

**STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS**

FILED
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DIVISION OF
ADMINISTRATIVE
HEARINGS

TOWNHOMES OF JOURNEY, L.P.,
PANAMA MANOR, L.P.,

Petitioners,

Case No. 10-1847RX

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

**PETITION FOR ADMINISTRATIVE
DETERMINATION OF INVALIDITY OF AN EXISTING RULE**

Pursuant to Section 120.56, Florida Statutes (F.S.), Petitioners, TOWNHOMES OF JOURNEY, L.P. ("Journey") and PANAMA MANOR, L.P. ("Panama") request an administrative hearing to challenge the validity of Rules 67-48.004(13)(d) and 67-48.004(5), Florida Administrative Code (F.A.C.), adopted and implemented by the Florida Housing Finance Corporation ("Florida Housing.") In support, Petitioner's provide as follows:

Parties

1. Journey is a Georgia limited partnership authorized to conduct business in Florida with its address at 2730 Cumberland Blvd SE, Smyrna, Georgia 30080. Journey is in the business of providing affordable rental housing units in Florida and other states.

2. Panama is a Georgia limited partnership authorized to conduct business in Florida with its address at 2730 Cumberland Blvd SE, Smyrna, Georgia 30080. Panama is in the business of providing affordable rental housing units in Florida and other states.

3. Florida Housing is the state agency delegated the authority and responsibility for administering and awarding Low Income Housing Tax Credit ("LIHTC") funds pursuant to Chapter 420, F.S.

LIHTC Funding Program

4. Pursuant to section 420.5099, Florida Statutes, Florida Housing is the designated "housing credit agency" for the State of Florida and administers Florida's LIHTC program. Through this program, Florida Housing allocates Florida's annual fixed pool of federal tax credits to developers of affordable housing.

5. The federal tax credits allocated annually to each state are awarded by state "housing credit agencies" to single-purpose applicant entities created by real estate developers to develop specific multi-family housing projects. An applicant entity will then sell this ten-year stream of tax credits, typically to a "syndicator," with the sale proceeds generating much of the funding necessary for development and construction of the project. The equity produced by this sale of tax credits in turn reduces the amount of long-term debt required for the project, making it possible to operate the project at rents that are affordable to low-income and very-low-income tenants.

6. The United States Congress has created a program, governed by Section 42 of the Internal Revenue Code ("IRC"), by which federal income tax credits are allotted annually

to each state on a per capita basis to encourage private developers to build and operate affordable low-income housing for families. These tax credits entitle the holder to a dollar-for-dollar reduction in the holder's federal tax liability, which can be taken for up to ten years if the project continues to satisfy all IRC requirements.

7. Because Florida Housing's available pool of federal tax credits each year is limited, qualified projects must compete for this funding. To assess the relative merits of proposed projects, Florida Housing has established a competitive application process pursuant to Chapter 67-48, F.A.C. Specifically, Florida Housing's application process for 2009, as set forth in Rules 67-48.002-.005, F.A.C., involves the following:

- (a) The publication and adoption by rule of an application package;
- (b) The completion and submission of applications by developers;
- (c) Florida Housing's preliminary scoring of applications;
- (d) An initial round of administrative challenges in which an applicant may take issue with Florida Housing's scoring of another application by filing a Notice of Possible Scoring Error ("NOPSE")
- (e) Florida Housing's consideration of the NOPSEs submitted, with notice to applicants of any resulting change in their preliminary scores;
- (f) An opportunity for the applicant to submit additional materials to Florida Housing to "cure" any items for which the applicant received less than the maximum score;
- (g) A second round of administrative challenges whereby an applicant may raise scoring issues arising from another

applicant's cure materials by filing a Notice of Alleged Deficiency ("NOAD");

- (h) Florida Housing's consideration of the NOADs submitted, with notice to applicants of any resulting change in their scores;
- (i) An opportunity for applicants to challenge, via informal or formal administrative proceedings, Florida Housing's evaluation of any item for which the applicant received less than the maximum score; and
- (j) Final scores, ranking, and allocation of tax credit funding the applicants through the adoption of final orders.

8. At the completion of this process a Final Score is assigned to each Application. Based on these Final Scores, and a series of Tie Breakers, Applications are then ranked. Funds are awarded to applicants starting with applicable preferences and set asides and the highest scoring applicants, until the available funds are exhausted. Applicants compete for funds, in large part, against other applicants in the same county size group, and against other applicants seeking to provide housing to the same demographic group. Journey and Panama are applicants for Developments in the Medium County Geographic Set-Aside.

9. Based on a review of Florida Housing's Final Scoring Summary dated December 2, 2009, Journey received a final score of 70 out of a possible 70 points for its application. Additionally, Journey received 6 out of 6 ability to proceed points and 7.5 out of 7.5 proximity tie-breaker points. This score should allow Journey to receive a full award of its funding request, however, Florida Housing has rejected Journey's Application as explained in more detail below.

10. Based on a review of Florida Housing's Final Scoring Summary dated December 2, 2009, Panama received a final score of 70 out of a possible 70 points for its application. Additionally, Panama received 5.5 out of 6 ability to proceed points and 7.5 out of 7.5 proximity tie-breaker points. This score should allow Panama to receive a full award of its funding request, however, Florida Housing has rejected Panama's Application as explained in more detail below.

Standing to Challenge Rules

11. Panama's and Journey's substantial interests are affected by the existing rules being challenged in this proceeding because they are developers of affordable housing in Florida and LIHTC program applicants and thus are subject to the rules being challenged. Panama and Journey possess the requisite skill, experience, and credit worthiness to successfully produce affordable housing. The rule provisions challenged by this Petition are designed to prohibit an applicant's ability to compete for funding under Florida Housing's programs based on whether the applicant, developer, principal, Affiliate or Financial Beneficiary of an applicant, or a developer are in "arrears to Florida Housing for past financial obligations."

12. As developer entities whose efforts in developing affordable housing in Florida are subject to regulation by Florida Housing, Journey and Panama's substantial interests are affected by Florida Housing rules.

Rules at Issue

13. The Rule sections cited by Florida Housing as justification for its actions here are Rule 67-48.004(5), F.A.C. and Rule 67-48.004(13)(d), which provides as follows:

Rule 67-48.004(5) provides: The Corporation shall transmit to each Applicant the NOPSEs submitted by other Applicants with regard to its Application. The notice shall also include the Corporation's decision regarding the NOPSE, along with any other items identified by the Corporation to be addressed by the Applicant, which may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer is in arrears to the Corporation or any agent or assignee of the corporation as of the due date for NOPSE filing as set forth in subsection (4) above.

Rule 67-48.004(13) The Corporation shall reject an Application if, following the submission of the additional documentation revised pages and other information as the Applicant deems appropriate as described in subsection (6) above:

Rule 67-48.004(13)(d) The Applicant fails to satisfy any arrearages described in subsection (5) above. For purposes of the SAIL and HOME Programs, this rule subsection does not include permissible deferral of SAIL or HOME interest.

(See Exhibit A.)

14. The Past Due Report which allegedly discloses a list of entities which have been determined by Florida Housing to be in "arrears" is attached as Exhibit B. Upon knowledge and belief this list is not complete and in some instances even though an entity or individual is listed they are nonetheless allowed to participate and are participating in the 2009 Universal Cycle.

Scoring of Journey's LIHTC Application

15. On August 20, 2009, Journey applied to Florida Housing for funding pursuant to the LIHTC. The purpose of the requested funds was to supplement the construction of a 100-unit affordable housing apartment complex in Pensacola, Florida, named Townhomes of Journey.

16. The Universal Application asks an applicant to provide information concerning its proposed project. In its original application, Journey submitted information to address each of the application requirements.

17. After conducting its preliminary review of the Application and all NOPSEs, Florida Housing found numerous scoring issues; however, the relevant issue in the instant case is as follows:

Pursuant to subsection 67-48.004(5), F.A.C., NOPSE scoring may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or the Developer is in arrears to the Corporation or an agent or assignee of the Corporation as of the due date for NOPSE filing (October 1, 2009). As provided in paragraph 67-48.004(13)(d), F.A.C., following the submission of the "Cures," the Corporation shall reject an Application if the Applicant fails to satisfy any arrearages described in subsection 67-48.004(5), F.A.C. The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer is listed on the October 1, 2009 Past Due Report as being in arrears to the Corporation in connection with the following Development(s): Edisto Lakes. The October 1, 2009 Past Due Report is posted to the FHFC Website at <http://www.floridahousing.org/Home/PropertyOwnersManagers/PastDueReports.htm>. Payments and questions should be addressed to the servicer.

18. In response to Florida Housing's preliminary scoring decision, Journey provided numerous cure documents, including documentation which addressed the financial arrearage issue.

19. In response to the Cures and NOADs, Florida Housing on December 2, 2009, found that Journey had addressed most scoring issues raised in preliminary scoring and by NOPSEs. However, Florida Housing concluded that Journey failed to cure the financial arrearage issue. Specifically, Florida Housing in its Final Scoring Summary concluded as follows:

In its response to Item 10T, the Applicant alleged that the financial arrearages should not apply to its Application. The financial arrearages described in Item 10T were not cured and remained outstanding as of November 3, 2009.

Scoring of Panama's LIHTC Application

20. Also, on August 20, 2009, Panama applied to Florida Housing for funding pursuant to the LIHTC. The purpose of the requested funds was to supplement the construction of a 96-unit affordable housing apartment complex in Panama City, Florida, named Panama Manor.

21. After conducting its preliminary review of the Application and all NOPSEs, Florida Housing found numerous scoring issues; however, the relevant issue in the instant case as it relates to Journey's Application is as follows:

Pursuant to subsection 67-48.004(5), F.A.C., NOPSE scoring may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or the Developer is in arrears to the Corporation or an agent or assignee of the Corporation as of the due date for

NOPSE filing (October 1, 2009). As provided in paragraph 67-48.004(13)(d), F.A.C., following the submission of the "Cures," the Corporation shall reject an Application if the Applicant fails to satisfy any arrearages described in subsection 67-48.004(5), F.A.C. The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer is listed on the October 1, 2009 Past Due Report as being in arrears to the Corporation in connection with the following Development(s): Edisto Lakes. The October 1, 2009 Past Due Report is posted to the FHFC Website at <http://www.floridahousing.org/Home/PropertyOwnersManagers/PastDueReports.htm>. Payments and questions should be addressed to the servicer.

22. In response to Florida Housing's preliminary scoring decision, Panama provided cure documents, including documentation which addressed the financial arrearage issue. The cure explanation clearly explains why the application should not be rejected. Petitioners have filed a challenge of Florida Housing's scoring decisions. (DOAH Case Nos.10-0347 and 10-0350.)

Basis for Rejection

23. Florida Housing bases its scoring decision not on the fact that the actual applicants or developers of Panama and Journey are in arrears but rather on a "connect the dots" exercise involving Mr. Mark duMas.

24. Mr. duMas is the President of the Paces Foundation, Inc. which is the identified developer of both Panama and Journey. Mr. duMas was also the President/Director of a not for profit entity named Chastain Development Corp. ("Chastain"). Chastain was partner in an applicant entity which was previously awarded funding through several Florida Housing Programs in 1995. Specifically, the project

named Edisto Lakes is currently owned by Edisto Group, Ltd. a Florida Limited Partnership ("Edisto"). Edisto was the initial applicant for funding in 1995 and is comprised of two general partners including Group Edisto Inc. and its managing partner Heritage Companies (as managing general partner) Chastain is the not for profit general partner.

25. Specifically, the Edisto Lakes project was an affordable housing apartment complex built using SAIL (Application #1994S-042) and LIHTC (Application #1994L-163 and 1995L-006). Mr. duMas had no personal financial interest in Edisto Lakes and Chastain received a minimal financial benefit for the Edisto Lakes development in the form of an approximately \$10,000 scheduled payment from the managing general partner. No other payments were received. Mr. duMas and Chastain have been excluded from all financial or managerial involvement in the Edisto Lakes project for some years now. As such, Mr. duMas or Chastain are not responsible for the alleged arrearages, yet the rules at issue here as implemented prevent Mr. duMas and any company he is affiliated with from participating in the 2009 Universal Cycle funding process or any future cycle until the alleged arrears issue has been resolved to Florida Housing's satisfaction.

26. As reflected by the Past Due Report dated October 1, 2009, both Chastain and each of its directors including Mr. duMas are listed as Affiliates/Financial Beneficiaries or Principals. Mr. duMas was not previously made aware of any arrearage issues involving Edisto Lakes prior to the issuance of the Past Due Report. Mr. duMas is no longer the President of Chastain. Further, Mr. duMas, neither individually or on behalf of Chastain, signed or otherwise guaranteed any of the debt on the Edisto project.

Statutory Authority

27. Florida Housing's statutory authority over financing affordable rental housing is found in Chapter 420, Florida Statutes. Section 420.507 and specifically Section 420.507(12) contain a broad, general, and nonspecific grant of authority "to make rules necessary to carry out the purposes of this part and to exercise any power granted in this part pursuant to the provisions of Chapter 120." This section, along with Section 420.507(22)(f) are cited as specific authority for Rule 67-48.005.

28. A review of these statutory provisions shows that Florida Housing does not have specific authority to reject or not fund an application based on the idea that an Applicant, Developer or a Principal or Affiliate of an Applicant or Developer is in arrears to Florida Housing. In fact, the specific authority that does exist appears only to authorize Florida Housing to bring suit in Circuit Court to achieve the goal of repayment of any arrearage.

29. Florida Housing's statutory authority for administering the housing credit program from which both Journey and Panama are seeking funding, provides a short list of considerations Florida Housing is to use in selecting recipients of housing credits. Section 420.5099(2) is one of the statutes cited as the "law implemented" for Rule 67-48.004, F.A.C. Section 420.5099(2), F.S., states that the factors to be taken into consideration are:

- * the timeliness of the application,
- * the location of the proposed housing project,

- * the relative need in the area for low income housing and the availability of such housing,
- * the economic feasibility of the project, and
- * the ability of the applicant to proceed to completion of the project in the calendar year for which the credit is sought.

This section again does not specifically authorize Florida Housing to reject an application allegedly because the applicant or an affiliate or principal of an applicant is in arrears to Florida Housing.

Bases for Rule Invalidity

30. Rules 67-48.004(5) and 67-48.004(13), F.A.C., to the extent they preclude participation based solely on the arrearage issue, constitute an invalid exercise of delegated legislative authority.

31. Florida Housing lacks the specific legislative authority to adopt rules that exclude an applicant to the LIHTC program from funding allegedly because the applicant or developer or an affiliate of the applicant or developer is in arrears to Florida Housing.

32. The rule provisions are vague and fail to provide any guidance for how an entity or individual is included on the list or more importantly how an entity or individual gets off the list.

33. The rules are also invalid because they enlarge, modify and contravene the specific provisions of law implemented.

34. The rules are also arbitrary and capricious.

Disputed Issues of Material Fact

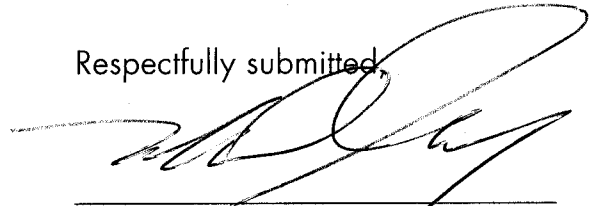
35. Panama and Journey have initially identified the following disputed issues of material fact, or mixed questions of law and fact, and reserve the right to supplement these as additional facts become known to them.

- (a) Whether the rules are supported by facts and logic. Panama and Journey contend they are not.
- (b) Whether Florida Housing has the statutory authority to eliminate applicants from funding based solely on the arrearage issue. Panama and Journey contend that it does not.
- (c) Whether the rules are arbitrary and capricious. Panama and Journey contend that they are.
- (d) Whether the rules enlarge, modify, or contravene the specific provision of law implemented. Panama and Journey contend that they do.
- (e) Whether FHFC has exceeded its grant of rulemaking authority. Panama and Journey contend that it has.
- (f) Whether the rules implement or interpret specific powers and duties granted by Florida Housing's enabling statute. Panama and Journey contend that they do not.

Request for Relief

Panama and Journey seek entry of a final order determining that the rule constitutes an invalid exercise of rulemaking authority as defined in Section 120.52(8), F.S. Panama and Journey are entitled to this relief by Section 120.56(1) and (3), F.S.; and Chapter 420, F.S., including but not limited to Sections 420.507, 420.5087, and 420.5099, F.S.

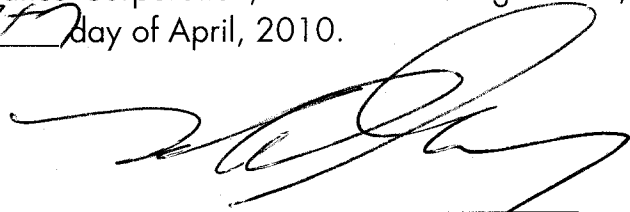
Respectfully submitted,



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by U.S. Mail to the Agency Clerk, Florida Housing Finance Corporation, 227 N. Bronough Street, Suite 5000, Tallahassee, FL 32301, this 7th day of April, 2010.



MICHAEL P. DONALDSON

Received timely. To be considered Received timely, the Applicant must submit one (1) original hard copy and three (3) photocopies of each NOPSE. The Corporation will not consider any NOPSE submitted via facsimile or other electronic transmission.

(5) The Corporation shall transmit to each Applicant the NOPSEs submitted by other Applicants with regard to its Application. The notice shall also include the Corporation's decision regarding the NOPSE, along with any other items identified by the Corporation to be addressed by the Applicant, which may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer is in arrears to the Corporation or any agent or assignee of the Corporation as of the due date for NOPSE filing as set forth in subsection (4) above.

(6) Each Applicant shall be allowed to cure its Application by submitting additional documentation, revised pages and such other information as the Applicant deems appropriate ("cures") to address the issues raised pursuant to subsections (3) and (5) above that could result in failure to meet threshold or a score less than the maximum available. The time period for submitting the "cures" will be no fewer than three (3) Calendar Days from the date the notice set forth in subsection (5) above is sent by overnight delivery by the Corporation. Such notice will provide the deadline for submitting the "cures." A new form, page or exhibit provided to the Corporation during this period shall be considered a replacement of that form, page or exhibit if such form, page or exhibit was previously submitted in the Applicant's Application. Pages of the Application that are not revised or otherwise changed may not be resubmitted, except that documents executed by third parties must be submitted in their entirety, including all attachments and exhibits referenced therein, even if only a portion of the original

years, which will begin from the date the Board makes such determination. Such determination shall be either pursuant to a proceeding conducted pursuant to Sections 120.569 and 120.57, F.S., or as a result of a finding by a court of competent jurisdiction.

(13) The Corporation shall reject an Application if, following the submission of the additional documentation, revised pages and other information as the Applicant deems appropriate as described in subsection (6) above:

(a) The Development is inconsistent with the purposes of the SAIL, HOME, or HC Program(s) or does not conform to the Application requirements specified in this rule chapter;

(b) The Applicant fails to achieve the threshold requirements as detailed in these rules, the applicable Application, and Application instructions;

(c) The Applicant fails to file all applicable Application pages and exhibits which are provided by the Corporation and adopted under this rule chapter;

(d) The Applicant fails to satisfy any arrearages described in subsection (5) above. For purposes of the SAIL and HOME Programs, this rule subsection does not include permissible deferral of SAIL or HOME interest.

(14) Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempted changes to these items will not be accepted. Those items are as follows:

(a) Name of Applicant; notwithstanding the foregoing, the name of the Applicant may

HFC

Developer	Application Numbers	Property Name	Developer	Affiliate/Financial Beneficiary/Principal	Funding Source(s)	County	Original Loan Amount	Lien Position	Service/Trustee	Comments
AMR of Parascala James Reeves Todd Borck	193, 194, 195, 196, 197, Todd 213, 216 Jonathan Wolf 247, 248, 249 HARDS	Parascala At/Orlando Crescent Club (Camden Club)	Northwestern Partners, Inc. Camden Club, Ltd.	Northwestern Partners Inc.; Camden Club, Inc.; Housing and Neighborhood Development Services of Central Florida, Inc.; Connie Dennis, Jerome M. Wilson, Gerald A. Seng, Top Redback, Sandra Seng, Todd Redback, Henry Bank, Travis Wilburne, Mendover Housing Partners, Inc., Jonathan L. Wolf	SAIL 1989-0555 SAIL 2002-1015 HC 2002 005C	Essex	\$476,000.00 \$2,000,000.00	Second	FHDC/SA FHDC/SA	SAIL - The SAIL loan matured 12/21/05. Modified negotiations and in process. Owen 2008 - 2008 SAIL due 1/15/09. Late notice for a sale charge of \$1,542.45 totaling \$242,391.45. Past due notice e-mailed to the borrower on 9/27/08. Late notice for interest sent 9/17/08. FFC special assets received borrower's request for workout plan of the FFC special assets, still under negotiation. Workout agreement finalized 10/15/09.
AOH-Regent LP Matthew Starr	none	The Regents Apartments	American Opportunity for Housing Inc	AOH-Regent GP, American Opportunity for Housing Inc Debra McDonald	FHFC Multifamily Mortgage Revenue Bonds 2006 Series J	Duval	\$14,630,000.00	First	ACS	BOND - Failure to remit Principal & Interest Payments (due \$250,745.01 for collection periods: 07/15/09, 08/15/09, 09/15/09) Administrative Expenses (due \$67,460.25 for collection periods: 01/01/09, 07/01/2009, 07/15/2009, 08/15/2009, 09/15/2009), Tax and Insurance Escrow (due \$42,399.81 for collection periods: 07/15/09, 08/15/09, 09/15/09), Replacement Reserves (due \$84,387.45 for collection periods: 07/15/09, 08/15/09, 10/15/09, 11/15/09, 12/15/09, 01/15/10, 02/15/10, 03/15/10, 04/15/10, 05/15/10, 06/15/10, 07/15/10, 08/15/10, 09/15/10).
Arlington, L.P. Don Ta	none	The Arlington Apartments	Capmark Financial/Arlington LP David Hornsher or Don Ta	AMTAX Holdings 281, LLC; Protect 2004-B, LLC; Protect Holdings 158, LLC.	Bonds Series 2004 G-1 & 2004 G-2	Duval	\$11,340,000.00 \$235,000.00	First	ACS	BOND - On 10/16/08, received Notice of Default from the Trustee, Wells Fargo, for the October 15th monthly Note payment (due \$79,745.34). Bank of America is the sole bondholder when they called in the LOC and took over the funds from Wells Fargo. The Trustee, Wells Fargo issued a notice of default on 10/16/08.
Bay Equity Investments, Inc. Ronnie H. Adams	230, 231	San Jose Apts of Seminole	San Jose Apts of Seminole Ltd.	Royal American Development, Inc.; Bay Equity Investments, Inc.; Clemo Scott, Joseph F. Chapman IV, Joseph F. Chapman, Laurita J Pippin, Robert F. Henry III, David Glover, George Smith, Ronnie H. Adams, James Burden, Davina Houston, Willie Bryant, San Jose Apartments of Seminole, Ltd. Peoples First Properties, Inc.; Raymond Powell, Jimmy Barr, Joseph F. Chapman, III.	HOME 1992HR-022	Seminole	\$1,050,000.00	Second	FHDC	HOME - Owen's 1 monthly PM payment of \$4,210.91 due 10/1/09. Payment received 10/2/09.
Benchmark Group Steven J. Longo	none	Walker Avenue Club	SRK Walker Club, LLC;	Seven J Longo, SRK Walker Club, LLC; Benchmark Properties Management Corp; Arthur J. Susan Gelman, L'Orsain Trust, George Gelman, L'Orsain Trust, George Gelman, L'Orsain Trust, John Hens, Interstate Trust, John Rehak, Jr., Clark Means, George Gelman I, Arthur M. Gelman	MMRB MR 2000L1 & HC 2000-530C Guarantee	Indian River	\$8,945,000.00	First	FHDC/BONY	MMRB - Borrower's failure to make timely payments under the Loan Documents resulted in Guarantee Program claim; payment in full on 3/7/09. Full redemption of the bonds occurred on 4/17/09, resulting in commencement of foreclosure. Final judgment of foreclosure awarded to FHFC II, Inc. 8/27/09. Foreclosure sale date 11/17/09.
Bonita Springs Area Housing Development Corporation Mary E. Sorge	none	Red Hibiscus Lane	Bonita Springs Area Housing Development Corporation		PLP 03-4052	Lee	\$112,010.00	Second	FHDC/SA	PLP - Loan matures 6/28/09. June Board approved additional one year extension and the documents are in the process of modification. Maturd Notice sent 9/30/09.

FHFC
Past Due Report

Developer	Application Numbers	Property Name	Developer	Affiliate/Financial Beneficiary/Principal	Funding Source(s)	County	Original Loan Amount	Loan Position	Service/Trustee	Comments
Contractor Bramon Group, L. C. & Co. D Reid Bramon	none	Keys I & II	The Bramon Group, LLC	D Reid Bramon, Ivan I Bramon	SAIL 1983SR-021 HC-1998L-096	Dade	\$1,481,200.00	Second	FHDC	SAIL - Borrower has provided RR statements for 7/09 thru 3/09 from 1st mortgage holder (HSBC) to show RR account has not been paid current. RR estimated to be past due \$1,000.00 per month, from Jan. 2008 through September 2009, totaling \$21,000.00. Owees \$500 SAIL late filing fee for 2008 due 7/10/09. Past due notice sent 9/2/09. Borrower claims lack of RR payments due to lack of project cash flows.
		Keys III	The Bramon Group, LLC	D Reid Bramon, Ivan I Bramon	SAIL 1983SR-022 HC-1998L-019	Dade	\$1,481,200.00	Second	FHDC	SAIL - Borrower has provided RR statements for 7/09 thru 3/09 from 1st mortgage holder (HSBC) to show RR account has not been paid current. RR estimated to be past due \$600.00 per month, from January 2008 through September 2009, totaling \$12,600.00. Owees \$500 SAIL late filing fee for 2008 due 7/10/09. Past due notice sent 9/2/09. Borrower claims lack of RR payments due to lack of project cash flows.
Carrou Supportive Housing, Inc. Stephanie Bernam	75, 76, 77, 128, 134, 135	Harding Village	Harding Village, Ltd	Stephanie Bernam, Harding Village, Inc., Carrou Supportive Housing, Inc., Tee Garcia, Stephen Danner, Fandlyn Casale, John Messer, Alan Orick	SAIL 2003-016CS	Miami-Dade	\$2,000,000.00	First	FHDC	SAIL - Owees \$42,612.52 for 2008 SAIL interest due 8/31/08 due a 5% late charge of \$2,130.63, totaling \$44,743.15. Late notice sent 9/17/09. Borrower paid \$5,000.00 on 5/22/09 leaving a remaining \$8,000.00 partial T&I escrow payment due on 3/31/09 and 6/11/10 monthly T&I Escrow payments of \$15,964.51 due 4/30/09 - 9/30/09 (total escrows due \$100,787.05). Owees 2 monthly replacement reserve payments of \$775.00 each, due 7/31/09 & 8/31/09 plus 1 monthly replacement reserve amount of \$1,550.00 due 9/30/09. Owees a late charge for 2008 Financial Monitoring Fee of \$80.25. Past due notice and e-mail sent on 9/2/09. On 9/15/09 Borrower paid \$5,000.00 towards their partial T/I and \$775.00 towards 1 replacement reserve payment but their check was returned NSF. The outstanding amounts above remains due. As of 10/1/09, total due is \$142,935.46.
CEDO Housing Development Corp. Wille Forhand	none	Triple Oaks II s/v/a Omega Villas	Omega Villas Apts., a division of CEDO Housing Dev. Corp.	CEDO Housing Development Corporation, James Palmer, Inez Holt, Robert Green, Wille Major Jackson, Jerome Showers, Marilyn Anderson	SAIL 2000-107S	Gadsden	\$2,490,000.00	Second	FHDC	SAIL - Owees 2007 SAIL interest of \$16,561.00 plus a 5% late charge of \$828.05 due 12/31/08. Owees 2007 SAIL Servicing fee of \$6,225.00 plus a 5% late fee of \$311.25 due 4/30/08, totaling \$6,536.25. Owees \$135.40 in late fees for the late payment of compliance and financial monitoring fees. Owees 2008 SAIL servicing fees of \$8,899.00 plus a 5% late charge of \$444.90 due 4/30/08. Past due notice sent 9/2/09. Borrower is not making any T&I payments to 1st mortgage lender (USRDAL), but did rent lump sum in July 2008 to cover 2008-2009 insurance expenses (tax exempt property). Borrower renitied RR payments totaling \$6,249.99 to 1st mortgage lender in July 2009. Borrower remains past due under FHFC obligations, totaling \$32,948.00 thru August 2009 (FHFC requirements are monthly deposits of \$2,083.00); however, borrower states they are paying in accordance with USRDAL requirements and as required by CEDO Board.
Complete Property Development Company Joseph Crossen	none	Ballet Villages II	Ballet Villages II Limited Partnership	Ballet Villages Development Corp, Joseph F. Crossen, V/ie Howland	HOME 1995HR-012	Palm Beach	\$842,984.00	First	FHDC	HOME - Owees 1 replacement reserve payment of \$2712.50 & 1 monthly tax and insurance escrow payment of \$1,949.57 both due 9/30/09.
Complete Property Development Company, cont. Joseph Crossen	none	Vista del Lago	Vista Del Lago, Ltd.	Vista Del Lago Development Corp, Joseph F. Crossen, V/ie Howland	SAIL 1995-011S HC-1998L-007	Palm Beach	\$600,000.00	Second	FHDC	SAIL - Owees \$12,805.00 for 2008 SAIL interest due 8/31/09 plus a 5% late charge of \$640.25, totaling \$13,445.25. Owees 1 monthly escrow payment of \$6,478.19 due 9/30/09. Past due notice sent and e-mailed to borrower on 9/2/09. Late notice for interest sent 9/17/09.

FHFC
Past Due Report

Developer	Application Numbers	Property Name	Developer	Applicant/Financial Beneficial/Principal	Funding Source(s)	County	Original Loan Amount	Loan Position	Service/Trustee	Comments
Crestline Development, Inc. Fernando Jones	none	Richardson Place	Consonium Development Group		FLP 2000-041	Duval	\$97,177.00	N/A	FHFC/SA Trustee	PLP - The loan matured on 8/16/07. Borrower non-responsive. Demand letters sent monthly, last sent 9/30/09.
Country Lake Apartments, Ltd. Bruce L. Parker	none	Country Lake	Country Lake Apartments, Ltd.	Bruce L. Parker, Jason Parker	SAL 1999S-001 HC 1990L-015	Pak	\$1,560,000.00	Second	FHDC/SA	SAL - Loan matured 3/22/05. Borrower owes servicing fees totaling \$10,144.77 for 1995, 1998-2000, 2007 SAL Servicing and Compliance Monitoring fees paid late, owes 5% late fee plus \$108.01. Borrower owes \$942.79 in late charges for previously delinquent interest. Owe 2008 SAL servicing fees of \$2,160.00 plus a 5% late charge of \$108.01 due 4/30/08. 2008 Property taxes are delinquent and went to sale - certificate #153491. Late sent notice 9/23/09. Demand letters sent monthly, last sent 9/23/09. Past due notice sent 9/22/09. On 7/30/09 borrower advised that he should be receiving payment for the 2008 SAL servicing fees within 60 days.
Creative Choice Homes Dilip Barot	105, 112, 117, 124	Andros Isle	Creative Choice Homes	Creative Choice Homes XI Ltd., Creative Choice Homes XI Inc., Creative Choice Homes, Inc., Dilip Barot	MMRB/Guarantee Lea County/HFA Series2001AAB SAL 2001-1605	Lee	\$10,700,000.00 \$2,000,000.00	First Second	SMG	Bond - Borrower past due for the 8/15/08 and 10/15/08 debt service payments. The original debt amount of \$17,693,721. Trustee sent out a default notice on 8/15/08. On 9/22/08, trustee received a letter from Debt Service Reserve in the amount of \$80,000. On 10/22/08, trustee sent notification to the borrower for the required amount of \$71,874.48 as repayment/redemption to the Debt Service Reserve pursuant to the Loan Agreement and original demand on 1/13/09. Trustee filed claim for loss with the FHFC Guarantee Program on 9/16/09. As of 10/1/09, \$150,700.29 is due and payable.
		Caribbean West Apartments	Creative Choice Homes VI Ltd., Dilip Barot	Creative Choice Homes VI Ltd. Barot, President	HOME 1993HD-008	Miami-Dade	\$1,480,000.00	Second	ACS/SA	HOME - Loan matured 5/26/09. Demand letter sent 5/29/09. Matured notice sent 8/31/09. Recommendation was approved at July Board meeting to renew and restructure the existing HOME loan. Documents are in the process of modification. As of 10/1/09, principal balance \$1,480,000 and interest (also \$89,272.35) are due and payable.
		Gardens Apartments	Creative Choice Homes VI Ltd., Dilip Barot	Creative Choice Homes VI Ltd., Creative Choice Homes VII, Inc.	HOME 1992HR-009	Miami-Dade	\$3,000,000.00	Second	MMANSA	HOME - Loan matured 3/24/09. Matured notice sent 8/31/09. Recommendation was approved at July Board meeting to renew and restructure the existing HOME loan. Documents are in the process of modification. Quarterly payment due 10/1/09 not received yet, interest due \$22,854.93. As of 10/1/09, principal balance \$3,000,000 and interest (also \$197,460.96) are due and payable.

FH-C
Past Due Report

Developer	Application Numbers	Property Name	Developer	Beneficiary/Principal	Funding Source(s)	County	Original Loan Amount	Lien Position	Service/Trustee	Comments
Heritage Companies James Kincaid	none	Park Crest Terrace III/Fair Oak Estates Ltd	Heritage Partners	Fair Oaks Estates, Ltd. Heritage Fair Oak Inc. Denham Area Community Development MADCO Heritage Partners Group XXIII, Inc. National Partnership Investments Corp (NAPICC)	HOME 1999-048CH	Highland	\$380,000.00	Second	SMG	HOME - Failure to remit annual interest billing via/0 \$4,901.99 due by 7/10/09. Sent Late Notice on 8/10/09 which included assessment of a \$245.10 late payment fee. Total outstanding \$5,147.09. Past due for the 9/10/09 tax and insurance escrow payment via/0 \$4,418.08 and the Replacement Reserve Escrow payment via/0 \$735.00.
Heritage Companies James Kincaid	none	Edisto Lakes	Edisto Group, Ltd.	Estate Group Inc. GP. Group Estate, Inc.; Charlain Dev. Corp. Non-Profit; Key Corp. Inv. LP LP 1 and LP, James Kincaid; Neal Harding; Mark M. Dumas; Oc Adams; Leigh C. Westraad	SAL 1994S-042 HC 1994S-006 HC 1994L-163	Lee	\$2,822,781.00	Second	FHDC	SAL - Oves \$500 SAL late filing fee for 2008 due 7/10/09. Oves 20 monthly tax and insurance escrow payments of \$62,117.28 each due 2/29/08 - 9/30/08 (total due \$1,242,345.20). Borrower submitted request to FH-C on 7/28/08 requesting a waiver of the requirement to escrow for T&I. Request was denied by FH-C on 7/31/08. Servicer has requested updated T&I information from borrower. In order to run new escrow analysis, 2008 Property taxes remain due via/0 \$182,283.05. Borrower advised they have 60 days from the date the Record of Decision is mailed. When the values are certified, they will determine whether or not to file suit. Past due notice sent monthly, last sent 9/20/09. New escrow analysis will be completed upon receipt of payment of back taxes. As of 9/10/09, the borrower owes \$377,365.66 for T & I Escrows and the SAL late fees and \$192,283.05 to the tax collector for back taxes plus penalties.
Heritage Companies James Kincaid	773, 174, 175	Edisto Lakes	Edisto Group, Ltd.	Estate Group Inc. GP. Group Estate, Inc.; Charlain Dev. Corp. Non-Profit; Key Corp. Inv. LP LP 1 and LP, James Kincaid; Neal Harding; Mark M. Dumas; Oc Adams; Leigh C. Westraad	SAL 1994S-042 HC 1994S-006 HC 1994L-163	Lee	\$2,822,781.00	Second	FHDC	SAL - Oves 1 monthly principal payment of \$5,000.00 due 10/1/09.
Harris Group, Inc. Robert L. Harris, Jr.	none	Liberty Center I	Liberty Center, Ltd.	Harris Group II, Inc.; Robert L. Harris, Sr.; Joan K. Harris; Robert L. Harris, Jr.	SAL 1989S-046 HC1988L-046	Duval	\$719,889.00	First	FHDC	SAL - Oves 1 monthly P&I payment of \$4,446.28 due 10/7/09.
Harris Group, Inc. Robert L. Harris, Jr.	none	Liberty Center II	Liberty Center II, Ltd.	Harris Group II, Inc.; Robert L. Harris, Sr.; Joan K. Harris; Robert L. Harris, Jr.	SAL 1989S-054 HC1991L-075	Duval	\$1,429,329.00	Second	FHDC	SAL - Oves 1 monthly principal payment of \$3,300.00 due 10/1/09.
Harris Group, Inc. Robert L. Harris, Jr.	none	Liberty Center III	Liberty Center for the Homeless, Inc.	Halle Williams-Bey; Larry Tipping; Diane Chambliss; Robert L. Harris, Sr. Rev.; Roosevelt R. Lanford; Robert L. Harris, Jr.	SAL 1997S-018	Duval	\$1,800,000.00	First	FHDC	SAL - Oves 1 monthly principal payment of \$5,000.00 due 10/1/09.
Maxwell Properties, Inc. Harry Maxwell	none	Maxwell Manor Phase II	Maxwell Properties, Inc.; Harry Maxwell, President	Maxwell Properties, Inc.; Harry Maxwell, President	HOME 2003-133H	St. Johns	\$2,499,000.00	Second	ACS/SA	HOME - Failure to pay the 3/7/09 annual HOME interest of \$58,589.41 per invoice #60094, dated 2/11/09. A late fee of \$2,929.47 was assessed on 3/16/09. Harry Maxwell requested help from Special Assets Foreclosure Agreement sent to borrower on 6/30/09 but borrower has not executed it. In addition, construction draws are on hold until interest payment, late fee, and resolution of outstanding liens on the property are received or an agreed upon workout agreement. 9/8/09 received notice from FH-C that Notice of Intent to Declare Contractor in Default for Failure to Perform of the site Maxwell Manor Phase I, St. Johns County.
Homestead B & V Recap Associates of CT, LLC John McCludchy	none	Ann-El	Ann-El Apartments Associates, Ltd.	Homestead B&V Recap Associates of CT, LLC (GP), John H. McCludchy, Jr.	SAL 1989S-007 HC 1989S-579C	Dade	\$300,000.00	Second	FHDC/SA	SAL - Loan matured 2/27/06. Demand letters sent monthly, last sent 9/30/09. Borrower has received new title and is trying to sell property. Service unable to obtain statements from First Mortgage lender to confirm escrow & R/R deposits. First Mortgage is County Bonds that monthly 11/1/09. Borrower has not paid all bonds and continues to make monthly 11/1/09. Borrower has no other assets and no longer available from Trustee due to marital status. Servicer has requested all unpaid judgments from Borrower on the status of the sale of the bonds on 5/18/09. 5/29/09. 6/10/09. 7/10/09. 7/20/09. 8/12/09. 8/20/09. 9/15/09 and 9/25/09 but has not received a response except an indication they are still remitting monthly deposits to trustee. Borrower has entered into Purchase and Sale Agreement. Purchaser is in the diligence process.

FHFC
Past Due Report

Developer	Application Numbers	Property Name	Developer	Attorney/Financial Beneficiary/Principal	Funding Source(s)	County	Original Loan Amount	Loan Position	Service/Trustee	Comments
J.C. Housing, Inc. Charles J. Edman, Jr.	none	Turle Creek	J.C. Housing, Inc.	Turle Creek, Ltd., J.C. Housing, Inc.; Charles J. Edman, Jr.; KeyCorp Investment Limited Partnership II	MMRB/Guarantee 1996 Series C-1 1996 Series C-2	Collier	\$13,500,000.00	First	SMG	BOND - Borrower's failure to make timely payments under the Loan Documents resulted in Guarantee Program claim payment in full on November 17, 2008. Full redemption of the bonds occurred on December 10, 2008, resulting in commencement of foreclosure. Borrower filed Chapter 11 Bankruptcy 4/29/08. Florida Housing granted Relief from Stay 9/17/09. NGM filing Motion for Final Summary Judgment.
Jennings Development Corp. Ed Jennings	none	Eden Park at Ironwood	Jennings Development Corp.	Ironwood Associates, Ltd.; Ironwood partners, Inc.; Ironwood Associates, Inc.; MEC Bond Warehousing, LLC; Midland Special Limited Partners, Inc.; Robert K. Myers, Jr.; Anne M. Wallace; Edward L. Jennings, Jr.	SAL 2000-0675	Alachua	\$1,025,000.00	Second	SMG	SAL - Past Due (due \$8,659.00 for 2007 SAL Interest due 8/31/08. Late charge (due \$432.95 on 9/6/08 due immediately. Sent e-mail to borrower 10/20/08 to question status. 12/1/08 sent e-mail to borrower to advise FHFC would not make any adjustments to current SAL interest due. 2/24/09 - sent e-mail to Ed Jennings requested status of payment. Spoke to associate in the office of Mr. Jennings to inquire about the past due payments, the response was they would discuss with Mr. Jennings and get back to me 3/20/09. Borrower non-responsive to collection efforts. 9/7/09 requested update for payment from borrower.
L. T. Clayton & Brothers Enterprises, Inc. Lovely T. Clayton	none	Howard Park	Howard Park Ltd	L. T. Clayton and Brothers Enterprises, Inc.; Boston Capital Fund VII; Boston Capital Partners, Inc.; Lovoy Clayton, David Clayton; John Manning; Jeff Goldenheim; Karen Gernimo; Boston Capital Finance, LLC; Boston Capital Securities, Inc. et al	SAL 1998S-015 HC 1997L-069	Alachua	\$214,144.00	First	FHDC	SAL - Failure to submit the 2008 SR-1 form. Owe \$8,424.32 for 2008 SAL Interest due 8/31/09 plus a 5% late charge of \$321.22, totaling \$8,745.54. Owe \$500 SAL late filing fee for 2008 due 7/10/09. Owe 2 monthly escrow payments of \$9,930.89 each due 8/31/09 & 9/30/09. Owe 1 replacement reserve payment of \$333.33 due 9/30/09. Past due and reminder notices sent monthly, last sent 9/20/09. Late notice for interest sent 9/17/09.
Lee County Housing Development Co. Teva Gilligan	none	Park Green	Park Green Ltd	Lovoy Clayton, David Clayton	SAL 1998S-014 HC 1997L-066	Alachua	\$109,148.00	First	FHDC	SAL - Failure to submit the 2008 SR-1 form. Owe \$1,274.44 for 2008 SAL Interest due 8/31/09 plus a 5% late charge of \$163.72, totaling \$1,438.16. Owe \$500 SAL late filing fee for 2008 due 7/10/09. Owe 2 monthly escrow payments of \$1,961.70 each due 8/31/09 & 9/30/09. Past due and reminder notices sent monthly, last sent 9/20/09. Late notice for interest sent 9/17/09.
Leiland Enterprises Emil Badger	none	Pasco Woods	Leiland Enterprises	Pasco Woods Ltd, Alliant Tax Credit Fund VI, Ltd, Pasco Woods Inc., Alliant Tax Credit I, Inc.	SAL 1998S-086	Pasco	\$2,000,000.00	Second	SMGSA	SAL - Past due for SAL Interest payment in the amount of \$176,842.00. The borrower has requested a workout agreement with FHFC and is in the process of negotiating the terms of that agreement with FHFC.
Lutheran Social Services of North Florida, Inc. James T. Freeman	none	Supportive Housing	Lutheran Social Services of North Florida, Inc.		PLP 2003-061	Leon	\$45,968.00	Second	FHFC/SA	PLP - Loan matured 9/6/09. Loan approved for additional one year extension at the September Board meeting and the documents are in the process of modification.
Mannaus Development Company Angela P. Mann	none	Centre Court Apartments	Centre Court on 53rd, Ltd.	Centre Court on 53rd, Inc.; Thomas Mannaus	SAL 2001-049S 2000-546C	Manatee	\$1,824,680.00	Second	FHDC	SAL - Owe 1 monthly tax and insurance escrow payment of \$19,603.53 due 8/30/09.

FHFC
Past Due Report

Developer	Application Numbers	Property Name	Developer	Articles/Financial	Funding Source(s)	County	Original Loan Amount	Len. Position	Service/	Comments
North Florida Educational Development Corp. Carolyn Ford	137	Dorland Villas	North Florida Educational Development Corp.	North Florida Educational Development Corp., Carolyn Ford, Toni Wiggins McDuff, Oia Green, Clarence Lewis, Sarah Figgers, Lizzie Thomas, EVELIA MEYER	SAIL 1995-0195	Gadsden	\$1,430,000.00	Second	FHDC	SAIL - Owees \$500 SAIL Late Filing Fee for 2007, due 7/16/08 and \$500 SAIL Late Filing Fee for 2008 due 7/16/08. Owees 2004-2007 Servicing fees 1/30/00 due 4/30/05-4/30/06, plus a 5% late fee of \$72,524.00. Owees 2007 Servicing fees 5/1/07 due 8/31/07. Owees 5% late fee of \$42,000.00 for the 2007 Financial Mkt. plus a 5% late charge of \$99,223.88. SAIL servicing fees of \$5,985.00 plus a 5% late charge of \$1,922.28 each, due 3/31/06 - 9/30/09 total due \$36,525.22. Owees 2 replacement reserve payments of \$366.67 each due 8/31/06 & 9/30/06. Past due notices sent monthly, last sent 9/2/09. Received Notice of Tax Deed sale from FHFC. Per Gadsden County Tax Collector back taxes owed from 2001 to 2004 1/6/0 5/79,769.71, sale date set for 12/2/09 @ 10:00 a.m.
Opal-octa Community Development Corporation, Inc. Stephanie Williams-Siddm	none	South Springs	North Florida Educational Development Corporation		PLP 1998-026	Gadsden	\$410,573.21	First	FHFC/GISA	PLP - Loan matured on 5/18/04. Demand letters sent monthly, last sent 3/31/08. Foreclosure filed 5/1/09 by FHFC. Hearing for summary judgment set for 11/5/09.
Ravenwood Apartments, LLC Doug Smith	none	Ravenwood Apartments	Opal-octa Community Development Corporation	Doug Smith, sold to Frank and Debra Leht, Ravenwood Apartments, LLC	SAIL 1998S-001	Duval	\$2,500,000.00	First	ACS/SA	SAIL - Failure to submit the annual SAIL Cash Flow reporting forms and AFS for 2008, the SAIL interest was assessed. Failure to remit due 8/31/09. SAIL interest \$15,000.00 per invoice #600124, due 7/31/09. Servicing fees of \$9,110 for the 2008 are still outstanding.
Royal American Management Jeely Chapman	230, 231	Ourfinger Village Apts			HOME 1992-007	Osceola	\$2,017,730.00	Second	MMA	HOME - Quarterly Interest Payment 1/6/0 \$15,257.36 due 10/1/09. Payment received 10/5/09.
Shelton Corp. Garret Carlson, Jr.	none	Venetian Isles II	Trust Lake Park Two, Ltd.	Shelton Venetian Isles II, LLC, Garret Carlson, Jr., Lynn Carlson Schell, Jay Jensen, ChC Venetian Isles II, LLC, Susan Landwehr, Norman Happy Nelson, Jr., James Moroz, Richard Martin, Frank Bennett, Shelton Corporation, Community Housing Corporation, Parkview, Inc., John Head, Jr., Lawrence Norman, Nelson, Shannon Hendricks	MMRB 2002 D1 & D2 SAIL 2002-007S HC 2003-519C	Palm Beach	\$8,250,000.00	First	FHDC US Bank	HOME - Paid as of 10/6/09. Per Notice received from TTEE Borrower has not made the September payment 1/6/0 \$48,065.29