defining Lower Income Residents. (See section 142 of the Code.) Taxable Bonds, other than Taxable Bonds issued simultaneously with Tax-exempt Bonds, in which case the above referenced provisions apply, or Bonds that do not qualify State Bond Allocation are being used to finance the Development, Lower Income Residents shall be defined as an individual or family with an Annual Household Income not in excess of 80 percent of the state or county median income, whichever median income is higher. If the event Bonds are issued on behalf of a corporation (expressed under section 501(c)(3) of the Code, the Set-Aside shall not be less than that required by the 501(c)(3) documents).

"Mortgage" means the instrument securing the Loan which creates a first-rental or equivalent subordination lien on the Development, subject to permitted encumbrances.

"Mortgage Loan" means the Loan secured by the Mortgage and evidenced by a Note or Mortgage Note.

"Note" means a unilateral agreement containing an express and absolute promise to pay to Florida Housing a principal sum of money for the Loan together with interest on a specified date. The Note will provide the interest rate and will be secured by a mortgage.

"Prepayment Development" means an existing Development currently subject to documented rent restrictions or income restrictions through a federal, state or local government affordable living program, where the rent restrictions or income restrictions for the Development will end within five years.

"Principal" means any individual acting in their individual capacity or acting as president, vice president, treasurer or secretary, member of the board of directors or the legal or beneficial owner of 15% or more of any class of stock of a corporation which is a public partner of a limited partnership. Applicant or Developer, or the general partner of a limited partnership Applicant or Developer, or a partner of a limited partnership Applicant or Developer, or is a partner in a general partnership or joint venture acting alone or as a part of another entity that is an Applicant or Developer. With respect to a limited liability company either acting alone or as a part of another entity that is an Applicant or Developer, each member and each member is a principal. With respect to a limited liability partnership or joint venture acting alone or as a part of another entity that is an Applicant or Developer, each partner is a principal. With respect to a trust either acting alone or as a part of another entity that is an Applicant or Developer, any individual or entity owning 15% or more of the beneficial interest in the trust is a principal. A General Contractor, management agent, architect/engineer, attorney that participates on an annual basis in the Development are not considered Principals of the Applicant entity.

"Private Placement" or "Limited Offering" means the sale of Florida Housing Bonds directly or through an underwriter or placement agent so as few as five initial purchasers who are not purchasing the Bonds with the intent to offer the Bonds for retail sale and who are Qualified Institutional Buyers.

"Program" means Florida Housing's Multifamily Mortgage Revenue Bond (MMRB) Programs.

"Program Documents or Loan Documents" means the Loan Commitment, Loan Agreement, Note, Mortgage, Cash Entitlement and Guaranty Instrument, Local Governmental Agreement, Trust Indenture, Preliminary and Final Official Statements, Intercreditor Agreement, Assignments, Indenture Purchase Agreement, Confidence Agreement, Mortgage Servicing Agreement and such other customary documents as may be necessary to issue and secure repayment of the Bonds and Mortgage sufficient to protect the interests of the Bond owners and Florida Housing.

"Program Report" or "Form FR-1" means the report form which is required to be completed and submitted to Florida Housing pursuant to this rule chapter, and is adopted and incorporated herein by reference, effective October 2002. A copy of such form is available on FHIEF's web site at www.floridahousing.org.

"Public Policy Criteria and Qualified Resident Programs" means the requirements and guidelines established by Florida Housing and set forth in Rule 67-21.0041, F.A.C., and the Universal Application package. The program and requirements shall be incorporated in the Loan Commitment and Program Documents. Such Public Policy Criteria and Qualified Resident Programs have been adopted for the purpose of accomplishing the programmatic goals of the Code, Florida Housing and the Act.

"Qualified Institutional Buyer" is sometimes called a "sophisticated investor" and specifically includes the following:

(1) Any of the following entities, acting for its own account or the accounts of other Qualified Institutional Buyers, that, in the aggregate, own and invest on a discretionary basis at least $100 million in securities of issuers that are not affiliated with the entity:

1. Any insurance company as defined in section 2(13) of the Securities Exchange Act, which is adopted and incorporated herein by reference;

2. Any investment company registered under the Investment Company Act or any bank or savings as defined in section 3(c)(5) or (6) of the Small Business Investment Act of 1958, which is adopted and incorporated herein by reference;

3. Any plan established and maintained by a state or state agency or any of its political subdivisions, on behalf of its employees.

4. Any employee benefit plan established within the meaning of Title I of the Employee Retirement Income Security Act of 1974, which is adopted and incorporated herein by reference;

5. Trust funds of various types, except for those funds that include participants' individual retirement accounts or H.R.

6. Any business development company as defined in section 702(c)(22) of the Investment Advisers Act of 1940, which is adopted and incorporated herein by reference;

7. Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation (except a bank or savings and loan defined in section 3(c)(5) or 3(c)(6)A of the Securities and Exchange Act, which is adopted and incorporated herein by reference, or a foreign bank or savings and loan or similar institution, partnership, Massachusetts or similar business, or any investment adviser registered under the Investment Advisers Act, which is adopted and incorporated herein by reference;

8. Any dealer registered under section 15 of the Securities Exchange Act, which is adopted and incorporated herein by reference, acting in its own behalf or on the
behalf of other Qualified Institutional buyers who in the aggregate own and invest at least $10 million of securities of issuers not affiliated with the dealer (not including securities held pending public offering).

(7) Any investment company registered under section 3 of the Investment Company Act of 1940, or any company, organization, or other entity, is considered a "Qualified Institutional Buyer," if it is registered or otherwise qualifies under the Investment Company Act or any successor federal or state law.

(8) Any entity, all of whose equity owners are Qualified Institutional Buyers.

(9) Any bank or savings and loan, as defined in section 3(k) or 13(b)(5)(A) of the Investment Company Act, which is registered or incorporated herein by reference, in any foreign country or any foreign commercial bank or savings and loan similar institution that, in aggregate with the other Qualified Institutional Buyers, owns and invests in aggregate at least $100 million in securities of issuers not affiliated with it and that has an audited net worth of at least $25 million as demonstrated during the 10 to 11 months prior to the date.

(72) "Qualified Trustee" or "QCT" means any entity trust which is designated by the Secretary of Housing and Urban Development as having greater than 10% of the average median income, in any county or any area or any part thereof, in excess of 10% of the average median income, in any county, or any part thereof, in excess of 10% of the average median income.

(73) "Qualified Lending Institution" means any lending institution that satisfies the requirements set forth in subsections (1) and (2) of this section.

(80) "Qualified Project Period" means the period of time, as provided in the bond, that is required for development financed with Tax-exempt Bonds to comply with the lower interest rate than a commercial, non-tax-exempt rate.

(81) "Renewed" as used herein to mean delivery of a document by a specified deadline, unless otherwise indicated, delivery by mail, U.S. Postal Service, or certified courier service, to the address of the Applicant no later than 5:00 p.m., Eastern Time, on or before the deadline date.

(82) "Rehabilitation Development" means a project that is designed to rehabilitate buildings used for the purpose of acquiring and developing such property to be financed with Bond proceeds.

(83) "Rehabilitation Expenditure" has the meaning set forth in section 147(d)(3) of the Code.

(84) "Scattered Sites" means two or more parcels in the year in which the property is acquired at the time of acquisition, for the purpose of making a sale or lease of such property to the public, to be used for residential or control of the Applicant.

(85) "Set-Aside" means the occupancy requirements of restrictions for Development financed by Florida Housing. Such Set-Aside requirement shall be set forth in the Land Use Resolution Agreement and other such Program Documents as are directed necessary by Florida Housing. The minimum Set-Aside requirement is as follows:

(a) For Taxable Bonds — 20 percent or more of the residential units in the Development shall be occupied by or held available for occupancy by a Family whose annual household income does not exceed 50 percent of the state or county median income, whichever is higher, provided, however, that if such taxable bonds are being issued with a 20 percent or more of the the state or county median income, whichever is higher, the Set-Aside requirement is 30 percent of the state or county median income, whichever is higher, and that is required by the Code at the time of issuance of the Bonds or required by Florida Housing to meet its programmatic purposes.

(b) "Single Room Occupancy" or "SRO" means housing consisting of single room dwelling units that is the primary residence of its occupant or occupants. An SRO does not include facilities for students.

(86) "Special Counsel" means any attorney or law firm retained by Florida Housing, pursuant to an IRQ, to serve as counsel to Florida Housing, including Disclosure Counsel.

(87) "State Board of Administration" or "SBA" means the State Board of Administration created by and referred to in s. 9, Article XII of the State Constitution.

(88) "State Bond Allocation" means the designation of the State private activity bonds as authorized pursuant to Chapter 159, Part VI, F.S., administered by the Division of Bond Finance and allocated to Florida Housing for the issuance of its Tax-exempt Bonds.

(89) "State Office of Homelessness" means the office created within the Department of Community Affairs, Housing and Urban Development Services under Sections 420.622, F.S.

(90) "Student" means an individual who is considered a full-time student by the standards established by or of the Washington, D.C. Schools or of the Washington, D.C. Schools, during five months of the academic year, and students from other correspondence schools, during five months of the academic year.

(91) "Taxable Bonds" means those Bonds on which the interest earned is included in gross income of the owner for federal income tax purposes pursuant to the Code.

(92) "Tax-exempt Bonds" means those Bonds on which the interest earned is excluded from gross income of the owner for federal income tax purposes pursuant to the Code.

(93) "Tax-exempt Borough" means those Boroughs on which all or part of the interest earned is excluded from gross income of the owner for federal income tax purposes pursuant to the Code.

(94) "Tie-Breaker Measurement Point" means a single point that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development for Scattered Site Development.
MULTIFAMILY MORTGAGE REVENUE BOND (MARB) PROGRAM

Development.

(65) "TEFFA Hearing" means a public hearing held pursuant to the requirements of the Code and in accordance with the Tax Equity and Fiscal Responsibility Act (TEFFA), section 147(f) of the Code, at which members of the public or interested persons are provided an opportunity to present evidence or written statements or make comments regarding a requested application for Tax-exempt Financing of a Development by Florida Housing.

(66) "Total Development Cost" means the sum total of all costs incurred in the construction of a Development, all of which shall be subject to the approval by the Credit Underwriter and shall be approved by Florida Housing as reasonable and necessary. Such costs may include:

(a) The cost of acquiring real property and any building thereon, including payments for option, deposits, or contracts to purchase properties.

(b) The cost of site preparation, demolition, and development.

(c) Any expenses relating to the issuance of Tax-exempt Bonds or Taxable Bonds by Florida Housing related to the particular Development.

(d) Fees in connection with the planning, engineering, and financing of the Development, such as those of architects, engineers, attorneys, accountants, Financial Advisors and Florida Housing. The fees for attorneys and Financial Advisors are limited pursuant to subsection 67-21.0(2)(4), F.A.C.

(e) The cost of audits, surveys, plans, permits, insurance, interest, financing, and all state tax and administrative costs, and other operating and carrying costs during construction, rehabilitation, or reacquisition of the Development.

(f) The cost of the construction, rehabilitation, and equipping of the Development.

(g) Any advances established by Florida Housing for working capital or contingency reserves, and reserves for any anticipated operating deficits during the first two years after completion of construction of the Development.

(h) The cost of other such items, including relocation costs, impact fees, premium for insurance, legal and title costs, and expenses of printers, typographers, and paying agents for Bonds, as the Corporation shall deem to be reasonable and necessary for the construction or rehabilitation of the Development.

(67) "Universal Application Package" or "UA/106" Rev. 8-03 consists of the forms and instructions, obtained from Florida Housing at 227 North Bronson Street, Suite 500, Tallahassee, Florida 32301-1326, which shall be completed and submitted to Florida Housing in accordance with this rule chapter in order to apply for the Program. The Universal Application Package is adopted and incorporated herein by reference, effective on the date of the last amendment to the rule chapter.

(98) "Urban In-Fill Development" means a Development (i) to a site or area that is targeted for in-fill housing or neighborhood revitalization by the local, county, state or Federal government as evidenced by its inclusion in a HUD Empowerment/Enterprise Zone, a HUD-approved Neighborhood Revitalization Strategy, Florida Enterprise Zone, area designated under a Community Development Block Grant (CDBG) or area designated as a HOPE VI or FHO, FOC, Florida Opportunity City or Community, or Redevelopment Area as described and defined in the Florida Community Redevelopment Act of 1969, or the proposed development of which contributes to a certified community revitalization plan, and (ii) a site which is located in an area that is already developed and part of an incorporated area or existing urban service area.


(1) All Applicants must be complete, legible and timely when submitted, except as described below. Corporation staff may not assist any Applicant by copying, collating, or adding documents to an Application nor shall any Applicant be permitted to use the Corporation's facilities for purposes of copying or completing an Application.

(2) Failure to submit an Application completed in accordance with the Application Instructions and these rules will result in rejection of the Application or a score less than the maximum available in accordance with the instructions in the Application and this rule chapter.

(3) Each submitted Application shall be evaluated and preliminarily scored using the factors specified in the Universal Application Package and these rules. Preliminary scores shall be transmitted to all Applicants.

(4) Applicants who wish to secure Corporation of possible scoring errors relative to another Applicant's mutual file with the Corporation, within 7 Calendar Days of the date of receipt of the preliminary scores, a written Notice of Possible Scoring Error (NPSEL). Each NPSEL must specify the assigned Applicant number and the scores in question, as well as describe the alleged deficiencies in detail, including a list of the scores of only one Applicant's score. Any NPSEL that seeks the review of more than one Application's score will be considered improper filed and therefore for review. There is no limit to the number of NPSELs that may be submitted. The Corporation's staff will review each written NPSEL timely Reserved.

(5) The Corporation shall transmit to each Applicant the NPSELs submitted by other Applicants with regard to its Application. The notice shall also include the Corporation's decision regarding the NPSEL, along with any other issues identified by the Corporation to be addressed by the Applicant.

(6) Within 9 Calendar Days of receipt of the notice set forth in subsection (5), above, each Applicant shall be allowed to examine its Application by submitting additional documentation, revised pages and such other information as the Applicant deems appropriate to address the issues raised pursuant to subsection (3) and (5) above that could result in rejection of the Application or a score less than the maximum available. Where specific pages of the Application are revised, changed or added, each new page(s) must be numbered as "revised," and submitted. Failure to mark each new page(s) "revised" will result in the Corporation not considering the revisions, changes or additions to that new