7.00%. The allowances are as follows:

- $ 6,000 ALTA Survey
- $ 40,000 Site Pavers/Pool Deck Pavers
- $ 100,000 Landscaping & Irrigation
- $ 15,000 Pool & Dog Park Fence
- $ 300,000 Cabinets with Countertops (Apartments)
- $ 8,000 Cabinets with Countertops (Common Areas)
- $ 6,000 Code & Building Signage
- $ 6,000 Fire Extinguishers and Cabinets
- $ 10,965 Postal Specialties
- $ 130,345 Residential GE Appliances
- $ 76,859 Residential GE Washer & Dryers
- $ 19,712 Window Treatments
- $ 125,000 Swimming Pool with ADA Lift
- $ 80,000 Plumbing Fixtures
- $ 20,000 Access Control
- $ 40,000 CCTV

$ 983,881 TOTAL

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	$30,000	$25,000	$25,000	$309	$10,000
Appraisal	$10,000	$5,500	$6,400	$79	$0
Architect's and Planning Fees	$199,000	$209,408	$209,000	$2,580	$0
Architect's Fee - Landscape	$0	$9,500	$9,500	$117	$0
Architect's Fee - Supervision	$72,600	$70,600	$70,600	$872	$0
Building Permits	$135,000	$41,000	$40,875	$505	$0
Builder's Risk Insurance	$124,741	$259,000	$259,000	$3,198	$0
Engineering Fees	$150,000	$65,000	$65,000	$802	$0
Environmental Report	$10,000	$1,100	$1,100	$14	$0
FHFC Administrative Fees	$150,000	$183,591	$183,591	$2,267	$183,591
FHFC Application Fee	$3,000	$3,000	$3,000	$37	$3,000
FHFC Credit Underwriting Fee	$150,000	$15,756	$21,293	$263	$21,293
FHFC Compliance Fee	$17,845	$219,401	$232,969	$2,876	$232,969
FHFC Other Processing Fee(s)	$0	$10,000	$20,500	$253	$20,500
Impact Fee	$327,082	$126,603	$126,603	$1,563	$0
Lender Inspection Fees / Const Admin	$60,000	$116,944	$116,944	$1,444	$0
Green Building Cert. (LEED, FGBC, NAHB)	$25,000	$25,000	$25,000	$309	$0
Insurance	$109,000	$111,375	$111,375	$1,375	$0
Legal Fees - Organizational Costs	$250,000	$144,948	$144,948	$1,789	$18,000
Market Study	$10,000	$5,500	$5,500	$68	$5,500
Marketing and Advertising	$100,000	$25,000	$26,200	$323	$26,200
Plan and Cost Review Analysis	$0	$6,225	$5,850	$72	$0
Property Taxes	$53,250	$30,983	$30,983	$383	$0
Soil Test	$10,000	$10,848	$10,848	$134	$0
Survey	$75,000	$25,000	$25,000	$309	$0
Title Insurance and Recording Fees	$71,292	$87,641	$87,642	$1,082	$11,000
Utility Connection Fees	$310,000	$421,796	$421,796	$5,207	$0
Soft Cost Contingency	$120,000	$113,501	$114,500	$1,414	$0
Other: Organizational Costs	$0	$3,484	$3,484	$43	$3,484
Total General Development Costs:	**$2,572,810**	**$2,372,704**	**$2,404,501**	**$29,685**	**$535,537**

Notes to the General Development Costs:

1. Building Permit Fees are an estimate provided by the Applicant.

2. FHFC Credit Underwriting Fee includes the HC Credit Underwriting Fee ($13,859), PRL Underwriting Fee ($1,759), NHTF Underwriting Fee ($5,300) and a $375 credit reporting fee.

3. FHFC Other Processing Fees includes extension fees for the following: ($5,000) Site Control, ($5,000) 10% Test, ($10,000) LPA and ($500) Progress Report.

4. Impact Fees are reflected as the net number in the budget based on the City of Crystal River Fee Worksheet.

5. The FHFC Administrative Fee is based upon a fee of 9.00% of the Initial HC Award ($2,039,900) recommended herein. The FHFC HC Compliance Fee was derived from the 2024 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 Moran, and construction loan administration for draw processing.

7. AmeriNat received a Consultant Agreement, dated April 4, 2024 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 the RFA 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 Origination Fee	$171,000	$111,150	$111,150	$1,372	$0
Construction Loan Closing Costs	$34,200	$0	$0	$0	$0
Construction Loan Interest	$1,300,000	$1,437,996	$1,386,369	$17,116	$317,566
Permanent Loan Origination Fee	$35,540	$36,280	$30,250	$373	$30,250
Permanent Loan Closing Costs	$34,200	$40,000	$18,450	$228	$18,450
Misc Loan Interest	$0	$14,608	$14,608	$180	$14,608
NHTF Closing Costs	$0	$0	$12,500	$154	$12,500
Legal Fees - Financing Costs	$0	$72,500	$72,500	$895	$0
Other: Syndication Fees	$0	$50,000	$50,000	$617	$50,000
Total Financial Costs:	**$1,574,940**	**$1,762,534**	**$1,695,827**	**$20,936**	**$443,374**
Dev. Costs before Acq., Dev. Fee & Reserves	**$18,797,750**	**$19,932,231**	**$19,897,320**	**$245,646**	**$1,168,201**

Notes to the Financial Costs

1. Financial costs were derived from the representations illustrated in the letters of intent and closing documents for the 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 KeyBank.

3. The Permanent Loan Commitment Fee is based on a 1.00% of the loan amount per KeyBank.

4. An interest reserve for the Construction Loan is supported by the Construction Loan terms illustrated in the documents provided by KeyBank, 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. Misc Loan Interest includes the Applicant's Line of Credit interest expense.

6. FHFC closing costs for FHFC legal fees are $12,500 for the NHTF Loan.

7. The remaining Financial Costs appear reasonable.

DEVELOPER FEE ON NON-ACQUISTION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	$2,900,000	$3,197,157	$3,183,571	$39,303	$0
Total Other Development Costs:	**$2,900,000**	**$3,197,157**	**$3,183,571**	**$39,303**	**$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 the RFA 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	$1,350,000	$1,350,000	$1,350,000	$16,667	$1,350,000
Total Acquisition Costs:	**$1,350,000**	**$1,350,000**	**$1,350,000**	**$16,667**	**$1,350,000**

Notes to Land Acquisition Costs:

1. The Applicant provided a Settlement Statement, dated May 23, 2024, between NCDC, LLC ("Seller") and the Applicant ("Buyer"), reflecting the purchase of the Development site in the amount of $1,350,000.

2. An Appraisal performed by Meridian Appraisal Group, Inc. dated April 17, 2024 identifies an "as is" market value of the vacant land at $1,380,000.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Syndicator)	$0	$171,699	$181,100	$2,236	$181,100
Reserves - Start-Up/Lease-up Expenses	$0	$50,000	$50,000	$617	$50,000
Other: City of Crystal River Repayment Escrow	$0	$340,000	$340,000	$4,198	$340,000
Total Reserve Accounts:	**$0**	**$561,699**	**$571,100**	**$7,051**	**$571,100**

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.

2. The City of Crystal River's loan, in the amount of $340,000, is due and payable three years from funding, which is due prior to the first mortgage. Therefore, an escrow account for the loan repayment has been included.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	$23,047,750	$25,041,087	$25,001,991	$308,667	$3,089,301

Notes to Total Development Costs:

1. Total Development Costs have increased from $23,047,750 to $25,001,991 for a difference of $1,954,241 since the Application due to increases in Construction and Financial Costs, Developer Fee, and the inclusion of Reserves.

2. In accordance with RFA 2022-201, FHFC limits the 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, Mid-Rise (4 stories) Non-ESSC), inclusive of an 6.00% weighted average upward escalation adjustment applied to the base $370,000 per unit allowable, is $392,200 per unit. The TDC as underwritten equals $284,949.27 which is less than the maximum TDC per unit.

OPERATING PRO FORMA

FINANCIAL COSTS:			Year 1	Year 1 Per Unit
OPERATING PRO FORMA				
INCOME:	Gross Potential Rental Income		$680,064	$8,396
	Other Income			
	Ancillary Income		$24,300	$300
	Washer/Dryer Rentals		$29,160	$360
	Gross Potential Income		$733,524	$9,056
	Less:			
	Physical Vac. Loss	Percentage: 5.00%	$36,676	$453
	Collection Loss	Percentage: 1.00%	$7,335	$91
Total Effective Gross Income			$689,513	$8,513
EXPENSES:	Fixed:			
	Real Estate Taxes		$3,725	$46
	Insurance		$121,500	$1,500
	Variable:			
	Management Fee	Percentage: 6.00%	$41,371	$511
	General and Administrative		$32,400	$400
	Payroll Expenses		$97,200	$1,200
	Utilities		$44,550	$550
	Marketing and Advertising		$6,075	$75
	Maintenance and Repairs/Pest Control		$36,450	$450
	Grounds Maintenance and Landscaping		$12,150	$150
	Contract Services		$16,200	$200
	Reserve for Replacements		$24,300	$300
Total Expenses			$435,921	$5,382
Net Operating Income			$253,592	$3,131
Debt Service Payments				
	First Mortgage - KeyBank/Freddie Mac		$221,373	$2,733
	Second Mortgage - FHFC NHTF		$0	$0
	Third Mortgage - City of Crystal River		$10,200	$126
	First Mortgage Fees - KeyBank/Freddie Mac		$0	$0
	Second Mortgage Fees - FHFC NHTF		$6,254	$77
	Third Mortgage Fees - City of Crystal River		$0	$0
Total Debt Service Payments			$237,827	$2,936
Cash Flow after Debt Service			$15,765	$195
Debt Service Coverage Ratios				
	DSC - First Mortgage plus Fees		1.15x	
	DSC - Second Mortgage plus Fees		1.11x	
	DSC - Third Mortgage plus Fees		1.07x	
	DSC - All Mortgages and Fees		1.07x	
Financial Ratios				
	Operating Expense Ratio		63.22%	
	Break-even Economic Occupancy Ratio (all debt)		92.21%	

Notes to the Operating Pro Forma and Ratios:

1. The Development will be utilizing Housing Credits and NHTF that will impose rent restrictions. Gross Potential Rental Revenue ("GPR") is based upon the 2024 restricted rents published by Florida Housing under the USDA Eligible Rural Address as the Development qualifies to use USDA income and rental rates less utility allowances. The utility allowances are based on a Utility Allowance Energy Consumption Model Estimate provided by Matern Professional Engineering, Inc., dated August 1, 2023 and approved by Florida Housing on April 11, 2024. Meridian indicates that the maximum 2024 restricted rents for the area are achievable.

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

   USDA-Eligible Rural Addresses (per Section 42(i)(8))

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	664	30%			$435	$131	$304		$304	$304	$304	$21,888
1	1.0	7	664	40%			$581	$131	$450		$450	$450	$450	$37,800
1	1.0	48	664	60%			$871	$131	$740		$740	$740	$740	$426,240
2	2.0	2	925	30%			$522	$149	$373		$373	$373	$373	$8,952
2	2.0	2	925	40%			$697	$149	$548		$548	$548	$548	$13,152
2	2.0	16	925	60%			$1,045	$149	$896		$896	$896	$896	$172,032
		81	59,004											$680,064

2. 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.

3. Ancillary Income, estimated at $25 per unit/month, is comprised of fees associated with late charges, cleaning fees, pet deposits and forfeiture of security deposits.

4. The Development will provide washers/dryers to the tenants with an option to lease at $40 per month. Meridian estimated a 75% utilization rate and rounded it to $360 per unit.

5. A 6.00% vacancy and collection loss rate was concluded by the appraisal based on comparables in the market. AmeriNat relied upon this figure for underwriting purposes.

6. The Development's demographic is Elderly (non-ALF) and the General Partner to the Applicant entity is a non-profit entity and will qualify for the statute for a real estate tax exemption afforded to non-profits serving the elderly. The ad valorem exemption should be issued pursuant to F.S. 196.1975, an exemption provided to nonprofit homes for the aged. The taxes noted above are Personal Property Taxes.

7. The insurance expense was reconciled based on restricted rate comparables and the Developer's pro forma. Meridian concluded with an expense of $1,500 per unit or $121,500 per year.

8. The Appraiser concluded a management fee of 7.00%; however, the executed Management Agreement provides for a fee of 6.00% and utilized by AmeriNat.

9. Replacement Reserves are budgeted at $300 per unit per year, which is consistent with the RFA and Rule 67-48 minimum requirements.

10. Based upon an estimated Net Operating Income ("NOI") of $253,592 for the proposed Development's initial year of stabilized operations; the first mortgage loan plus fees can be supported by operations at a 1.15x to 1.00 Debt Service Coverage ("DSC"), the second mortgage be supported by operations at a DSC of 1.11x 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.

11. 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%.

12. The Break-even Economic Occupancy Ratio includes all debt; however, interest payments on the City of Crystal River loan are based on available cash flow. This ratio would improve to 90.72% if this interest payment was not included.

Section B

NHTF Loan 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 real estate loan closing. Failure to submit and to receive approval of these items within this time frame may result in postponement of the loan closing date.

1. Completion of the HUD Section 3 pre-construction conference.

2. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 75).

3. Receipt of the fully executed MOU approved by FHFC.

4. Satisfactory receipt of the Affirmative Fair Housing Marketing Plan.

General Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and the Servicer at least two weeks prior to real estate loan closing. Failure to submit and to receive approval of these items within this time frame may result in postponement of the loan closing date.

1. Borrower is to comply with any and all recommendations noted in the Plan and Cost Review prepared by Moran Construction Consultants, LLC.

2. Building permits and any other necessary approvals and permits (e.g., final site plan approval, water management district, Department of Environmental Protection, Army Corps of Engineers, Department of Transportation, etc.). An acceptable alternative to this requirement is receipt and satisfactory review of a letter from the local permitting and approval authority stating that the above referenced permits and approvals will be issued upon receipt of applicable fees (with no other conditions), or evidence of 100% lien-free completion, if applicable. If a letter is provided, copies of all permits will be required as a condition of the first post-closing draw.

3. Final sources and uses of funds itemized by source and line item, in a format and in amounts approved by the Servicer. A detailed calculation of the construction interest based on the final draw schedule (see below), documentation of the closing costs, and draft loan closing statement must also be provided. The final sources and uses of funds schedule will be attached to the Loan Agreements as the approved Development budget.

4. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. NHTF loan proceeds shall be disbursed during the construction phase in an amount per Draw that does not exceed the ratio of the NHTF loan to the Total Development Cost, unless approved by the Credit Underwriter. The closing draw shall include appropriate backup and ACH wiring instructions.

5. Construction Period Developer Fee shall be the lesser of i) 50% of the Total Developer Fee or ii) the Total Developer Fee less the Deferred Developer Fee listed in the Sources and Uses for the construction period, as calculated by the Servicer. At closing, a maximum of 35% of the Construction Period Developer Fee may be funded. Remaining Construction Period Developer Fee will be disbursed during construction/rehabilitation on a pro rata basis, based on the percentage of completion of the development, as approved and reviewed by FHFC and Servicer.

   Once the Development has achieved 100% lien free completion and retainage has been released, the Post-Construction Period Developer Fee may be funded. Post-Construction Period Developer Fee is the remaining portion of Developer Fee less Deferred Developer Fee listed in the Sources and Uses for the permanent period, as calculated by the Servicer.

6. At all times there will be undisbursed loan funds (collectively held by Florida Housing, the first lender and any other source) sufficient to complete the Development. If at any time there are not sufficient funds to complete the Development, the Borrower will be required to expend additional equity on Development costs or to deposit additional equity with Florida Housing which is sufficient (in Florida Housing's judgment) to complete the Development before additional loan funds are disbursed. This condition specifically includes escrowing at closing all equity necessary to complete construction or another alternative acceptable to Florida Housing in its sole discretion.

7. Evidence of insurance coverage pursuant to the Request for Application ("RFA") governing this proposed transaction and, as applicable, the FHFC Insurance Guide.

8. The General Contractor shall secure a payment and performance bond equal to 100 percent of the total construction cost listing FHFC as a co-obligee, whose terms do not adversely affect the Corporation's interest, issued in the name of the General Contractor, from a company rated at least "A-" by AMBest & Co., or a Corporation-approved alternate security for the General Contractor's performance such as a letter of credit issued by a financial institution with a senior long term (or equivalent) credit rating of at least "Baa3" by Moody's, or at least "BBB-" by Standard & Poor's or Fitch, or a financial rating of at least 175 by IDC Financial Publishing. The LOC must include "evergreen" language and be in a form satisfactory to Florida Housing, its Servicer and its Legal Counsel.

9. Architect, Construction Consultant, and Borrower certifications on forms provided by Florida Housing will be required for both design and as-built with respect to Section 504 of the Rehabilitation Act, Americans with Disabilities Act, and the Federal Fair Housing Act requirements, as applicable.

10. A copy of the Amended and Restated 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.

11. Payment of any outstanding arrearages to the Corporation, its legal counsel, Servicer or any agent or assignee of the Corporation for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in Rule Chapter 67-48.0075 (5) F.A.C., of an Applicant or a Developer).

12. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report must be bound within the final plans and specifications.

12. Satisfactory resolution of any outstanding past due and/or noncompliance items.

13. 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 Chapters 67-48 and 67-21. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its Servicer and its legal counsel.

14. Signed and sealed survey, dated within 90 days of closing, unless otherwise approved by Florida Housing, and its legal counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to Florida Housing and its legal counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to public streets, total acreage and flood hazard area and any other requirements of Florida Housing.

This recommendation is contingent upon the review and approval by Florida Housing, and its Legal Counsel <u>at least two weeks prior to real estate loan closing</u>. Failure to submit and to receive approval of these items 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)/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 NHTF loan closing, unless otherwise approved by Florida Housing, and Legal Counsel, based upon the particular circumstances of the transaction. Borrower

is to comply with any and all recommendations noted in the updated Environmental Audit Report(s) and all other environmental reports related to the property, as deemed appropriate by Florida Housing in its sole discretion.

4. Title insurance pro-forma or commitment for title insurance with copies of all Schedule B exceptions, in the amount of the NHTF loan naming Florida Housing as the insured. All endorsements required by Florida Housing shall be provided.

5. Florida Housing and its Legal Counsel shall review and approve all other lenders closing documents and the limited partnership or other applicable agreement. Florida Housing shall be satisfied in its sole discretion that all legal and program requirements for the loans have been satisfied.

6. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.

7. Receipt of a legal opinion from the Borrower's Legal Counsel acceptable to Florida Housing addressing the following matters:

    a. The legal existence and good standing of the Borrower and of any partnership or limited liability company that is the general partner of the Borrower (the "GP") and of any corporation or partnership that is the managing general partner of the GP, and of any corporate guarantor and any manager;
    b. Authorization, execution, and delivery by the Borrower and the guarantors, of all loan documents;
    c. The loan documents being in full force and effect and enforceable in accordance with their terms, subject to bankruptcy and equitable principles only;
    d. The Borrower's and the guarantor's execution, delivery and performance of the loan documents shall not result in a violation of, or conflict with, any judgments, orders, contracts, mortgages, security agreements or leases to which the Borrower is a party or to which the Development is subject to the Borrower’s Partnership 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 NHTF 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.

Additional Conditions

This recommendation is also contingent upon the following additional conditions.

1. Compliance with all applicable provisions of 420.507, 420.5087 and 420.509, Florida Statutes, Rule 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 2022-201, and any other applicable State and Federal requirements.

1. Acceptance by the Borrower and execution of all documents evidencing and securing the NHTF loan in form and substance satisfactory to Florida Housing, including, but not limited to, the Promissory Note, the Loan Agreement(s), the Mortgage and Security Agreement, and the Land Use Restriction Agreement(s), Extended Low-income Housing Agreement(s) and Final Cost Certificate.

2. 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 permanent First Mortgage as determined by FHFC or the Servicer, and 90% occupancy and 90% of Gross Potential rental income, net of utility allowances, if applicable, for a period equal to twelve (12) consecutive months, all certified by an independent CPA and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by FHFC or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three years following the final certificate of occupancy.

3. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Real Estate Closing.

4. Guarantors to provide the standard Florida Housing Construction Completion Guaranty; to be released upon lien-free completion as approved by the Servicer.

5. Guarantors are to provide the standard Florida Housing Environmental Indemnity Guaranty.

6. Guarantors are to provide the standard Florida Housing Guaranty of Recourse Obligations.

7. A mortgagee title insurance policy naming Florida Housing as the insured in the amount of the NHTF 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.

8. 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.

9. 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 and 67-48, in the amount of $24,300 (one-half the required Replacement Reserves for Years 1 and 2), in order to meet the applicable DSC loan requirements. Applicant can waive this election, if at closing of the loan(s) the required DSC is met without the need to exercise the option. It is currently estimated that Replacement Reserves will be funded from Operations in the amount of $300 per unit per year for Years 1 and 2, followed by $300 per unit per year thereafter. 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.

10. Moran Construction Consultants, LLC or other construction inspector acceptable to Florida housing is to act as Florida Housing's inspector during the construction period.

11. Under terms of the construction contract, a minimum of 10% retainage holdback on all construction draws until the Development is 50% complete and thereafter no additional retainage is withheld as required per the Construction Contract. Retainage will not be released until successful completion of construction and issuance of all certificates of occupancy which satisfies RFA and Rules 67-21 and 67- 48 minimum requirement.

12. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or Servicer, if applicable.

13. Closing of all funding sources simultaneous with or prior to closing of the NHTF loan.

14. 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 $2,039,900. Please refer to Exhibit 3 - HC Allocation Calculation for further detail.

Contingencies

1. Purchase of the HC by the Syndicator or its assigns under the terms consistent with assumptions of this report.

2. Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.

3. Moran Construction Consultants, LLC is to act as construction phase inspector for Florida Housing.

4. Satisfactory resolution of any outstanding past due and/or noncompliance items.

5. Any other reasonable requirements of Florida Housing, its Legal Counsel or Servicer.

Section C

Supporting Information & Schedules

Additional Development & Third-Party Supplemental Information

Appraised Value:

AmeriNat received and reviewed a satisfactory appraisal dated June 10, 2024 performed by Meridian Appraisal Group, Inc. ("Meridian"). The report was certified by Robert Von, a state certified general real estate appraiser (RZ1604).

The report indicates a value of $11,590,000 for the Development as completed and stabilized, based on market rents (Market Rents/Market Financing) resulting in a 26% first mortgage loan to value. The loan to value for the permanent first mortgage and NHTF second mortgage equates to 44%. The valuation assuming market financing upon completion and stabilization and restricted rents (Rent Restricted/Market Financing) is $4,370,000 resulting in a 69% first mortgage loan to value. The loan to value for the permanent first mortgage and NHTF second mortgage equates to 117%.

According to the appraisal, the "As Is" market value of the vacant land is $1,380,000, which exceeds to purchase price.

Market Study:

AmeriNat requested and reviewed a satisfactory market study prepared by Meridian Appraisal Group, Inc. ("Meridian") dated July 6, 2023. The market study concludes that, based on market research and demographic analysis, sufficient demand exists for the Development as evidenced by the Competitive Market Area ("CMA") weighted average occupancy rate of the six existing, like-kind, stabilized properties at 99%. The Development's estimated stabilized occupancy rate is 95%.

The Development is located in the small city of Crystal River in the west-central portion of Citrus County, which is defined as the Mid Florida Regional Area in the central portion of Florida. Crystal River is mostly suburban residential, with the largest concentrations of retail and general commercial along Suncoast Boulevard south of Gulf to Lake Highway. It is a moderate-income area that is also a desirable retirement location. It is known for its Three Sisters Springs, which draws manatees and tourists, in addition to its proximity to the Gulf of Mexico. The region has a total population of 688,885 people, 303,734 total households and has an average household size of 2.20 people. The unemployment rate for the region, as of May 2023, was 3.5%, the statewide unemployment rate was 2.7% while the national unemployment rate was 3.4%. The region is served by one international airport, but most service is provided by the Orlando International Airport located in Orange County and the Gainesville International Airport located in Alachua County.

The Homosassa Springs market area (Citrus County) has a total of 770 apartment units. The overall vacancy rate is 5.2%, up 0.3% year-over-year; the historical average is 8.2%, the peak is 10.7%, and the forecast average is 5.8%. The average asking rent is about $702 per month and annual rent growth over the last 12 months is about 4.6%; in the last three years, rents have increased a cumulative 7.3%. The newest apartment property is Colonnade Park, a

Housing Credit property with a Family demographic commitment which was built in 2021, is 100% occupied with a wait list, and is achieving the maximum allowable USDA rents. The other two newer affordable properties (Marina Del Ray and Forest Ridge) both have Elderly demographic commitments and are located about 10 miles from the Development. These developments are 96% and 100% occupied, respectively, and are achieving the maximum allowable USDA rents. Most affordable apartments in the county have rental assistance, and there is a significant number of mobile homes. The proposed Development is the only new apartment development that is known to be planned, although the Crystal River Mall redevelopment just south of the Development is planned for 360 apartment units, which will reportedly be Workforce Housing. Also, the Development's developer may build a second phase with 68 units east of the Development.

The Primary Market Area (“PMA”) is typically where most of the demand will come from. The area determination is based on data gathered in the Small Area Data (“SAD”) Case Study that can be found on the FHFC website. The study indicated that most affordable properties receive about 2/3 to 3/4 of their tenants from within 10 miles. The CMA is defined as those properties lying in the closest proximity to the Development that are competitive with the Development. The like-kind, existing, stabilized properties within the Development’s CMA consists of six properties with a total of 613 units, which are all located at least eight miles away from the Development. As stated above, the weighted average occupancy for the six existing, like-kind, stabilized properties at 99% with an estimated stabilized occupancy rate of 95% for the Development.

According to the demographic analysis, there is currently an insufficient number of age and income- qualified renter households within the income band necessary to support demand for the Development's units, with a Level of Effort of 42.0% in the 10-mile ring (PMA), higher at 38.2% in the five-mile ring and highest at 83.2% in the three-mile ring. These Levels of Effort are above or toward the high end of the range of the comparison counties and indicate few age and income-qualified renter households in the market areas, as there is a low propensity to rent.

The Capture Rates are also high at 83.2%, 38.2% and 8.3% in the three, five and 10-mile market areas, respectively; all are above or toward the high end of the range of the comparison counties. A Capture Rate of 10% or less in the three-mile ring is a typical developer's benchmark that a property is appropriately sized for the market. Based on this analysis, it appears the size of the Development is appropriately sized, relative to the number of age and income-qualified renter households in the market.

The Development also has low indications of Remaining Potential Demand at 11, 87 and 378 households in the three, five and 10-mile rings. The indications are well below the indications from the comparison counties; however, the performance of existing properties indicates significant demand. Household growth of age and income-qualified renter households in the Development's 10- mile ring is projected at only four households annually over the next five years, which is much less than the Development's 81 units. Annual growth less than the property size is a negative demographic factor. Overall, the demographics indicate an unfavorable environment for development of the Development as proposed, but the competitive properties indicate strong demand with the properties attaining the 2023 maximum allowable rents (which just increased), no concessions, high occupancies, and wait lists for units. The comparables in adjacent Hernando County charge rents that are over $100 higher than those proposed for the Development and are still performing well. Although the demographics are unfavorable, the performance of existing competitive properties indicates strong demand for Development.

Meridian believes the Development would not negatively impact the existing affordable properties, all of which are located at least eight miles away from the Development. Note that there is one funded property that is under construction in the Development's CMA and no Guarantee Fund properties in the Developments PMA.

As an Elderly development, Meridian projects an absorption rate of 20 units per month. As a result, the Development is estimated to reach stabilized occupancy by April 1, 2025.

Phase I Environmental Report:

A Phase I ESA was performed by Partner Engineering and Science, Inc. ("Partner") and their assessment was compiled in a report dated March 29, 2024. The ESA was conducted in accordance with ASTM Practice E1527-21. The purpose of the ESA was to identify any associated recognized environmental conditions ("RECs").

The assessment has revealed no evidence of RECs, Controlled Recognized Environmental Conditions, Historical Recognized Environmental Conditions or Business Environmental Risks in connection with the Development. Based on the conclusions of this assessment, Partner recommends no further investigation of the Development at this time.

Soils Test Report:

Andreyev Engineering, Inc. ("AEI") completed a geotechnical exploration of the Development's site and compiled their findings in a report dated May 26, 2023. The report summarizes AEI's field exploration and presents their findings, conclusions, and geotechnical engineering recommendations.

The scope of work included:

1. Drilled seven (7) Standard Penetration Test (SPT) borings, labeled TB-1 through TB-7, to depths of 15 to 30 feet below ground surface, within the proposed building foundation areas and pool foundation area, for general foundation evaluation.

2. Drilled one (1) machine auger boring, labeled AB-7, to a depth of 15 feet below the ground surface, within the proposed stormwater retention pond area, for soil and groundwater evaluation.

3. Drilled ten (10) manual auger borings, labeled HA-1 through HA-10, to depths of 1.0 to
7.0 feet below the ground surface, within the proposed pavement section areas, for general foundation evaluation.

5. Collected one (1) undisturbed tube sample from the stormwater retention area and conducted laboratory testing on the undisturbed tube sample.

Based on the results of the investigation and evaluation of the encountered subsurface conditions, it is AEI's opinion that the site soils are suitable to support the proposed buildings as planned, provided that proper site soil preparation and soil densification are carried out. Use of vibratory compaction equipment will be limited at this site, in order to prevent possible damage to the adjacent commercial building and nearby residential structures. It is critical that the site preparation and soil densification procedures are thorough to ensure consistent and uniform support conditions for the proposed building foundation.

Groundwater was encountered at depths ranging from 2.8 to 6.0 feet below ground surface at the time of the geotechnical exploration. The differences in groundwater table may be due to the variability in ground surface elevation between boring locations. The groundwater table may vary due to rainfall, runoff, droughts or the infiltration rate of the soil and therefore the contractor should verify the groundwater table prior to construction.

The report provides recommendations based on the testing and analysis performed for site preparation and related construction. The detailed recommendations outlined by AEI should be incorporated into the Construction Contract.

Plan & Cost Review: Moran Construction Consultants ("Moran") provided a Plan and Cost Review ("PCR"), dated August 28, 2024, on the Development. The cost of the project is $14,854,279 for a unit cost of $183,386.14. Moran stated the overall costs appear in the acceptable range as compared to similar type developments. The comparable developments' costs per unit were between $190,494.08 to $264,814.79. The construction schedule indicates completion in 396 calendar days. Moran stated the construction duration appears to be appropriate for the Development.

Moran noted a total of $983,881 in the allowances, which is approximately 6.62% of the Contract sum. The recommended maximum allowance tolerance is between 5.00% and 7.00%. The allowances are as follows:

- $ 6,000 ALTA Survey
- $ 40,000 Site Pavers/Pool Deck Pavers
- $ 100,000 Landscaping & Irrigation
- $ 15,000 Pool & Dog Park Fence
- $ 300,000 Cabinets with Countertops (Apartments)
- $ 8,000 Cabinets with Countertops (Common Areas)
- $ 6,000 Code & Building Signage
- $ 6,000 Fire Extinguishers and Cabinets
- $ 10,965 Postal Specialties
- $ 130,345 Residential GE Appliances
- $ 76,859 Residential GE Washer & Dryers
- $ 19,712 Window Treatments
- $ 125,000 Swimming Pool with ADA Lift
- $ 80,000 Plumbing Fixtures
- $ 20,000 Access Control
- $ 40,000 CCTV

$ 983,881 TOTAL

Five units meet the requirements of Section 504 and two units are designed to have communication features for the hearing and visually impaired. The construction documents are generally satisfactory and sufficiently complete to construct the building.

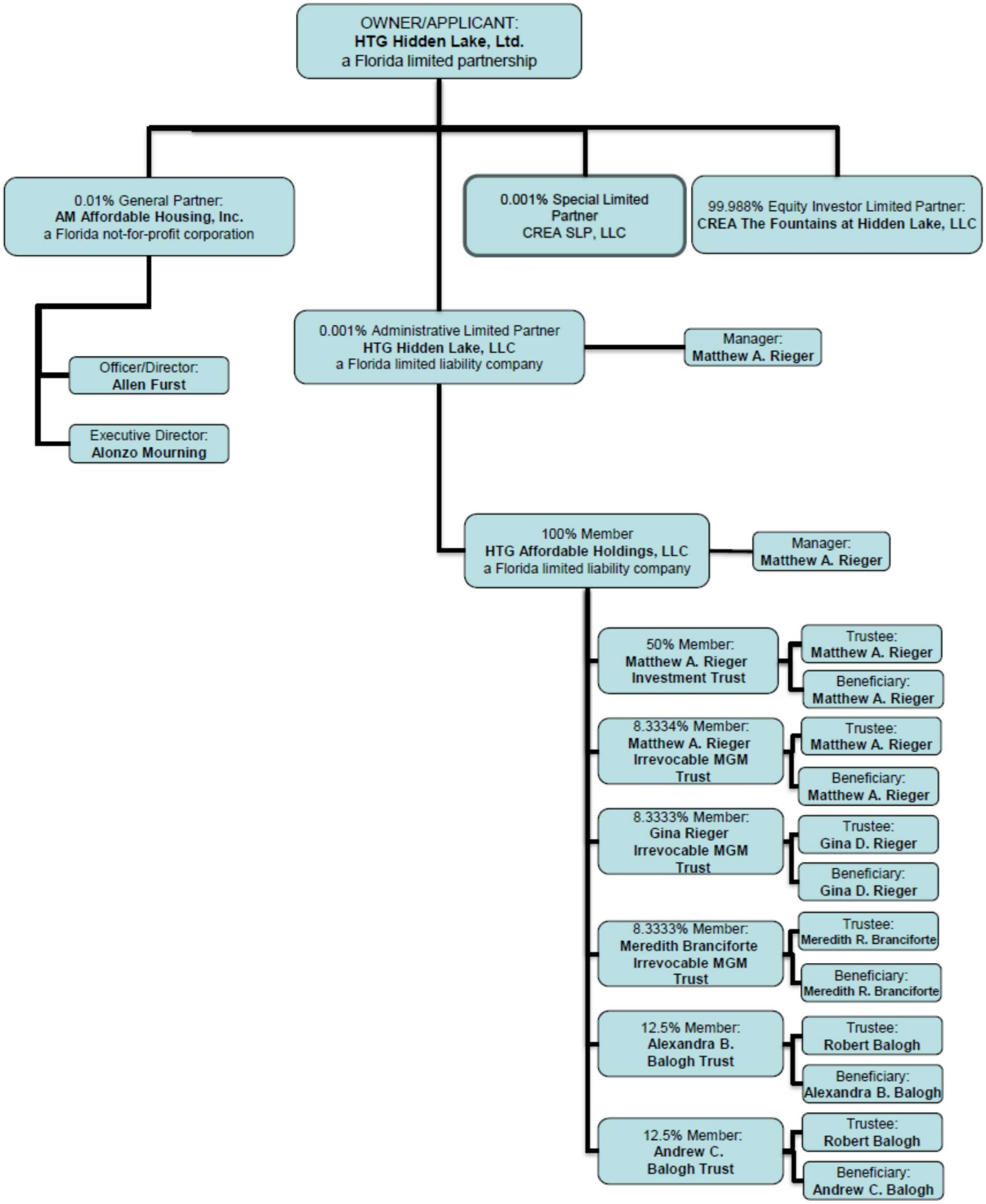
Features & Amenities: The Applicant committed to provide certain Features and Amenities at Exhibit 2 in accordance with the Application. The PCR confirms the features and amenities to be constructed at the Development are in accordance with the representations made in the Application.

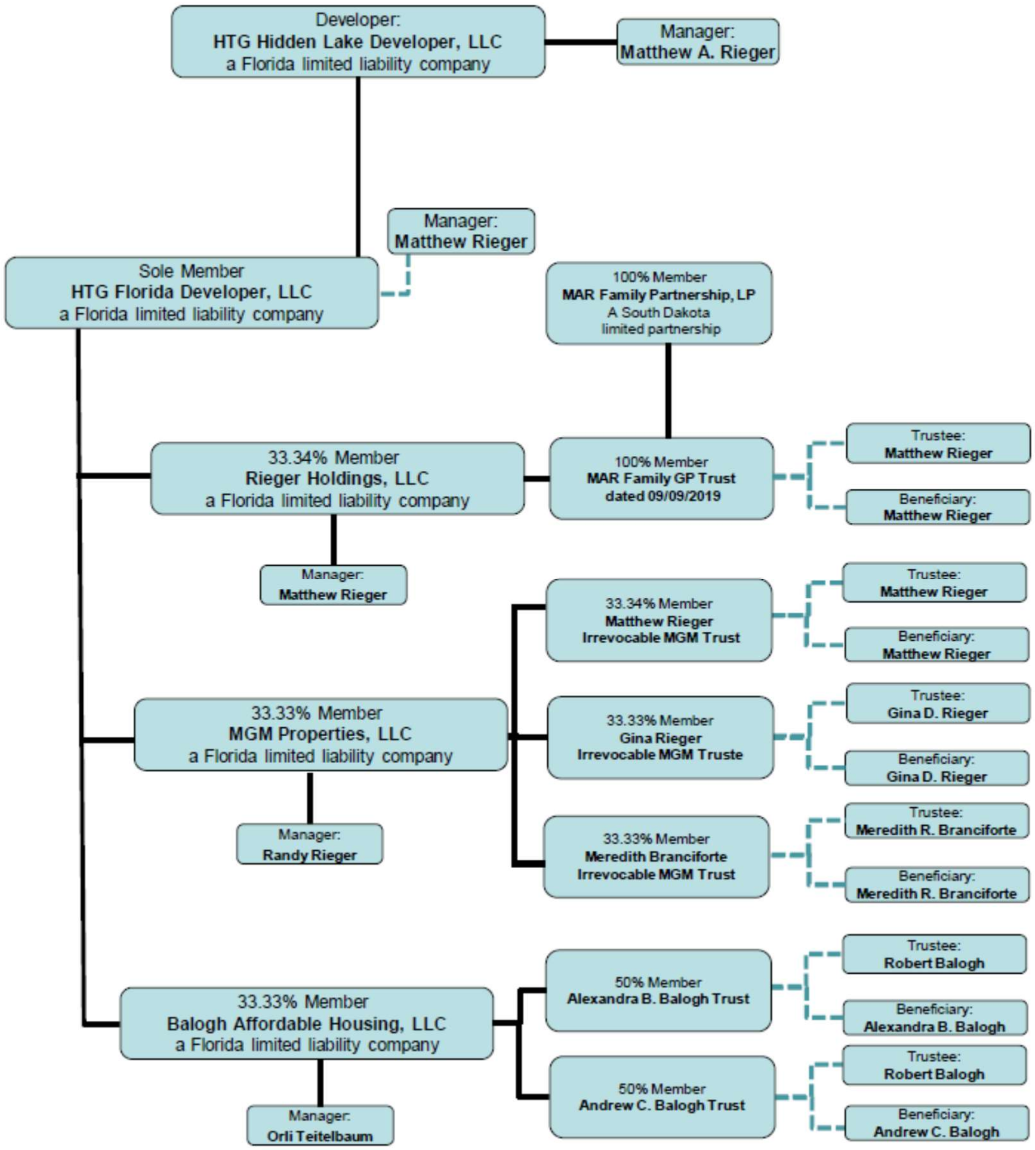
ADA Accessibility Review: An ADA Accessibility Review was performed by Moran as part of the PCR engagement with AmeriNat. Executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 certifying that the plans for the Development comply with these requirements have been received.

Site Inspection: A site inspection of the Development was performed on June 21, 2024. The Development’s neighborhood is primarily suburban residential homes and close to Three Sisters Spring. Local amenities include Publix, Tampa General Hospital Crystal River, and several small mom and pop restaurants.

Applicant/Borrower Information

Applicant Name:	HTG Hidden Lake, Ltd.
Applicant Type:	A Florida limited partnership
Ownership Structure:	The Applicant was formed October 7, 2020 to construct and operate the Development.
	The General Partner of the Applicant is AM Affordable Housing, Inc., a non-profit corporation with 0.010% interest in the Applicant and the Non-Investor LP is HTG Hidden Lake, LLC with 0.001% interest in the Applicant. Based upon the LPA, CREA will replace Matthew Rieger as the 99.988% Investor Limited Partner of the Applicant. The Developer is HTG Hidden Lake Developer, LLC (the "Developer") whose Manager is Matthew A. Rieger and Sole Member is HTG Florida Developer, LLC. See below for the Organizational Charts.


OWNER/APPLICANT:
HTG Hidden Lake, Ltd.
a Florida limited partnership
0.01% General Partner:
AM Affordable Housing, Inc.
a Florida not-for-profit corporation
0.001% Special Limited Partner
CREA SLP, LLC
99.988% Equity Investor Limited Partner:
CREA The Fountains at Hidden Lake, LLC
Officer/Director:
Allen Furst
Executive Director:
Alonzo Mourning
0.001% Administrative Limited Partner
HTG Hidden Lake, LLC
a Florida limited liability company
Manager:
Matthew A. Rieger
100% Member
HTG Affordable Holdings, LLC
a Florida limited liability company
Manager:
Matthew A. Rieger
50% Member:
Matthew A. Rieger Investment Trust
Trustee:
Matthew A. Rieger
Beneficiary:
Matthew A. Rieger
8.3334% Member:
Matthew A. Rieger Irrevocable MGM Trust
Trustee:
Matthew A. Rieger
Beneficiary:
Matthew A. Rieger
8.3333% Member:
Gina Rieger Irrevocable MGM Trust
Trustee:
Gina D. Rieger
Beneficiary:
Gina D. Rieger
8.3333% Member:
Meredith Branciforte Irrevocable MGM Trust
Trustee:
Meredith R. Branciforte
Beneficiary:
Meredith R. Branciforte
12.5% Member:
Alexandra B. Balogh Trust
Trustee:
Robert Balogh
Beneficiary:
Alexandra B. Balogh
12.5% Member:
Andrew C. Balogh Trust
Trustee:
Robert Balogh
Beneficiary:
Andrew C. Balogh



Copies of the Articles of Incorporation and/or Organization and Operating Agreements have been provided on each of the pertinent ownership structures entities listed above. Certificates of Status for the pertinent involved parties have also been provided.

Contact Person(s): Matthew A. Rieger
mattr@hgf.com
Telephone: (305) 860-8188

Applicant Address: 3225 Aviation Avenue, 6th Floor
Coconut Grove, FL 33133

Federal Employer ID: 30-1360971

Experience:

HTG Hidden Lake, Ltd. (“Applicant”): A single-purpose entity (“SLP”) created for the sole purpose of constructing and operating the Development.

AM Affordable Housing, Inc. (Non-Profit) (“GP”): Is the General Partner of the Applicant. The GP was formed in 2008 by Alonzo and Tracy Mourning to expand the charitable efforts of Mourning Family Foundation, Inc. (“MFF”). The GP was formed to develop and maintain affordable housing for low-income families and the elderly in Florida. The GP’s experience includes three affordable developments with a total of 290 units. The GP is a subsidiary of MFF which was formed in 1997 to provide educational, supportive and referral services within low socioeconomic communities. MFF has raised over $7 million for various programs that aid in the development of children and their families.

HTG Hidden Lake, LLC (“ALP” or “SAE”): This single asset entity (“SAE”) was created to serve as the Administrative Limited Partner of the Applicant.

HTG Affordable Holdings, LLC (“HTGAH”): This is the Sole Member of the Administrative LP. The entity relies upon the development experience and financial wherewithal of Mr. Matthew Rieger.

Matthew A. Rieger: Matthew Rieger is the President and CEO of Housing Trust Group (“HTG”) and manager of the SLP and the Developer. HTG is a fully integrated, award winning real estate enterprise specializing in the investment, development and management of real estate assets for affordable, workforce, and conventional multifamily residential housing across the country. Prior to joining HTG, Matthew was an associate with the law firm Broad and Cassel and was involved in over $1 billion worth of transactions including acquisitions, development, refinancing, and joint ventures in the U.S. and abroad.

HTG Hidden Lake Developer, LLC (“Developer”): This SAE was created to serve as the Developer in the transaction. The entity relies upon the development experience and financial wherewithal of Mr. Matthew Rieger.

HTG Florida Developer, LLC (“FL Developer”): FL Developer has minimal assets and is not underwritten. The entity relies upon the development experience and financial wherewithal of Mr. Matthew Rieger.

Matthew A. Rieger Investment Trust (“Trust”): The Trust is related to Matthew A. Rieger and will serve as a guarantor.

Balogh Affordable Housing, LLC (“BAH”): BAH is a Limited Liability Company registered in the State of Florida, which serves as a guarantor for this transaction.

Rieger Holdings, LLC (“RH”): RH is a Limited Liability Company registered in the State of Florida, which serves as a guarantor for this transaction.

MGM Properties, LLC ("MGM"): MGM is a Limited Liability Company registered in the State of Florida, which serves as a guarantor for this transaction.

Credit Evaluation:

The Dun & Bradstreet Business and Information Reports ("DNBi") requested for the Trust did not return any results.

A DNBi Report inquiry dated July 8, 2024 was obtained for the Applicant, GP, ALP, HTGAH, Developer, BAH, RH and MGM. The report indicated no judgments, bankruptcy proceedings, liens or suits exist within the DNBi database.

Matthew A. Rieger: An Experian Credit Profile Report was obtained as of July 3, 2024, which showed no derogatory items. All accounts have been paid satisfactorily or are current.

Banking and Trade References:

The Applicant, ALP, HTGAH, Developer, BAH, MGM and RH report little to no material liquid assets; therefore, no banking and trade references were verified.

Matthew A. Rieger & Trust: AmeriNat received bank statements that confirm deposits in the mid six figures, which is consistent with the provided financial statement.

AM Affordable Housing, Inc.: AmeriNat received bank statements that confirm deposits in the mid six figures, which is consistent with the provided financial statement.

AmeriNat received satisfactory bank and trade references for the previously referenced entity and individuals.

Financial Statements:

The Applicant, ALP, HTGAH, Developer, BAH, MGM and RH are newly formed or single asset entities and as such have minimal assets and liabilities and no tax return filings per letters received from a representative of the Applicant.

AM Affordable Housing, Inc.

December 31, 2023	(Internally Prepared)
Cash and Cash Equivalents:	$ 480,680
Total Assets:	$ 712,119
Total Liabilities:	$ 0
Net Worth:	$ 712,119

The financial information is based upon internally prepared financial statements for the period ending December 31, 2023. Assets consist primarily of cash and due from others. AmeriNat has received and reviewed 2021 and 2022 tax returns, and 2023 extension, and found them to be acceptable.

A Schedule of Real Estate Owned was provided for the period ending September 30, 2023, and reflects various ownership interests in seven properties, three stabilized and four under construction. The total market value equates to $71,486,014 and annual net cash flow of $445,650.

Matthew A. Rieger

December 31, 2023	(Personally Prepared)
Cash and Cash Equivalents:	$ 349,157
Investments	$ 2,118,759
Total Assets:	$ 26,608,110
Total Liabilities:	$ 8,607,027
Net Worth:	$ 18,001,083

The financial information is based upon personally prepared financial statements for the period ending December 31, 2023. Primary assets are Cash, Investments and Personal Real Estate. Primary liabilities include Mortgages and Notes Payable. AmeriNat reviewed the 2021 and 2022 U.S. Income Tax Returns and 2023 Extension and found them to be satisfactory.

A Schedule of Real Estate Owned was provided for the period ending March 31, 2024. Mr. Rieger's schedule, which includes the Trust, reflects various ownership interests in 4,075 affordable housing units among 37 stabilized developments with a global DSC of 1.72x. The schedule shows 1,357 additional units in 13 properties currently under development.

Matthew A. Rieger Investment Trust

December 31, 2023	(Personally Prepared)
Cash and Cash Equivalents:	$ 5,125
Total Assets:	$ 5,175,125
Total Liabilities:	$ 0
Net Worth:	$ 5,175,125

The financial information is based upon personally prepared financial statements for the period ending December 31, 2023. Primary assets are HTG Real Estate Holdings.

A Schedule of Real Estate Owned was provided for the period ending March 31, 2024. Mr. Rieger's schedule, which includes the Trust, reflects various ownership interests in 4,075 affordable housing units among 37 stabilized developments with a global DSC of 1.72x. The schedule shows 1,357 additional units in 13 properties currently under development.

Contingent Liabilities: AmeriNat reviewed a Statement of Financial and Credit Affairs for the Applicant, GP, ALP, HTGAH, Developer, Trust, BAH, RH, MGM and Matthew A. Rieger which stated they have no pending legal actions, bankruptcies, foreclosures, or unsatisfied judgments. There were no reported contingent liabilities for these entities, with the exception of the GP and Matthew Rieger.

GP: A contingent liability schedule, dated December 31, 2023, indicates a total maximum amount of $60,729,730 in contingent liabilities related to three developments.

Matthew A. Rieger: A contingent liability schedule, dated December 31, 2023, indicates a total maximum amount of $193,386,086 in contingent liabilities related to seven developments, one land loan and three lines of credit.

Summary: The information provided indicates the persons and entities have the relevant experience and the financial capacity to successfully construct, own, and operate the Development.

Guarantor Information

Guarantor Names:	HTG Hidden Lake, Ltd., AM Affordable Housing, Inc. HTG Hidden Lake, LLC, HTG Affordable Holdings, LLC, HTG Hidden Lake Developer, LLC, HTG Florida Developer, LLC, Matthew A. Rieger and Matthew A. Rieger Investment Trust.
Contact Person(s):	Matthew A. Rieger mattr@hgf.com Telephone: (305) 860-8188
Applicant Address:	3225 Aviation Avenue, 6th Floor Coconut Grove, FL 33133
Nature of Guarantee:	The Guarantors will sign standard FHFC Construction Completion, Environmental Indemnity, Recourse Obligation and Operating Deficit Guaranties. The Construction Completion Guaranty will be released upon 100% lien-free completion as approved by the Servicer. Guarantors are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by Applicant, the Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met, including achievement of a 1.15x DSC on the permanent First Mortgage, as determined by the FHFC or Servicer, and 90% occupancy and 90% of the Gross Potential Rental Income, net of Utility Allowances, if applicable, for a period of 12 consecutive months, all certified by an independent CPA, and verified by the Servicer. The calculation of the DSC 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 C/O.
Credit Evaluation:	The credit evaluations for the Guarantors were summarized in the “Borrower Information” section of this report.
Banking References:	The banking references for the Guarantors were summarized in the “Borrower Information” section of this report.
Financial Statements:	The Guarantors were summarized in the “Borrower Information” section of this report.
Contingent Liabilities:	The Guarantors were summarized in the “Borrower Information” section of this report.
Summary:	Collectively, the person(s) and entities identified provide a financial position sufficient to serve as Guarantors to the proposed Development.

Syndicator Information

Syndicator Name: CREA The Fountains at Hidden Lake, LLC ("CREA")

Type: CREA a 99.99% controlling interest in the investor limited partner

Contact Person: Nicole Frank
Managing Director, Corporate Controller
nfrank@creallc.com
(317) 808-7353

Address: 30 S. Meridian Street, Suite 400
Indianapolis, IN 46204

Experience: CREA, LLC (An Indiana Limited Liability Company) (the Company) was a wholly owned subsidiary of CREA Holdco, LLC. CREA has raised $7.8 billion in equity in 48 states and one territory and has over 700 properties under management and developed over 62,000 affordable homes.

Financial Statements: **CREA, LLC**

December 31, 2023	(Audited)
Cash and Cash Equivalents:	$ 26,694,253
Total Assets:	$ 397,929,127
Total Liabilities:	$ 370,460,065
Total Shareholder Equity	$ 27,469,062

The financial information is based upon audited financial statements prepared by Dauby O'Connor & Zaleski, LLC CPAs for the period ending December 31, 2023. Total gross revenue for the entity was $71 million, which yielded net income of approximately $7.1 million over the same period.

Summary: CREA with the support of its parent company, has the prerequisite financial capacity and experience to successfully serve as the HC syndicator and investor limited partner of the Applicant.

General Contractor Information

General Contractor: BDI Construction Company ("BDI")

Type: A Florida S-Corporation

Contact Person: Carlos F. Rosell, VP
crosell@bdico.com
Phone: (305) 989-5463

Address: 7270 NW 12th Street, Suite 200
Miami, FL 33126

Experience: BDI was incorporated in December 1994 in the State of Florida for the purpose of operating as a general contractor in South Florida and commenced operations on January 4, 1995. The Company's construction experience encompasses institutional construction such as educational facilities, community centers, government facilities, learning centers, as well as commercial construction such as apartment buildings, warehouses, office buildings, banks, and high-end custom dwellings. Carlos F. Rosell is a Florida Certified General Contract, license #CGC058371, which is valid through August 31, 2026.

Credit Evaluation: A DNBi was obtained for Gomez dated July 8, 2024. The DNBi report reflects a clear history status with no bankruptcies, judgements, liens or suits.

Banking and Trade References: AmeriNat received bank statements that confirm deposits in the high seven figures, which is consistent with the provided financial statement. AmeriNat reviewed the trade references and found them acceptable.

Financial Statements: AmeriNat received and reviewed financial statements, which are summarized as follows:

BDI Construction Company and Subsidiary

FYE December 31, 2023		(Audited)
Cash and Cash Equivalents:	$	8,233,027
Total Assets:	$	14,987,280
Total Liabilities:	$	10,089,388
Total Equity:	$	4,897,892

The financial statements presented were audited by Verdeja, DeArmas, Trujillo, Alvarez, CPA's for FYE December 31, 2023. BDI's primary source of revenue is derived from gross profits from construction contracts which amounted to $73,851,396 for the FYE December 31, 2023, providing for a net income of $1,793,342 over the same period.

Overall, the statements received a positive review and present an acceptable financial position to serve as General Contractor for a development of this size.

Summary: BDI has experience in the construction industry and will provide a P&P Bond equal to 100% of the total Construction Contract. As such, AmeriNat recommends BDI be accepted as the General Contractor.

Property Management Information

Management Company:	HTG Management, LLC ("HTGM")
Type:	A Florida limited liability company
Contact Person:	Erica Newby VP of Property Management erican@htgf.com Telephone: 305-860-8188
Address:	3225 Aviation Avenue, 6th Floor Coconut Grove, FL 33133
Experience:	Over the past 20 years, HTGM, a related entity of the Developer in the transaction, has managed over 40 multifamily residential communities in the state of Florida. HTGM currently oversees a portfolio of 25 properties, consisting of over 2,800 units. HTGM has extensive experience managing multi-rental subsidy programs within a single community along with its ongoing operations. HTGM currently manages mixed income communities with Low Income Housing Tax Credits, SAIL, ELI, local subsidies such as SURTAX, HOME and SHIP funds, HAP Agreements with HUD, local CRA subsidy and PHA Rental Vouchers.
Management Agreement:	The Management Agreement between HTGM and the Applicant illustrates a monthly management fee of $2,000 or 4.00% per month of gross collections, whichever is greater. The Manager shall be entitled to receive an additional 2.00% Management Fee subject to available Cash Flow as an incentive fee, not to exceed a total management Fee of 6.00%. The term of the Agreement will expire one year after the commencement date. The term shall automatically extend for successive one-year periods unless either party terminates the Agreement in accordance with the terms and conditions of the Agreement.
Management Plan:	According to the Management Plan, HTGM will comply with all of the requirements of the applicable Regulatory Agreements, including the Land Use Restriction Agreement. The Management Plan confirms the resident programs committed to in the Application will be implemented at the development.
Summary:	HTGM demonstrates sufficient experience in the management of affordable multifamily housing to serve as the Property Manager for the Development. However, the selection of HTGM to manage the Development must be approved by the FHFC's Asset Management Department prior to lease-up activity pursuant to Rule Chapter 67-53, F.A.C. As the Development is proposed to be constructed, said approval is not required at loan closing. Continued approval is subject to ongoing satisfactory performance.

Exhibit 1
The Fountains at Hidden Lake
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															
INCOME:	Gross Potential Rental Income	**$680,064**	**$693,665**	**$707,539**	**$721,689**	**$736,123**	**$750,846**	**$765,863**	**$781,180**	**$796,803**	**$812,739**	**$828,994**	**$845,574**	**$862,486**	**$879,735**	**$897,330**
INCOME:	Other Income															
INCOME:	Ancillary Income	$24,300	$24,786	$25,282	$25,787	$26,303	$26,829	$27,366	$27,913	$28,471	$29,041	$29,622	$30,214	$30,818	$31,435	$32,063
INCOME:	Washer/Dryer Rentals	$29,160	$29,743	$30,338	$30,945	$31,564	$32,195	$32,839	$33,496	$34,166	$34,849	$35,546	$36,257	$36,982	$37,722	$38,476
INCOME:	Gross Potential Income	**$733,524**	**$748,194**	**$763,158**	**$778,422**	**$793,990**	**$809,870**	**$826,067**	**$842,589**	**$859,440**	**$876,629**	**$894,162**	**$912,045**	**$930,286**	**$948,892**	**$967,869**
INCOME:	Less:															
INCOME:	Physical Vac. Loss Percentage: 5.00%	$36,676	$37,410	$38,158	$38,921	$39,699	$40,493	$41,303	$42,129	$42,972	$43,831	$44,708	$45,602	$46,514	$47,444	$48,393
INCOME:	Collection Loss Percentage: 1.00%	$7,335	$7,482	$7,631	$7,784	$7,940	$8,098	$8,260	$8,426	$8,594	$8,766	$8,941	$9,120	$9,303	$9,489	$9,678
	Total Effective Gross Income	**$689,513**	**$703,303**	**$717,369**	**$731,717**	**$746,351**	**$761,278**	**$776,504**	**$792,034**	**$807,874**	**$824,032**	**$840,513**	**$857,323**	**$874,469**	**$891,959**	**$909,798**
EXPENSES:	Fixed:															
EXPENSES:	Real Estate Taxes	$3,725	$3,837	$3,952	$4,070	$4,193	$4,318	$4,448	$4,581	$4,719	$4,860	$5,006	$5,156	$5,311	$5,470	$5,634
EXPENSES:	Insurance	$121,500	$125,145	$128,899	$132,766	$136,749	$140,852	$145,077	$149,430	$153,913	$158,530	$163,286	$168,184	$173,230	$178,427	$183,780
EXPENSES:	Variable:															
EXPENSES:	Management Fee Percentage: 6.00%	$41,371	$42,198	$43,042	$43,903	$44,781	$45,677	$46,590	$47,522	$48,473	$49,442	$50,431	$51,440	$52,468	$53,518	$54,588
EXPENSES:	General and Administrative	$32,400	$33,372	$34,373	$35,404	$36,466	$37,560	$38,687	$39,848	$41,043	$42,275	$43,543	$44,849	$46,195	$47,580	$49,008
EXPENSES:	Payroll Expenses	$97,200	$100,116	$103,119	$106,213	$109,399	$112,681	$116,062	$119,544	$123,130	$126,824	$130,629	$134,548	$138,584	$142,741	$147,024
EXPENSES:	Utilities	$44,550	$45,887	$47,263	$48,681	$50,141	$51,646	$53,195	$54,791	$56,435	$58,128	$59,871	$61,668	$63,518	$65,423	$67,386
EXPENSES:	Marketing and Advertising	$6,075	$6,257	$6,445	$6,638	$6,837	$7,043	$7,254	$7,471	$7,696	$7,926	$8,164	$8,409	$8,661	$8,921	$9,189
EXPENSES:	Maintenance and Repairs/Pest Control	$36,450	$37,544	$38,670	$39,830	$41,025	$42,256	$43,523	$44,829	$46,174	$47,559	$48,986	$50,455	$51,969	$53,528	$55,134
EXPENSES:	Grounds Maintenance and Landscaping	$12,150	$12,515	$12,890	$13,277	$13,675	$14,085	$14,508	$14,943	$15,391	$15,853	$16,329	$16,818	$17,323	$17,843	$18,378
EXPENSES:	Contract Services	$16,200	$16,686	$17,187	$17,702	$18,233	$18,780	$19,344	$19,924	$20,522	$21,137	$21,771	$22,425	$23,097	$23,790	$24,504
EXPENSES:	Reserve for Replacements	$24,300	$24,300	$24,300	$24,300	$24,300	$24,300	$24,300	$24,300	$24,300	$24,300	$25,029	$25,780	$26,553	$27,350	$28,170
	Total Expenses	**$435,921**	**$447,856**	**$460,141**	**$472,785**	**$485,801**	**$499,198**	**$512,988**	**$527,183**	**$541,794**	**$556,834**	**$573,045**	**$589,732**	**$606,910**	**$624,592**	**$642,795**
	Net Operating Income	**$253,592**	**$255,447**	**$257,229**	**$258,931**	**$260,550**	**$262,080**	**$263,515**	**$264,851**	**$266,080**	**$267,197**	**$267,467**	**$267,591**	**$267,560**	**$267,366**	**$267,003**
	Debt Service Payments															
	First Mortgage - KeyBank/Freddie Mac	$221,373	$221,373	$221,373	$221,373	$221,373	$221,373	$221,373	$221,373	$221,373	$221,373	$221,373	$221,373	$221,373	$221,373	$221,373
	Second Mortgage - FHFC NHTF	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Third Mortgage - City of Crystal River	$10,200	$10,200	$10,200	$10,200	$10,200	$10,200	$10,200	$10,200	$10,200	$10,200	$10,200	$10,200	$10,200	$10,200	$10,200
	First Mortgage Fees - KeyBank/Freddie Mac	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Second Mortgage Fees - FHFC NHTF	$6,254	$6,254	$6,254	$6,254	$6,254	$6,254	$6,254	$6,254	$6,254	$6,254	$6,254	$6,254	$6,254	$6,254	$6,254
	Third Mortgage Fees - City of Crystal River	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Debt Service Payments	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**	**$237,827**
	Cash Flow after Debt Service	**$15,765**	**$17,620**	**$19,401**	**$21,104**	**$22,723**	**$24,253**	**$25,688**	**$27,023**	**$28,253**	**$29,370**	**$29,640**	**$29,763**	**$29,732**	**$29,539**	**$29,176**
	Debt Service Coverage Ratios															
	DSC - First Mortgage plus Fees	**1.15x**	**1.15x**	**1.16x**	**1.17x**	**1.18x**	**1.18x**	**1.19x**	**1.20x**	**1.20x**	**1.21x**	**1.21x**	**1.21x**	**1.21x**	**1.21x**	**1.21x**
	DSC - Second Mortgage plus Fees	**1.11x**	**1.12x**	**1.13x**	**1.14x**	**1.14x**	**1.15x**	**1.16x**	**1.16x**	**1.17x**	**1.17x**	**1.18x**	**1.18x**	**1.18x**	**1.17x**	**1.17x**
	DSC - Third Mortgage plus Fees	**1.07x**	**1.07x**	**1.08x**	**1.09x**	**1.10x**	**1.10x**	**1.11x**	**1.11x**	**1.12x**	**1.12x**	**1.12x**	**1.13x**	**1.13x**	**1.12x**	**1.12x**
	DSC - All Mortgages and Fees	**1.07x**	**1.07x**	**1.08x**	**1.09x**	**1.10x**	**1.10x**	**1.11x**	**1.11x**	**1.12x**	**1.12x**	**1.12x**	**1.13x**	**1.13x**	**1.12x**	**1.12x**
	Financial Ratios															
	Operating Expense Ratio	**63.22%**	**63.68%**	**64.14%**	**64.61%**	**65.09%**	**65.57%**	**66.06%**	**66.56%**	**67.06%**	**67.57%**	**68.18%**	**68.79%**	**69.40%**	**70.02%**	**70.65%**
	Break-even Economic Occupancy Ratio (all debt)	**92.21%**	**92.01%**	**91.82%**	**91.65%**	**91.50%**	**91.37%**	**91.25%**	**91.15%**	**91.07%**	**91.01%**	**91.05%**	**91.10%**	**91.16%**	**91.25%**	**91.35%**

Exhibit 2
The Fountains at Hidden Lake
RFA 2022-201 (2023-026CN)
Description of Features and Amenities

The Development will consist of:

81 apartments units located in 1 mid-rise (4 story), residential building.

Unit Mix:

Sixty-one (61) one bedroom/one bath units; and

Twenty (20) two bedroom/two bath units.

81 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. 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:

- Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in accessibility in each unit;
- Termite prevention;
- Pest control;
- Window covering for each window and glass door inside each unit;
- Cable or satellite TV hook-up in each unit and, if the Development offers cable or satellite TV service to the residents, the price cannot exceed the market rate for service of similar quality available to the Development’s residents from a primary provider of cable or satellite TV;
- 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
- A 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. The Corporation requires that the design, construction, or alteration of its financed Developments be in compliance with federal and state accessibility requirements. When more than one law and accessibility standard applies, the Applicant shall comply with the standard (2010 ADA Standards, Section 504, Fair Housing Act, or Florida Building Code, Accessibility) whichever affords the greater level of accessibility for the residents and visitors. Areas required to be made accessible to mobility-impaired residents and their visitors, including those in wheelchairs, shall include, but not be limited to, accessible routes and entrances, paths of travel, primary function areas, parking, trash bins, mail and package receiving areas for residents, pool and other amenities, including paths of travel to amenities and laundry rooms, including washers and dryers.

(1) 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 one-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 (ALF or 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) 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	$25,001,991
Less Land Costs	$1,350,000
Less Other Ineligible Costs	$1,739,301
Total Eligible Basis	$21,912,690
Applicable Fraction	100%
DDA/QCT Basis Credit, if applicable	130%
Qualified Basis	$28,486,498
Housing Credit Percentage (Federal allocation)	9.00%
Annual Housing Credit Allocation	$2,563,785

Notes to the Qualified Basis Calculation:

1. "Other Ineligible Costs" include*, but are not limited to*, site preparation and site work, accounting fees, legal fees, market study, Florida Housing administrative, application, compliance, and underwriting fees, washer/dryer rentals, marketing/advertising fees, 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)	$25,001,991
Less Mortgages	$5,445,000
Equity Gap	$19,556,991
HC Percentage to Investment Partnership	99.99%
HC Syndication Pricing	$0.8825
HC Required to meet Equity Gap	$22,163,112
Annual HC Required	$2,216,311

Notes to the GAP Calculation:

1. Mortgages include a first mortgage by KeyBank/Freddie Mac, second mortgage NHTF loan, and a third mortgage City of Crystal River loan.

2. According to Rule Chapter 67-48 F.A.C., the Development meets the minimum qualifying first mortgage amount, which is less than the actual amount committed to the Development.

3. The HC Syndication Pricing of $0.8825 per dollar and HC Percentage to Investment Partnership is based upon LPA dated May 1, 2024.

Note: The actual HC syndication pricing is $0.8825000176/credit in order to be consistent with the equity contribution stated in the letter of intent.

Summary

HC Per Applicant's Request	$2,039,900
HC Per Qualified Basis	$2,563,785
HC Per GAP Calculation	$2,216,311
Annual HC Recommended	$2,039,900
HC Proceeds Recommended	$18,000,318

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: The Fountains at Hidden Lake
DATE: August 30, 2024

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 Satis. / Unsatis.	NOTE
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 Satis. / Unsatis.	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.	1-4

NOTES AND DEVELOPER RESPONSES:

1. Completion of the HUD Section 3 pre-construction conference is a condition precedent to loan closing and listed in Section B of this report.

2. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 75) is a condition precedent to loan closing and listed in Section B of this report.

3. Receipt of the fully executed MOU approved by FHFC is a condition precedent to loan closing and listed in Section B of this report.

4. Satisfactory receipt of the Affirmative Fair Housing Marketing Plan is a condition precedent to loan closing and listed in Section B of this report.

MINIMUM FIRST MORTGAGE CALCULATION

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	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	81
Potential Gross Income Year 1	$733,524.00
Vacancy & Collection Loss (7.00%)	$51,346.68
Effective Gross Income Year 1	$682,177.32
Operating Expenses Year 1	$435,921.00
(i) Actual Debt of Development	$3,025,000.00
Actual interest rate	6.84%
Actual term of debt amortization	40.00 Yrs
DS Interest Rate floor	7.00%
Application deadline	12/28/22
10-Year Treasury Rate as of App deadline	3.860%
Spread over 10-yr Treasury	325 bps
10-yr Treasury plus the stated spread	7.11%
Greater of interest rate floor or spread over Treasury	7.11%
Maximum Rate	8.11%
Interest Rate to be used for qualifying debt	**7.11%**
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	7.55325%
Minimum Debt Service	
NOI Year 15	$240,748.86
DSCR DS limitation	$192,599.09
(a) Resulting Debt, Year 15 limitation	**$2,549,885.03**
NOI Year 1	$246,256.32
(b)(i) DSCR DS limitation	$164,170.88
(b)(i) DSCR Debt Sizing	$2,173,514.28
(b)(ii) NCF DS limitation	$165,256.32
(b)(ii) NCF Debt Sizing	$2,187,884.79
(b) Greater of (i) DSCR debt or (ii) NCF debt, Year 1 limitation	**$2,187,884.79**
(ii) Minimum qualifying first mortgage (lesser of (a) or (b))	**$2,187,884.79**
Greater of Actual or Minimum	**$3,025,000.00**

Florida Housing Finance Corporation

Credit Underwriting Report

Roseland Gardens f/k/a Southridge Phase I

National Housing Trust Fund ("NHTF") and Competitive 9% Housing Credits

RFA 2022-202 / 2023-115CN

Housing Credit Financing for Affordable Housing Developments located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties

Section A: Report Summary

Section B: NHTF Loan Special and General Conditions
HC Allocation Recommendation and Contingencies

Section C: Supporting Information and Schedules

Prepared by

First Housing Development Corporation of Florida

FINAL REPORT

September 13, 2024

Roseland Gardens f/k/a Southridge Phase I

TABLE OF CONTENTS

Section A

Report Summary

Recommendation

First Housing Development Corporation of Florida ("FHDC", "First Housing", or "Servicer") recommends a NHTF Loan in the amount of $2,065,000 and an annual 9% Housing Credit ("HC") Allocation of $2,850,000 be awarded to Roseland Gardens, LLLP ("Applicant") to finance the new construction and permanent financing of Roseland Gardens f/k/a Southridge Phase I ("Development"). The recommendation is only valid for six months from the date of the report.

DEVELOPMENT & SET-ASIDES			
Development Name:	Roseland Gardens f/k/a Southridge Phase I		
RFA/Program Numbers:	RFA 2022-202 / 2023-115CN		
Address	Lake Ave., northeast of the intersection of Lake Ave and Southern Blvd		
City:	West Palm Beach	Zip Code:	33405
County:	Palm Beach	County Size:	Large
Development Category:	New Construction	Development Type:	Mid-Rise (4 Stories)
Construction Type:	Masonry	Number of Stories:	4

Demographic Commitment:

Primary:	Elderly, Non-ALF	for	80%	of the Units
Link Units:	Persons with Special Needs	for	5.41%	of the Units
NHTF Units:	Elderly, Non-ALF	for	4.73%	of the Units

Unit Composition:

# of ELI Units:	15	ELI Units Are Restricted to	30% AMI, or less.	Min % of Units @ ELI:	10%
# of Link Units:	8	# of Preference units:		IRS Minimum Set-Aside Commitment:	40/60
# of NHTF Units:	7	# of units w/ PBRA?	148	TSP Approval Date:	05/11/2023
Buildings: Residential -	2	Non-Residential -	1		
Parking: Parking Spaces -	137	Accessible Spaces -	5		

DDA:	No	SADDA:	No	QCT:	No
Multi-Phase Boost:	No	QAP Boost:	Yes	QAP Type:	LG-AofO
Site Acreage:	4.490	Density:	32.9621	Flood Zone Designation:	X
Zoning:	RPD - Residential Planned Development			Flood Insurance Required?:	No

Credit Underwriter:	First Housing Development Corporation	Date of Application:	12/27/2022
Date of Final CUR:	09/13/2024	Minimum 1st Mortgage per Rule	$22,867,275
TDC PU Limitation at Application:	$397,500	TDC PU Limitation at Credit Underwriting	$463,750
Actual TDC PU for Limitation:	$386,036	Amount Dev. Fee Reduced for TDC Limit:	$0

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

Prepared by:

Taylor Arruda
Senior Credit Underwriter

Reviewed by:

Ed Busansky
Senior Vice President

Set Asides & 15-Year Operating Proforma

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
NHTF	4.730%	7	30%	50
HC-9%	10.000%	15	30%	50
HC-9%	90.000%	133	60%	50
Local Gov. Subsidy	10.000%	15	30%	50
Local Gov. Subsidy	90.000%	133	60%	50
SHIP	2.703%	4	60%	50

In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding ("MOU") with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with Special Needs for the county where the proposed Development will be located (Palm Beach County). The fully executed MOU was approved by Florida Housing Finance Corporation ("Florida Housing" or "FHFC") on September 13, 2024.

NHTF Units Set-Aside Commitment: The proposed Development must set aside 7 units as NHTF Link units targeted for Persons with Special Needs. These units are required to be set aside for residents earning at or below 30% of AMI and are in addition to the fifty percent (50%) requirement for ELI set-aside units. Therefore, the Development will have a total of 15 units targeted for Link Units for Persons with Special Needs (ELI – 8 units, NHTF – 7 units). The Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period. After 30 years, all of the NHTF Link units (7 units) may convert to serve residents at or below 60% AMI.

First Housing received an email from the City of West Palm Beach which indicates that 4 units will be designated as SHIP Special Needs units. These units shall be under 50% AMI for the first year and under 60% AMI for the duration of the affordability period.

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

Palm Beach County (West Palm Beach-Boca Raton HMFA)

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	18	585	30%			$602	$69	$533	$1,944	$1,944	$1,944	$1,944	419,904
1	1.0	100	585	60%			$1,205	$69	$1,136	$1,944	$1,944	$1,967	$1,944	2,332,800
2	2.0	4	825	30%			$723	$76	$647	$2,329	$2,329	$2,329	$2,329	111,792
2	2.0	26	825	60%			$1,446	$76	$1,370	$2,329	$2,329	$2,329	$2,329	726,648
		148	93,780											3,591,144

15-Year Operating Pro Forma

	A B C D E	F	G	H	I	K	M	O	Q	S	U	W	Y	AA	AC	AE	AG	AI
1	FINANCIAL COSTS:		Year 1	Year 1 Per Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
2	OPERATING PRO FORMA																	
3	INCOME: Gross Potential Rental Income		$3,591,144	$24,264	$3,662,967	$3,736,226	$3,810,951	$3,887,170	$3,964,913	$4,044,211	$4,125,096	$4,207,598	$4,291,750	$4,377,584	$4,465,136	$4,554,439	$4,645,528	$4,738,438
5	Other Income: (0.41%)																	
6	Miscellaneous		$14,800	$100	$15,096	$15,398	$15,706	$16,020	$16,340	$16,667	$17,001	$17,341	$17,687	$18,041	$18,402	$18,770	$19,145	$19,528
8	Gross Potential Income		$3,605,944	$24,364	$3,678,063	$3,751,624	$3,826,657	$3,903,190	$3,981,254	$4,060,879	$4,142,096	$4,224,938	$4,309,437	$4,395,626	$4,483,538	$4,573,209	$4,664,673	$4,757,967
9	Less:																	
11	Physical Vac. Loss	Percentage: 3.00%	$108,178	$731	$110,342	$112,549	$114,800	$117,096	$119,438	$121,826	$124,263	$126,748	$129,283	$131,869	$134,506	$137,196	$139,940	$142,739
12	Collection Loss	Percentage: 2.00%	$72,119	$487	$73,561	$75,032	$76,533	$78,064	$79,625	$81,218	$82,842	$84,499	$86,189	$87,913	$89,671	$91,464	$93,293	$95,159
13	Total Effective Gross Income		$3,425,647	$23,146	$3,494,160	$3,564,043	$3,635,324	$3,708,030	$3,782,191	$3,857,835	$3,934,991	$4,013,691	$4,093,965	$4,175,844	$4,259,361	$4,344,548	$4,431,439	$4,520,068
14	Annual Escalation Rate (Income):	2.00%																
15	EXPENSES: Fixed:																	
18	Real Estate Taxes		$366,782	$2,478	$377,785	$389,119	$400,793	$412,816	$425,201	$437,957	$451,096	$464,628	$478,567	$492,924	$507,712	$522,943	$538,632	$554,791
19	Insurance		$296,000	$2,000	$304,880	$314,026	$323,447	$333,151	$343,145	$353,439	$364,043	$374,964	$386,213	$397,799	$409,733	$422,025	$434,686	$447,727
21	Variable:																	
22	Management Fee	Percentage: 6.00%	$205,539	$1,389	$209,650	$213,843	$218,119	$222,482	$226,931	$231,470	$236,099	$240,821	$245,638	$250,551	$255,562	$260,673	$265,886	$271,204
23	General and Administrative		$66,600	$450	$68,598	$70,656	$72,776	$74,959	$77,208	$79,524	$81,910	$84,367	$86,898	$89,505	$92,190	$94,956	$97,804	$100,738
24	Payroll Expenses		$222,000	$1,500	$228,660	$235,520	$242,585	$249,863	$257,359	$265,080	$273,032	$281,223	$289,660	$298,349	$307,300	$316,519	$326,014	$335,795
25	Utilities		$103,600	$700	$106,708	$109,909	$113,207	$116,603	$120,101	$123,704	$127,415	$131,237	$135,175	$139,230	$143,407	$147,709	$152,140	$156,704
26	Marketing and Advertising		$5,180	$35	$5,335	$5,495	$5,660	$5,830	$6,005	$6,185	$6,371	$6,562	$6,759	$6,961	$7,170	$7,385	$7,607	$7,835
27	Maintenance and Repairs/Pest Control		$162,800	$1,100	$167,684	$172,715	$177,896	$183,233	$188,730	$194,392	$200,223	$206,230	$212,417	$218,790	$225,353	$232,114	$239,077	$246,250
33	Reserve for Replacements		$44,400	$300	$45,732	$47,104	$48,517	$49,973	$51,472	$53,016	$54,606	$56,245	$57,932	$59,670	$61,460	$63,304	$65,203	$67,159
34	Total Expenses		$1,472,901	$9,952	$1,515,032	$1,558,387	$1,603,000	$1,648,909	$1,696,151	$1,744,767	$1,794,795	$1,846,278	$1,899,258	$1,953,779	$2,009,887	$2,067,628	$2,127,050	$2,188,203
35	Annual Escalation Rate (Expenses):	3.00%																
36	Net Operating Income		$1,952,746	$13,194	$1,979,127	$2,005,656	$2,032,324	$2,059,121	$2,086,040	$2,113,068	$2,140,196	$2,167,413	$2,194,707	$2,222,065	$2,249,474	$2,276,920	$2,304,389	$2,331,865
37	Debt Service Payments																	
38	First Mortgage - Berkadia		$1,668,726	$11,275	$1,668,726	$1,668,726	$1,668,726	$1,668,726	$1,668,726	$1,668,726	$1,668,726	$1,668,726	$1,668,726	$1,668,726	$1,668,726	$1,668,726	$1,668,726	$1,668,726
39	Second Mortgage - FHFC - NHTF		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
40	Third Mortgage - Palm Beach County		$30,000	$203	$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
41	Fourth Mortgage - City of West Palm Beach		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
42	Fifth Mortgage - WPBHA		$70,168	$474	$70,168	$70,168	$70,168	$70,168	$70,168	$70,168	$70,168	$70,168	$70,168	$70,168	$70,168	$70,168	$70,168	$70,168
44	First Mortgage Fees - Berkadia		$0	$0	$61	$122,061	$139,060	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
45	Second Mortgage Fees - FHFC - NHTF		$6,217	$42	$6,217	$6,217	$6,217	$6,217	$6,217	$6,217	$6,217	$6,217	$6,217	$6,217	$6,217	$6,217	$6,217	$6,217
46	Third Mortgage Fees - Palm Beach County		$2,500	$17	$2,500	$2,500	$2,500	$2,500	$2,500	$2,500	$2,500	$2,500	$2,500	$2,500	$2,500	$2,500	$2,500	$2,500
47	Fourth Mortgage Fees - City of West Palm Beach		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
48	Fifth Mortgage Fees - WPBHA		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
50	Total Debt Service Payments		$1,777,610	$12,011	$1,777,671	$1,899,672	$1,916,671	$1,777,610	$1,777,610	$1,777,610	$1,777,610	$1,777,610	$1,777,610	$1,777,610	$1,777,610	$1,777,610	$1,777,610	$1,777,610
51	Cash Flow after Debt Service		$175,136	$1,183	$201,456	$105,984	$115,653	$281,511	$308,429	$335,458	$362,586	$389,803	$417,097	$444,455	$471,864	$499,310	$526,779	$554,255
52	Debt Service Coverage Ratios																	
53	DSC - First Mortgage plus Fees		1.17x		1.19x	1.12x	1.12x	1.23x	1.25x	1.27x	1.28x	1.30x	1.32x	1.33x	1.35x	1.36x	1.38x	1.40x
54	DSC - Second Mortgage plus Fees		1.17x		1.18x	1.12x	1.12x	1.23x	1.25x	1.26x	1.28x	1.29x	1.31x	1.33x	1.34x	1.36x	1.38x	1.39x
55	DSC - Third Mortgage plus Fees		1.14x		1.16x	1.10x	1.10x	1.21x	1.22x	1.24x	1.25x	1.27x	1.29x	1.30x	1.32x	1.33x	1.35x	1.37x
56	DSC - Fourth Mortgage plus Fee		1.14x		1.16x	1.10x	1.10x	1.21x	1.22x	1.24x	1.25x	1.27x	1.29x	1.30x	1.32x	1.33x	1.35x	1.37x
57	DSC - Fifth Mortgage plus Fees		1.10x		1.11x	1.06x	1.06x	1.16x	1.17x	1.19x	1.20x	1.22x	1.23x	1.25x	1.27x	1.28x	1.30x	1.31x
59	Financial Ratios																	
60	Operating Expense Ratio		43.00%		43.36%	43.73%	44.10%	44.47%	44.85%	45.23%	45.61%	46.00%	46.39%	46.79%	47.19%	47.59%	48.00%	48.41%
61	Break-even Econ Occup Ratio (all debt)		90.44%		89.82%	92.47%	92.28%	88.09%	87.55%	87.04%	86.55%	86.07%	85.62%	85.19%	84.78%	84.38%	84.01%	83.65%
62	Break-even Econ Occup Ratio (must pay debt)		87.42%															

Notes to the 15 Year Operating Pro Forma and Ratios:

1. The Development will be utilizing Housing Credits and NHTF that will impose rent restrictions. The net HC rent levels are based on the 2024 maximum LIHTC rents published on FHFC's website for Palm Beach County less the applicable utility allowance. First Housing received a letter, dated August 15, 2024, from WPBHA which confirms that project based vouchers with gross rents of $2,013 for one bedroom units and $2,405 for two bedroom units will be provided. Subtracting the utility allowances, the net rents will be $1,944 and $2,329, respectively. The project based vouchers are subject to US Department of Housing and Urban Development approval and an executed Agreement to Enter into a Housing Assistance Payment Contract ("AHAP") which is a condition to closing.

2. The utility allowances are based on the utility allowance estimate per energy consumption model prepared by Matern Professional Engineering, Inc. approved by FHFC staff for credit underwriting on February 29, 2024.

3. The appraisal projected a vacancy and collection loss of 3%. First Housing utilized a vacancy and collection loss of 5.00%, to be more conservative.

4. The Miscellaneous Income category includes revenue from application fees, late fees, forfeited security deposits, bad debt recoveries, pet fees, cancellation fees, and damages recovered. Ancillary Income is projected at $14,800 annually or $100/unit/year, which is supported by the Appraiser.

5. 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.

6. The Applicant has submitted a draft Management Agreement between the Applicant and West Palm Beach Housing Authority. The Agreement states the Managing Agent will receive a monthly fee equal to 6% of effective gross income for the proceeding month. First Housing has concluded to a Management Fee of 6%.

7. Residents are responsible for electric. The landlord is responsible for water/sewer, common area electric, trash and pest control expenses.

8. Replacement Reserves of $300 per unit per year are required per Rule 67-48. Based on the letter, dated July 25, 2024, from Raymond James Affordable Housing Investments, Inc. ("RJAHI") the replacement reserve deposits will be required to increase by 3% each year.

9. The 15-Year Pro Forma reflects rental income increasing at an annual rate of 2% and expenses increasing at an annual rate of 3%.

Sources Overview

Construction Financing Information:

CONSTRUCTION FINANCING INFORMATION									
Lien Position	First	Second	Third	Fourth	Fifth				Totals
Source	Reg. Mtg Lender	FHFC - NHTF	Local Gov. Subsidy	Local Gov. Subsidy	Seller Financing	Aff. / Principal	FHFC - HC 9%	Def. Dev. Fee	
Lender/Grantor	TD Bank	FHFC	Palm Beach County	City of West Palm Beach	WPBHA	WPBHA	RJAHI	SHAG Roseland Gardens Developer, LLC and Magnolia Affordable Development, Inc.	
Construction Amount	$38,600,000	$2,065,000	$3,000,000	$640,000	$1,790,000	$1,000,000	$13,393,661	$1,879,533	$62,368,194
All In Interest Rate	8.58%	0.00%	1.00%	0.00%	3.92%				
Debt Service During Construction	$275,990	$0	$2,500	$0	$5,847				$284,337

<u>First Mortgage</u>:

First Housing reviewed a Term Sheet provided by TD Bank, N.A. ("TD Bank"), dated June 17, 2024, which indicates TD Bank will provide a construction loan in the amount of the lesser of $43,000,000, 80% of the appraised "as-complete" and "as restricted" value plus the value of the tax credits, and 80% loan to total project cost ratio during construction. The term of the Loan will be thirty (30) months from the closing date, plus one 6-month conditional extension. Interest shall accrue on the outstanding principal balance at a floating rate equal to the forward-looking Secured Overnight Financing Rate ("SOFR") for a one month period plus a spread of 2.50%. Payments of interest only will be required until maturity. The construction interest is calculated based upon the SOFR rate of 5.33% (as of August 7, 2024), plus a 2.50% spread, and a 0.75% underwriting cushion, for an overall interest rate of 8.58%. First Housing has reduced the construction loan to $38,600,000 since the full loan is not needed to balance the sources and uses during construction.

Permanent Financing Information:

PERMANENT FINANCING INFORMATION									
Lien Position	First	Second	Third	Fourth	Fifth				Totals
Source	Reg. Mtg Lender	FHFC - NHTF	Local Gov. Subsidy	Local Gov. Subsidy	Seller Financing	Aff. / Principal	FHFC - HC 9%	Def. Dev. Fee	
Lender/Grantor	Berkadia	FHFC	Palm Beach County	City of West Palm Beach	WPBHA	WPBHA	RJAHI	SHAG Roseland Gardens Developer, LLC and Magnolia Affordable Development, Inc.	
Permanent Amount	$25,210,000	$2,065,000	$3,000,000	$640,000	$1,790,000	$1,000,000	$26,787,321	$1,875,873	$62,368,194
Permanent Funding Per Unit	$170,338	$13,953	$20,270	$4,324	$12,095	$6,757	$180,995	$12,675	$421,407
% of Permanent Funding	40.4%	3.3%	4.8%	1.0%	2.9%	1.6%	43.0%	3.0%	100.0%
Underwritten Interest Rate	6.02%	0.00%	1.00%	0.00%	3.92%				
All In Interest Rate	6.02%	0.00%	1.00%	0.00%	3.92%				
Loan Term	15	30	20	15	47				
Amortization	40	0	0	0	0				
Must Pay or Cash Flow	Must-Pay	Cash Flow	Cash Flow	Cash Flow	Cash Flow				
Permanent Debt Service, No Fees	$1,668,726	$0	$30,000	$0	$70,168				$1,768,894
Permanent Debt Service, with Fees	$1,668,726	$6,217	$32,500	$0	$70,168				$1,777,610
Debt Service Coverage, with Fees	1.17x	1.17x	1.14x	1.14x	1.10x				
Operating Deficit & Debt Service Reserves	$757,783								
# of Months covered by the Reserves	2.9								
Market Rate/Market Financing	78%	85%	94%	96%	102%				
Restricted Market Financing	62%	67%	75%	76%	81%				
Loan to Cost - Cumulative	40%	44%	49%	50%	52%				

First Mortgage:

First Housing reviewed an application from Berkadia Commercial Mortgage LLC ("Berkadia"), dated August 9, 2024, to provide first mortgage through the Federal Home Loan Mortgage TAH Unfunded Forward Commitment Program. The loan will be in the maximum amount of $25,210,000, not to exceed 80% of the fair market value as determined by Berkadia and Freddie Mac. The term of the permanent loan is 15 years with a 40-year amortization schedule. The loan will have a two year interest only period. The interest rate will be fixed prior to or at closing and will be based on the 10-year U.S. Treasury plus a spread of 2.03%, with a floor of 3.45% for the 10-year U.S. Treasury. The permanent loan interest is calculated based upon the current 10-year U.S. Treasury rate of 3.99% (as of August 8, 2024) and a spread of 2.03%, for an interest rate of 6.02%.

NHTF Loan:

First Housing reviewed an invitation to enter credit underwriting, dated June 3, 2024, from FHFC with a preliminary NHTF Loan in the amount of $2,065,000.

The NHTF Loan is a forgivable loan with an interest rate of 0% per annum over the life of the loan, with the principal forgivable at maturity provided the units for which the NHTF Loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. The NHTF Loan will have a term of 33 years, of which 3 years is for the construction/stabilization period and 30 years is for the permanent period. After 30 years all of the NHTF Link units may convert to serve residents at or below 60% AMI; however, the Persons with Special Needs set aside commitments must be maintained throughout the entire 50-year Compliance Period.

The NHTF loan fees include an annual multiple program Compliance Monitoring Fee of $1,054 and an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of $964 per month, subject to a minimum of $243 per month.

Palm Beach County:

First Housing reviewed a Memo from Palm Beach County, dated July 31, 2024, for an ARPA loan in the amount of $3,000,000. The interest rate will be 1%. The loan will have a 20 year term commencing at the issuance of a certificate of occupancy. First Housing has assumed a term of 23 years, of which 3 years is for the construction/stabilization period and 20 years is for the permanent period. The loan will require interest only payments during years 1-16 paid from 75% of available cash flow. Principal payments for years 1-16 are deferred. During years 17-20, principal and interest payments shall be due until the maturity date. The loan will have an annual monitoring fee of $2,500.

City of West Palm Beach:

First Housing reviewed a letter from City of West Palm Beach, dated August 13, 2024, for a loan in the amount of $640,000. It will be a deferred payment loan with a 0% interest rate and a 15 year term. First Housing has assumed a term of 18 years, of which 3 years is for the construction/stabilization period and 15 years is for the permanent period. The City will forgive the loan provided the Developer is not in breach of the terms and conditions of the loan agreement.

Seller Financing:

First Housing reviewed a Letter from West Palm Beach Housing Authority, dated August 15, 2024, for financing in the amount of $1,790,000. The interest rate will be 3.92% paid from available cash flow. The loan is non-amortizing with a 50-year term of which 3 years is for the construction/stabilization period and 47 years is for the permanent period.

WPBHA:

First Housing received a letter from West Palm Beach Housing Authority, dated August 12, 2024, for a contribution of $1,000,000. WPBHA has already expended the $1,000,000 on predevelopment expenses and will not be repaid for the contribution.

Housing Credit Equity:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	$4,018,099	15.00%	Closing
2nd Installment	$9,375,562	35.00%	Later of November 1, 2026 or 98% Construction Completion
3rd Installment	$13,293,660	49.63%	Later of May 1, 2027 or Stabilized Operations
4th Installment	$100,000	0.37%	Form 8609s
Total	$26,787,321	100.00%	

Syndicator Name	RJAHI
Date of LOI	7/25/2024
Total Credits Per Syndication Agreement:	$28,500,000
Annual Credits Per Syndication Agreement:	$2,850,000
Calculated HC Exchange Rate:	$0.94
Limited Partner Ownership Percentage:	99.99%
Proceeds Available During Construction:	$13,393,661
Annual Credits - Qualified in CUR:	$2,850,000

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer $1,875,873 or approximately 23.64% of the total Developer Fee of $7,934,677.

Changes from the Application and Additional Information

COMPARISON CRITERIA	YES	NO
Does the level of experience of the current team equal or exceed that of the team described in the application?	X	
Are all funding sources the same as shown in the Application?		1
Are all local government recommendations/contributions still in place at the level described in the Application?		1
Is the Development feasible with all amenities/features listed in the Application?	X	
Do the site plans/architectural drawings account for all amenities/features listed in the Application?	X	
Does the applicant have site control at or above the level indicated in the Application?		2
Does the applicant have adequate zoning as indicated in the Application?	X	
Has the Development been evaluated for feasibility using the total length of set-aside committed to in the Application?		3
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?		3
If the Development has committed to serve a special target group (e.g. elderly, large family, etc.), do the development and operating plans contain specific provisions for implementation?	X	
HOME ONLY: If points were given for match funds, is the match percentage the same as or greater than that indicated in the Application?	N/A	N/A
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?		6
Is the Development in all other material respects the same as presented in the Application?		7

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

1. The Application indicated JPMorgan Chase Bank, N.A. would be providing the construction and permanent financing; however, TD Bank will be providing the construction financing and Berkadia will be providing the permanent financing. In addition, the construction loan amount has increased from $34,500,000 to $43,000,000 and the permanent loan amount has increased from $14,400,000 to $25,210,000.

   Since the Application, per the Invitation to Enter Credit Underwriting issued by FHFC on June 3, 2024, the Applicant was awarded additional FHFC NHTF funding in the loan amount of $2,065,000.

   Since the Application, a third mortgage ARPA loan in the amount of $3,000,000 and an equity contribution from WPBHA in the amount of $1,000,000 have been added as sources of funds. Additionally, the Seller loan has increased from $937,500 at Application to $1,790,000.

2. Since the Application, the Applicant submitted a request dated December 19, 2023 to change the legal description. This change was approved by FHFC staff on December 21, 2023.

3. Since the Application, the Applicant submitted a request dated October 5, 2023 to change the unit mix and set-asides as shown below. This change was approved by FHFC staff on October 13, 2023.

Unit Mix From:	Unit Mix To:
100 one bedroom/one bathroom (10 ELI)	118 one bedroom/one bathroom (12 ELI)
25 two bedroom/two bathroom (3 ELI)	30 two bedroom/two bathroom (3 ELI)
125 total units, 13 ELI	148 total units, 15 ELI

Set-Asides From:	Set-Asides To:
13 units or 10% at 30% AMI	15 units or 10% at 30% AMI
112 units or 90% at 60% AMI	133 units or 90% at 60% AMI
100% set-aside	100% set-aside

4. The Total Development Costs (“TDC”) have increased by a total of $18,651,864 or 42.67% from $43,716,330 to $62,368,194 since the Application. The increase is mainly due to the increase in construction, financial, and land costs as well as the increase in number of units from Application.

5. Since the Application, the syndication rate has decreased from $0.95 to $0.94.

6. Since the Application, the Applicant submitted a request dated October 5, 2023 to change the building type from garden style apartments to mid-rise, 4 stories. FHFC staff approved this change on October 13, 2023.

7. Since the Application, the Applicant submitted a request dated April 18, 2023 to change the name of the Development from Southridge Phase I to Roseland Gardens. This change was approved by FHFC staff on May 3, 2023.

The above changes have no substantial material impact to the NHTF or HC recommendation for this Development.

<u>Does the Development Team have any FHFC Financed Developments on the Past Due/Noncompliance Report?</u>

According to the FHFC Asset Management Noncompliance Report, dated October 18, 2023, the Development has the following noncompliance item(s) not in the correction period:

- None

According to the FHFC Past Due Report, dated August 12, 2024, the Development Team has the following past due item(s):

- None

Closing of the loan is conditioned upon verification that any outstanding past due, and/or noncompliance items noted at the time closing, and the issuance of the annual HC allocation recommended herein, have been satisfied.

<u>Strengths</u>:

1. The Co-Developers, General Contractor, and the Management Company are experienced in affordable multifamily housing.

2. The Co-Developer has sufficient experience and financial resources to develop and operate the proposed Development.

<u>Waiver Requests/Special Conditions</u>:

None

<u>Issues and Concerns:</u>

None

<u>Mitigating Factors</u>:

None

<u>Additional Information</u>:

1. FHDC has completed the required minimum first mortgage qualifying test and finds that the proposed first mortgage amount of $25,210,000 meets the minimum first mortgage requirement of $22,867,275.

2. The Applicant is required to provide a certification executed by the General Contractor for compliance with debarment and suspension regulations. First Housing has been in receipt of this certification.

3. The Applicant is required to comply with the HUD environmental requirements as provided in 24 CFR 93.301(f)(1) and (2). Receipt of an Environmental Review verifying the Development is in compliance with the Property Standards in 24 CFR 93.301(f)(1) and (2) is a condition to close.

4. The Applicant is required to provide evidence demonstrating that the Development is consistent with the applicable Consolidated Plan. First Housing has been in receipt of this certification.

5. The Applicant has submitted the Affirmative Fair Housing Marketing Plan.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Demolition	$750,000	$0	$245,088	$1,656	$245,088
New Rental Units	$23,719,299	$38,616,354	$30,155,722	$203,755	$0
Site Work	$750,000	$0	$2,710,661	$18,315	$271,066
Constr. Contr. Costs subject to GC Fee	$25,219,299	$38,616,354	$33,111,471	$223,726	$516,154
General Conditions (6.0%)	$0	$0	$1,986,688	$13,424	$0
Overhead (2.0%)	$0	$0	$662,229	$4,475	$0
Profit (6.0%)	$3,530,701	$0	$1,986,688	$13,424	$0
General Liability Insurance	$0	$0	$486,937	$3,290	$0
Payment and Performance Bonds	$0	$0	$382,340	$2,583	$0
Total Construction Contract/Costs	$28,750,000	$38,616,354	$38,616,353	$260,921	$516,154
Hard Cost Contingency (5.0%)	$1,437,500	$1,930,817	$1,930,817	$13,046	$0
FF&E paid outside Constr. Contr.	$275,000	$400,000	$400,000	$2,703	$0
Total Construction Costs:	**$30,462,500**	**$40,947,171**	**$40,947,170**	**$276,670**	**$516,154**

Allowances:	
Irrigation	$95,000
8" VCP sanitary to be lined	$25,000
Wood floor joists at entry towers	$22,850
Millwork and countertops	$785,267
Wall covering	$5,000
Closet adjustable shelving	$135,725
Code required signage	$22,052
Pre-grab shower pans	$44,251
Site lighting	$37,500
Access Control and CCTV and BDA Backbone	$100,000
Total	$1,272,645

Notes to the Total Construction Costs:

1. The Applicant has provided an executed construction contract, dated July 30, 2024. The contract is a Standard Form of Agreement between Roseland Gardens, LLLP ("Owner") and JWR Construction Services, Inc. ("Contractor") where the basis of payment is the Cost of Work Plus a fee with a Guaranteed Maximum Price ("GMP") in the amount of $38,616,353. The contract requires a substantial completion date no later than 532 calendar days from the date of commencement of the work. A 10% retainage shall be withheld on all draws, subject to dropdown upon 50% completion of the work. Only 5% retainage shall be withheld on amounts due and owning for remaining work performed after 50% completion is achieved. Retainage shall be withheld until 100% lien-free final completion of the work.

2. First Housing has estimated 10% of the site work to be ineligible.

3. First Housing has received the GC Section 3 contract requirements.

4. The allowances included in the GC Contract are 3.30% of the GMP. OSG finds the specific allowances are reasonable for this Development.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	$40,000	$40,000	$40,000	$270	$10,000
Appraisal	$12,500	$12,500	$7,000	$47	$0
Architect's Fees	$550,000	$960,000	$960,000	$6,486	$0
Builder's Risk Insurance	$359,375	$463,396	$463,396	$3,131	$0
Building Permits	$300,000	$400,000	$400,000	$2,703	$0
Environmental Report	$30,000	$40,000	$40,000	$270	$0
FHFC Administrative Fees	$256,500	$256,500	$256,500	$1,733	$256,500
FHFC Application Fee	$3,000	$3,000	$3,000	$20	$3,000
FHFC Compliance Fee	$223,041	$234,094	$272,832	$1,843	$272,832
FHFC Credit Underwriting Fee	$16,000	$16,000	$15,618	$106	$15,618
FHFC Other Processing Fee(s)	$0	$0	$50,000	$338	$50,000
Green Building Cert. (LEED, FGBC, NAHB)	$0	$35,000	$35,000	$236	$0
Impact Fee	$350,000	$520,000	$520,000	$3,514	$0
Insurance	$137,500	$0	$0	$0	$0
Legal Fees - Organizational Costs	$445,000	$250,000	$250,000	$1,689	$217,500
Lender Inspection Fees / Const Admin	$45,000	$186,000	$186,000	$1,257	$0
Market Study	$12,500	$7,500	$5,000	$34	$5,000
Marketing and Advertising	$125,000	$0	$0	$0	$0
Plan and Cost Review Analysis	$7,500	$7,500	$3,200	$22	$0
Survey	$30,000	$30,000	$30,000	$203	$0
Tenant Relocation Costs	$150,000	$148,000	$148,000	$1,000	$148,000
Title Insurance and Recording Fees	$255,000	$301,000	$301,000	$2,034	$75,000
Traffic Study	$0	$20,000	$20,000	$135	$0
Utility Connection Fees	$300,000	$0	$0	$0	$0
Soft Cost Contingency (5.0%)	$148,594	$200,470	$200,427	$1,354	$0
Other: Zoning	$0	$2,000	$2,000	$14	$0
Total General Development Costs:	**$3,796,510**	**$4,132,960**	**$4,208,973**	**$28,439**	**$1,053,450**

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 the Appraisal, Market Study, and Plan and Cost Review.

3. FHFC Compliance Fee of $272,832 is based on the 2024 compliance fee calculator spreadsheet provided by FHFC.

4. The FHFC Administrative Fee is based on 9% of the recommended annual housing credit allocation.

5. The FHFC Credit Underwriting Fee includes an underwriting fee of $15,618 for the housing credits. The NHTF Underwriting Fee of $5,300 was paid by FHFC directly.

6. The FHFC Other Processing Fees of $50,000 includes $5,000 for a 10% Test Extension Fee, $5,000 for a Site Control Extension Fee, $5,000 for a Credit Underwriting Extension Fee, $10,000 for a Notice of Commencement Extension Fee, $10,000 for a LPA Closing Extension Fee, and $15,000 for a Credit Swap.

7. First Housing received an Agreement for Professional Services, dated April 3, 2024, from Two Trails, Inc. The proposal is for consulting and certification services for the Development to meet the National Green Building Standard.

8. Since the current units will be demolished, the tenant relocation cost is considered ineligible.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Commitment Fee	$345,000	$322,500	$289,500	$1,956	$0
Construction Loan Interest	$2,142,384	$3,706,416	$3,709,306	$25,063	$927,327
Permanent Loan Application Fee	$0	$25,210	$25,210	$170	$25,210
Permanent Loan Closing Costs	$23,908	$10,000	$15,000	$101	$15,000
Permanent Loan Commitment Fee	$108,000	$252,100	$189,075	$1,278	$189,075
NHTF Closing Costs	$0	$0	$12,500	$84	$12,500
Legal Fees - Financing Costs	$0	$195,000	$195,000	$1,318	$195,000
Total Financial Costs:	**$2,619,292**	**$4,511,226**	**$4,435,591**	**$29,970**	**$1,364,112**
Dev. Costs before Acq., Dev. Fee & Reserves	**$36,878,302**	**$49,591,357**	**$49,591,734**	**$335,079**	**$2,933,716**

Notes to the Financial Costs:

1. The Construction Loan Commitment Fee is based on 0.75% of the construction loan amount.

2. The Construction Loan Interest is based on an interest rate of 8.58%, a 24-month term, and an average outstanding loan balance of 56%.

3. The Permanent Loan Commitment Fee is based on 0.75% of the permanent loan amount.

4. NHTF Closing Costs for FHFC legal fees are $12,500 for the NHTF Loan.

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. Since this is new construction, non-land acquisition costs do not apply.

DEVELOPER FEE ON NON-ACQUISTION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	$5,900,528	$8,005,657	$7,934,677	$53,613	$0
Total Dev. Fee on Non-Acq. Costs (16.0%):	$5,900,528	$8,005,657	$7,934,677	$53,613	$0

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	$937,500	$4,140,000	$3,640,000	$24,595	$3,640,000
Total Acquisition Costs:	$937,500	$4,140,000	$3,640,000	$24,595	$3,640,000

Notes to Acquisition Costs:

1. First Housing has reviewed an Option to Enter into a Ground Lease Agreement, dated August 12, 2024, between West Palm Beach Housing Authority ("Owner") and Roseland Gardens, LLLP ("Optionee"). At any time on or before the later of December 29, 2024, Optionee will have the right and option to enter into the Ground Lease. Upon Optionee exercising this Option, the parties will enter into the Ground Lease which shall have a 50 year term with an annual base rent of $1 per year. The capital lease payment shall be $3,640,000 which shall be paid in the form of a secured note with interest at the rate of 3.92% and a 50 year loan term.

2. The capital lease payment is supported by the Appraisal.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserves	$0	$748,532	$757,783	$5,120	$757,783
Reserves - Real Estate Taxes/Insurance	$0	$296,000	$296,000	$2,000	$296,000
Reserves - Start-Up/Lease-up Expenses	$0	$148,000	$148,000	$1,000	$148,000
Total Reserve Accounts:	**$0**	**$1,192,532**	**$1,201,783**	**$8,120**	**$1,201,783**

Notes to Reserve Accounts:

1. An ODR of $757,783 is required by the Syndicator and will be funded with the Stabilization Capital Contribution, after construction completion.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	**$43,716,330**	**$62,929,546**	**$62,368,194**	**$421,407**	**$7,775,499**

RFA Limits	Maximum per RFA (%)	Actual at CUR (%)	Maximum per RFA ($)	Actual at CUR ($)
General Contractor Fee	14.00%	14.00%	$4,635,606	$4,635,605
Hard Cost Contingency	5.00%	5.00%	$1,930,818	$1,930,817
Soft Cost Contingency	5.00%	5.00%	$200,427	$200,427
Developer Fee	16.00%	16.00%	$7,934,677	$7,934,677

Section B

NHTF Loan Special and General Conditions

Housing Credit Allocation Contingencies

Special Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and First Housing **at least two weeks prior to Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the NHTF Loan closing date.

1. Firm Commitment from TD Bank for the construction loan with terms and conditions that are not substantially different than those utilized in this credit underwriting report.

2. Firm Commitment from Berkadia for the permanent loan with terms and conditions that are not substantially different than those utilized in this credit underwriting report.

3. Final loan documents for the third, fourth, and fifth 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. Satisfactory receipt and review of updated financials for the Guarantors, dated within 90 days of closing.

6. Receipt of an Environmental Review verifying the Development is in compliance with the Property Standards in 24 CFR 93.301(f)(1) and (2).

7. Receipt of a fully executed Management Agreement.

8. Receipt of an AHAP which supports the rents used in this credit underwriting report.

9. Completion of the HUD Section 3 pre-construction conference.

10. Receipt of trade references for Darren Smith and Timothy Henzy.

11. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 170lu and 24 CFR Part 75).

12. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

General Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and First Housing **at least two weeks prior to Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the NHTF Loan closing date.

1. Payment of any outstanding arrearages to the Corporation, its legal counsel, Servicer or any agent or assignee of FHFC for past due issues applicable to the Development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-48.0075 (5) F.A.C. of an Applicant or a Developer).

2. On Solid Ground, Inc. ("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 Applicant will be required to expend additional equity on Development Costs or to deposit additional equity with Florida Housing which is sufficient (in Florida Housing's judgment) to complete the Development before additional loan funds are disbursed. This condition specifically includes escrowing at closing all equity necessary to complete construction or another alternative acceptable to Florida Housing in its sole discretion.

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. All 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. NHTF Loan proceeds shall be disbursed during the construction phase in an amount per draw which does not exceed the ratio of the NHTF Loan to the TDC, 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. Applicant is to comply with any and all recommendations noted in the Plan and Cost Review prepared by OSG.

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 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.

15. A copy of the Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The 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 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 NHTF Loan closing date.

1. Documentation of the legal formation and current authority to transact business in Florida for the Applicant, the general partner/principal(s)/manager(s) of the Applicant, the guarantor, and any limited partners of the Applicant.

2. Award of the 9% Housing Credits and purchase of HC by RJAHI 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. Applicant 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 NHTF 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 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 Applicant's legal counsel acceptable to Florida Housing addressing the following matters:

    a. The legal existence and good standing of the Applicant and of any partnership or limited liability company that is the GP of the Applicant and of any corporation or partnership that is the managing general partner of the GP, of any corporate guarantor and any manager.

    b. Authorization, execution, and delivery by the Applicant and the 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 Applicant'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 Applicant is a party or to which the Development is subject to the Applicant'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 Applicant, its partnerships, as requested by legal 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 Sections 420.507 and 420.5087 Florida Statutes, Rule Chapter Rule 67-48 F.A.C. (9% HC Programs), Rule Chapter 67-53, F.A.C., Rule Chapter 67-60 F.A.C., RFA 2022-202, Section 42 I.R.C. (Housing Credits), and any other State or Federal requirements.

2. Acceptance by the Applicant and execution of all documents evidencing and securing the NHTF Loan in form and substance satisfactory to Florida Housing, including, but not limited to, the Promissory Note(s), the Loan Agreement(s), the Mortgage and Security Agreement(s), and the Land Use Restriction Agreement(s) and/or Extended Land Use Agreement(s) and Final Cost Certificate.

3. Receipt and satisfactory review of a Joint Funding Agreement between Applicant and RJAHI 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 and Operating Deficit Guaranty. The Construction Completion Guaranty is to be released upon lien-free completion, as approved by the Servicer.

5. Guarantors to provide the Standard FHFC Environmental Indemnity Guaranty.

6. Guarantors to provide the Standard FHFC Guaranty of Recourse Obligations.

7. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Loan Closing.

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, Fiscal Agent, or the Servicer. In the event the reserve account is held by Florida Housing's Loan(s) servicing agent, the release of funds shall be at Florida Housing's sole discretion.

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 Rule 67-48 F.A.C., in the amount of $44,400, (one-half the required Replacement Reserves for Years 1 and 2), in order to meet the applicable DSC loan requirements. Applicant can waive this election, if at closing of the loan(s) the required DSC is met without the need to exercise the option. It is currently estimated that Replacement Reserves will be funded from Operations in the amount of $300 per unit per year for years 1 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 CNA to be received by FHFC or its servicers, prepared by an independent third party and acceptable to FHFC 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. A 10% retainage shall be withheld on all draws, subject to dropdown upon 50% completion of the work. Only 5% retainage shall be withheld on amounts due and owning for remaining work

performed after 50% completion is achieved. Retainage shall be withheld until 100% lien-free final completion of the work. This meets the RFA and Rule Chapter 67-48 minimum requirements.

12. Closing of all funding sources prior to or simultaneous with the NHTF 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.

16. Housing Credits - Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.

Section C

Supporting Information & Schedules

Additional Development & Third Party Supplemental Information

Appraisal Summary:

Appraisal Summary Questions	Responses	Note
Appraisal Firm Name	Walter Duke + Partners	
Date of Report	8/30/2024	
Confirm certified and prepared for FHFC (Y/N)	Y	
Date appraisers license expires (should be after report date)	11/30/2024	
Occupancy at Stabilization: Economic (%)	99.0%	
Occupancy at Stabilization: Physical (%)	98.0%	
Value: As Is market value of the land	$4,140,000	
As of date and type of interest (as if vacant land)	7/28/2024; Fee Simple	
Value: As Is market value (as improved)	$3,640,000	
As of date and type of interest (as improved)	7/28/2024; Leasehold	
Value: "As Complete and Stabilized", subject to unrestricted rents	$32,210,000	
As of date and type of interest (unrestricted rents)	7/28/2024; Leasehold	
Value: "As Complete and Stabilized", subject to HAP contract rents	$40,420,000	
As of date and type of interest (HAP Contract rents)	7/28/2024; Leasehold	
Does the As Is value of land or land & improvements to be acquired support the acquisition cost? (Y/N)	Y	

Market Study Summary:

Market Study Summary Questions	Responses	Note
Market Study Firm Name	Walter Duke + Partners	
Date of Report	6/28/2023	
Confirm certified and prepared for FHFC (Y/N)	Y	
Number of like-kind developments (existing and proposed) in the Competitive Market Area (CMA)	4	
Short Term and Long Term Impact to existing like-kind developments	Weak	
Weighted Average Occupancy of like-kind developments (submarket) (must be ≥ 92%)	99.6%	
Number of Guarantee Fund Properties in PMA?	0	
Metrics for 5 mile radius:		
Capture Rate (%)	6.8%	
Absorption Rate	35 units/month	
Will the development achieve maximum allowable HC Rents? (Y/N)	Y	
For New Construction Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of a 60 percent of Area Median Income rental rate?	Y	
For Live Local Units, is the average market rental rate, based on unit mix and annualized rent concessions at least 110% or greater of the highest percent Area Median Income rental rate?	N/A	
Does market exist to support both the demographic and income restriction set-asides committed to in the Application or as approved by FHFC or the Board? (Y/N)	Y	

Environmental Report Summary:

Environmental Report Summary Questions	Responses	Note
Preparer Firm Name	Dominion Due Diligence Group	
Date of Report	6/27/2024	
Type of Report	Phase I	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were any Recognized Environmental Conditions (RECs) noted? (Y/N)	N	
Is any further investigation required? (Y/N)	Y	1.

1. Based on the ESA, a final inspection by a license asbestos inspector must be conducted at the apartment units following vacancy and prior to any demolition activities.

Soils Test Report Summary:

Soils Test Report Summary Questions	Responses	Note
Preparer Firm Name	Pacifica Engineering Services, LLC	
Date of Report	8/21/2023	
Did the engineer provide recommendations for site prep, foundation, stormwater, and pavement that would make the site suitable for the proposed development? (Y/N)	Y	
Were recommendations outlined consistent with Structural/Engineering Drawings? (Y/N)	Y	

Plan and Cost Analysis Report Summary:

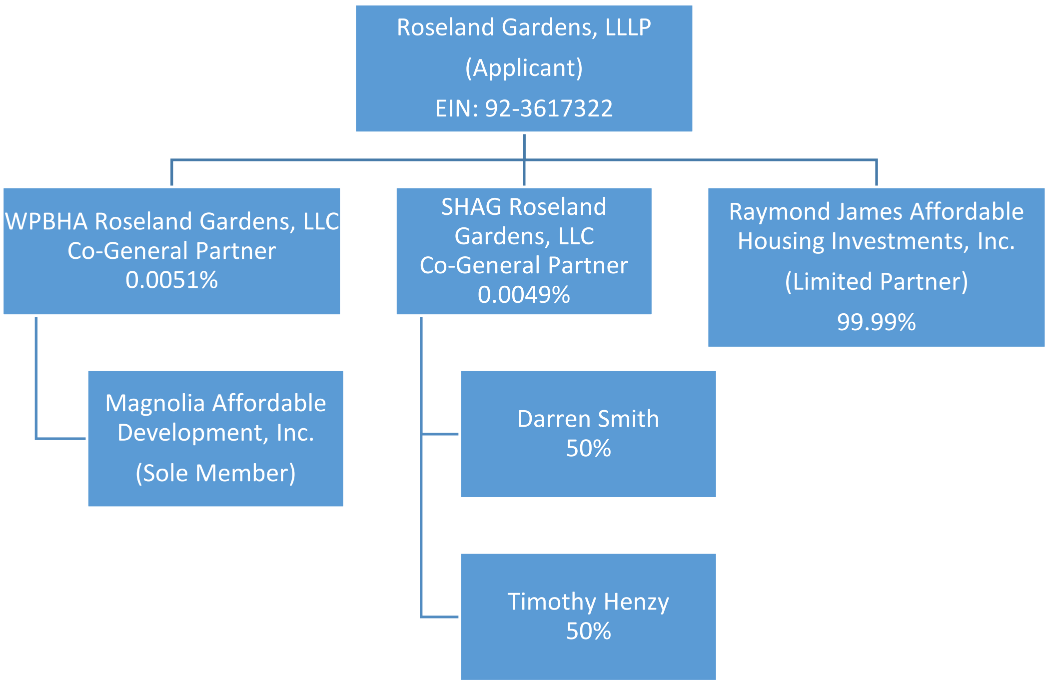
Property Conditions Report (PCR) Summary Questions	Responses	Note
Preparer Firm Name	OSG	
Date of Report	8/26/2024	
Confirm certified and prepared for FHFC (Y/N)	Y	
Were all features and amenties in Exhibit B present in the PCA report? (Y/N)	Y	
Is the GC Contract a Guaranteed Maximum Price Contract? (Y/N)	Y	
General Contract (GC Contract) Amount (PCA should match GC Contract)($)	$38,616,353	
Cost per Unit	$260,921	
Costs for Similar Type Developments (Include Range)	$204,692 - $317,067	
Is the Cost per Unit reasonable? (Y/N)	Y	
Construction schedule to substantial completion	17.3 months	
Is the development timeline considered feasible? (Y/N)	Y	
Was an ADA Accessibility Review completed? (Y/N)	Y	
Are accessibility requirements met and have executed Florida Housing Fair Housing, Section 504 and ADA Design Certificaiton Forms 121, 126, and 128 been received? (Y/N)	Y	
Does the design conform with all applicable Florida Building and Design Codes? (Y/N)	Y	
Are the drawings and specifications satisfactory for completion and adherance to the scope of the project? (Y/N)	Y	

Site Inspection Summary:

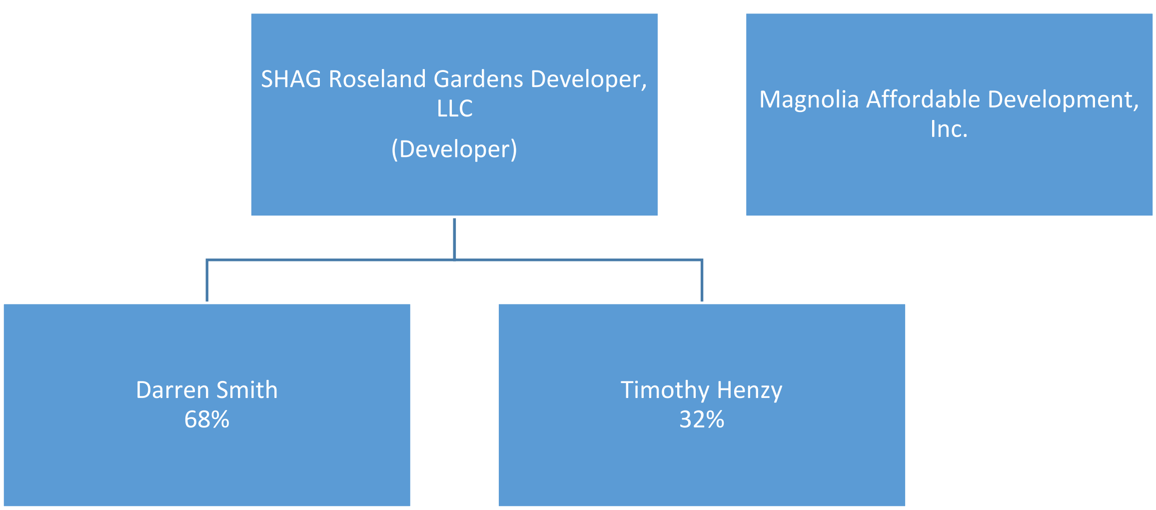
Site Visit Summary Questions	Responses	Note
Name of Inspector	First Housing	
Date of Inspection	8/15/2023	
Were the observation(s) of the insepector in line with the Market Study? (Y/N)	Y	

Applicant & Related Party Information:

Applicant Organizational Chart:



Co-Developer Organizational Charts:



First Housing verified that the Applicant and the Co-Developers have an active status on Sunbiz.

	Roseland Gardens, LLLP	WPBHA Roseland Gardens, LLC	SHAG Roseland Gardens, LLC	Darren Smith	Timothy Henzy	SHAG Roseland Gardens Developer, LLC	Magnolia Affordable Development, Inc.	RJAHI	JWR Construction Services, Inc.	WPBHA	Note
Relationship Type	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Guarantor	Syndicator	General Contractor	Management Company	
Contact Person Name & Title	Darren Smith							Sean Jones Vice President	Dustin Dubois President	Linda Odum Executive Director	
Contact Information	561-859-8520 dsmith@smithhenzy.com							727-567-5703 sean.jones@raymondjames.com	954-480-2800 jwr@jwrconstruction.com	561-655-8530 lodum@wpbha.org	
Are Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations required to be signed?	Y	Y	Y	Y	Y	Y	Y	N/A	N/A	N/A	
Does entity have the necessary experience?	N	N	N	Y	Y	N	N	Y	Y	Y	
Has a credit evaluation been completed and is it satisfactory?	Y	Y	Y	Y	Y	Y	Y	N/A	Y	N/A	
Have bank statements and/or trade references been received and reviewed and are they adequate?	N/A	N/A	N/A	Y	Y	N/A	N/A	N/A	Y	N/A	1
Have all financial statements been reviewed and are they adequate?	N/A	N/A	N/A	Y	Y	N/A	N/A	Y	Y	N/A	
Have a Statements of Financial & Credit Affairs been reviewed for contingent liabilities?	Y	Y	Y	Y	Y	Y	Y	N/A	Y	N/A	
P&P Bond, or LOC, required and received from company adequately rated as required by Rule?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	closing condition	N/A	
Have the Management Agreement and Plans been received, dated, and executed?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	closing condition	
Has the Property Manager been approved by FHFC's Asset Mgmt Dept (and if Rehab have they been approved prior to or at closing)?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N	2
Does the entity have the relevant experience and possess the financial wherewithal to successfully construct and operate the Development as proposed?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	

1. Receipt of trade references for Darren Smith and Timothy Henzy is a condition to closing.
2. Approval of the selection of the management company by FHFC's Asset Management Department is required. As the Development is proposed to be constructed, said approval is not required at closing.

Roseland Gardens f/k/a Southridge Phase I
RFA 2022-202 (2023-115CN)
DESCRIPTION OF FEATURES AND AMENITIES

A. The Development will consist of:

148 apartment units located in 2 mid-rise (4 story) residential building(s).

Unit Mix:

One-hundred and eighteen (118) one bedroom/one bath units: and

Thirty (30) two bedroom/two bath units;

148 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. 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:

- Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in accessibility in each unit;
- Termite prevention;
- Pest control;
- Window covering for each window and glass door inside each unit;
- Cable or satellite TV hook-up in each unit and, if the Development offers cable or satellite TV service to the residents, the price cannot exceed the market rate for service of similar quality available to the Development’s residents from a primary provider of cable or satellite TV;
- 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 new construction 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) 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.

Housing Credit Allocation Calculation

Qualified Basis Calculation

Section I: Qualified Basis Calculation	
Development Cost	$62,368,194
Less: Land Cost	($3,640,000)
Less: Federal Funds	$0
Less: Other Ineligible Cost	($4,135,499)
Less: Disproportionate Standard	$0
Total Eligible Basis	$54,592,695
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	$70,970,504
Housing Credit Percentage	9.00%
Annual Housing Credit Allocation	$6,387,345

Notes to the Qualified Basis Calculation:

1. Other ineligible costs include demolition, site work, accounting fees, FHFC Fees, legal fees, market study, tenant relocation costs, title work, financial costs, and operating reserves.

2. The Development has a 100% set-aside. Therefore, the Applicable Fraction is 100%.

3. The Development qualifies for the Local Government Areas of Opportunity Designation; therefore, the 130% basis boost was applied.

4. For purposes of this recommendation a HC percentage of 9.00% was applied based on the 9% floor rate, which was permanently extended through the Protecting Americans from Tax Hikes (PATH) Act of 2015 which was part of the Omnibus Consolidated Appropriations Act of 2016.

GAP Calculation

Section II: Gap Calculation	
Total Development Cost (Including Land and Ineligible Costs)	$62,368,194
Less: Mortgages	($33,705,000)
Less: Grants	$0
Equity Gap	$28,663,194
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	$0.940
HC Required to Meet Gap	$30,495,809
Annual HC Required	$3,049,581

Notes to the Gap Calculation:

1. The pricing and syndication percentage was taken from the letter, dated July 25, 2024, from RJAHI.

Summary

Section III: Summary	
HC per Applicant Request	$2,850,000
HC per Qualified Basis	$6,387,345
HC per Gap Calculation	$3,049,581
Annual HC Recommended	$2,850,000

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.

Minimum First Mortgage

Rule Chapter 67-48.0072(28)(g)

(Cells with yellow background and blue font are reserved for data entry for the specific Development)

Determination of the minimum first mortgage for use in the Housing Credit gap calculation

Input Variables		Comment
Annual rate of increase for revenues	2.00%	the lesser of 2 percent or the annual rate of increase utilized in credit underwriting
Annual rate of increase for operating expenses	3.00%	the greater of 3 percent or the annual rate of increase utilized in credit underwriting
Vacancy & Collection Factor in CUR	5.00%	Enter the V&C fator stated in the Credit Underwriting Report
Minimum Vacancy & Collection Factor	7.00%	Minimum V&C factor required per Rule Chapter 67-48, F.A.C., effective 07-11-2019. Prior to this effective d
Which Rule was applicable at time of Application?	Post 7/11/2019	Did the proposed Development apply for FHFC funding prior to or after the 07-11-2019 effective date for R
Minimum DSCR Year 15	1.25x	Debt Service coverage ratio of 1.25x based on the proforma for the proposed Development's 15th year
Minimum DSCR Year 1	1.50x	Debt Service coverage ratio of 1.5x based on the proforma for the proposed Development's initial year
Minimum NCF after DS Year 1	$1,000.00	net cash flow after Debt Service of $1,000 per unit based on the proforma for the proposed Development's
Minimum qualifying 1st mortgage	$500,000.00	If the resulting calculated minimum qualifying first mortgage is less than $500,000, then the Development s
Number of units in the proposed Development	148	Needed for NCF calculation
Potential Gross Income Year 1	$3,605,944.00	Needed to assist in calculating the minimum qualifying 1st mortgage; Taken from final CUR
Vacancy & Collection Loss (7.00%)	$252,416.08	Calculated based on the greater of 7.00% or the physical vacancy rate utilized in credit underwriting (5.00%
Effective Gross Income Year 1	$3,353,527.92	Needed to assist in calculating the minimum qualifying 1st mortgage; Calculated as GPI less vacancy and c
Operating Expenses Year 1	$1,472,900.81	Needed to assist in calculating the minimum qualifying 1st mortgage; Taken from final CUR
(i) Actual Debt of Development	$25,210,000.00	The actual amount committed to the Development
Actual interest rate	6.02%	The actual interest rate of the actual first mortgage of the proposed Development
Actual term of debt amortization	40.00 Yrs	the actual amortization term of the actual first mortgage of the proposed Development
DS Interest Rate floor	7.00%	but no less than an interest rate floor of the greater of 7.0 percent (first interest rate floor)
Application deadline	12/29/22	
10-Year Treasury Rate as of App deadline	3.887%	(as of the close of the prior business day)
Spread over 10-yr Treasury	325 bps	but no less than 325 basis points over the 10-year Treasury Rate as of Application deadline
10-yr Treasury plus the stated spread	7.14%	second interest rate floor
Greater of interest rate floor or spread over Treasury	7.14%	the maximum interest rate of the two interest rate floors
Maximum Rate	8.14%	an interest rate ceiling of no greater than 100 basis points over said interest rate floor
Interest Rate to be used for qualifying debt	**7.14%**	the first mortgage shall be sized based on an interest rate equal to the actual interest rate of the actual first
Minimum stated term of debt amortization per RFA	30.00 Yrs	based on an amortization term equal to the minimum of 30 years
Term of debt amortization to be used for qualifying debt	**40.00 Yrs**	based on an amortization term equal to the greater of the actual amortization term of the actual first mortga
Resulting Mortgage Constant to be used for qualifying debt	7.57689%	The mortgage constant based on an interest rate of 7.14% and a debt amortization term of 40.00 years

Minimum Debt Service		Comment
NOI Year 15	$2,197,014.24	EGI for Year 1 escalated at 2.00% annually, less Operating Expenses for Year 1 escalted at 3.00% annualy, l
DSCR DS limitation	$1,757,611.40	DS correlating to a DSCR of 1.25x using Year 15 NOI
(a) Resulting Debt, Year 15 limitation	**$23,197,018.14**	Debt correlating to the above Year 15 DS, using the mortgage constant determined above
NOI Year 1	$1,880,627.11	EGI less Operating Expenses for Year 1
(b)(i) DSCR DS limitation	$1,253,751.41	DS correlating to a DSCR of 1.50x using Year 1 NOI
(b)(i) DSCR Debt Sizing	$16,547,055.99	Debt correlating to the above Year 1 DS, using the mortgage constant determined above
(b)(ii) NCF DS limitation	$1,732,627.11	DS correlating to having $1,000 per unit of NCF using Year 1 NOI
(b)(ii) NCF Debt Sizing	$22,867,274.68	Debt correlating to the above NCF, using the mortgage constant determined above
(b) Greater of (i) DSCR debt or (ii) NCF debt, Year 1 limitation	**$22,867,274.68**	Maximum of either (b)(i) DSCR debt or (b)(ii) NCF debt
(ii) Minimum qualifying first mortgage (lesser of (a) or (b))	**$22,867,274.68**	Lesser of (a) Year 15 debt or (b) Year 1 debt, subject to the minimum of $500,000
Greater of Actual or Minimum	**$25,210,000.00**	Greater of the actual debt commited to the Development of $25,210,000 or the minimum qualifying first mor

Florida Housing Finance Corporation

Credit Underwriting Report

Avon Park

National Housing Trust Fund ("NHTF") and Competitive 9% Housing Credits

RFA 2023-201 / 2024-077CN

Housing Credit Financing for Affordable Housing Developments Located in Small and Medium Counties

Section A: Report Summary

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

Section C: Supporting Information & Schedules

Prepared by

First Housing Development Corporation of Florida

FINAL REPORT

September 13, 2024

Avon Park

TABLE OF CONTENTS

Section A

Report Summary

Recommendation

First Housing Development Corporation of Florida ("FHDC", "First Housing", or "Servicer") recommends a NHTF Loan in the amount of $1,650,000 and an annual 9% Housing Credit ("HC") Allocation of $2,141,000 be awarded to JIC Avon Park Apartments LLC ("Applicant") to finance the construction and permanent financing of Avon Park Apartments ("Development").

DEVELOPMENT & SET-ASIDES

Development Name: Avon Park Apartments

RFA/Program Numbers: RFA 2023-201 / 2024-077CN

Address: 911 West State Street

City: Avon Park Zip Code: 33825 County: Highlands County Size: Medium

Development Category: New Construction Development Type: Garden Apts (1-3 Stories)

Construction Type: Masonry

Demographic Commitment:

Primary: Family for 100% of the Units

Unit Composition:

\# of ELI Units: 12 ELI Units Are Restricted to 40% AMI, or less. Total # of units with PBRA? 0

\# of Link Units: 6 Are the Link Units Demographically Restricted? Yes # of NHTF Units: 6

USDA-Eligible Rural Addresses

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
2	1.5	3	1,070	30%			$522	$112	$ 410		$ 410	$ 410	$ 410	$ 14,760
2	1.5	6	1,070	40%			$697	$112	$ 585		$ 585	$ 585	$ 585	$ 42,120
2	1.5	31	1,070	60%			$1,045	$112	$ 933		$ 933	$ 933	$ 933	$ 347,076
3	2.0	3	1,278	30%			$603	$141	$ 462		$ 462	$ 462	$ 462	$ 16,632
3	2.0	6	1,278	40%			$805	$141	$ 664		$ 664	$ 664	$ 664	$ 47,808
3	2.0	31	1,278	60%			$1,207	$141	$ 1,066		$ 1,066	$ 1,066	$ 1,066	$ 396,552
		80	93,920											$ 864,948

The Applicant selected 40% of the units at 60% or lower of the Area Median Income ("AMI"); therefore, according to Request for Applications 2023-201 ("RFA"), the Applicant must set aside 10% of the total units (8 units) as Extremely Low Income ("ELI") Set-Aside units. However, the Applicant selected to set aside 15% of the total units (12 units as ELI Set-Aside units). 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 (Highlands County). The fully executed MOU approved by Florida Housing Finance Corporation ("Florida Housing" or "FHFC") is a condition to close.

NHTF Units Set-Aside Commitment: The proposed Development must set aside 6 units as NHTF Link units targeted for Persons with Special Needs. These units are required to be set aside for residents earning at or below 30% of AMI and are in addition to the fifty percent (50%) requirement for ELI set-aside units. Therefore, the Development will have a total of 12 units targeted for Link Units for Persons with Special Needs (ELI - 6 units, NHTF - 6 units). The Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

After 30 years, all of the NHTF Link units (6 units) may convert to serve residents at or below 60% AMI.

The Tenant Selection Plan was approved by FHFC on March 8, 2024.

Buildings: Residential - 5 Non-Residential - 1
Parking: Parking Spaces - 141 Accessible Spaces - 9

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
Housing Credit	15%	12	40%	50
Housing Credit	85%	68	60%	50
NHTF	7.50%	6	30%	50

Absorption Rate 20 units per month for 4.0 months.

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

DDA: No QCT: Yes Multi-Phase Boost: No QAP Boost: No
Site Acreage: 8.41 Density: 9.5109 Flood Zone Designation: X
Zoning: C-2, General Commercial Flood Insurance Required?: No

DEVELOPMENT TEAM

		% Ownership
Applicant/Borrower:	JIC Avon Park Apartments LLC	
Manager	JIC Avon Park Apartments G.P. LLC	0.01%
Member	U.S. Bancorp Community Development Corporation ("USBCDC")	99.99%
Construction Completion Guarantor(s):		
CC Guarantor 1:	JIC Avon Park Apartments LLC	
CC Guarantor 2:	JIC Avon Park Apartments G.P. LLC	
CC Guarantor 3:	Jonesboro Investments Corp.	
CC Guarantor 4:	JIC Florida Development, LLC	
CC Guarantor 5:	Timothy M. Morgan	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	JIC Avon Park Apartments LLC	
OD Guarantor 2:	JIC Avon Park Apartments G.P. LLC	
OD Guarantor 3:	Jonesboro Investments Corp.	
OD Guarantor 4:	JIC Florida Development, LLC	
OD Guarantor 5:	Timothy M. Morgan	
Developer:	JIC Florida Development, LLC	
General Contractor 1:	Marmer Construction, Inc.	
Management Company:	Royal American Management, Inc.	
Syndicator:	USBCDC	
Architect:	RDL Architects, Inc.	
Market Study Provider:	Colliers International Valuation & Advisory Services ("Colliers")	
Appraiser:	Integra Realty Resources - Tampa Bay ("Integra")	

PERMANENT FINANCING INFORMATION

	1st Source	2nd Source	3rd Source	4th Source
Lien Position	First	First	Second	Third
Lender/Grantor	Neighborhood Lending Partners of Florida, Inc. ("NLP")	NLP - Community Development Financial Institutions ("CDFI") Fund	FHFC - NHTF	Highlands County - State Housing Initiative Partnership ("SHIP")
Amount	$3,500,000	$150,000	$1,650,000	$340,000
Underwritten Interest Rate	6.39%	3.00%	0.00%	0.00%
Loan Term	16	16	30	30
Amortization	35	35	0	0
Market Rate/Market Financing LTV	21%	22%	32%	34%
Restricted Market Financing LTV	55%	57%	83%	88%
Loan to Cost - Cumulative	14%	14%	21%	22%
Debt Service Coverage	1.22	1.22	1.19	1.19
Operating Deficit & Debt Service Reserves	$243,715			
# of Months covered by the Reserves	3.7			

Deferred Developer Fee	$998,835
As-Is Land Value	$600,000
Market Rent/Market Financing Stabilized Value	$16,600,000
Rent Restricted Market Financing Stabilized Value	$6,400,000
Projected Net Operating Income (NOI) - Year 1	$313,177
Projected Net Operating Income (NOI) - 15 Year	$321,507
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Housing Credit (HC) Syndication Price	$0.86
HC Annual Allocation - Initial Award	$2,141,000
HC Annual Allocation - Qualified in CUR	$2,141,000
HC Annual Allocation - Equity Letter of Interest	$2,141,000

CONSTRUCTION/PERMANENT SOURCES:

Source	Lender	Construction	Permanent	Perm Loan/Unit
Regulated Mortgage Lender	JPMorgan Chase Bank, N.A. ("JPMorgan Chase") / NLP	$17,000,000	$3,500,000	$43,750
Regulated Mortgage Lender	NLP - CDFI	$150,000	$150,000	$1,875
FHFC - NHTF	FHFC - NHTF	$1,650,000	$1,650,000	$20,625
Local Government Subsidy	Highlands County - SHIP	$340,000	$340,000	$4,250
HC Equity	USBCDC	$2,787,411	$18,410,759	$230,134
Deferred Developer Fee	JIC Florida Development, LLC	$3,050,451	$998,835	$12,485
Operating Deficit Reserve	N/A	$243,715	$0	$0
Other	USBCDC	$0	$171,983	$2,150
TOTAL		$25,221,577	$25,221,577	$315,270

Credit Underwriter: First Housing
Date of Final CUR: 09/13/2024
TDC PU Limitation at Application: $339,200 TDC PU Limitation at Credit Underwriting: $339,200
Minimum 1st Mortgage per Rule: $2,819,970 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?	X	
Are all funding sources the same as shown in the Application?		1-4.
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?		5.
Do the site plans/architectural drawings account for all amenities/features listed in the Application?		5.
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?		6.
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?		7.
Is the Development in all other material respects the same as presented in the Application?		8-9.

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

1. The Application indicated PNC Bank would be providing the construction and permanent financing; however, JPMorgan Chase will be providing the construction financing and NLP will be providing construction to permanent financing. In addition, the construction loan amount has increased from $14,816,802 to $17,000,000 and the permanent loan amount has increased from $3,000,000 to $3,500,000.

2. Since the Application, per the Invitation to Enter Credit Underwriting issued by FHFC on June 3, 2024, the Applicant was awarded additional FHFC NHTF funding in the loan amount of $1,650,000.

3. Since the Application, CDFI Funds in the amount of $150,000 has been added as a source of financing.

4. Since the Application, the Syndicator has changed from PNC Bank, National Association to USBCDC.

5. Receipt of a final Plan and Cost Analysis verifying all Features and Amenities are included within the Development is a condition to close.

6. The Total Development Costs ("TDC") have increased by a total of $2,612,577 or 11.56% from $22,609,000 to $25,221,577 since the Application. The increase is mainly due to the increase in construction costs.

7. Since the Application, the syndication rate has decreased from $0.88 to $0.86.

8. The 21-Day Requirements identified the General Contractor ("GC") as The Douglas Company; however, the GC is now Marmer Construction, Inc. First Housing received the Florida Housing Finance Corporation General Contractor or Qualifying Agent of General Contractor Certification for Marmer Construction, Inc. along with the experience chart.

9. Since the Application, the property has completed a lot consolidation and the address has changed from 610 South Florida Avenue and 911West State Street to 911 West State Street.

The above changes have no substantial material impact to the NHTF 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 August 12, 2024, the Development Team has the following past due item(s):

- None

Strengths:

1. The Developer, General Contractor, and the Management Company are experienced in affordable multifamily housing.

2. The Developer has sufficient experience and financial resources to develop and operate the proposed Development.

3. Colliers prepared a Market Study for the Development, dated February 13, 2024. The research indicates there is sufficient demand in the market to support the Development. Within the primary market area, the LIHTC rent supply has a weighted average occupancy of 96.6%, while the occupancy rates among the directly competing LIHTC rent properties had a weighted average of 98.2%.

4. According to the Market Study, the newest comparables have an average absorption of 40 units per month. Colliers has projected an average absorption rate of 20± units per month for the Development.

Issues and Concerns:

None

Mitigating Factors:

None

Waiver/Special Conditions:

None

Additional Information:

1. According to RFA 2023-201, the Total Development Costs ("TDC") per unit limitations exclusive of developer fee, land, and operating reserves is $339,200 for a new construction, Enhanced Structural Systems ("ESS") garden apartments, located in Highlands County. The TDC excluding developer fee, land costs, and operating deficit reserves is $21,040,123 or $263,002 per unit. First Housing concludes that the TDC per unit meets the TDC limitation requirement in the RFA.

2. FHDC has completed the required minimum first mortgage qualifying test and finds that the proposed first mortgage amount of $3,500,000 meets the minimum first mortgage requirement of $2,819,970.

3. The Applicant is required to provide a certification executed by the General Contractor for compliance with debarment and suspension regulations. First Housing has been in receipt of this certification.

4. The Applicant is required to comply with the HUD environmental requirements as provided in 24 CFR 93.301(f)(1) and (2). Receipt of an Environmental Review verifying the Development is in compliance with the Property Standards a 24 CFR 93.301(f)1 and (2) is a condition to close.

5. The Applicant is required to provide evidence demonstrating that the Development is consistent with the applicable Consolidated Plan. First Housing has been in receipt of this certification.

6. The Applicant has submitted the Affirmative Fair Housing Marketing Plan.

Recommendation:

First Housing recommends a NHTF Loan in the amount of $1,650,000 and an annual 9% Housing Credit Allocation of $2,141,000 to finance the construction and permanent financing of 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, this recommendation is subject to the NHTF 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:

Stephanie Petty

Stephanie Petty
Senior Credit Underwriter

Reviewed by:

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	JPMorgan Chase/NLP	$14,816,802	$17,000,000	$17,000,000	8.60%	$1,462,000
Regulated Mortgage Lender	NLP - CDFI	$0	$150,000	$150,000	3.00%	$4,500
FHFC - NHTF	FHFC - NHTF	$0	$1,650,000	$1,650,000	0.00%	$0
Local Government Subsidy	Highlands County - SHIP	$0	$340,000	$340,000	0.00%	$0
HC Equity	USBCDC	$5,651,674	$2,761,614	$2,787,411	N/A	N/A
Deferred Developer Fee	JIC Florida Development, LLC	$2,140,524	$2,654,754	$3,050,451	N/A	N/A
Operating Deficit Reserve	N/A	$0	$243,715	$243,715	N/A	N/A
Total		$22,609,000	$24,800,083	$25,221,577		$1,466,500

First Mortgage:

The total construction loan amount is $17,000,000 of which JP Morgan Chase will provide a loan in the amount up to $13,500,000 and NLP will execute a co-partnership agreement in which they will share a co-first mortgage position during construction in the estimated loan amount of $3,500,000.

First Housing reviewed a Summary of Indicative Terms and Conditions provided by JPMorgan Chase, dated August 15, 2024, which indicates JPMorgan Chase will provide a construction loan in the amount up to $13,500,000, subject to final budget, sources and uses of funds, and LIHTC equity pay-in schedule. The term of the Loan will be twenty-four (24) months from the closing date, plus two 3-month conditional extension options. Interest shall accrue on the outstanding principal balance at a floating rate equal to the one-month term Secured Overnight Financing Rate ("SOFR") plus a spread of 2.50%. Payments of interest only will be required until maturity.

First Housing reviewed a Letter of Interest from NLP, dated March 27, 2024 and revised August 14, 2024, to provide first mortgage construction to permanent financing in the amount up to $4,000,000 (assumed to be $3,500,000), not to exceed 80% of the stabilized rent restricted appraised value of the Development. The construction loan term, extension option and any associated extension fee will match the lead construction lender. The construction loan interest will be based on the one-month SOFR plus 2.50%, with a floor of 3.50%.

The construction interest is calculated based upon the SOFR rate of 5.35% (as of August 16, 2024), plus a 2.50% spread, and a 0.75% underwriting cushion, for an overall interest rate of 8.60%.

NLP – CDFI:

First Housing reviewed a Letter of Interest from NLP, dated August 14, 2024, for second mortgage financing in the amount of $150,000, not to exceed 100% of the as-completed and stabilized rent-restricted appraised value of the combined first and second mortgage. This secondary financing will be utilizing CDFI Funds. The interest rate will be up to 3%, defined during underwriting, through the conversion date. The construction loan term will be 24 months, with one conditional six-month maturity extension. The permanent loan term will be 16 years and upon loan conversion, the Applicant will make monthly payments of principal and interest on the permanent loan. The amortization for the permanent loan will be 35 years.

Based on First Housing's understanding the CDFI Loan will be in co-first lien position with the NLP Loan. Verification that there will be one mortgage and two notes is a condition to close.

NHTF Loan:

First Housing reviewed an invitation to enter credit underwriting, dated June 3, 2024, from FHFC with a preliminary NHTF Loan in the amount of $1,650,000.

The NHTF Loan is a forgivable loan with an interest rate of 0% per annum over the life of the loan, with the principal forgivable at maturity provided the units for which the NHTF Loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period. The NHTF Loan will have a term of 32.5 years, of which 2.5 years is for the construction/stabilization period and 30 years is for the permanent period. After 30 years all of the NHTF Link units may convert to serve residents at or below 60% AMI; however, the Persons with Special Needs set aside commitments must be maintained throughout the entire 50-year Compliance Period.

Highlands County - SHIP:

First Housing received a draft Promissory Note, between Jonesboro Investments, Corp., as the borrower and Highlands County ("Lender") where Jonesboro Investments, Corp. promises to pay the Lender the principal sum of $340,000, unless forgiven. Based on First Housing's understanding, the Promissory Note will be revised to reflect JIC Avon Park Apartments LLC ("Borrower") as the Borrower. Loan payment is deferred for 30 years, and there will be no payments of principal and no interest will accrue, so long as Borrower complies with the terms of Note and Mortgage. Repayment of the original principal amount will be forgiven 15 years from the date of the note provided that the Borrower has utilized the Property to provide affordable rental housing in compliance with the Agency Agreement and Land Use Restriction Agreement.

Housing Credit Equity:

First Housing has reviewed a letter, dated July 29, 2024, indicating USBCDC or its affiliate will acquire 99.99% ownership interest in the Applicant. Based on the letter, the annual HC allocation is estimated to be in the amount of $2,141,000 and a syndication rate of $0.86 per dollar. USBCDC anticipates a net capital contribution of $18,410,759 and has committed to make available 15.14% or $2,787,411 of the total net equity during the construction period. Four additional installments will be available at completion, loan paydown, stabilization, and upon receipt of the Form 8609. The first installment, in the amount of $2,787,411 or 15.14% of the total net equity, meets the RFA requirement that 15% of the total equity must be contributed at or prior to the closing.

Deferred Developer Fee:

To balance the sources and uses of funds during construction, the Developer is required to defer $3,050,451 or approximately 90.71% of the total Developer Fee of $3,362,739.

Deferred Operating Deficit Reserve:

The Syndicator is requiring an Operating Deficit Reserve in the amount of $243,715 to be funded with the Third Capital Installment, after construction completion.

Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
Regulated Mortgage Lender	NLP	$3,000,000	$3,500,000	$3,500,000	16	35	6.39%	$250,579
Regulated Mortgage Lender	NLP - CDFI	$0	$150,000	$150,000	16	35	3.00%	$6,927
FHFC - NHTF	FHFC - NHTF	$0	$1,650,000	$1,650,000	30	0	0.00%	$0
Local Government Subsidy	Highlands County - SHIP	$340,000	$340,000	$340,000	30	0	0.00%	$0
HC Equity	USBCDC	$18,838,916	$18,582,742	$18,410,759	N/A	N/A	N/A	N/A
Deferred Developer Fee	JIC Florida Development, LLC	$430,084	$405,358	$998,835	N/A	N/A	N/A	N/A
Other	USBCDC	$0	$171,983	$171,983	N/A	N/A	N/A	N/A
Total		$22,609,000	$24,800,083	$25,221,577				$257,506

First Mortgage:

First Housing reviewed a letter of interest from NLP, dated March 27, 2024 and revised August 14, 2024, to provide first mortgage construction to permanent financing in the amount up to $4,000,000 (assumed to be $3,500,000), not to exceed 80% of the stabilized rent restricted appraised value of the Development. The term of the permanent loan is 16 years with a 35-year amortization schedule. The interest rate will be fixed prior to or at closing and will be based on the 10-year U.S. Treasury plus a spread of 2.75%, with a floor of 6.25%. The permanent loan interest is calculated based upon the current 10-year U.S. Treasury rate of 3.89% (as of August 16, 2024) and a spread of 2.75%, for an interest rate of 6.39%.

NLP – CDFI:

First Housing reviewed a Letter of Interest from NLP, dated August 14, 2024, for second mortgage financing in the amount of $150,000, not to exceed 100% of the as-completed and stabilized rent-restricted appraised value of the combined first and second mortgage. This secondary financing will be utilizing CDFI Funds. The interest rate will be up to 3%, defined during underwriting, through the conversion date. The construction loan term will be 24 months, with one conditional six-month maturity extension. The permanent loan term will be 16 years and upon loan conversion, the Applicant will make monthly payments of principal and interest on the permanent loan. The amortization for the permanent loan will be 35 years.

Based on First Housing's understanding the CDFI Loan will be in co-first lien position with the NLP Loan. Verification that there will be one mortgage and two notes is a condition to close.

NHTF Loan:

First Housing reviewed an invitation to enter credit underwriting, dated June 3, 2024, from FHFC with a preliminary NHTF Loan in the amount of $1,650,000.

The NHTF Loan is a forgivable loan with an interest rate of 0% per annum over the life of the loan, with the principal forgivable at maturity provided the units for which the NHTF Loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period. The NHTF Loan will have a term of 32.5 years, of which 2.5 years is for the construction/stabilization period and 30 years is for the permanent period. After 30 years all of the NHTF Link units may convert to serve residents at or below 60% AMI; however, the Persons with Special Needs set aside commitments must be maintained throughout the entire 50-year Compliance Period.

Highlands County - SHIP:

First Housing received a draft Promissory Note, where Borrower promises to pay the Lender the principal sum of $340,000, unless forgiven. Loan payment is deferred for 30 years, and there will be no payments of principal and no interest will accrue, so long as Borrower complies with the terms of Note and Mortgage. Repayment of the original principal amount will be forgiven 15 years from the date of the note provided that the Borrower has utilized the Property to provide affordable rental housing in compliance with the Agency Agreement and Land Use Restriction Agreement.

Housing Credit Equity:

First Housing has reviewed a letter, dated July 29, 2024, indicating USBCDC or its affiliates will acquire 99.99% ownership interest in the Applicant. Based on a syndication rate of $0.86, USBCDC anticipates a net capital contribution of $18,410,759 paid in five installments, as follows:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	$2,787,411	15.14%	Admission, closing construction loans
2nd Installment	$11,966,993	65.00%	Later of 1/1/2026, Completion, Perm Certificate of Occupancy
3rd Installment	$2,287,007	12.42%	Later of 10/1/2026, Perm Certificate of Occupancy, and loan Paydown portion
4th Installment	$1,269,348	6.89%	Stabilization, 3 months of 1.15 Debt Service Coverage Ratio
5th Installment	$100,000	0.54%	Receipt of 8609
Total	$18,410,759	100.00%	

Annual Credit Per Syndication Agreement	$2,141,000
Calculated HC Exchange Rate	$0.86
Limited Partner Ownership Percentage	99.99%
Proceeds Available During Construction	$2,787,411

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent period, the Developer is required to defer $998,835 or approximately 29.70% of the total Developer Fee of $3,362,739.

Additional Credits:

Included within the equity proposal, dated July 29, 2024, from USBCDC is the purchase of 45L Credits from the Development. The Managing Member is projecting the Development will qualify for $2,500 per unit ($200,000) in 45L Credits. It is anticipated that USBCDC will buy these credits for $0.86 per dollar and contribute additional equity of $171,983 as part of the second capital contribution.

First Housing used a syndication rate of $0.859915 in order to be exact and tie to USBCDC's contribution amount.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	$11,860,000	$13,019,649	$12,737,438	$159,218	$0
Site Work	$920,000	$1,120,000	$1,347,091	$16,839	$134,709
Constr. Contr. Costs subject to GC Fee	$12,780,000	$14,139,649	$14,084,529	$176,057	$134,709
General Conditions	$1,789,200	$848,379	$845,071	$10,563	$0
Overhead		$282,793	$281,690	$3,521	$0
Profit		$848,379	$845,071	$10,563	$0
Total Construction Contract/Costs	$14,569,200	$16,119,200	$16,056,361	$200,705	$134,709
Hard Cost Contingency	$728,460	$805,959	$802,818	$10,035	$0
PnP Bond paid outside Constr. Contr.	$0	$175,261	$175,261	$2,191	$0
FF&E paid outside Constr. Contr.	$224,000	$224,000	$224,000	$2,800	$0
Total Construction Costs:	**$15,521,660**	**$17,324,420**	**$17,258,440**	**$215,731**	**$134,709**

Notes to the Construction Costs:

1. The Applicant has provided an executed construction contract, dated August 23, 2024. The contract is a Standard Form of Agreement between JIC Avon Park Apartments, LLC ("Owner") and Marmer Construction, Inc. ("Contractor") where the basis of payment is the Cost of Work Plus a fee with a Guaranteed Maximum Price ("GMP") in the amount of $16,056,361. The contract requires a substantial completion date no later than 450 calendar days from the date of commencement. A 10% retainage on the Cost of the Work completed will be withheld per draw until 50% of the work, no retainage withheld thereafter.

2. First Housing utilized the Schedule of Values to breakout sitework.

3. The GC Fees are within the maximum 14% of hard costs allowed by 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.

4. Receipt of all GC Section 3 contract requirements is a condition to close.

5. The GC Contract includes $105,000 in allowances. Verification from the GLE Associates, Inc. ("GLE"), that the allowances are acceptable, is a condition to close.

Site Lighting	$65,000
Site Electric and Conduits	$20,000

Well/Pump	$20,000
Total	$105,000

6. First Housing has estimated 10% of the site work to be ineligible.

7. The Applicant does not have any income-producing improvements within the GMP.

8. The Applicant has budgeted for Payment and Performance Bonds (“P&P Bonds”) to secure the construction contract.

9. Hard Cost Contingency is within 5% of total construction costs, as allowed for new construction developments by 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	$0	$90,000	$90,000	$1,125	$18,000
Appraisal	$0	$19,000	$5,400	$68	$0
Architect's and Planning Fees	$0	$345,000	$345,000	$4,313	$0
Building Permits	$0	$90,000	$90,000	$1,125	$0
Engineering Fees	$0	$62,000	$62,000	$775	$0
Environmental Report	$0	$14,000	$14,000	$175	$0
FHFC Administrative Fees	$369,571	$393,544	$192,690	$2,409	$192,690
FHFC Application Fee	$0	$0	$3,000	$38	$3,000
FHFC Credit Underwriting Fee	$0	$0	$15,618	$195	$15,618
FHFC Compliance Fee	$0	$0	$242,939	$3,037	$242,939
Impact Fee	$0	$206,000	$206,000	$2,575	$0
Lender Inspection Fees / Const Admin	$0	$24,000	$24,000	$300	$0
Green Building Cert. (LEED, FGBC, NAHB)	$0	$33,000	$33,000	$413	$0
Insurance	$131,123	$131,123	$131,123	$1,639	$131,123
Legal Fees - Organizational Costs	$24,000	$179,000	$179,000	$2,238	$44,750
Market Study	$0	$8,000	$4,500	$56	$4,500
Marketing and Advertising	$120,000	$120,000	$120,000	$1,500	$120,000
Plan and Cost Review Analysis	$0	$5,000	$5,500	$69	$0
Property Taxes	$0	$13,633	$13,633	$170	$6,816
Soil Test	$0	$12,000	$12,000	$150	$0
Survey	$0	$31,200	$31,200	$390	$10,000
Title Insurance and Recording Fees	$0	$74,000	$74,000	$925	$9,350
Traffic Study	$0	$4,800	$4,800	$60	$0
Soft Cost Contingency	$0	$0	$97,020	$1,213	$0
Other: Construction Soils/Concrete/Pavement Test	$0	$32,000	$32,000	$400	$32,000
Other: Duke Energy costs/hydrant flow test	$0	$9,000	$9,000	$113	$0
Other:	$1,086,123	$0	$0	$0	$0
Total General Development Costs:	**$1,730,817**	**$1,896,300**	**$2,037,423**	**$25,468**	**$830,786**

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 the Appraisal, FHFC Fees, Market Study, and Plan and Cost Review.

3. FHFC Compliance Fee of $242,939 is based on the 2024 compliance fee calculator spreadsheet provided by FHFC.

4. The FHFC Administrative Fee is based on 9% of the recommended annual housing credit allocation.

5. The FHFC Credit Underwriting Fee includes an underwriting fee of $15,618 for the housing credits. The NHTF Underwriting Fee of $5,300 was paid by FHFC directly.

6. First Housing received a Proposal, dated December 15, 2023, from GreenBuilt Solutions, LLC. The proposal is for consulting and certification services for 80 units within 5 multifamily buildings in accordance with the Florida Green Building Coalition (FGBC) Green Home Standard.

7. The Underwriter adjusted Soft Cost Contingency to be 5% of the General Development Costs, less the contingency as allowed 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	$813,870	$170,000	$170,000	$2,125	$0
Construction Loan Interest	$0	$1,130,358	$1,432,760	$17,910	$554,478
Permanent Loan Application Fee	$0	$0	$11,000	$138	$11,000
Permanent Loan Origination Fee	$30,000	$46,000	$35,000	$438	$35,000
Permanent Loan Closing Costs	$0	$25,000	$25,000	$313	$25,000
Misc Loan Application Fee	$0	$0	$7,000	$88	$7,000
Misc Loan Origination Fee	$0	$8,500	$3,000	$38	$1,500
NHTF Closing Costs	$0	$0	$12,500	$156	$12,500
Legal Fees - Financing Costs	$0	$25,000	$25,000	$313	$25,000
Other: Equity Advance Note Interest	$0	$28,790	$0	$0	$0
Other:	$589,653	$0	$0	$0	$0
Total Financial Costs:	**$1,433,523**	**$1,433,648**	**$1,721,260**	**$21,516**	**$671,478**
Dev. Costs before Acq., Dev. Fee & Reserves	**$18,686,000**	**$20,654,368**	**$21,017,123**	**$262,714**	**$1,636,973**

Notes to the Financial Costs:

1. The Construction Loan Origination Fee is based on 1% of the total construction loan in the amount of $17,000,000.

2. The Construction Loan Interest of $1,432,760 is based on an interest rate of 8.60%, a 21-month term, and an average outstanding loan balance of 56%. The GC Contract specifies a substantial completion of no later than 450 calendar days from commencement (or approximately 15 months) and considering a 6-month lease-up/stabilization period, First Housing has estimated that a construction term of 21-months is reasonable.

3. According to the Letter of Interest from NLP, dated March 27, 2024 and revised August 14, 2024, the Applicant will pay an Application Fee of $8,000, a permanent loan origination fee of 1% of the permanent loan amount, and a $3,000 loan processing fee.

4. The Misc Loan fees are associated with the CDFI funds. According to the Letter of Interest from NLP, the Applicant will pay an Application Fee/Underwriting Fee of $4,000, a construction loan origination fee of 1% of the construction loan, a permanent loan origination fee of 1% of the permanent loan, and a $3,000 loan processing fee.

5. The Legal Fees – Financing Costs of $25,000 is for the Highlands County Attorney Fees for the SHIP Loan documents.

6. NHTF Closing Costs for FHFC legal fees are $12,500 for the NHTF Loan.

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. Since this is new construction, non-land acquisition costs do not apply.

DEVELOPER FEE ON NON-ACQUISTION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	$2,989,000	$3,304,000	$3,305,739	$41,322	$0
DF to Brokerage Fees - Land	$0	$0	$57,000	$713	$0
Total Other Development Costs:	$2,989,000	$3,304,000	$3,362,739	$42,034	$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 2023-201 and Rule Chapter 67-48.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Land	$0	$0	$23,000	$288	$23,000
Land	$655,000	$598,000	$575,000	$7,188	$575,000
Total Acquisition Costs:	**$655,000**	**$598,000**	**$598,000**	**$7,475**	**$598,000**

Notes to Acquisition Costs:

1. First Housing Development Corporation of Florida ("First Housing" or "FHDC") has reviewed an Agreement for Purchase and Sale, dated May 31, 2023, between Elsa K. Kahn Revocable Living Trust Dated February 15, 2011, Elsa K. Kahn, and C. Mark Cox as Co-Trustees (collectively "Seller") and Jonesboro Investments Corp. ("Buyer"). According to the Agreement for Purchase and Sale, the purchase price is $575,000 and has a closing date of July 30, 2024. The Buyer has an option to extend the closing date by one (1) sixty (60) day extension for an extension fee of $25,000, which is non-refundable and applicable to the purchase price. First Housing received the Closing Date Notice Extension, dated July 22, 2024, which has extended the closing to September 27, 2024. First Housing received an Assignment and Assumption of Agreement for Purchase and Sale, dated August 1, 2023, between Jonesboro Investments Corp. ("Assignor") and JIC Avon Park Apartments LLC ("Assignee"), where the Assignor assigns transfers, conveys, and delegates to Assignee all of Assignor's right, title, and interest under the Agreement for Purchase and Sale.

2. First Housing received a Site Location Agreement, dated May 1, 2023, between Jonesboro Investments Corp. ("Developer") and Tax Credit Link, LLC ("TLC"). According to the agreement, the Developer desired to retain TCL to locate sites in the state of Florida and assist to secure site control and provide other various services. The Developer shall pay TCL the sum of $1,000 per unit (or $80,000). According to Rule 67-48, the maximum brokerage fee shall be limited to 4% of the acquisition price, when the acquisition price is less than $5,000,000. First Housing has included a brokerage fee of $23,000, the remaining fee has been included as a subset of Developer Fee.

3. First Housing reviewed an Appraisal of the Development prepared by Integra, dated August 6, 2024, which concluded to a Fee Simple Market Value as If Vacant of the Development's site, as of April 9, 2024, of $600,000, which supports the brokerage fee and 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)	$279,000	$243,715	$243,715	$3,046	$243,715
Total Reserve Accounts:	**$279,000**	**$243,715**	**$243,715**	**$3,046**	**$243,715**

Notes to Reserve Accounts:

1. An ODR of $243,715 is required by the Syndicator and will be funded upon the third Capital Contribution, after construction completion. 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:	$22,609,000	$24,800,083	$25,221,577	$315,270	$2,478,688

Notes to Total Development Costs:

1. The Total Development Costs has increased by a total of $2,612,577 or 11.56% from $22,609,000 to $25,221,577 since the Application. The increase is mainly due to the increase in construction costs.

Operating Pro Forma – Avon Park

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			**$864,948**	**$10,812**
	Other Income				
	Miscellaneous			$27,036	**$338**
	Gross Potential Income			**$891,984**	**$11,150**
	Less:				
	Physical Vac. Loss	Percentage:	5.00%	$44,599	**$557**
	Collection Loss	Percentage:	1.00%	$8,920	**$111**
Total Effective Gross Income				**$838,465**	**$10,481**
EXPENSES:	Fixed:				
	Real Estate Taxes			$66,500	**$831**
	Insurance			$96,000	**$1,200**
	Variable:				
	Management Fee	Percentage:	6.00%	$50,308	**$629**
	General and Administrative			$44,080	**$551**
	Payroll Expenses			$108,000	**$1,350**
	Utilities			$74,000	**$925**
	Marketing and Advertising			$4,000	**$50**
	Maintenance and Repairs/Pest Control			$42,400	**$530**
	Grounds Maintenance and Landscaping			$16,000	**$200**
	Reserve for Replacements			$24,000	**$300**
Total Expenses				**$525,288**	**$6,566**
Net Operating Income				**$313,177**	**$3,915**
Debt Service Payments					
	First Mortgage - NLP/CDFI			$257,506	**$3,219**
	Second Mortgage - FHFC - NHTF			$0	**$0**
	Third Mortgage - Highlands County - SHIP			$0	**$0**
	First Mortgage Fees - NLP			$0	**$0**
	Second Mortgage Fees - FHFC - NHTF			$5,179	**$65**
	Third Mortgage Fees - Highlands County - SHIP			$0	**$0**
Total Debt Service Payments				**$262,685**	**$3,284**
Cash Flow after Debt Service				**$50,492**	**$631**
Debt Service Coverage Ratios					
	DSC - First Mortgage plus Fees			**1.22x**	
	DSC - Second Mortgage plus Fees			**1.19x**	
	DSC - Third Mortgage plus Fee			**1.19x**	
Financial Ratios					
	Operating Expense Ratio			**62.65%**	
	Break-even Economic Occupancy Ratio (all debt)			**88.70%**	

Notes to the Operating Pro Forma and Ratios:

1. The Development will be utilizing Housing Credits and NHTF which will impose rent restrictions. The rent levels are based on the 2024 maximum LIHTC rents published on FHFC's website for USDA-Eligible Rural Addresses less the applicable utility allowance. See the chart below:

USDA-Eligible Rural Addresses

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
2	1.5	3	1,070	30%			$522	$112	$ 410		$ 410	$ 410	$ 410	$ 14,760
2	1.5	6	1,070	40%			$697	$112	$ 585		$ 585	$ 585	$ 585	$ 42,120
2	1.5	31	1,070	60%			$1,045	$112	$ 933		$ 933	$ 933	$ 933	$ 347,076
3	2.0	3	1,278	30%			$603	$141	$ 462		$ 462	$ 462	$ 462	$ 16,632
3	2.0	6	1,278	40%			$805	$141	$ 664		$ 664	$ 664	$ 664	$ 47,808
3	2.0	31	1,278	60%			$1,207	$141	$ 1,066		$ 1,066	$ 1,066	$ 1,066	$ 396,552
		80	93,920											$ 864,948

2. The utility allowances are based on a Utility Allowance Schedule for Multi-Family for Lakeland Housing Authority, dated October 1, 2023.

3. The appraisal projected a vacancy and collection loss of 3%. First Housing utilized a vacancy and collection loss of 6.00%, to be more conservative.

4. The Miscellaneous Income category includes revenue from vending machines, late charges, and forfeited security deposits. Ancillary Income is projected at $27,036 annually or $338/unit/year, which is supported by the Appraiser.

5. 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.

6. The Applicant has submitted an executed Property Management Agreement between JIC Avon Park Apartments LLC and Royal American Management, Inc. The Agreement states the Agent shall receive a monthly fee equal to 6% or a flat fee of $2,565, whichever is greater. The managing agent will provide compliance services for the Development and the managing agent will be compensated for these services in an amount equal to $4.25 per unit per month. First Housing has concluded to a Management Fee of 6%.

7. The appraisal concluded to a General and Administrative Fee of $40,000 First Housing has included the compliance services fee of $4.25 per unit per month within General and Administrative Fees.

8. Residents are responsible for electric. The landlord is responsible for water/sewer, common area electric, trash and pest control expenses.

9. Replacement Reserves of $300 per unit per year are required per Rule 67-48. Based on the letter, dated July 29, 2024, from USBCDC the replacement reserve deposits will be required to increase by 3% each year.

10. 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

NHTF Loan Special and General Conditions
Housing Credit Allocation Contingencies

Special Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and First Housing **at least two weeks prior to Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the NHTF Loan closing date.

1. Firm Commitment from JPMorgan Chase for the construction loan with terms and conditions that are not substantially different than those utilized in this credit underwriting report.

2. Firm Commitment from NLP for the construction and permanent loan with terms and conditions that are not substantially different than those utilized in this credit underwriting report.

3. Final loan documents for the CDFI Loan and the SHIP Loan with terms which are not substantially different than those utilized in this credit underwriting report.

4. Verification that the CDFI Loan is in co-first lien position with the NLP Loan.

5. Receipt and satisfactory review of the Final signed, sealed "approved for construction" plans and specifications by the Construction Consultant and the Servicer.

6. Satisfactory receipt and review of updated financials for the Guarantors, dated within 90 days of closing.

7. Receipt of a final Plan and Cost Analysis, verifying all features and amenities are included and verification that the allowances in the GC Contract are acceptable.

8. Receipt of the fully executed MOU approved by FHFC.

9. Receipt of an Environmental Review verifying the Development is in compliance with the Property Standards a 24 CFR 93.301(f)(1) and (2).

10. Receipt of all GC Section 3 contract requirements.

11. Completion of the HUD Section 3 pre-construction conference.

12. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 170lu and 24 CFR Part 75).

13. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

General Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and First Housing **at least two weeks prior to Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the NHTF Loan closing date.

1. Payment of any outstanding arrearages to the Corporation, its legal counsel, Servicer or any agent or assignee of FHFC for past due issues applicable to the Development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-48.0075 (5) F.A.C. of an Applicant or a Developer).

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 Applicant will be required to expend additional equity on Development Costs or to deposit additional equity with Florida Housing which is sufficient (in Florida Housing's judgment) to complete the Development before additional loan funds are disbursed. This condition specifically includes escrowing at closing all equity necessary to complete construction or another alternative acceptable to Florida Housing in its sole discretion.

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. All 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. NHTF Loan proceeds shall be disbursed during the construction phase in an amount per draw which does not exceed the ratio of the NHTF Loan to the TDC, 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. Applicant is to comply with any and all recommendations noted in the Plan and Cost Review prepared by GLE.

14. At the end of the Compliance Period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC loan debt; if there is no FHFC loan debt on the proposed Development at the end of the Compliance Period, any remaining balance shall be used to pay any outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in 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.

15. A copy of the Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Operating Agreement shall be in a form and of financial substance satisfactory to Servicer and to FHFC and its legal counsel.

This recommendation is contingent upon the review and approval of the following items by Florida Housing, and its legal counsel **at least two weeks prior to Loan Closing**. Failure to 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 NHTF Loan closing date.

1. Documentation of the legal formation and current authority to transact business in Florida for the Applicant, the general partner/principal(s)/manager(s) of the Applicant, the guarantor, and any limited partners of the Applicant.

2. Award of the 9% Housing Credits and purchase of HC by USBCDC 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. Applicant 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 NHTF 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 operating agreement or other applicable agreement. Florida Housing shall be satisfied in its sole discretion that all legal and program requirements for the Loan(s) have been satisfied.

7. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.

8. Receipt of a legal opinion from the Applicant's legal counsel acceptable to Florida Housing addressing the following matters:

   a. The legal existence and good standing of the Applicant and of any partnership or limited liability company that is the GP of the Applicant and of any corporation or partnership that is the managing general partner of the GP, of any corporate guarantor and any manager.

   b. Authorization, execution, and delivery by the Applicant and the 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 Applicant'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 Applicant is a party or to which the Development is subject to the Applicant's Operating Agreement and;

e. Such other matters as Florida Housing or its legal counsel may require.

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 Applicant, its partnerships, as requested by legal 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 Sections 420.507 and 420.5087 Florida Statutes, Rule Chapter Rule 67-48 F.A.C. (9% HC Programs), Rule Chapter 67-53, F.A.C., Rule Chapter 67-60 F.A.C., RFA 2023-201, Section 42 I.R.C. (Housing Credits), and any other State or Federal requirements.

2. Acceptance by the Applicant and execution of all documents evidencing and securing the NHTF Loan in form and substance satisfactory to Florida Housing, including, but not limited to, the Promissory Note(s), the Loan Agreement(s), the Mortgage and Security Agreement(s), and the Land Use Restriction Agreement(s) and/or Extended Land Use Agreement(s) and Final Cost Certificate.

3. Receipt and satisfactory review of a Joint Funding Agreement between Applicant and USBCDC 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 and Operating Deficit Guaranty. The Construction Completion Guaranty is to be released upon lien-free completion, as approved by the Servicer.

5. Guarantors to provide the Standard FHFC Environmental Indemnity Guaranty.

6. Guarantors to provide the Standard FHFC Guaranty of Recourse Obligations.

7. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Loan Closing.

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, Fiscal Agent, or the Servicer. In the event the reserve account is held by Florida Housing's Loan(s) servicing agent, the release of funds shall be at Florida Housing's sole discretion.

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 Rule 67-48 F.A.C., in the amount of $24,000, (one-half the required Replacement Reserves for Years 1 and 2), in order to meet the applicable DSC loan requirements. Applicant can waive this election, if at closing of the loan(s) the required DSC is met without the need to exercise the option. It is currently estimated that Replacement Reserves will be funded from Operations in the amount of $300 per unit per year for years 1 and 2, followed by $300 per unit per year thereafter. The initial replacement reserve will have limitations on the ability to be drawn. New construction 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 CNA to be received by FHFC or its servicers, prepared by an independent third party and acceptable to FHFC 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 retainage of 10% shall be withheld on all payments until 50% completion, at which time, no further retainage shall be withheld on payments through substantial completion. This meets the RFA and Rule Chapter 67-48 minimum requirements.

12. Closing of all funding sources prior to or simultaneous with the NHTF 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 9% HC allocation of $2,141,000. 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 items.

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.

Section C

Supporting Information & Schedules

Additional Development & Third Party Supplemental Information

Site Inspection: First Housing conducted a site inspection on April 12, 2024. At the time of the site inspection, the site was vacant land. To the north and south is single-family residential, to the west is retail/vacant land, and to the east is single and multi-family residential. The Avon Park Executive Airport is approximately 1.3 miles west of the site. The site is in close proximity to a Winn-Dixie, Big Lots, Dollar General, Bealls and Ollie's Bargain Outlet. A Walmart Supercenter is located less than two miles north of the site. The Lakeshore mall is approximately 7.6 miles south of the site.

Appraised Value: First Housing has reviewed an appraisal for the Development, dated August 6, 2024, prepared by Integra. Based on the Appraiser's analysis, the highest and best use is for multifamily development. The fee simple interest in the Development site, as vacant land, as of April 9, 2024, is $600,000. The hypothetical market value of the Development as complete and stabilized as an un-restricted market rate development, as of April 9, 2024, is $16,600,000. The hypothetical market value of the Development, as complete and stabilized as a restricted development, as of April 9, 2024, is $6,400,000. The Market Valuation was signed and certified by Michael Ahwash. His Florida State Certified General Real Estate Appraiser license number is RZ2326, valid through November 30, 2024.

Market Study: Colliers prepared a Market Study for Avon Park Apartments, dated February 13, 2024. The Development is a proposed Multifamily (LIHTC Tax Credit Housing) property totaling 80 units within in a garden style development, to be located on a site totaling 8.40-acres.

Units will be equipped with full appliance package with microwave, all of which are energy star qualified. Units will also be equipped with washer/dryer hook-ups, solid surface countertops, modern cabinets & hardware, ceiling fans, and patio/balconies. Common amenities include clubhouse, community room, business center, and laundry room.

The site is accessible from four streets, with the main entrance and primary point of ingress/egress being South Anoka Avenue. Major transportation arterials within proximity to the subject site include U.S. Highway 98, State Road 17, U.S. Highway 27, U.S. Highway 17 and

Main Street, providing linkage to the surrounding area. Overall, the Development's location is rated as average. This location rating considers the subject's general market area (Sebring, FL), its submarket (Sebring, FL) and the surrounding uses and immediate neighborhood. It also takes into account the subject's exposure and access to employment centers, educational facilities, and shopping centers. All of these characteristics provide supporting uses for the subject site making it desirable for multifamily development.

The Development is located within Sebring, FL Metropolitan Statistical Area ("MSA"), which consists of Highlands County. The County includes three municipalities: Avon Park, Sebring, and Lake Placid. Highlands County. Citrus, cattle and dairy operations are the primary sources of economic activity within the county. Highland County ranks high in citrus production, with an estimated 9 million cases of citrus produced annually. The MSA has an estimated 2022 population of 103,819, which represents an average annual 1.3% increase over the 2020 population of 101,222. Based on First Housing research, as of June 2024, the unemployment rate for the MSA was 5.1%, in comparison to a 3.3% rate for Florida and a 4.10% rate for the United States.

The Primary Market Area ("PMA") is considered to be the area within a twenty-five-mile radius of the Development. The estimated 2023 population in the PMA is 178,814, which represents a 0.29% annual compounding increase since 2020. In the PMA, the estimated 2023 median household income is $48,415. The 2023 average household size for the PMA is 2.36 individuals per household. Considering future population growth and a renter ratio of 40.5%, Collier's is estimating 35,881 income qualified rental households in the PMA. Subtracting the existing supply, Colliers calculated a fair share capture rate of 0.53% and a penetration rate of 9.0%, indicating that there is adequate demand for additional housing units.

There are fourteen family restricted developments within the PMA totaling 1,274 units and two senior restricted development within the PMA totaling 189 units. There are no affordable housing developments under construction or proposed within the PMA. Colliers' analysis indicates that there is excess demand for additional family oriented LIHTC apartments, thus the Development will not likely have any adverse impact on the existing assets. There are no Guarantee Funded properties identified within Highlands County.

Within the PMA, the restricted family developments have a weighted average occupancy of 96.6% and the market rate developments have a weighted average occupancy of 97.1%. The overall weighted average occupancy within the PMA is 96.9%, which meets the FHFC requirement that the submarket must have an average physical occupancy rate of 92.0% or greater.

The newest comparables have an average absorption of 40 units per month, while the overall range is from 15 to 86 units per month. Family oriented communities tend to achieve absorption rates near the more conservative to central tendency end of the range. From Colliers' knowledge of analyzing other restricted rent apartment communities and conversations with the management of other similar properties, Colliers believes a conservative absorption rate of 20± units per month is feasible.

Based on First Housing's calculations, the Development's achievable average market rents (based on the appraisal) will be 149% greater than the Development's gross 60% AMI 2024 LIHTC rents. As required by FHFC, the average market rental rate in the submarket based on unit mix and annualized rent concessions is 110% or greater than the applicable maximum housing credit rental rate.

Environmental Report: First Housing reviewed a Phase I Environmental Site Assessment ("ESA") dated June 27, 2024, prepared by Terracon Consultants, Inc. ("Terracon"). The ESA was completed in conformance with the scope and limitations of ASTM Standard Practice E 1527-21. The site currently exists as vacant, grassed land. The ESA has revealed no evidence of recognized environmental conditions ("REC") in connection with the site and no further assessment is warranted at this time.

Soils Test Report: First Housing reviewed a Geotechnical Engineering Report, dated June 21, 2024, prepared by Terracon. The proposed project consists of a multi-family residential community with apartment buildings, a clubhouse, a retention pond, and associated paved drive and parking spaces.

Sinkhole development occurs in Florida and varies geographically from areas with almost no potential or a very low potential to areas with a high potential where sinkholes occur frequently. The subject property is located in Area III. Sinkholes are most numerous, of varying size, and develop abruptly in Area III. Based on Terracon's experience in the area and data collected, the risk of sinkhole occurrence at this site is small even if it classified to be in an "Area" known to have a higher-than-average risk of sinkhole occurrence.

The site appears suitable for the proposed construction based upon geotechnical conditions encountered in the test borings, provided that the recommendations provided in the report are implemented in the design and construction phases of the Development.

First Housing received a letter, dated July 31, 2024, from Sloan Engineering Group indicating the Civil Engineering Plas have been designed in accordance with the recommendations provided in the Geotechnical Engineering Report, dated June 21, 2024.

Plan and Cost Analysis:

First Housing reviewed a draft Plan and Cost Analysis ("PCA"), prepared by GLE, dated August 13, 2024. Receipt of a final PCA is a condition to close. The project known as Avon Park Apartments, will consist of the construction of 80 units, comprised of 40 two-bedroom/1.5-bathroom units and 40 three-bedroom/two-bathroom units, distributed in five (5) 2-story garden style walk-up buildings and an independent Clubhouse/leasing office building.

There are four (4) units that will meet the mobility impaired requirements of Section 504, and two (2) units which are designed to have communication features for the hearing and visually impaired. The construction documents are generally satisfactory and sufficiently complete to construct the building.

The Project design is in general conformance with the 2023 Florida Building Code, Eight Edition (Mechanical, Plumbing, Energy Conservation and Fire Prevention Codes), 2017 National Electrical Code of Florida, Florida Green Building Coalition (FGBC) Bronze Lebel, Safe Harbor 2023 Florida Building Code – Accessibility, Eight

Edition Fair Housing Accessibility Guidelines (FHAG) for Accessible Dwellings, 2010 ADAAG for Common Public Areas Only, RFA 2022-201 Housing Credit Financing for Affordable housing developments located in Medium and Small Countries. Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, Florida Statutes, Fair Housing Act Design Guide as implemented by 24 CFR 100 ("Fair Housing"), Section 504 of the Rehabilitation Act of 1973 ("Section 504") and Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR 35 ("ADA") incorporating the most recent amendments, regulations and rules.

The Contract between the Owner and the General Contractor is a DRAFT and needs to be dated and finalized. The cost of the project is $16,119,201 and has a projected unit cost of $201,490 per unit, based on the provided Schedule of Values. It is GLE's opinion that the cost is within an acceptable range as compared to similar type projects.

The construction schedule indicates project completion in 449 days. The draft Contract between the Owner and the Contractor indicates the Contractor shall achieve Substantial Completion not later 450 days from the Date of Commencement. Project is scheduled to start on October 1, 2024, and the project is expected to be completed on December 24, 2025. The project duration appears to be appropriate for the project. Milestones associated with major trades appear satisfactory.

A letter from the General Contractor indicated that no entity will receive more than 20% of the total overall contract amount.

Features, Amenities & Resident Programs:

The Applicant committed to provide certain features and amenities which are listed in Exhibit 3 of this report. The features and amenities will be verified by the construction inspector during construction of the Development.

ADA Accessibility Review:

Executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 certifying that the plans for the Development comply with these requirements have been received.

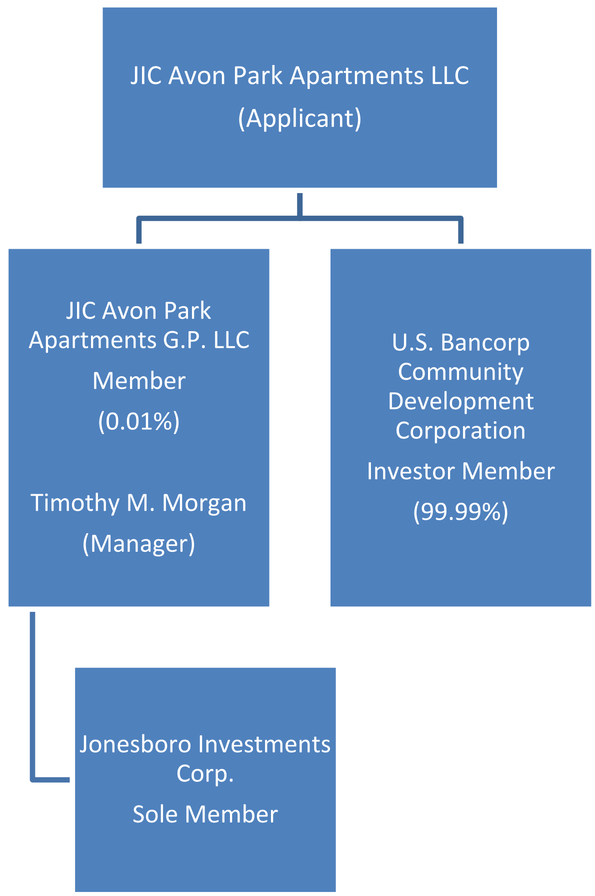
Applicant Information

Applicant Name: JIC Avon Park Apartments LLC

EIN: 93-4857659

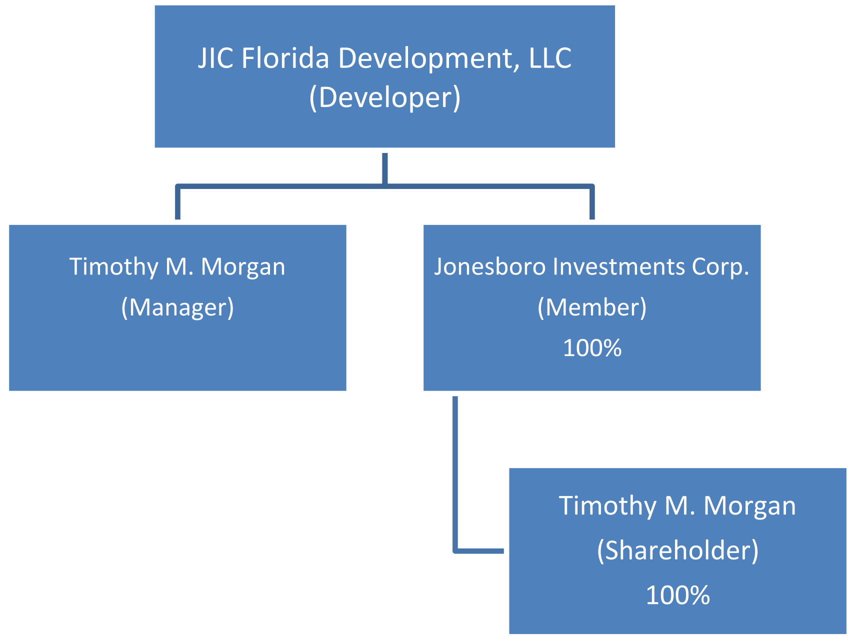
Type: A Florida Limited Liability Company

Ownership Structure:



JIC Avon Park Apartments LLC was formed on July 29, 2021. The Manager/Member with 0.01% interest in the Applicant is JIC Avon Park Apartments G.P. LLC. The Developer is JIC Florida Development, LLC. First Housing verified that the Applicant and the Developer have an active status on Sunbiz.

Developer Structure:



Contact Person: Timothy Morgan
Jonesboro Investments Corp.
7160 Chagrin Road, Suite 250
Chagrin Falls, OH 44023
(440) 247-3900 Telephone
tmorgan@jonesborocorp.com

Experience: The Applicant and JIC Avon Park Apartments G.P. LLC were created to construct, own, and operate the Development, but have no development experience. The experience lies with Jonesboro Investments Corp. ("JIC"). Timothy Morgan is President of Jonesboro Investments Corp., his primary responsibilities include new business development, project financial structuring, and day-to-day management of the company. JIC was formed in 2001 and to date has developed 30 affordable, mixed-income, and market rate housing developments totaling 2,500 units in the states of Indiana, Kentucky, Florida, Michigan, and Ohio.

Credit Evaluation: A Dun and Bradstreet ("D&B") Report was pulled for JIC Avon Park Apartments LLC, JIC Avon Park Apartments G.P. LLC, and Jonesboro Investments Corp. all dated August 2, 2024. The reports revealed no bankruptcies, judgments, liens or suits in connection with the entities.

A D&B report was not available for JIC Florida Development, LLC.

A satisfactory credit report was pulled by Timothy M. Morgan, dated August 2, 2024.

Bank and Trade References:

First Housing received statements indicating that JIC Avon Park Apartments LLC, JIC Avon Park Apartments G.P. LLC, and JIC Florida Development, LLC do not have bank or trade references.

First Housing received statements indicating Timothy M. Morgan and Jonesboro Investments Corp. do not have any trade references. First Housing received satisfactory bank statements for Timothy M. Morgan and Jonesboro Investments Corp.

Financial Statements:

First Housing received statements indicating the JIC Avon Park Apartments LLC and JIC Avon Park Apartments G.P. LLC are single purpose entities and do not have any financial statements, tax returns, or contingent liabilities. First Housing received a statement indicating JIC Florida Development, LLC does not have financial statements, tax returns, or contingent liabilities. First Housing received the following financial statements:

Jonesboro Investments Corp. and Subsidiaries Unaudited Consolidated Balance Sheet June 30, 2024	
Cash & Equivalents	$2,910,000
Total Assets	$8,306,000
Total Liabilities	$1,292,000
Total Equity	$7,014,000

First Housing received the 2021 and 2022 tax returns for Jonesboro Investments Corp., along with the 2023 extension. According to the Statement of Financial/Credit Affairs, Jonesboro Investments Corp. does not have any contingent liabilities.

Timothy M. Morgan Compiled Statement of Financial Condition December 31, 2022	
Cash & Equivalents	$1,355,00
Total Assets	$15,219,000
Total Liabilities	$0
Total Equity	$15,219,000

First Housing received a statement, dated August 12, 2024, indicating the financial condition of Timothy M. Morgan is not materially different than as stated in the 2022 Compilation of Timothy M. Morgan. First Housing received 2021 and 2022 join tax returns for Timothy M. Morgan and Nicole J. Morgan, along with their 2023 extension. According to the Statement of Financial Affairs form, Timothy M. Morgan does not have any contingent liabilities.

Summary: Based upon the review of the Financial Statements and the Schedule of Contingent Liabilities, First Housing concludes that the above referenced Principals have the requisite financial strength to complete construction and to operate the Development.

Guarantor Information

Guarantor Name:	JIC Avon Park Apartments LLC, JIC Avon Park Apartments G.P. LLC, Jonesboro Investments Corp., JIC Florida Development, LLC, and Timothy M. Morgan.
Name of Guarantees:	The Guarantors will sign standard FHFC Construction Completion, Recourse Obligation and Environmental Indemnity and Operating Deficit Guaranty. The Construction Completion Guaranty will be released upon 100% lien free completion as approved by the Servicer.
Financial Statements:	Financial Statements for the Guarantors were summarized in the “Applicant Information” section of this credit underwriting report.
Contingent Liabilities:	Contingent Liabilities for the Guarantors were summarized in the “Applicant Information” section of this credit underwriting report.
Summary:	Based upon review of the financial statements and contingent liabilities, First Housing concludes that the above referenced Guarantors have sufficient net worth for the purpose of collateralizing the FHFC Guarantees.

Syndicator Information

Syndicator Name: U.S. Bancorp Community Development Corporation

Contact Person: John J. Lisella III
Business Development Officer
110 Front Street, Suite 300
Jupiter, FL 33477
john.lisella@usbank.com

Experience: USBCDC is a nationally recognized investor in the new construction and renovation of affordable rental housing. For more than three decades, USBCDC's financing has helped provide stable, quality place to live for those who need it most. USBCDC has originated $17.5 billion in low income housing tax credit ("LIHTC") equity. USBCDC has been at the forefront of all things related to the LIHTC since 1989, partnering with real estate developers who build and rent multi-family housing to those making 60% or less of their area's median income.

Financial Statements: First Housing reviewed US. Bancorp 2023 Annual Report.

U.S. Bancorp. Consolidated Balance Sheet (in millions) December 31, 2023	
Cash and Cash Equivalents	$31,192
Total Assets	$663,491
Total Liabilities	$607,720
Equity	$55,771

Summary: USBCDC has demonstrated that it has the experience and financial strength to serve as the syndicator for this Development.

General Contractor Information

General Contractor: Marmer Construction, Inc.

Type: A Florida Profit Corporation

Contact Person: Marin Wohl
(Florida Certified General Contractor License Number CGC1516900 valid through August 31, 2026)
3321 US HWY 27 S.
Sebring, FL 33870
marty@marmerconstruction.com

Experience: Marmer Construction, Inc. is a leading and trusted name in the construction industry serving the State of Florida. Their construction company has served the commercial, multi-family, industrial and residential construction needs across Florida for over a decade. Marmer provides an unparalleled approach to quality customer service and excellent craftsmanship from start to finish. They pride themselves on two greatest assets: the people they employ and the integrity they maintain.

Credit Evaluation: First Housing received a satisfactory Dun and Bradstreet Report for Marmer Construction, Inc., dated August 2, 2024. The report indicated no bankruptcies, liens, or suits.

Bank and Trade References: First Housing has received satisfactory bank statements and satisfactory trade responses for Marmer Construction, Inc.

Financial Statements: First Housing has received a consolidated financial statement for Marmer Construction, Inc. which is summarized below:

Marmer Construction, Inc. Consolidated Balance Sheet December 31, 2023	
Cash and Equivalents	$7,774,376
Total Assets	$21,670,260
Total Liabilities	$13,979,788
Total Equity	$7,690,472

Summary: First Housing recommends that Marmer Construction, Inc. be accepted as the General Contractor for the construction of the Development.

Property Management Information

Management Company:	Royal American Management, Inc.
EIN:	59-1886258
Contact:	Melissa Dugas 600 East Colonial, Suite 320 Orland, FL 32803 (407) 540-1477 Telephone melissa.dugas@royalamerican.com
Experience:	RAM is a part of Royal American Companies and is based in Panama City, Florida, with regional offices in multiple locations throughout the Southeastern United States. RAM's mission is to shape lives by creating superior housing, embracing and investing in communities, and cultivating innovative management methods that add value to the properties they manage. RAM has been in business for nearly 50 years and has extensive experience in marketing, managing, and maintaining apartment properties, and has mastered the ability to balance the goals of ownership with the expectations of the residents. As a Property Manager, their objective is to enhance their clients' investment values. Currently, RAM manages a large portfolio in the United States and the U.S. Virgin Islands, including 330 properties, and over 27,000 units, with a steady yearly growth rate. Through the diversity of its residential portfolio, RAM has actual hands-on experience and a clear understanding of the physical, economic, social, and security conditions related to each type of property.
Management Agreement:	The Applicant has submitted an executed Property Management Agreement between JIC Avon Park Apartments LLC and Royal American Management, Inc. The Agreement states the Agent shall receive a monthly fee equal to 6% or a flat fee of $2,565, whichever is greater. The managing agent will provide compliance services for the Development and the managing agent will be compensated for these services in an amount equal to $4.25 per unit per month. An incentive fee of $100 per unit shall be paid to the managing agent as an incentive fee if 90% occupancy is achieved within 90 days from delivery of the last building.

Management Plan:	The Applicant has submitted a Management Plan, which outlines the policies and procedures of the Management Agent. The final Management Plan will not be executed until closing.
Summary:	The management company's principals have an acceptable amount of experience in the management of affordable multifamily housing. Florida Housing Finance Corporation's Asset Management Department will need to approve the Applicant's selection of the management company for the Development prior to the commencement of lease-up activities. Approval is a contingency of this report. Continued approval is subject to ongoing satisfactory performance.

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	$864,948	$882,247	$899,892	$917,890	$936,248	$954,972	$974,072	$993,553	$1,013,424	$1,033,693	$1,054,367	$1,075,454	$1,096,963	$1,118,902	$1,141,281
Other Income															
Miscellaneous	$27,036	$27,577	$28,128	$28,691	$29,265	$29,850	$30,447	$31,056	$31,677	$32,311	$32,957	$33,616	$34,288	$34,974	$35,673
Gross Potential Income	$891,984	$909,824	$928,020	$946,581	$965,512	$984,822	$1,004,519	$1,024,609	$1,045,101	$1,066,003	$1,087,324	$1,109,070	$1,131,251	$1,153,876	$1,176,954
Less:															
Physical Vac. Loss Percentage: 5.00%	$44,599	$45,491	$46,401	$47,329	$48,276	$49,241	$50,226	$51,230	$52,255	$53,300	$54,366	$55,454	$56,563	$57,694	$58,848
Collection Loss Percentage: 1.00%	$8,920	$9,098	$9,280	$9,466	$9,655	$9,848	$10,045	$10,246	$10,451	$10,660	$10,873	$11,091	$11,313	$11,539	$11,770
Total Effective Gross Income	$838,465	$855,234	$872,339	$889,786	$907,581	$925,733	$944,248	$963,133	$982,395	$1,002,043	$1,022,084	$1,042,526	$1,063,376	$1,084,644	$1,106,337
EXPENSES: Fixed:															
Real Estate Taxes	$66,500	$68,495	$70,550	$72,666	$74,846	$77,092	$79,404	$81,787	$84,240	$86,767	$89,370	$92,052	$94,813	$97,657	$100,587
Insurance	$96,000	$98,880	$101,846	$104,902	$108,049	$111,290	$114,629	$118,068	$121,610	$125,258	$129,016	$132,886	$136,873	$140,979	$145,209
Variable:															
Management Fee Percentage: 6.00%	$50,308	$51,314	$52,340	$53,387	$54,455	$55,544	$56,655	$57,788	$58,944	$60,123	$61,325	$62,552	$63,803	$65,079	$66,380
General and Administrative	$44,080	$45,402	$46,764	$48,167	$49,612	$51,101	$52,634	$54,213	$55,839	$57,514	$59,240	$61,017	$62,848	$64,733	$66,675
Payroll Expenses	$108,000	$111,240	$114,577	$118,015	$121,555	$125,202	$128,958	$132,826	$136,811	$140,916	$145,143	$149,497	$153,982	$158,602	$163,360
Utilities	$74,000	$76,220	$78,507	$80,862	$83,288	$85,786	$88,360	$91,011	$93,741	$96,553	$99,450	$102,433	$105,506	$108,671	$111,932
Marketing and Advertising	$4,000	$4,120	$4,244	$4,371	$4,502	$4,637	$4,776	$4,919	$5,067	$5,219	$5,376	$5,537	$5,703	$5,874	$6,050
Maintenance and Repairs/Pest Control	$42,400	$43,672	$44,982	$46,332	$47,722	$49,153	$50,628	$52,147	$53,711	$55,322	$56,982	$58,692	$60,452	$62,266	$64,134
Grounds Maintenance and Landscaping	$16,000	$16,480	$16,974	$17,484	$18,008	$18,548	$19,105	$19,678	$20,268	$20,876	$21,503	$22,148	$22,812	$23,497	$24,201
Reserve for Replacements	$24,000	$24,720	$25,462	$26,225	$27,012	$27,823	$28,657	$29,517	$30,402	$31,315	$32,254	$33,222	$34,218	$35,245	$36,302
Total Expenses	$525,288	$540,543	$556,247	$572,411	$589,049	$606,176	$623,806	$641,953	$660,634	$679,864	$699,658	$720,035	$741,010	$762,603	$784,830
Net Operating Income	$313,177	$314,691	$316,092	$317,375	$318,532	$319,557	$320,442	$321,179	$321,761	$322,179	$322,426	$322,491	$322,366	$322,041	$321,507
Debt Service Payments															
First Mortgage - NLP/CDFI	$257,506	$257,506	$257,506	$257,506	$257,506	$257,506	$257,506	$257,506	$257,506	$257,506	$257,506	$257,506	$257,506	$257,506	$257,506
Second Mortgage - FHFC - NHTF	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Third Mortgage - Highlands County - SHIP	$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
Second Mortgage Fees - FHFC - NHTF	$5,179	$5,179	$5,179	$5,179	$5,179	$5,179	$5,179	$5,179	$5,179	$5,179	$5,179	$5,179	$5,179	$5,179	$5,179
Third Mortgage Fees - Highlands County - SHIP	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Debt Service Payments	$262,685	$262,685	$262,685	$262,685	$262,685	$262,685	$262,685	$262,685	$262,685	$262,685	$262,685	$262,685	$262,685	$262,685	$262,685
Cash Flow after Debt Service	$50,492	$52,005	$53,407	$54,690	$55,847	$56,872	$57,756	$58,494	$59,076	$59,494	$59,740	$59,805	$59,680	$59,356	$58,821
Debt Service Coverage Ratios															
DSC - First Mortgage plus Fees	1.22	1.22	1.23	1.23	1.24	1.24	1.24	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
DSC - Second Mortgage plus Fees	1.19	1.20	1.20	1.21	1.21	1.22	1.22	1.22	1.22	1.23	1.23	1.23	1.23	1.23	1.22
DSC - Third Mortgage plus Fee	1.19	1.20	1.20	1.21	1.21	1.22	1.22	1.22	1.22	1.23	1.23	1.23	1.23	1.23	1.22
Financial Ratios															
Operating Expense Ratio	62.65%	63.20%	63.76%	64.33%	64.90%	65.48%	66.06%	66.65%	67.25%	67.85%	68.45%	69.07%	69.68%	70.31%	70.94%
Break-even Economic Occupancy Ratio (all debt)	88.70%	88.64%	88.61%	88.58%	88.58%	88.59%	88.61%	88.65%	88.71%	88.78%	88.87%	88.97%	89.08%	89.22%	89.36%

According to the equity proposal from USBCDC, dated July 29, 2024, Replacement Reserves will be increasing 3% per year.

HC Allocation Calculation

Section I: Qualified Basis Calculation

Total Development Costs(including land and ineligible Costs)	$25,221,577
Less Land Costs	$598,000
Less Federal Grants and Loans	$0
Less Other Ineligible Costs	$1,880,688
Total Eligible Basis	$22,742,889
Applicable Fraction	100%
DDA/QCT Basis Credit	130%
Qualified Basis	$29,565,756
Housing Credit Percentage	9.00%
Annual Housing Credit Allocation	$2,660,918

Notes to the Qualified Basis Calculation:

1. Other ineligible costs include site work, accounting fees, FHFC fees, legal, insurance, market study, advertising/marketing fees, property taxes, title work, construction tests, financial costs, and operating deficit reserves.

2. The Development has 100% of the units set aside; therefore, the calculation is based on 100% of the housing credit eligible costs.

3. For purposes of this analysis, the development is located in a HUD-Designated QCT; 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)	$25,221,577
Less Mortgages	$5,640,000
Less Grants	$0
Equity Gap	$19,581,577
HC Syndication Percentage to Investment Partnership	99.99%
HC Syndication Pricing	$0.86
HC Required to meet Equity Gap	$22,771,553
Annual HC Required	$2,277,155

Notes to the Gap Calculation:

1. The pricing and syndication percentage was taken from letter from USBCDC, dated July 29, 2024.

2. The committed first mortgage in the amount of $3,500,000 exceeds the minimum first mortgage requirement of $2,819,970.

Section III: Summary

HC Per Applicant's Request	$2,141,000
HC Per Qualified Basis	$2,660,918
HC Per GAP Calculation	$2,277,155
Annual HC Recommended	$2,141,000
Syndication Proceeds based upon Syndication Agreement	$18,410,759

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	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	80
Potential Gross Income Year 1	$891,984.00
Vacancy & Collection Loss (7.00%)	$62,438.88
Effective Gross Income Year 1	$829,545.12
Operating Expenses Year 1	$525,287.90
(i) Actual Debt of Development	$3,500,000.00
Actual interest rate	6.39%
Actual term of debt amortization	35.00 Yrs
DS Interest Rate floor	7.00%
Application deadline	09/12/23
10-Year Treasury Rate as of App deadline	4.088%
Spread over 10-yr Treasury	325 bps
10-yr Treasury plus the stated spread	7.34%
Greater of interest rate floor or spread over Treasury	7.34%
Maximum Rate	8.34%
Interest Rate to be used for qualifying debt	**7.34%**
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	7.95247%
Minimum Debt Service	
NOI Year 15	$300,022.09
DSCR DS limitation	$240,017.67
(a) Resulting Debt, Year 15 limitation	**$3,018,152.91**
NOI Year 1	$304,257.22
(b)(i) DSCR DS limitation	$202,838.15
(b)(i) DSCR Debt Sizing	$2,550,631.12
(b)(ii) NCF DS limitation	$224,257.22
(b)(ii) NCF Debt Sizing	$2,819,969.79
(b) Greater of (i) DSCR debt or (ii) NCF debt, Year 1 limitation	**$2,819,969.79**
(ii) Minimum qualifying first mortgage (lesser of (a) or (b))	**$2,819,969.79**
Greater of Actual or Minimum	**$3,500,000.00**

AVON PARK
RFA 2023-201 / 2024-077C
DESCRIPTION OF FEATURES AND AMENITIES

The Development will consist of:

80 apartment units located in 5 garden residential buildings.

Unit Mix:

Forty (40) two bedroom/one and a half bath units;

Forty (40) three bedroom/two bath units.

80 Total Units

All units are expected to meet all requirements as outlined below. The quality of the construction features committed to by the Applicant is subject to approval of the Board of Directors.

a. Federal Requirements and State Building Code Requirements for all Developments

All proposed Developments must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations and rules:

- Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, Florida Statutes;
- The Fair Housing Act as implemented by 24 CFR 100;
- Section 504 of the Rehabilitation Act of 1973*; and
- Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR 35.

*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:

- Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in accessibility in each unit;
- Termite prevention;
- Pest control;
- Window covering for each window and glass door inside each unit;
- Cable or satellite TV hook-up in each unit and, if the Development offers cable or satellite TV service to the residents, the price cannot exceed the market rate for service of similar quality available to the Development's residents from a primary provider of cable or satellite TV;
- 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 units; 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 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 and living rooms;
- Air Conditioning (in-unit or commercial):
  - Air-Source Heat Pumps – Energy Star certified:
    - ≥ 7.8 HSPF2/ ≥15.2 SEER2/ ≥11.7 EER2 for split systems
    - ≥ 7.2 HSPF2 ≥15.2 SEER2/ ≥10.6 EER2 for single package equipment including gas/electric package units
  - Central Air Conditioners – Energy Star certified:
    - ≥15.2 SEER2/ ≥12.0 EER2* for split systems
    - ≥15.2 SEER2/ ≥11.5 EER2* for single package equipment including gas/electric package units.

NOTE: Window air conditioners and portable air conditioners are not allowed. Package Terminal Air Conditioners (PTACs) / Package Terminal Heat Pumps (PTHPs) are allowed in studio and 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 Building Communities; or

_______ ICC 700 National Green Building Standard (NGBS)

e. This 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 baking 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 which the development is located.

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

DEVELOPMENT
NAME: **Avon Park**
DATE: **September 13, 2024**

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 **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.	1.
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	2.
4. Pre-construction analysis ("PCA").	Unsatis.	3.
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.	Satis.	
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.	
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.	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.	7.
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 Eligibility and 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 final plans and specifications.

2. Closing is conditioned upon receipt of acceptable permits or a permit ready letter.

3. Closing is conditioned upon receipt of a final PCA verifying all Features and Amenities are included within the Development and that the allowances within the GC Contract are acceptable.

4. Closing is conditioned upon receipt of an Amended and Restated Operating Agreement.

5. Closing is conditioned upon receipt of a firm commitment from JPMorgan Chase (construction) and NLP (construction and permanent financing) 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 CDFI Loan and SHIP Loan with terms that are not substantially different than those utilized in this credit underwriting report.

7. 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 9/30/2024

HFA#	FEMA IA County	Development Name	City	County	Total Units	Total Bldgs.	Buildings Damaged	Units Damaged	Households Displaced	Estimated Damage	Progress as of 9/30/2024	Households Displaced as of 9/30//2024
3128	Yes	Hilltop	Madison	Madison	72	15	2	3	0	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 had been removed from the roofs and grounds of the development. Roofs had been tarped to prevent any further damage. Bids had been received by several vendors. Work was anticipated to begin once the insurance claim was settled. As of 12/31/2023, roof work was complete. Interior work was scheduled for completion on 2/15/2024. As of 2/15/24, all roofs had been repaired and debris had been removed from each unit in preparation for interior work. Anticipated completion date was 4/10/2024. As of 4/1/2024, repairs were 97% completed. The 3 damaged units were repaired except for punch list items and cleaning. Anticipated completion date was 4/15/2024. As of 5/31/2024, all units were completed, but the inspector requested that an air quality test be performed before units were reoccupied. Testing was scheduled for 6/4/2024. As of 7/15/2024, the air quality test was completed and the results indicated that all three units have airborne mold contamination and need to be remediated. The recommended equipment/supplies for remediation have been ordered. As of 9/30/2024, the damaged fence was replaced with new panels, the three units that had physical damage repaired, but so far have not been able to clear the units of mold detection. The same units were damaged by Hurricane Helene. As such, future reporting of this property will be included under the Hurricane Helene report.	0
											Displaced Households- Total	0

Natural Disaster Recovery Update
Hurricanes Ian and Nicole

RFA	Application Number	Name of Development	Funding Amount	Name of Applicant	Name of Developers	County	Total Units	Demo. Commitment	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. Commitment deadline extension request from August 29, 2024 through March 1, 2025 will be presented at the October 22, 2024 Board meeting.	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	CUR will be presented at the October 22, 2024 Board meeting.
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. Commitment deadline extension request from August 29, 2024 through March 1, 2025 will be presented at the October 22, 2024 Board meeting.	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. Commitment deadline extension request from August 29, 2024 through March 1, 2025 will be presented at the October 22, 2024 Board meeting.	AmeriNat	
2023-304 (RRLP)	2023-196BR	Town Oaks Apartments	$5,340,600.00	ECG Town Oaks, LP	ECG Town Oaks Developer, LLC	Orange	71	F	Invited into credit underwriting on August 23, 2023. CUR approved by the Board at the August 23, 2024 meeting. Targeted closing date is by the February 25, 2025 closing deadline. Scheduled to close on October 15, 2024	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	CUR will be presented at the October 22, 2024 Board meeting.
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	Parkside 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. CUR approved by the Board at the May 10, 2024 meeting. Targeted closing date is by the November 12, 2024 closing deadline.	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)	2023-163H	Wauchula Place	$5,700,000.00	NDA Wauchula, LLC	NDA Developer, LLC	Hardee	22	F	Invited into credit underwriting on May 24, 2023. CUR approved by the Board at the December 15, 2023 meeting. Loan closed on May 8, 2024. Development construction is 5% complete.	First Housing	
2022-206 (HOME)	2023-164H	Phoenix Crossings	$6,250,000.00	Phoenix Crossings, LLC	Rural Neighborhoods, Incoporated	Flagler	28	F	Invited into credit underwriting on May 24, 2023. Commitment deadline extension request from May 24, 2024 through Novermber 24, 2024 was approved by the Board at the June 28, 2024 meeting. They will request a Rule Waiver to further extend the Commitment deadline to May 26, 2025.	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. Firm Loan Commitment deadline extension request from May 26, 2024 through November 26, 2024 was approved at the May 10, 2024 meeting.	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. Firm Loan Commitment deadline extension request from May 26, 2024 through November 26, 2024 was approved at the May 10, 2024 Board meeting.	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. Loan closed on June 21, 2024. Development Construction is 3% complete.	First Housing	

Exhibit C
Hurricane Ian- Progress Report on Reconstruction and Re-housing of Displaced Households
as of 9/30/2024

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 9/30/2024	Households Displaced at 9/30/2024
2278	Hurricane Ian	Yes	Renaissance Phase I	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 was waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs were tarped. Anticipated completion date was 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 continued to negotiate the claim with the insurer. Contract for roof work was anticipated no earlier than December 2023. Anticipated completion date for all work was during the first quarter of 2024. As of 2/15/2024, a contract for roof repairs/replacement had been executed. Work was estimated to begin no later than May 1, 2024, and should be completed by year end. As of 4/1/2024, contractors onboard and all roofs being replaced. Project was recently awarded CDBG-DR funds for multifamily rehab. Contract for funding was expected by May 7th and work was anticipated to start immediately after. Expected completion time was 3–4 months from start date. As of 5/31/2024, property was officially awarded CDBG-DR funding from Board of County Commissioners (May 21st). Currently working with County grant managers to finalize contracts with all the requirements for funding. The county is performing an Environmental Review as required by CDBG-DR funds that should be completed by July 1st. Contractors to be ready to begin work immediately after the county signed the contracts. As of 7/15/2024, Lee County committed to an August 20th grant award date. Contractors were waiting on final approval to file for permits. As of 9/30/2024, all permanent work is done with the exception of roofs which are awaiting the execution of the CDBG-DR funding in order to proceed with the full replacement of the roofs. However, until the permanent replacement of the roof, leaks are being addressed accordingly with temporary measures.	0

Exhibit C
Hurricane Ian- Progress Report on Reconstruction and Re-housing of Displaced Households
as of 9/30/2024

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 9/30/2024	Households Displaced at 9/30/2024
2466	Hurricane Ian	Yes	Renaissance Phase II	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 was waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs were tarped. Anticipated completion date was 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 continued to negotiate the claim with the insurer. Contract for roof work was anticipated no earlier than December 2023. Anticipated completion date for all work was during the first quarter of 2024. As of 2/15/2024, a contract for roof repairs/replacement had been executed. Work was estimated to begin no later than May 1, 2024, and should be completed by year end. As of 4/1/2024, contractors onboard and all roofs being replaced. Project was recently awarded CDBG-DR funds for multifamily rehab. Contract for funding was expected by May 7th and work was anticipated to start immediately after. Expected completion time was 3–4 months from start date. As of 5/31/2024, property was officially awarded CDBG-DR funding from Board of County Commissioners (May 21st). Currently working with County grant managers to finalize contracts with all the requirements for funding. The county is performing an Environmental Review as required by CDBG-DR funds that should be completed by July 1st. Contractors to be ready to begin work immediately after the county signed the contracts. As of 7/15/2024, Lee County committed to an August 20th grant award date. Contractors were waiting on final approval to file for permits. As of 9/30/2024, all permanent work is done with the exception of roofs which are awaiting the execution of the CDBG-DR funding in order to proceed with the full replacement of the roofs. However, until the permanent replacement of the roof, leaks are being addressed accordingly with temporary measures.	0

Exhibit C
Hurricane Ian- Progress Report on Reconstruction and Re-housing of Displaced Households as of 9/30/2024

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 9/30/2024	Households Displaced at 9/30/2024
2710	Hurricane Ian	Yes	Renaissance Phase III	Ft. Myers	Lee	72	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 was waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs were tarped. Anticipated completion date was 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 continued to negotiate the claim with the insurer. Contract for roof work was anticipated no earlier than December 2023. Anticipated completion date for all work was during the first quarter of 2024. As of 2/15/2024, a contract for roof repairs/replacement had been executed. Work was estimated to begin no later than May 1, 2024, and should be completed by year end. As of 4/1/2024, contractors onboard and all roofs being replaced. Project was recently awarded CDBG-DR funds for multifamily rehab. Contract for funding was expected by May 7th and work was anticipated to start immediately after. Expected completion time was 3–4 months from start date. As of 5/31/2024, property was officially awarded CDBG-DR funding from Board of County Commissioners (May 21st). Currently working with County grant managers to finalize contracts with all the requirements for funding. The county is performing an Environmental Review as required by CDBG-DR funds that should be completed by July 1st. Contractors to be ready to begin work immediately after the county signed the contracts. As of 7/15/2024, Lee County committed to an August 20th grant award date. Contractors were waiting on final approval to file for permits. As of 9/30/2024, all permanent work is done with the exception of roofs which are awaiting the execution of the CDBG-DR funding in order to proceed with the full replacement of the roofs. However, until the permanent replacement of the roof, leaks are being addressed accordingly with temporary measures.	0

Exhibit C
Hurricane Ian- Progress Report on Reconstruction and Re-housing of Displaced Households
as of 9/30/2024

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 9/30/2024	Households Displaced at 9/30/2024
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 was waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs were tarped. Anticipated completion date was 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 continued to negotiate the claim with the insurer. Contract for roof work was anticipated no earlier than December 2023. Anticipated completion date for all work was during the first quarter of 2024. As of 2/15/2024, a contract for roof repairs/replacement had been executed. Work was estimated to begin no later than May 1, 2024, and should be completed by year end. As of 4/1/2024, contractors onboard and all roofs being replaced. Project was recently awarded CDBG-DR funds for multifamily rehab. Contract for funding was expected by May 7th and work was anticipated to start immediately after. Expected completion time was 3–4 months from start date. As of 5/31/2024, property was officially awarded CDBG-DR funding from Board of County Commissioners (May 21st). Currently working with County grant managers to finalize contracts with all the requirements for funding. The county is performing an Environmental Review as required by CDBG-DR funds that should be completed by July 1st. Contractors to be ready to begin work immediately after the county signed the contracts. As of 7/15/2024, Lee County committed to an August 20th grant award date. Contractors were waiting on final approval to file for permits. As of 9/30/2024, all permanent work is done with the exception of roofs which are awaiting the execution of the CDBG-DR funding in order to proceed with the full replacement of the roofs. However, until the permanent replacement of the roof, leaks are being addressed accordingly with temporary measures.	0

Exhibit C
Hurricane Ian- Progress Report on Reconstruction and Re-housing of Displaced Households
as of 9/30/2024

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 9/30/2024	Households Displaced at 9/30/2024
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 had started. Bids for reconstruction of the building were being reviewed. A contract was anticipated to 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 were working to finalize contracts for reconstruction. As of 7/31/2023, environmental and geotechnical site studies were being conducted along with draft architectural plans and preliminary cost estimates. As of 9/30/2023, full set of construction plans were complete and being reviewed by claims adjuster. As of 10/31 2023, plans were submitted to the local governments for permit review. As of 12/31/2023, a contract was executed and building permits were expected by 1/31/2024. As of 2/15/2024, owner was finalizing its building permit request to Hardee County. Permits expected to be issued by 3/31/2024. As of 4/1/2024, architect was working on plan revisions recommended by Hardee County. As of 5/31/2024, Foundation permits issued and Notice of Commencement filed to apply for building permits. Application for building permits are pending architect review of truss drawings. As of 7/15/2024, temporary power was installed and the site was cleared for staging. Foundation work started 7/1/2024, with underground plumbing and electrical to follow. Tentative completion date was March 2025. As of 9/30/2024, the slab foundation has been completed and is in place for vertical construction, 50% of lumber materials have been delivered and are onsite, the vertical construction permit with Hardee County, FL should be in place by mid-October at which time vertical construction will commence.	9
											Total	9

Exhibit D
May 2024 Tornados and Severe Storms- Progress Report on Reconstruction and Re-housing of Displaced Households
as of 9/30/2024

HFA#	Development Name	City	County	Total Units	Total Bldgs.	# of Buildings Damaged	# of Units Damaged	Estimated Damage	Construction Progress as of 9/30/2024	Households Displaced as of 9/30/2024
3261	Ekos at Magnolia Oaks	Tallahassee	Leon	110	1	3 (Residential)	2 (Window damage - Repaired)	LIMITED	Roof/Soffit Damage – Light roof damaged with missing shingles. No water intrusion due to roof damage was reported. Window Damage – 2 windows broken in 2 units. Accessory Buildings & Amenities – Pool had tree branches, leaves and pool furniture blown in, but no major damages. Landscape Trees Debris - Various tree limbs and branches fell across the community, damaging vinyl fences. One large tree fell across a fence and into the retention pond. All work was complete except for the fencing. Anticipated completion date was 6/30/2024. As of 7/15/2024, the fence company indicated the supplies arrived and work is scheduled to be completed by 8/15/24. As of 9/30/2024, all repairs are completed.	0
1140	Addison Place	Crestview	Okaloosa	160	8	1	0	LIMITED	Accessory Buildings & Amenities, Landscape Trees Debris Etc. - Gable damage to an accessory building (200 building). No estimated completion date given. As of 7/15/2024, the gable had not been reinstalled. Awaiting three quotes to move forward with repair. As of 9/30/2024, the gable repair is pending. The damage is cosmetic and not hindering anything at this time.	0
2760	Kenwood Place	Tallahassee	Leon	112	5	1	0	LIMITED	Large tree blocking entrance was cleared within hours of the storm passing. Minor damage to roofing shingles, soffits and gutter was reported. No leaks or water damage reported. All work was completed with the exception of the fence. Anticipated completion date was 6/30/2024. Fence repair completion date is delayed beyond 9/30/2024.	0

Exhibit E
Hurricane Debby - Progress Report on Reconstruction and Re-housing of Displaced Households
as of 9/30/2024

HFA#	FEMA IA County	Development Name	City	County	Total Units	Total Bldgs.	# of Buildings Damaged	# of Units Damaged	Households Displaced	Estimated Damage	Description of Damage
1898	Yes	Autumn Place	Temple Terrace	Hillsborough	120	1	0	1	0	LIMITED	Roof/Soffit
2498	Yes	Bayside Court	Clearwater	Pinellas	144	7	0	1	0	LIMITED	Roof/Soffit
1312	Yes	Belleair Place	Clearwater	Pinellas	180	8	0	2	0	LIMITED	Roof/Soffit, Landscape Trees Debris Etc
1322	Yes	Centro Place	Tampa	Hillsborough	160	4	0	7	0	LIMITED	Roof/Soffit
1595	Yes	Claymore Crossings	Tampa	Hillsborough	260	13	0	0	0	LIMITED	Roof/Soffit
1919	Yes	Cross Creek	Tampa	Hillsborough	192	8	0	2	0	LIMITED	Window
1132	No	Cypress Oaks	Leesburg	Lake	140	1	0	15	0	LIMITED	Flood - Rising Water Level
2584	Yes	Harbour's Edge	St. Petersburg	Pinellas	85	1	0	0	0	LIMITED	Roof/Soffit
347	Yes	Heritage Pines	Tampa	Hillsborough	340	17	0	0	0	LIMITED	Roof/Soffit
2809	No	Houston Street Manor	Jacksonville	Duval	72	1	1	4	0	LIMITED	Window
1531	No	Jacaranda Trail II	Arcadia	DeSoto	50	3	0	1	0	LIMITED	Window

Exhibit E
Hurricane Debby - Progress Report on Reconstruction and Re-housing of Displaced Households
as of 9/30/2024

HFA#	FEMA IA County	Development Name	City	County	Total Units	Total Bldgs.	# of Buildings Damaged	# of Units Damaged	Households Displaced	Estimated Damage	Description of Damage
429	No	Lake Delray	Delray Beach	Palm Beach	404	4	0	0	0	LIMITED	Accessory Buildings & Amenities
2080	No	Laurel Oaks - Leesburg	Leesburg	Lake	144	6	0	1	0	LIMITED	Roof/Soffit
2129	No	Laurel Oaks II	Leesburg	Lake	108	5	0	1	0	LIMITED	Roof/Soffit
559	Yes	Oaks at Ellenton	Ellenton	Manatee	168	11	0	17	0	LIMITED	Roof/Soffit, Window
565	No	Oaks Trail	Arcadia	DeSoto	123	10	0	5	0	LIMITED	Window
3232	Yes	Reef at Riviera	Palmetto	Manatee	224	1	1	2	0	LIMITED	Roof/Soffit, Window, Accessory Buildings & Amenities, Landscape Trees Debris Etc
1241	Yes	Royal Palm Key	Tampa	Hillsborough	240	30	4	0	0	LIMITED	Roof/Soffit
726	No	Sabal Chase	Ft. Pierce	St. Lucie	340	17	0	3	0	LIMITED	Window
1523	No	Sanctuary Walk	Jacksonville	Duval	120	5		2	0	LIMITED	Non- Specific
1483	Yes	Silas Oaks	Live Oak	Suwannee	110	14		1	0	LIMITED	Non- Specific
3068	Yes	Southern Villas of Perry	Perry	Taylor	36	6	1	1	0	LIMITED	Roof/Soffit, Landscape Trees Debris Etc
927	No	Waterford East	Orlando	Orange	460	40	0	0	0	LIMITED	Roof/Soffit

Exhibit E
Hurricane Debby - Progress Report on Reconstruction and Re-housing of Displaced Households
as of 9/30/2024

HFA#	FEMA IA County	Development Name	City	County	Total Units	Total Bldgs.	# of Buildings Damaged	# of Units Damaged	Households Displaced	Estimated Damage	Description of Damage
2925	No	Westwood Park	Orlando	Orange	178	8	0	0	0	LIMITED	Roof/Soffit

Exhibit F
Hurricane Helene - Progress Report on Reconstruction and Re-housing of Displaced Households
as of 10/4/2024

HFA#	FEMA IA County	Development Name	City	County	Total Units	Total Bldgs.	# of Buildings Damaged	# of Units Damaged	Households Displaced	Estimated Damage	Description of Damage
271	No	Forest Edge	Orlando	Orange	48	6	0	1	0	LIMITED	Roof/Soffit
285	Yes	Gardenia Square	Madison	Madison	12	2	3	2	0	LIMITED	Roof/Soffit, Window, Landscape Trees Debris, Also reported damage to Non Residential building
347	Yes	Heritage Pines	Tampa	Hillsborough	340	17	0	0	0	LIMITED	Roof/Soffit
427	Yes	Lake City Villas	Lake City	Columbia	36	6	1	1	0	MODERATE	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
628	No	Pine Terrace III	Callahan	Nassau	40	7	0	0	0	LIMITED	Landscape Trees Debris, Also reported damage to Non Residential building
728	Yes	Venue at Lockwood	Bradenton	Manatee	264	21	3	2	0	MODERATE	Roof/Soffit, Window
755	Yes	Savannah Sound	Tallahassee	Leon	160	11	1	0	0	LIMITED	Accessory Buildings & Amenities, Also reported damage to Non Residential building
761	Yes	Seabreeze Manor	Inglis	Levy	36	6	0	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris Etc, Also reported damage to Non Residential building
854	No	Summer Cove	St. Cloud	Osceola	192	16	0	0	0	LIMITED	Roof/Soffit
883	No	Retreat at Valencia	Orlando	Orange	336	14	0	0	0	LIMITED	Roof/Soffit
888	Yes	Victoria Pointe	North Port	Sarasota	42	7	0	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
1029	No	Brentwood Club on Millenia Boulevard	Orlando	Orange	312	13	0	0	0	LIMITED	Roof/Soffit

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1076	No	Glenn on Millenia Boulevard	Orlando	Orange	192	8	0	0	0	LIMITED	Roof/Soffit
1080	No	Hidden Cove - Orlando	Orlando	Orange	128	1	0	0	0	LIMITED	Accessory Buildings & Amenities, Landscape Trees Debris, Also reported damage to Non Residential building
1147	No	Landings on Millenia Boulevard	Orlando	Orange	336	14	0	0	0	LIMITED	Roof/Soffit
1151	Yes	University Club	Sarasota	Sarasota	192	8	0	0	0	LIMITED	Roof/Soffit, Accessory Buildings & Amenities, Also reported damage to Non Residential building
1241	Yes	Royal Palm Key	Tampa	Hillsborough	240	30	4	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
1245	Yes	La Mirada Gardens	Oneco	Manatee	144	9	2	0	0	LIMITED	Roof/Soffit
1306	Yes	Hunters Run I	Tampa	Hillsborough	216	9	0	0	0	LIMITED	Roof/Soffit
1312	Yes	Belleair Place	Clearwater	Pinellas	180	8	1	1	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
1443	Yes	Rolling Green	Sarasota	Sarasota	118	1	0	0	0	LIMITED	Roof/Soffit
1578	No	Lake Harris Cove	Leesburg	Lake	152	1	0	0	0	LIMITED	Roof/Soffit
1593	Yes	Meridian Pointe	Tampa	Hillsborough	360	15	1	2	0	LIMITED	Window, Landscape Trees Debris, Also reported damage to Non Residential building
1595	Yes	Claymore Crossings	Tampa	Hillsborough	260	13	1	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building

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HFA#	FEMA IA County	Development Name	City	County	Total Units	Total Bldgs.	# of Buildings Damaged	# of Units Damaged	Households Displaced	Estimated Damage	Description of Damage
1596	Yes	Spring Haven II	Spring Hill	Hernando	88	11	1	0	0	LIMITED	Roof/Soffit
1606	No	St. Luke's Life Center	Lakeland	Polk	151	3	1	0	0	MODERATE	Roof/Soffit
1898	Yes	Autumn Place	Temple Terrace	Hillsborough	120	1	2	1	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
1919	Yes	Cross Creek	Tampa	Hillsborough	192	8	1	1	0	LIMITED	Roof/Soffit
1984	Yes	Hudson Ridge	Port Richey	Pasco	168	1	1	0	0	LIMITED	Roof/Soffit
2035	No	Spring Lake Cove I	Fruitland Park	Lake	96	7	0	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
2254	Yes	Lakewood Pointe I	Seffner	Hillsborough	144	7	0	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
2382	Yes	Madison Reserve	Spring Hill	Hernando	90	3	0	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
2462	No	Pine Terrace	Callahan	Nassau	63	14	0	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
2464	Yes	Live Oak - Meadows	Live Oak	Suwannee	87	18	1	0	0	LIMITED	Roof/Soffit, Accessory Buildings & Amenities, Also reported damage to Non Residential building
2540	No	River Ridge	Orlando	Orange	160	13	0	0	0	LIMITED	Roof/Soffit
2548	Yes	East Pointe Place	Ft. Myers	Lee	86	4	4	6	0	LIMITED	Roof/Soffit, Window, Landscape Trees Debris, Also reported damage to Non Residential building

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as of 10/4/2024

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2556	Yes	Aqua	Tampa	Hillsborough	197	1	0	2	1	LIMITED	Flood - Rising Water Level, Accessory Buildings & Amenities
2561	Yes	Landings at East Pointe	Ft. Myers	Lee	126	10	10	15	0	LIMITED	Roof/Soffit, Window, Landscape Trees Debris, Also reported damage to Non Residential building
2575	Yes	Santos Isle	Tarpon Springs	Pinellas	50	1	0	0	0	LIMITED	Flood - Rising Water Level, Landscape Trees Debris, Also reported damage to Non Residential building
2583	Yes	Richey Woods	New Port Richey	Pasco	95	7	0	0	0	LIMITED	Roof/Soffit
2584	Yes	Harbour's Edge	St. Petersburg	Pinellas	85	1	0	0	0	LIMITED	Roof/Soffit
2601	Yes	Trio at Encore	Tampa	Hillsborough	141	2	0	1	0	LIMITED	Roof/Soffit, Also reported damage to Non Residential building
2619	No	Mary Eaves	Jacksonville	Duval	80	1	1	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
2634	No	Fountains at Lingo Cove	Orlando	Orange	110	7	0	0	0	LIMITED	Roof/Soffit
2635	Yes	Urban Landings	St. Petersburg	Pinellas	40	1	0	0	0	LIMITED	Roof/Soffit
2664	No	Heritage Park - Kissimmee	Kissimmee	Osceola	238	24	0	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
2685	No	Caroline Oaks	Jacksonville	Duval	82	1	1	0	0	LIMITED	Landscape Trees Debris, Also reported damage to Non Residential building
2726	Yes	Tempo at Encore	Tampa	Hillsborough	203	1	0	1	0	LIMITED	Roof/Soffit, Also reported damage to Non Residential building

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as of 10/4/2024

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2741	Yes	Brookside Square	St. Petersburg	Pinellas	142	14	0	71	0	MODERATE	Water intrusion of first floor units and leasing office affecting 71 units. Currently, no displaced household. Temporary relocation of some residents may be necessary as resoration work progresses. Also reported damage to accessory building landscape and trees.,
3037	Yes	Madison Point	Clearwater	Pinellas	80	1	1	0	0	LIMITED	Roof/Soffit
3068	Yes	Southern Villas of Perry	Perry	Taylor	36	6	2	2	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
3121	No	Vineland Landings	Kissimmee	Osceola	200	14	0	0	0	LIMITED	Roof/Soffit
3128	Yes	Hilltop	Madison	Madison	72	15	4	11	2	MODERATE	Roof/soffiott and window damage to 11 residential units in 4 buildings. Also confirmed damage to accessory buildings, perimeter fencing, and landscape/trees.
3217	Yes	Royal Palm Gardens - Fort Myers	Fort Myers	Lee	80	10	0	0	0	LIMITED	Roof/Soffit, Landscape Trees Debris, Also reported damage to Non Residential building
3254	No	Parramore Oaks II	Orlando	Orange	91	1	0	1	0	LIMITED	Window
3268	No	Venue at Viera Senior Living	Viera	Brevard	145	13	0	0	0	LIMITED	Roof/Soffit
3273	Yes	Jacaranda Place	Port Charlotte	Charlotte	88	1	0	0	0	LIMITED	Window, Landscape Trees Debris, Also reported damage to Non Residential building