AMENDED PETITION
FOR WAIVER OF COMPLIANCE MONITORING FEES IMPOSED BY
INSTRUCTIONS ADOPTED AS RULES UNDER

1. Petitioner: Pelican Cove RRH, Ltd.
P. O. Box 358626
Gainesville, FL 32635-8626
Telephone: 386-454-1460
Facsimile: 356-454-1988

2. Subject Project: Pelican Bay Apartments
Project No. 2002-165C

3. Respondent: Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301-1329
Telephone: 850-488-4197
Facsimile: 850-488-9809

4. Qualified Representative: J. Rolando Sanchez, Manager, for
Sanchez Rental Housing, LLC, the General Partner
Pelican Cove RRH, Ltd.
P. O. Box 358626
Gainesville, FL 32635-8626
Telephone: 386-454-1460
Facsimile: 386-454-1988


6. Action Requested: Petitioner requests a partial waiver of the compliance fees for
the Pelican Bay project so that the total of such fees charged
for this project will be calculated on an Annual Base of
$350.00, with no per unit annual fee, over the compliance
term of 50 years with the payment discounted at 2.75%.
7. Statement of Facts Justifying Request for Waiver:

- Petitioner applied for and received Housing Credits from the USDA/VDI program in the 2002 Application Cycle of the Florida Housing Finance Corporation ("FHFC"). The Housing Credits received were for the acquisition and rehabilitation of an existing garden apartment complex with 21 buildings containing 84 set-aside units.

- The Housing Credit compliance monitoring fees for the 2002 Application Cycle were adopted as rules pursuant to 67-48.002(116) and 67-48.007, Florida Administrative Code (2002). (Copy of the applicable fee pages attached hereto as Exhibit 'A'.)

- The rules requiring compliance monitoring fees pursuant § 420.507, Florida Statutes, which provides for the collection and payment of fees and § 420.509(7) which authorizes the expenditure of fees received in conjunction with the allocation of Housing Credits.

- Pelican Bay Apartments is financed through the 515 Direct Loan Program of Rural Development, an Agency of the United States Department of Agriculture (USDA/RD) for financing of multi-family housing. USDA/RD and FHFC entered into agreements to, in part, monitor compliance with tax credit requirements of RD borrowers. (Copies are attached hereto as Exhibit 'B'.)

- Because of the compliance monitoring done by USDA/RD and its prior agreements to share this information, there has been a different compliance monitoring fee imposed by FHFC on USDA/RD projects through 2001. The reduced fee, however, was inadvertently omitted from the rules in 2002.

- In 2001, the monitoring fee for USDA/RD projects was an Annual Base of $300 per development over the compliance monitoring term, which is 30 years for Pelican Bay Apartments, with the payment due up front and discounted at a rate of 2.75%.

8. Purpose Justification: The requested waiver is fair and in accord with the prior rule and the attached agreements between FHFC and USDA/RD, which were still in force during the 2002 Application Cycle and which agreements relieve FHFC from some of its monitoring responsibilities. The assessment of additional fees over prior years without any increase in monitoring responsibilities violates the principles of fairness. Also, the waiver does not contradict the purpose of the underlying statute that provides for compliance and the collection of monitoring fees, both of which are still being accomplished by FHFC.

9. Type of Waiver: Permanent

Dated this 4th day of August 2006

Petitioner

By: [Signature]

J. Rolando Sanchez, Manager, for
Sanchez Rental Housing, LLC, the General Partner
Pelican Cove RHP, Ltd.
administrator and contain the specific reasons for the extension and the date needed by which to close the loan.

(a) Non-Profit sponsors who provide a certification indicating that funds will not be available prior to closing shall be permitted to pay the commitment fee at closing.

(b) All Applicants shall remit the commitment fee payable to the Florida Housing Finance Corporation.

6. Compliance Monitoring Fees:

The following fees are not the fees that will be charged, but are listed below for estimation purposes of completing your pro-forma in the Application. The actual fees will be determined based upon a contract for services between Florida Housing Finance Corporation and the Credit Underwriter(s) to commence in 2002:

a. SAIL Only: Annual fee of $1,380 + $5.75 per set-aside unit, billed annually following loan closing.

b. HC Only: Annual fee of $1,380 + $5.75 per set-aside unit, paid up front for the full Housing Credit Extended Use period at Final Housing Credit Allocation, based on a quarterly payment stream discounted at a rate of 2.75%.

c. HC with SAIL:

(1) HC Portion –

(a) Pre-final allocation compliance monitoring fee of $1,380 + $5.75 per set-aside unit, collected within 7 days of the date of the Preliminary Housing Credit Allocation or Binding Commitment, and

(b) Annual compliance monitoring fee - $1,380 + $5.75 per set-aside unit, for the full Housing Credit Extended Use period collected at final allocation based on a quarterly payment stream discounted at a rate of 2.75%.

(2) SAIL Portion –

Additional Program fee – annual fee of $600, billed annually following loan closing.

EXHIBIT 'A'
d. MMRR (with or without HC): Annual fee of 4 basis points on the outstanding balance or a minimum of $1,380 + $5.75 per asset unit, billed annually following loan closing.

7. Loan Servicing Fees (SAIL Only):

The following fees are not the fees that will be charged, but are listed below for estimation purposes of completing your pro-forma in the Application. The actual fees will be determined based upon a contract for services between Florida Housing Finance Corporation and the Credit Underwriter(s) to commence in 2002:

a. Construction –

   (1) On-site review - $110 per hour, not to exceed $1,300 per inspection;
   (2) In-house review - $130 per hour, not to exceed $1,360 per draw request; and
   (3) Extraordinary services - $130 per hour, plus actual travel costs.

b. Permanent - An annual servicing fee equivalent to 25 basis points on the unpaid principal balance of the SAIL loan, which fee shall never be less than $1,200 annually.

8. Financial Monitoring Fees:

The following fees are not the fees that will be charged, but are listed below for estimation purposes of completing your pro-forma in the Application. The actual fees will be determined based upon a contract for services between Florida Housing Finance Corporation and the Credit Underwriter(s) to commence in 2002:

An annual financial monitoring fee of 1.5 basis points on the unpaid principal balance of the SAIL loan, which fee shall never be less than $1,350 annually.

9. Tax-exempt Mortgage Financing:

If Corporation tax-exempt mortgage financing is used for the first mortgage loan, the same fee schedule as described above shall be applied to both the first mortgage loan and the SAIL loan. Additional legal, cost of issuance, bond underwriting, credit enhancement, liquidity facility and servicing fees associated with the financing shall also be paid by the Applicant.
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**Housing Credit Compliance Monitoring Fees**

Compliance fees will be indexed for inflation and the difference billed directly to the owner on an annual basis.

Fees are based on net-aside units. See offer table for additional fees.

1. **Annual Base Fee**: $1,475
2. **Per-Unit Annual Fee**: $9.50
   To be billed directly to the Applicant at $120 per hour not to exceed $1,300 per inspection.
3. **Discount Rate**: 2.75%
   Developments receiving competitive credits are required to have 4 inspections & any required reinspection.

Developments receiving non-competitive credits are required to have at least 1 inspection.
SERVICING
MEMORANDUM OF UNDERSTANDING
BETWEEN THE
RURAL ECONOMIC AND COMMUNITY DEVELOPMENT IN FLORIDA
AND THE
FLORIDA HOUSING FINANCE AGENCY

INTRODUCTION

The Rural Economic and Community Development in Florida, an agency of the United State Department of Agriculture, hereinafter referred to as "RECD," and Florida Housing Finance Agency, hereinafter referred to as "State Agency," wish to enter into the following Memorandum of Understanding ("MOU") regarding the monitoring of low-income housing tax credit compliance. For the purposes of this MOU, the term "State Agency" may also collectively apply to any private contractors, "authorized delegates," or other State agencies to whom the State Agency named above has delegated compliance monitoring functions as set forth in Section 42 of the Internal Revenue Code of 1986, as amended (the "Code").

RECD administers a loan program authorized by Section 515 of the Housing Act of 1949, which provides financing for housing for very low- and low-income tenants in rural areas. Developers participating in this program are also eligible to receive low-income housing credits which are administered through state or local housing credit agencies, as provided under the Code.

BACKGROUND

The Internal Revenue Service ("IRS") published regulations on September 2, 1992 (the "Regulations"), to guide State Agencies in monitoring compliance with the low-income housing tax credit requirements by owners of low-income housing projects. These Regulations allow the State Agency to implement review requirements that grant exceptions to owners of projects financed under Section 515 of the Housing Act of 1949 to the requirements to review tenant certifications, supporting documentation, and any records of such buildings. These requirements are set forth in Section 42 of the Code. However, for the State Agency to grant review exceptions on buildings financed by RECD, the State Agency must enter into an agreement with RECD whereby RECD will agree to provide the State Agency with information concerning the income and rent of the tenants in the building. The Regulations provide that the State Agency may assume accuracy of the information provided by RECD without verification.

SCOPE OF THE AGREEMENT

Under this Agreement, RECD and the State Agency agree to engage in cooperative efforts to enable the State Agency to effectively monitor compliance with tax credit requirements of RECD borrowers, as provided in Section 42 of the Code.

EXHIBIT
'B'
PURPOSE

The purpose of this document is to establish the conditions under which RECD and the State Agency agree to operate.

A. The State Agency will provide to RECD an initial list of Section 515 projects which have received low-income housing credits. At least annually thereafter, the State Agency will provide RECD with an updated list of such projects.

B. RECD agrees to assist in providing the State Agency with data concerning tenant income and rent levels on affected Section 515 projects if the borrower fails to provide such information when requested.

C. Parties to this agreement understand that RECD does not certify tenant tax credit income eligibility, nor does RECD certify to the owner's compliance with requirements of Section 42 of the Code, only that tenant income is based upon a tenant certification/recertification which is updated annually, and that the certification/recertification requires a third-party verification. The State Agency understands that the owner certifies to RECD monthly as to continued occupancy and tenant eligibility. RECD also carries out periodic supervisory actions to verify compliance by the owner with RECD tenant requirements.

D. RECD agrees to provide a copy of the initial post occupancy visit and the triennial supervisory visit conducted on each project. The visit will be recorded on Exhibits F and G of RECD Instruction 1938-C and will have a copy of HUD Form 9822, "Report of Physical Condition Estimate of Repair Costs."

PERIOD OF AGREEMENT

The initial term of the Agreement shall be for a period of one (1) year, commencing on September 1, 1995. This Agreement shall automatically be renewed for successive one-year periods unless terminated by either party upon written notice to the other given at least ninety (90) days prior to the expiration of then current term.

MODIFICATION OR CANCELLATION PROVISION

This Agreement may be modified or amended only by written agreement of RECD and the State Agency. Requests for amendments to the Agreement may be initiated by either of the two parties through written notification.
## Acceptance and Signature of Each Approving Party:

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<tr>
<td>RONALD G. WHITFIELD</td>
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<td>9-29-95</td>
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<tr>
<td>Susan J. Leigh</td>
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PROCESSING
MEMORANDUM OF UNDERSTANDING
Between the
Rural Economic and Community Development, Florida
and
Florida Housing Finance Agency

I. INTRODUCTION
A. The Rural Economic and Community Development (RECD),
Florida, an agency of the U.S. Department of Agriculture and
Florida Housing Finance Agency, hereinafter referred to as
"State Agency," wish to enter into the following Memorandum
of Understanding (MOU) regarding the ALLOCATION of low-
income housing tax credits.
B. RECD administers a loan program authorized by Section 515 of
the Housing Act of 1949, which provides financing for
housing for very low- and low-income tenants in rural areas.
As an incentive for developers to participate in the
program, the Internal Revenue Service (IRS), in Section 42
of the Internal Revenue Code, provides tax credits, which
are administered through State or local housing credit
agencies.

II. SCOPE OF THE AGREEMENT
Under this agreement, the RECD State Director and the State
Agency agree to engage in cooperative efforts to enable the State
Agency to effectively evaluate tax credit requests of RECD
applicants, as provided in Section 42 of the IRS Code.

III. PURPOSE
The purpose of this document is to establish the conditions under
which the RECD State Director and State Agency agree to operate.
A. RECD in Florida agrees to annually provide the State
Agency, on Section 515 projects being considered and
receiving 515 funding decisions, with data as follows:
1. When the construction is complete, the ACTUAL Form
1524-13 will be provided, including any cost analysis
prepared by RECD.
2. On an annual basis a copy of the data in the 'Rural
Rental Housing Section 515 Program CONSTRUCTION COST
ANALYSIS for the current year should be provided to the
State Agency.
B. The State Agency agrees to provide annually to RECD:

1. Within thirty (30) days after the application cycle closes (typically in the spring), a list of tax credits applications received, which indicates which of those projects are seeking financing from RECD.

2. Within thirty (30) days after Agency's Board of Directors approves the post-appeal scores (typically in the summer), a copy of the final scoring and ranking sheet.

3. For all projects seeking financing from RECD which are to receive a tax credit allocation:

   A. Copies of Carryover Agreements, for those projects which do not receive a Final Allocation Certificate the same calendar year within which the Preliminary Allocation was issued, to be provided by March 15 following the calendar year within which the documents were executed.

   B. Copies of Final Allocation Certificates, issued after the projects have been placed in service and the IRS Form 8609's have been submitted to IRS, to be provided by March 15 following the calendar year within which the documents were executed.

   C. Parties to this agreement understand that RECD does not certify accuracy of the tax credit applicant's eligibility, nor does RECD certify to the applicant's compliance with requirements of Section 42 of the Internal Revenue Code. The State Agency is to understand that the owner certifies the information to RECD as being true and correct representations, and that RECD carries out periodic reviews and analysis of the data to verify compliance with RECD requirements.
IV. PERIOD OF AGREEMENT

This agreement will remain in effect until terminated by written notification of either party.

V. MODIFICATION OR AMENDMENT PROVISION

This agreement may be modified or amended by written agreement of the PEDP and the State Agency. Requests for amendments to the agreement may be initiated by either of the two parties through written notification.

VI. ACCEPTANCE AND SIGNATURE OF EACH APPROVING PARTY

Name: RONALD G. WHITFIELD
Title: Acting State Director
Date: 3-31-90

Name: SUSAN J. LEIGH
Title: Executive Director
Date: 1/22/90