CHAPTER 67-21
MULTIFAMILY MORTGAGE REVENUE BOND (MMRB) PROGRAM

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(1) "Acknowledgment Resolution" means the official action taken by Florida Housing to reflect its intent to attempt to finance a Development project that satisfies the requirements of Florida Housing, the terms of the Loan Commitment, and the terms of the Credit Underwriting Report are met. Such official action shall not be taken until Florida Housing has received the information necessary to make the findings required by the Code and the Act.

(2) "Act" means the Florida Housing Finance Corporation Act, Chapter 220, Part II, as amended.

(3) "Address" means the address assigned by the United States Postal Service and must include address number, street name, city, state, and zip code. If the address has not yet been assigned, include, at a minimum, street name and closest designated intersection, city, state, and zip code.

(4) "Affiliate" means any person that (i) directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Applicant (ii) serves as an officer or director of the Applicant or any Affiliate of the Applicant, or (iii) is the spouse, parent, child, sibling, or relative by marriage of a person described in (i) or (ii) above.

(5) "Annual Recertification" means the completion of the gross income of all persons or families in a given Development project who are in low-income residents to continue to meet the requirements established in Section 142(d) of the Code.

(6) "Annual Household Income" means the gross income of a person, together with the gross income of all persons who intend to permanently reside with such person in the Development to be financed by Florida Housing, as of the date of occupancy shown on the Income Certification promulgated by Florida Housing.

(7) "Application" means any person or entity, for profit or not-for-profit, that is seeking a loan from Florida Housing for a multifamily Development and that by submitting an Application has agreed to subject itself to the regulatory powers of Florida Housing.

(8) "Application" means the completed forms from the Universal Application Package, together with all exhibits submitted to Florida Housing in accordance with the provisions of this Rule Chapter in order to apply for the Program.

(9) "Application Deadline" means 5:00 p.m., Eastern Time, on the final day of the Application Period.

(10) "Application Period" means a period during which Applications shall be accepted, as posted on Florida Housing's site and with a deadline no later than thirty days from the beginning of the Application Period.

(11) "Assisted Living Facility" or "ALF" means a Florida licensed living facility that complies with Sections 400.40 through 400.454, F.S., and Rule Chapter 58A-5, F.A.C.

(12) "Board" or "Board of Directors" means the Board of Directors of Florida Housing.

(13) "Bond Counsel" means the attorney or law firm retained by Florida Housing to provide the specialized services generally described in the industry as the role of bond counsel.

(14) "Bonds" or "Revenue Bonds" means the Bonds of Florida Housing issued to finance Mortgage Loans, including any Bond, debenture, note, or other evidence of financial indebtedness issued by Florida Housing under and pursuant to the Act.

(15) "Bond Trustee" or "Trustee" means a financial institution with trust powers which acts in a fiduciary capacity for the benefit of the bond holders, and in some instances Florida Housing, in enforcing the terms of the Program Documents.

(16) "Calendar Days" means, with respect to computing any period of time allowed by this rule, the day of the event from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday.

(17) "Categorical Area" means the geographical area covered under a Local Homelessness Assistance Continuum of Care Plan, as designated and revised as necessary by the State Office on Homelessness, in accordance with Section 420.024, F.S.

(18) "Code" is the Internal Revenue Code of 1986, as in effect on the date of this rule chapter, together with corresponding and applicable final, temporary or proposed regulations and revenue rulings issued or amended with respect thereto by the Treasury Department or Internal Revenue Service of the United States, and is adopted and incorporated herein by reference.

(19) "Commercial Fishing Worker" means a laborer who is employed on a seasonal, temporary, or intermittent basis in fishing to salmon or freshwater and who derives at least 70% of his income in the immediately preceding 12 calendar months from such employment. The term includes a person who was retired as a laborer due to age, disability, or death. In order to be considered retired due to age, a person must
be 50 years of age or older and must have been employed for a minimum of 5 years as a commercial fishing worker. In order to be considered retired due to disability or illness, a person must:

(a) Establish medically that the person is unable to be employed as a commercial fishing worker due to such disability or illness; and

(b) Establish that he or she was previously employed as a commercial fishing worker.

(20) "Commercial Fishing Worker Household" means a household of one or more persons wherein at least one member of the household is a Commercial Fishing Worker.

(21) "Contact Person" means the person, with whom Florida Housing will correspond concerning the Application and the Development. This person cannot be a third party consultant.

(22) "Corporation" or "Florida Housing" or "FHC" means the Florida Housing Finance Corporation created pursuant to the Act.

(23) "Cost of Issuance Fee" means the fee charged by Florida Housing to the Applicant for the payment of the costs and expenses associated with the sale of Bonds and the loaning of the proceeds, including a fee for Florida Housing.

(24) "Credit Enhancement or Guaranty Instrument" means a letter of credit, third party guaranty, insurance contract or other collateral or security pledged to Florida Housing or its Trustee for a minimum of ten years by a third party Credit Enhancer or financial institution securing, insuring or guaranteeing the repayment of the mortgage loan or Bonds under Florida Housing's Program. A Credit Enhancement or Guaranty Instrument of less than ten years must be approved by the Board prior to being accepted to secure any Bonds.

(25) "Credit Enhancer" means a financial institution, insurer or other third party which provides a Credit Enhancement or Guaranty Instrument acceptable to Florida Housing securing repayment of the Mortgage Loan or Bonds issued pursuant to Florida Housing's Program.

(26) "Credit Underwriter" means the independent contractor under contract with Florida Housing having the responsibility for providing credit underwriting services. Such services shall include, for example, a comprehensive analysis of the Applicant, the real estate, the economics of the Development, the ability of the Applicant and the Development team to proceed, and the evidence of need for affordable housing in order to determine that the Development meets the Program requirements. The Credit Underwriter shall determine a reasonably intended Bond amount that should be made to a Development, whether an initial loan or a refunding.

(27) "Credit Underwriting" means an in-depth analysis of post-lease period information and all documents submitted in connection with the Application to produce the Credit Underwriting Report.

(28) "Credit Underwriting Report" means a report for a particular Development that is produced by the Credit Underwriter designated by Florida Housing and includes a thorough analysis of the proposed Development and a statement as to whether a loan is recommended, and if so, the amount recommended. The Credit Underwriter or Florida Housing may require additional information as is necessary to properly analyze the credit risk being presented to Florida Housing and the bondholders. The Applicant shall pay the cost of such Credit Underwriting in addition to any other fees payable to Florida Housing in conjunction with the Application and Program financing.

(29) "Cross-collateralization" means the pledging of the security of one Development to the obligations of another development.

(30) "Developer" means the individual, association, corporation, joint venture or partnership identified as such in the Application. The Developer, as indicated in the Application, may not change until the construction of the Development is complete.

(31) "Developer Fee" means the fee earned by the Developer. Such fee shall be limited to 18 percent of Total Development Cost excluding land and, for rehabilitation, building acquisition costs. A Developer Fee on the building acquisition cost shall be limited to 4% of the cost of the (building(s)) exclusive of land cost. Consulting fees, if any, must be paid out of the Developer Fee. Consulting fees include payments for Application consultants, construction management or supervision, or local government consultants. Fees for the Applicant's and Developer's attorneys which are in excess of an amount equal to the greater of $4,000 or 0.75% of the total amount of the Bonds must also be paid out of the Developer Fee. Fees of the Applicant's or Developer's attorney(s) awarded in conjunction with litigation against Florida Housing with respect to a Development shall also not be included in Total Development Costs. Fees for services provided by architects, accountants, appraisers, engineers or Financial Advisors may be included as part of the Total Development Costs, except that those fees for a Financial Advisor that are in excess of $18,000 must be paid out of the Developer Fee. In the event of extraordinary circumstances, Applicant may petition the Board for relief from the attorney fee and Financial Advisor caps. For the purpose of the Risk Sharing Program, if there exist an identity of interest relationship as defined herein between the Applicant or Developer and the General Contractor, the allowable fees shall in no case exceed the amount allowed for the Developer Fees pursuant to the HUD subsidy layering regulations. Florida Housing shall not authorize fees to be paid for duplicative services or duplicative overhead.

(32) "Development" means any work or improvement located or to be located in the state, including real property, buildings, and any other real and personal property, designed and intended for the primary purpose of providing decent, safe, and sanitary residential housing or, whether new construction, the acquisition of existing residential housing, or the remodeling, improvement, rehabilitation, or reconstruction of existing housing, "which is intended for use as multifamily rental housing, together with such related non-housing facilities, if any, as housing determines to be necessary, convenient, or desirable." A Development shall constitute a "project" within the meaning of the Act.

(33) "Development Cost" means the total of all costs incurred in the completion of a Development excluding Developer Fee, acquisition cost of existing development, and total land cost as shown in the Development Cost line as the development cost per unit within the Application.

(34) "Difficulty Development Area" or "DDA" means any area designated by the Secretary of Housing and Urban Development as having high construction, land, and utility costs relative to area median gross income in accordance with section 42(d)(6) of the Code. A list of the 2003 Florida
DDA is adopted and incorporated herein by reference. A copy of such list is available on HFC’s web site www.floridahousing.org. The United States Department of Housing and Urban Development maintains the official DDA list. The incorporated Florida DDA list is designed to assist the Applicant in the Application process. Applicants are responsible for verifying Florida Housing with accurate DDA information.

(36) "Disclosure Counsel" means the Special Counsel designated by Florida Housing to be responsible for the drafting and delivery of Florida Housing’s disclosure document, such as preliminary official statements, official statements, re-offering memorandums or private placement memorandums and continuing disclosure agreements. The fees of Disclosure Counsel shall be set by contract with Florida Housing and shall be paid from the Cost of Issuance Fee or from the Good Faith Deposit submitted with the Loan Commitment.

(37) "Eligibility" means persons 62 years of age or older or qualified persons pursuant to the Federal Fair Housing Act and Section 760.294(3), F.S.

(38) "Eligibility Housing," "Eligible Development," or "Eligible Unit" means housing or a unit being occupied or reserved for qualified persons pursuant to the Federal Fair Housing Act and Section 760.294(3), F.S.; provided that such development meets the requirements for an Eligible Development as set forth in the Universal Application Package.

(39) "Family" or "Family Household" describes a household composed of one or more persons.

(41) "Farming/Worker" means any laborer who is employed on a seasonal, temporary, or part-time basis in the planting, cultivating, harvesting, or processing of agricultural or aquacultural products who has earned at least 50% of his/her income in the immediately preceding 12 calendar months from such employment. "Farming/Worker" also includes a person who has retired as a laborer due to age, disability, or illness. In order to be considered retired from farm work due to age, a person must be 50 years of age or older and must have been employed for a minimum of 5 years as a farming/worker immediately preceding retirement. In order to be considered retired from farm work due to disability or illness, it must be:

(i) Indefinitely established that the person is unable to be employed as a Farmworker due to such disability or illness; and

(ii) Established that he or she has previously met the definition of Farmworker.

(42) "Farming/Worker Development" means a Development:

(a) Of not greater than 160 units, at least 60% of the total residential units of which are occupied or reserved for Farmworker Households; and

(b) For which independent market analysis demonstrates a local need for such housing; and

(c) For which the Applicant has developed a detailed plan to attract, serve, and keep the targeted population.

(43) "Farmworker Household" means a household of one or more persons wherein at least one member of the household is a Farmworker at time of initial occupancy.

(44) "Financial Advisor" means, with respect to an issue of Bonds, a person who is either under contract to Florida Housing or is engaged by the Applicant who advises on matters pertinent to the issue, such as structure, timing, marketing, interest on pricing, terms, bond ratings, cash flow, and investment matters.

(45) "Financial Beneficiary" means any Developer and its principals or the principals of the Applicant entity who receives or will receive a financial benefit of:

(a) 3% or more of Total Development Cost (including Deferred Fees) if Total Development Cost is $5 million or less; or

(b) 3% of the first $5 million and 5% of any amount over $5 million (including Deferred Fees) if Total Development Cost is greater than $5 million.

The definition does not include third party lenders, third party management agents or companies, housing credit syndicates, credit enhancers who are regulated by a state or federal agency and who do not share in the profits of the Developers or building contractors whose total fees are within the limits described in subsection 67-21.002(48), F.A.C.

(46) "Florida Housing" or "FHC" means the Florida Housing Finance Corporation as created by the Act.

(47) "Florida Keys Area" means all lands in Monroe County, except:

(a) That portion of Monroe County included within the designated exterior boundaries of the Everglades National Park and area north of said Park;

(b) All lands more than 250 feet seaward of the mean high water line owned by local, state, or federal governments; and

(c) Federal properties.

(48) "Funding Cycle" means the period of time established by the Corporation pursuant to this rule chapter and concluding with the issuance of allocations or Loans to Applicants who applied during a given Application Period.

(49) "General Contractor" means an entity duly licensed to the State of Florida which is eligible for the maximum 14% fee, must meet the following conditions:

(a) The Development sponsor/designee must be employed by the General Contractor and the ties of said employment must be charged to the general requirements line item of the General Contractor’s budget;

(b) The Development construction trailer and other overhead must be paid directly by the General Contractor and charged to project requirements;

(c) Building permits must be issued in the name of the General Contractor;

(d) Paystubs and performance bond (or approved alternate security for General Contractor’s performance, such as a letter of credit or other guarantee acceptable to Florida Housing) must be issued in the name of the General Contractor by a company rated at least "A-" by AMBest & Co.;

(e) None of the General Contractor duties to manage and control the construction of the Development may be subcontracted; and

(f) Not more than 20 percent of the construction cost is subcontracted to any one entity unless otherwise approved by the Board for a specific Development.

(50) "General Contractor’s Fee" means a fee inclusive of all general requirements, profits and overhead. General Contractor’s Fee shall be limited to 14 percent of hard costs, excluding any hard cost contingencies. For the purpose of the HUD Risk Sharing Program, if there exists an identity of interest as defined herein between the Applicant and the General Contractor, the allowable fees shall be in no case exceed the amount allowable pursuant to the
HUD subsidy layering review requirement. Additionally, fees shall be allowed to be paid only to the person or entity that actually meets the definitional requirements to be considered a General Contractor. Florida Housing shall not allow fees for duplicative services or duplicative overlap.

(49) "Geographic Set-Aside" means, with respect to a MRHB Development, the amount of allocation that has been designated by Florida Housing for Developments located in specific geographical regions within the State of Florida.

(50) "Good Faith Deposit" means a total deposit equal to one percent of the Loan amount reflected in the Loan Commitment paid by the Applicant to Florida Housing at the times required by this rule chapter. If the Good Faith Deposit is exhausted, the Applicant shall be required to pay, within three days of notice, an additional deposit to ensure payment of the expenses associated with the processing of the Application, the sale of the Bonds, including document preparation and the securitization of the Loan. The Good Faith Deposit shall be returned by certified check or wire transfer.

(51) "HIC" or "Housing Credit Program" means the Low-Income or Very Low-Income rental housing program administered by Florida Housing in accordance with section 42 of the Code and Section 42.5099, F.S., under which Florida Housing is designated as the Housing Credit Agency for the State of Florida within the meaning of section 42b(7)(a) of the Code, and Rule Chapter 67-48, F.A.C.

(52) "Homeless" or "Homeless Household" means an individual or Family who lacks a fixed, regular, and adequate nighttime residence or an individual or Family who has a primary nighttime residence that is:

(a) A supervised publicly or privately operated shelter designed to provide temporary living accommodations, including welfare hotels, congregate shelters, and transitional housing;

(b) An institution that provides a temporary residence for individuals intended to be institutionalized; or

(c) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

The term does not refer to any individual imprisoned or otherwise detained pursuant to state or federal law.

(53) "HUD" means the U.S. Department of Housing and Urban Development.

(54) "HMDA Risk Sharing Program" means the program authorized by Section 542(c) of the Housing and Community Development Act of 1992, which is adopted and incorporated herein by reference.

(55) "Identity of Interest" means, for the purpose of the HMDA Risk Sharing Program, any person or entity that has a one percent or more financial interest in the Development and in any entity providing services for a fee to the Development. Unless otherwise excluded, persons or entities that are not party to the Development shall be construed as having an ownership interest to the extent that they share in Development or project revenues. The Identity of Interest definition shall not apply to the tax credit syndicators, limited partner investors, or professionals who are retained pursuant to a negotiated fee arrangement consistent with industry standards and which fee arrangement does not incorporate the payment of fees from Development operating revenues.

(56) "Income Certificate." "Tenant Income Certification" or "Form TIC-1" means the form which is adopted and incorporated herein by reference, effective 6/2002, and which shall be used to certify the income of all tenants residing in a Set-Aside unit in a Development. A copy of such form is available on FHFC's web site at www.floridahousing.org.

(57) "Issuer" means the Florida Housing Finance Corporation.

(58) "Land Use Restriction Agreement," "LURA" or "Regulatory Agreement" means that agreement among Florida Housing, the Bond Trustee and the Applicant which sets forth certain restrictions on the use of the Development to comply with the Code, the Act, the rules and policies of Florida Housing and any requirements of a Credit Enhancer. Such document shall be recorded prior to the Mortgage in the public records in the county where the Development is located, unless the Board expressly agrees to subordinate the LURA to facilitate the financing.

(59) "Loan Agency" means a Local Government or Non-Profit serving as the point of contact and accountability to the State Office on Homelessness with respect to the Local Homeless Assistance Continuum of Care Plan, in accordance with Section 420.624, F.S.

(60) "Loan" means the loan made by Florida Housing to the Applicant from the proceeds of the Bonds issued by Florida Housing.

(61) "Loan Agreement" means the Program Documents or Loan Documents wherein Florida Housing and the Applicants agree to the terms and conditions upon which the proceeds of the Bonds shall be loaned, and the terms and conditions for repayment of the Loan.

(62) "Loan Commitment" means the Program Documents or Loan Documents executed by Florida Housing and the Applicant after the issuance of a favorable Credit Underwriting Report that defers the conditions under which Florida Housing agrees to lend the proceeds of the Bonds to the Applicant for the purpose of financing all or a portion of a Development and is filed with Florida Housing along with full payment of the Good Faith Deposit before substantive work commences on Program Documents other than the Loan Commitments.

(63) "Local Government" means a unit of local general-purpose government as defined in Section 218.31(2), F.S.

(64) "Local Homeless Assistance Continuum of Care Plan" means a plan for developing and implementing a framework for a comprehensive and seamless array of housing and services to address the needs of homeless persons and persons at risk for homelessness, in accordance with Section 420.624, F.S.

(65) "Local Public Fact Finding Hearing" means a public hearing requested by any person residing in the county or municipality in which the proposed Development is located and which is conducted by Florida Housing for the purpose of receiving public comments on issues regarding the financing of a proposed Development with Bonds by Florida Housing.

(66) "Lower Income Residents" means individuals or families whose annual income does not exceed either 50 percent or 60 percent depending on the minimum Set-Aside elected of the area median income as determined by HUD with adjustments for household size. In no event shall occupants of a Development until be considered to be Lower Income Residents if all the occupants of a unit are students as defined in section 156.014(14) of the Code or if the residents do not comply with the provisions of the Code.
defining Lower Income Residents. (See section 142 of the Code.) Taxable bonds, other than Taxable Bonds issued simultaneously with Tax-Exempt Bonds, in which the above-referenced provisions apply, or Bonds that do not require State Bond Allocating are being used to finance the Developments, 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. In the event Bonds are issued on behalf of a corporation organized under section 501(c)(3) of the Code, the Set-Aside shall not be less than required by the X(11(c)(7) decedent.

(67) "Mortgage" means the loan secured by the Mortgage and evidenced by a Note or Mortgage Note.

(68) "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.

(70) "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 10% or more of any class of stock of a corporation which is a general partner of a limited partnership or Developer, or the general partner of a limited partnership that is the general partner of a limited partnership or Developer, or in a partnership in a general partnership to pay or assure acting alone or as a part of another entity that itself is an Applicant or Developer. With respect to a registered limited liability partnership acting alone or as a member or underwriter or placement agent to 35 or fewer initial purchasers who are not purchasing tax-exempt Bonds with the intent to offer the Bonds for retail sale and who are Qualified Institutional Buyers.

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

(73) "Program Documents or Loan Documents" means the Loan Commitment Agreement, Note, Mortgage, Credit Enhancement or Guaranty Instrument, Land Use Restriction Agreement, Trust Indenture, Preliminary and Final Official Statements, Interim Agreements, Assignments, Bond Purchase Agreement, Compliance Monitoring Agreement, Mortgage Servicing Agreement and such other customary and customary documents necessary to issue and secure repayment of the Bonds and Mortgage sufficient to protect the interests of the Bond owners and Florida Housing. (74) "Program Report" or "Form PR-1" - means the report format 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 FHJDS's web site at www.floridahousing.org.

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

(75) "Qualified Institutional Buyer" is sometimes called a "sophisticated investor" and specifically include the following:

(a) Any of the following entities, acting for its own account or the accounts of other Qualified Institutional Buyers that, in the aggregate, own or invest in a diversified portfolio of 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 business development company as defined in section 3(a)(48) of that Act, which is adopted and incorporated herein by reference;

3. Any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958, which is adopted and incorporated herein by reference;

4. Any plan that is not a private plan, or any state or state agency or any of its political subdivisions, administer employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, which is adopted and incorporated herein by reference;

5. Any plan that is not a private plan, or any state or state agency or any of its political subdivisions, administer employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, which is adopted and incorporated herein by reference;

6. Trust funds of various types, except for trust funds that include participants' individual retirement accounts or KeR 10 plans.

7. Any business development company as defined in section 2(22)(C) of the Investment Advisers Act of 1940, which is adopted and incorporated herein by reference;

8. Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, contracts with a bank or savings and loan and defined in section 351(2) or 351(3)(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, Muniactuarial or similar business risk, any investment advisor registered under the Investment Advisers Act, which is adopted and incorporated herein by reference;

9. Any dealer registered under section 15 of the Securities Exchange Act, which is adopted and incorporated herein by reference, and is acting as its own behalf or on behalf of other Qualified Institutional Buyers, or in the aggregate own or invest in a diversified portfolio of at least $50 million in securities of issuers not affiliated with the dealer (not including securities held pending public offering).

10. Any dealer registered under section 15 of the Securities Exchange Act, which is adopted and incorporated herein by reference, and is acting as its own behalf or on behalf of other Qualified Institutional Buyers, or in the aggregate own or invest in a diversified portfolio of at least $50 million in securities of issuers not affiliated with the dealer (not including securities held pending public offering).

11. Any dealer registered under section 15 of the Securities Exchange Act, which is adopted and incorporated herein by reference, and is acting as its own behalf or on behalf of other Qualified Institutional Buyers, or in the aggregate own or invest in a diversified portfolio of at least $50 million in securities of issuers not affiliated with the dealer (not including securities held pending public offering).

12. Any dealer registered under section 15 of the Securities Exchange Act, which is adopted and incorporated herein by reference, and is acting as its own behalf or on behalf of other Qualified Institutional Buyers, or in the aggregate own or invest in a diversified portfolio of at least $50 million in securities of issuers not affiliated with the dealer (not including securities held pending public offering).
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herein by reference, acting in a trustless principal transaction
on behalf of a Qualified Institutional Buyer.

d) Any investment company registered under the
Investment Company Act, which is adopted and incorporated
herein by reference, that is part of a family of investment
companies that together own at least $100 million in
securities of issuers, other than companies with which the
investment company or family of investment companies is
affiliated.

e) any entity, all of whose equity owners are Qualified
Institutional Buyers.

f) Any bank or savings and loan defined in section
3(a)(2) or 2(a)(5)(A) of the Securities Exchange Act, which
is adopted and incorporated herein by reference, or foreign
bank or savings and loan or similar institution that, in
aggregate with the other Qualified Institutional Buyers, owns
and asserts in at least $100 million in securities of affiliates
that are not affiliated with it and that has an audited net
worth of at least $25 million as demonstrated during the 16
to 18 months prior to the sale.

(7) "Qualified Census Tract" or "QCT" means a
census tract which is designated by the Secretary of
Housing and Urban Development, as having either 50% or more of
the household at an income which is less than 80% of
the median gross income, or a poverty rate of at least 25%,
in accordance with section 42(u)(3)(C) of the Code. A list of
the 2003 Florida QCTs is adopted and incorporated herein
by reference. A copy of such list is available on FHFC's
web site www.floridahousing.org.

(8) "Qualified Lending Institution" means any lending
institution designated by Florida Housing.

(9) "Qualified Project Period" means the period of
year, as provided in the Code, that a Development is financed
with Tax-exempt Bonds must comply with the "Lower Income
Tenant Set-Aside." It means the period of time following a
specific deadline, unless otherwise indicated, after
sale, U.S. Postal Service, or other court
service, in the official notice or advertisement, which, if not
set a time not later than 5:00 p.m., Eastern Time, on the
deadline date.

(10) "Rehabilitation Development" means a
Development, the rehabilitation Expenditures with respect to
which equal or exceed 15% of the portion of the cost of
acquiring such Development to be financed with Bond
proceeds.

(11) "Rehabilitation Expenditures" has the meaning
given in section 147(d)(3) of the Code.

(12) "Scattered Sites" means two or more parcels in
the same county, contiguous to one another, sharing at least one
common boundary between them, or within such reasonable
proximity so each one is to appear to the public to be
under the dominion and control of the Applicant.

(13) "Securities" means all securities, other than
revenue bonds, that are or may become the subject of
restrictions for Developments financed by Florida Housing.

Such Set-Aside requirements shall be set forth in the Land
Use Rezoning Agreement and other such Program
Documents as are deemed necessary by Florida Housing.

The minimum Set-Aside requirements are as follows:

(a) For Taxable Bonds — 20 percent or more of the
residential units in the Development shall be occupied or
held available for occupancy by a Family whose Annual
Household Income does not exceed 80 percent of the state
or county median income, whichever median income is
higher, provided, however, that if such taxable bonds are
being issued in connection with Tax-exempt Bonds, the
measurement of (b) below shall govern.

(b) For Tax-exempt Bonds — 20 percent or more of the
residential units in the Developments shall be occupied or
held available for occupancy by a Family whose Annual
Household Income does not exceed 50 percent of the state
or county median income. Whether higher, or 40 percent
or more of the residential units in the Development shall be
occupied by or held available for a Family whose Annual
Household Income does not exceed 60 percent of the state
or county median income, whichever is higher, or that which
is required by the Code at the time of issuance of the Bonds
or required by Florida Housing to meet its programmatic
purposes.

(14) "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.

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

(16) "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.

(17) "State Bond Allocation" means the allocation of
the State private activity bond volume limitation 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

(18) "State Office of Homelessness" means the office
created within the Department of Children and Family Services
under Section 240.622, F.S.

(19) "Student" means an individual who is considered
a full-time student by the educational institution being
attended or will be a full-time student at an educational
institution with regular facilities and students other than
correspondence school, during five months of the
Certificate year.

(20) "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.

(21) "Tax-exempt Bonds" means those Bonds 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.

(22) "TFRER Financing" means a public hearing held
pursuant to the requirements of the Code and in accordance
with the Tax Equity and Fiscal Responsibility Act (TFRER),
section 147(f) of the Code, at which members of the public
or interested persons are provided an opportunity to present

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evidence or written statements or make comments regarding a requested application for Tax-exempt financing of a Development by Florida Housing.

(95) "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 therein, including payment for options, deposits, or contracts to purchase properties.

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

(c) Any expenses related 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, execution, 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 67-21.002(43), F.A.C.

(e) The cost of studies, surveys, plans, permits, insurance, interest, financing, ad valorem tax and assessment costs, and other operating and carrying costs during construction, rehabilitation, or reconstruction of the Development.

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

(g) The cost of land improvements, such as landscaping and refining improvements related to the Development, whether such costs are paid in cash, property, or services.

(h) Expenses in connection with initial occupancy of the Development.

(i) Allowances established by Florida Housing for working capital, reserve funds, contingencies, and other costs, as determined based on the occupancy and operation of the Development, and paying agents for Bonds, as the Corporation shall determine to be reasonable and necessary for the construction or rehabilitation of the Development.

(96) "Universal Application Package" or "UA1016 Rev. 3-1-01" means the forms and instructions, obtained from Florida Housing at 227 North Broomfield Street, Suite 5000, Tallahassee, Florida 32301-1329, 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 law amendment to this rule chapter.

(97) "Urban In-fill Development" means a Development

(i) in a site or an area that is targeted for infill housing or neighborhood revitalization by the local, county, state or federal government as evidenced by its inclusion in a HUD Empowerment Zone or 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 Front Porch Florida Community or a Community Reinvestment Area as described and defined in the Florida Community Reinvestment Act of 1989; or the proposed Development is located in a Qualified Census Tract and the development of which contributes to a converted community revitalization plan, and (ii) is a site which is located in an area that is already developed and part of an incorporated area or existing urban service area.

Specific Authority 420.505(2), 420.503, 420.507, 420.508 FS. Law Implemented 420.505, 420.503, 420.507, 420.508 FS. History—New 12-5-96, Amended 1-22-99, 12-4-00, 9-29-02, 6-13-03, 4-7-06, 9-11-07, 6-1-08, 9-21-08, Amended 7-29-09, 11-14-09, 1-21-01, 7-17-02, 6-6-03.


(1) All Applications must be complete, legible and timely when submitted, except as described below. Corporation staff may not contact any Applicant by copying, collating, or adding documents to an Application or shall not contact any Applicant to be permitted to use the Corporation's facilities or equipment for purposes of compiling 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 reviewed 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 notify the Corporation or possible scoring errors relative to another Applicant's Application must file with the Corporation, within 7 Calendar Days of the date of receipt of the preliminary scores, a written Notice of Possible Scoring Error (NOPSE). Each NOPSE must specify the assigned Application number and the scores in question, as well as describe the alleged deficiency. In detail, each NOPSE must also set forth a review of only one Applicant's score. Any NOPSE is effective for review purposes only if it is submitted to the Corporation within 7 Calendar Days of the date the Notice is initially received.

(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.

(6) Within 9 Calendar Days of receipt of the notice set forth in subsection (5) above, each Applicant shall be allowed to cure its Application by submitting additional documentation, revised pages and other information as the Applicant deems appropriate to address the issues raised pursuant to subsections (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 reversed, changed or added, each new page(s) must be marked 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 page.

(7) If the Application that are not revised or otherwise changed may not be re-submitted, except that documents executed by third parties must be submitted in their entirety even if only a portion of the original document was revised. Where revised or additional information submitted by the Applicant creates an incompleteness with another item or that Application, the Applicant shall also be...
required in its submittal to make such other changes as necessary to keep the application consistent as revised. The Applicant shall submit its original and three copies of all additional documentation and revisions. Only revisions, changes and other information received by the deadline set forth herein will be considered, any subsequent revision submitted prior to the deadline shall include a written request from the Applicant for withdrawal of any previously submitted revision(s).

(7) Within 7 Calendar Days of the deadline for receipt by the Corporation of the documentation set forth in subsection (6) above, all Applicants may submit to the Corporation a Notice of Alleged Deficiencies (NOAD) in any other Application. Each NOAD is limited only to issues created by documents reviewed and/or adopted by the Applicant submitting the Application pursuant to subsection (6) above. Each NOAD must specify the assigned Application number, page numbers and the documents in question, as well as describe the alleged deficiencies in detail. Each NOAD is limited to the review of only one Applicant’s submission. However, there is no limit to the number of NOADs that may be submitted. NOADs that seek the review of more than one Applicant’s submission will be considered improperly filed and ineligible for review. The Corporation will only review each updated NOAD timely received.

(8) The Corporation shall transmit a copy of all NOADs to the Affectees Applicant.

(9) Following the receipt and review by the Corporation’s staff of the documentation described in subsections (5), (6) and (7) above, the Corporation’s staff shall prepare final scores. In determining such final scores, no information shall be received or received at a result as a result of any issues not previously identified in the notices described in subsections (5), (6) and (7) above. However, inconsistencies created by the Applicant as a result of information provided pursuant to subsections (5) and (7) above will still be justified for rejection or reduction of points as appropriate. Any failure to satisfy any of the mandatory elements set forth in subsection (14) below can be identified as any time prior to sending the final scores to Applicants and will result in rejection of the Application. The Corporation shall then transmit final scores to the Applicants.

(10) Listed on the order of the ranked Applications after internal appeals and the availability of State Bond Act) application designed by the Board for multifamily housing, the Board shall designate Applicants for funding and offer the opportunity to enter Credit Underwriting, and shall designate those that are below the funding line on the MMRB ranked list. Any additional allocations designated by the Board for MMRB shall be applied to the new unlimited Application(s) on the ranked list, but only to the extent that the Applicant(s) is/are not the first ranked Applicant(s) on the ranked list. As of December 31 of each year, steps are insufficient to fully fund the next ranked Applicant. The Board shall determine the ranked list until sufficient to fully fund the remaining applicants. As of December 1, Applicants shall be permitted to downsize their allocation request by 15% of the original allocation request for the purpose of becoming fully funded but may not reduce the number of units or the unit sizes in the development. Any unused allocation shall, at the option of the Board, be carried over and applied to the next calendar year allocation or applied to single family housing. Florida Housing may, after the core period and upon a determination that such is necessary to assure timely processing of the Application, invite Applicants who meet threshold into Credit Underwriting at their own risk. Applicants shall be notified in writing of the opportunity to enter Credit Underwriting. A detailed timeline for submitting required fees and information to the Credit Underwriter shall be included. Failure to meet the deadlines established by such timeline shall result in the immediate termination of Credit Underwriting activities and the Application shall be moved to the bottom of the ranked list. Applicants electing to proceed to Credit Underwriting without designation for funding do so at their own risk, and said opportunity does not ensure that the Application will be funded. Any Applicant that declines invitation to Credit Underwriting shall be removed from the ranked list.

(11) Applications shall be limited to one submission per subject property with the exception that Local Government-issued Tax-Exempt Bond-Financed Developments may submit a separate Application for noncompetitive Housing Credit. Two or more Applications with the same Financial Beneficiaries for Developments that are contiguous with the property of another Application, or that are divided by a street or easement, or if it is readily apparent from the two Applications, proximity, chain of title or other information available to the Corporation that the properties are part of a common or related scheme of development, the Applications will be considered to be submissions for the same Development site and the Corporation will reject all such Applications except the Application with the highest (lowest) lottery number. Two Applicants by Applicants with common Financial Beneficiaries, for Developments that are contiguous, or that are divided by a street or easement, or that are otherwise part of a common or related scheme of development, will not be considered to be submissions for the same Development site if one of the Applicants applies for SAIL only.

(12) If the Board determines that any Applicant or any Applicant of an Applicant: (a) Has engaged in fraudulent actions; (b) Has materially misstated information to the Corporation regarding any of its Developments, or within the current Application or in any previous applications for financing or an allocation of Housing Credits administered by the Corporation; (c) Has been convicted of fraud, theft or misappropriation of funds; (d) Has been excluded from federal or Florida procurement programs; or (e) Has been convicted of a felony,

And that such conviction substantially increases the likelihood that the Applicant will not be able to produce quality affordable housing, the Applicant and any of the Applicant’s Affiliates will be ineligible for funding or allocation in any program administered by the Corporation for a period of up to two years, which will begin from the date the Board makes such determination. Such determination shall be either pursuant to a proceeding conducted pursuant to Section 120.569 and 120.57, Florida Statutes, or as a result of a finding by a court of competent jurisdiction.

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

(a) The Development 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 provide all required copies and the applicable Application pages and exhibits that are provided by the Corporation and adopted under this rule chapter;

(d) An Applicant or any Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer is in arrears for any financial obligation it has to the Corporation or any agent or assignee of the Corporation.

(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. These items are as follows:

(a) Name of the Applicant;

(b) Name of the Developer;

(c) Program(s) applied for;

(d) Number of units;

(e) Site for the Development;

(f) Type of Development category;

(g) Designation selection;

(h) County;

(i) Funding required, except for Taxable Bonds and as provided for in subsection (a) of section 003(10), F.A.C., notwithstanding the foregoing, requested amount exceeding the Corporation and Program funding limits can be reduced by the Applicant to reflect the maximum amount allowed (and no other changes to this amount will be allowed)

(j) The total set-aside percentage as stated in the last row of the total set-aside breakdown chart in the Total Set-Aside Commitment section of the Application;

(k) Submission of the required number of copies of the Application by the Application Deadline;

(l) Payment of the required Application fee and TEFRA fee by the Application Deadline;

All other items may be submitted as cure pursuant to subsection (b) above.

(15) A Development will be withdrawn from funding and any outstanding commitments for funds will be rescinded if at any time the Board determines that the Applicant’s Development or Development team is no longer the Development or Development team described in the Application, and the changes made are prejudicial to the Development or to the market to be served by the Development;

(16) If an Applicant or any Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer has any existing Developments participating in any Corporation programs that remain in non-compliance with the Code, this rule chapter or the applicable loan documents, and any applicable cure period granted for correcting such non-compliance has ended as of the time of submission of the Application or at the time of issuance of a Credit Underwriting Report, the requested allocation will, upon a determination by the Board that such non-compliance substantially increases the likelihood that such Applicant will not be able to produce quality affordable housing, be denied and the Applicant and the Applicants or the Affiliate of the Applicant or Developer will be prohibited from new participation in any of the Corporation’s programs for the subsequent cycle and continuing until such time as all of their existing Developments participating in any Corporation programs are in compliance.

(17) When two or more Applications receive the same numerical score, the Applications will be ranked as outlined in the Application instructions.

(18) At no time during the Application, scoring and appeal process may Applicants or their representatives contact Board members concerning their own Development or any other Applicant's Development. At no time from the Application Deadline until after issuance of the final scores as set forth in subsection (g) above, may Applicants or their representatives verbally contact Corporation staff concerning their own Application or any other Applicant's Application.

If an Applicant or its representative does contact a Board member in violation of this section, the Board shall, upon a determination that such contact was deliberate, disqualify such Applicant’s Application.

(19) The name of the Development provided in the Application may not be changed or altered after submission of the Application during the history of the Development with the Corporation unless the change is mandated by local, state or federal governmental authorities, or otherwise approved by the Corporation. Evidence of such mandate must be submitted to the Corporation within 30 Calendar Days of notification by the local, state or federal authorities.

(20) Florida Applicants shall initiate TEFRA Hearings (Chapter 003(003)(10), F.A.C., notwithstanding the foregoing, Requested amount exceeding the Corporation and Program funding limits can be reduced by the Applicant to reflect the maximum amount allowed (and no other changes to this amount will be allowed).

(21) On receipt of the Credit Underwriting Report, Florida Housing shall submit the Application to its Financial Advisor for a preliminary recommendation of the method of bond sale for each Development pursuant to Rule 67-21.0045, F.A.C.

(22) Proposed Developments that are ranked, but not selected by the Board to enter Credit Underwriting, shall remain on the ranked list in the event State Bond Allocation becomes available to fund additional Developments. If the current year’s State Bond Allocation is allocated by the Board for multifamily housing is insufficient to finance a Development, subject to the provisions of subsection 67-23.003(10), F.A.C., permitting reduction of the requested amount, a new Application must be filed to be eligible for a future year’s State Bond Allocation.

(23) Florida Housing shall notify the Applicant, in writing, of the Board’s determination related to approval of the Credit Underwriting Report and require the Applicant to submit one-half of the Good Faith Deposit within 7 Calendar Days from the receipt of such notice. Developments designated for a portion of the current year’s State Bond Allocation shall require a close at such time as is set forth in such notification. In the event the loan does not close within the designated time frame and the closing date is not extended in writing by Florida Housing, then the State Bond
written arguments to the Board. Any written argument should be typed and double-spaced with margins no less than one inch in either Times New Roman 12-point or Courier New 12-point font and may not exceed five pages. Written arguments must be filed with Florida Housing Finance Corporation's Clerk at 227 North Bronough Street, Suite 500, Tallahassee, Florida 32310-1290, no later than 5:00 p.m., Eastern Time, on the date contained in the recommended order. Submission by facsimile or other electronic means will not be accepted. Failure to timely file a written argument shall constitute a waiver of the right to have a written argument considered by the Board. Parties will not be permitted to make oral presentations to the Board in response to recommended orders. The Board shall consider all recommended orders and written arguments and enter the appropriate final orders.

(4) Following the entry of final orders in all petitions filed pursuant to Section 120.57(2), F.S., and in accordance with Rule Chapter 67-21, F.A.C., the Corporation shall issue final rankings. For an Applicant that filed a petition pursuant to Section 120.57(3), F.S., which challenged the scoring of its own Application but has not had a final order entered as of the date the final rankings are approved by the Board, the Corporation shall, if any such Applicant ultimately obtains a final order that modifies the score so that its Application would have been in the funding range of the applicable final ranking had it been entered prior to the date the final rankings were presented to the Board, provide the requested allocation from the next available allocation, whether in the current year or a subsequent year. Nothing contained herein shall affect any applicable credit underwriting requirements.

(5) Each Applicant will be provided with a final ranking of all Applications and notice of rights, which shall constitute the point of entry to contest any ranking or scoring issue related to any other Applications for the Program. An Applicant that wishes to contest the final ranking or score of another Applicant may do so only if:

(a) The competing Applicant files a petition on or before the 21st Calendar Day after the receipt of the notice of rights pursuant to this subsection (5). Submission by facsimile or other electronic means to the Corporation shall be made pursuant to subsection 28-106.201(2) and 28-106.301(2), F.A.C., as applicable, and specify in detail each issue, score or ranking sought to be challenged.

(b) Any Application cycle closing after January 1, 2002, if the contested-issue involves an error in scoring, the contested issue must (i) be one that could not have been cured pursuant to subsection 67-21.003(14), F.A.C., or (ii) be one that could have been cured, if the ability to cure was not solely within the Applicant's control. The contested issue cannot be one that was both cured and subject to the Applicant's sole control to cure. With regard to curable issues, a petitioner must prove that the contested issue was not feasibly curable within the time allowed for cures in subsection 67-21.003(6), F.A.C.

(c) The competing Applicant alleges facts in its petition sufficient to demonstrate that, for the specifically identified threshold, scoring or ranking errors in the challenged Application, its Application would have been in the funding range at the time Florida Housing provided the Applicant with its final ranking.

(d) If the petition does not raise a disputed issue of material fact, the appeal will be condensed pursuant to Section 120.57(2), F.S. If the appeal raises one or more
disposed items of material fact, a formal administrative hearing convened pursuant to 28 C.F.R. § 120.53(5); F.S. At the conclusion of any administrative hearing, a recommended order shall be entered which will then be considered by the Board.

6. Any Applicant who wishes to challenge the findings and conclusions of the recommended order entered pursuant to a Section 120.57(2), F.S., proceeding as described in subsection (5) above concerning the final ranking of another Application, shall be allowed the opportunity to submit written arguments to the Board. Any written arguments should be typed and double-spaced with margins no less than one inch in either Times New Roman 14-point or Courier New 12-point font and may not exceed five pages. Written arguments must be filed with the Florida Housing Finance Corporation's Clerk at 227 North Bronough Street, Suite 500, Tallahassee, Florida 32301-1299 no later than 5:00 p.m., Eastern Time, on the date contained in the recommended order. Submission by facsimile or other electronic means will not be accepted. Failure to timely file a written argument shall constitute a waiver of the right to have a written argument considered by the Board. Parties will not be permitted to make oral presentations to the Board in response to recommended orders. The Board shall consider all recommended orders and written arguments and enter the appropriate final orders.

7. For those Applicants that have filed a petition pursuant to subsection (5) above, the Corporation shall institute any such action as it deems necessary or desirable to ensure that its Application would have been in the funding range of the applicable final ranking, provided the requested allocation from the available allocation, whether in the current year or a subsequent year, Nothing contained herein shall be deemed to create any applicable compliance or covenant requirements. The filing of a petition pursuant to subsection (5) above shall not stay the Corporation's proposed funding for Applicants per the final rankings referenced in subsection (4) above.

8. See Support of Appropriations and Federal 320.50(9)(a), 121.77, 420.502, 420.507, 420.508. F.S. History—New 11/9/90, Amended 12/30/92, 7-12-94, 11-4-95, 4-6-96.

76.21-004 Federal Set-Aside Requirements. Each Application shall designate one of the following minimum federal set-aside requirements that the Development shall meet when occupying the site on which at least 10 percent of the units in the project are occupied:

(1) Twenty percent of the residential units in the Development shall be occupied by or reserved for occupancy by any one or more persons of a family whose Annual Household Income does not exceed 50 percent of the area median income limits adjusted for family size (the 20/50 Set-Aside).

(2) Forty percent of the residential units in the Development shall be occupied by or reserved for occupancy by one or more persons of a family whose Annual Household Income does not exceed 60 percent of the area median income limits adjusted for family size (the 40/60 Set-Aside).

(3) For Developments financed solely through the issuance of Taxable Bonds or refinancings of Tax-exempt Bonds originally issued under section 103(b)(4)(A) of the Internal Revenue Code of 1954, as amended, which is subject to and incorporated herein by reference, 20 percent of the residential units in the Development shall be occupied by or reserved for occupancy by one or more persons of a family whose Annual Household Income does not exceed 80 percent of the area median income limits adjusted for family size (the 20/80 Set-Aside).

Specific Authority 420.507(2), 420.508(3)(b)(1) F.S. Law Implemented 420.502, 420.507, 420.508, 420.509 F.S. History—New 11/9/90, Amended 12/30/92, 7-12-94, 11-4-95, 4-6-96.

76.21-004 Determination of Method of Bond Sale. (1) Florida Housing may sell Bonds for the purpose of financing a proposed Development through a negotiated sale, competitively bid sale or private Placement. Prior to the sale of Bonds for a Development, the Florida Housing shall authorize a resolution specifying the method of sale.

(2) With the exception of Applicants who are seeking a Private Placement, following receipt of the Credit Underwriting Report, staff shall provide Florida Housing's Financial Advisor copies of each report for review and preparation of a written recommendation for the method of Bond sale.

(3) In preparing a recommendation for the method of sale to the Board, the Financial Advisor shall consider the following:

(a) The costs components of the sale, including interest costs and financing costs. The purpose of the analysis is to determine how these costs are affected by the alternative forms of sale.

(b) The anticipated credit and security structure of the transaction.

(c) The proposed financing structure of the transaction.

(d) The financing experience of the Applicant.

(e) Florida Housing's programmatic objectives.

(f) Market stability.

(g) Other factors identified by staff, counsel, or the Applicant.

(4) The written recommendation shall include an identification of the Development, the recommended method of sale, and a summary statement as to why — in particular
method of sale is being recommended.

(5) For those transactions that Florida Housing’s Financial Advisor recommends as candidates for a competitive sale, Florida Housing shall engage a structuring agent. The Applicant may, at its sole expense, engage a Financial Advisor for the transaction. Any cost to the Applicant for the Financial Advisor in excess of $18,000 must be paid out of Developer Fee, in accordance with subsection 67.21(3)(b), F.A.C.

(6) For those transactions that Florida Housing’s Financial Advisor recommends for a negotiated sale, Florida Housing shall appoint an investment banker. 

(a) The transaction shall be in a manner consistent with law, including FSC 420.502(22), 420.502(36)(b) F.S. Law implemented 420.507(4), F.S. History—Nov 12-5-86; Amended 12-5-86, 1-7-98, Formerly 9231035, Amended 1-26-99, Reproposed 11-14-99, 2-10-01, Amended 3-7-02, Repealed by amendment 6-6-03

67.21(6) Selection of Qualified Lending Institutions as Credit Underwriters, Originators or Servicers.

(1) Qualified Lending Institutions shall be selected by Florida Housing to credit underwrite, participate in the origination of and service eligible Mortgage Loans.

(2) The criteria which shall be considered by Florida Housing for selection of qualifying Lending Institutions to participate in the Program shall include:

(a) The statutory requirement that the lending institution be a bank or trust company, mortgage banker, savings banker, savings bank, credit union, national banking association, building and loan association, insurance company, the Florida Housing Development Corporation, or other financial institution or governmental agency that is authorized to transact business in the State of Florida pursuant to statutory authority and which customarily provides service or otherwise aids in the financing of mortgages on real property located in the State of Florida.

(b) The credit underwriting and loan servicing experience and capabilities of the lending institution and its lending activity.

(c) Marketability of the Bonds using the Qualified Lending Institution as Credit Underwriter and servicer.

(d) Requirements of any rating agency rating the Bonds applicable to a Credit Underwriter and servicer.

(2) Development Requirements. A Development shall at a minimum meet the following requirements or an Applicant shall be able to certify that the following requirements shall be met with respect to a Development:

(1) Must provide safe, sanitary and decent multifamily residential housing for lower, middle and moderate income persons or families.

(2) Must be owned, managed and operated as a Development to provide multifamily residential rental property comprised of a building or structure or several properties or structures, each containing four or more dwelling units and functionally related facilities, in accordance with section 142(2) of the Code.

(3) The Development shall consist of similar units, containing complete facilities for living, sleeping, eating, cooking and laundry.

(4) None of the units in the Development shall be used on a commercial basis.

(5) Notwithstanding any other law, the Department shall be required to review a Development within 180 days unless a determination is made by Florida Housing that there is a specific need in that particular area for leasing arrangements of less than 180 days, but in no event shall a lease be for a period less than 30 days, nor shall a Development be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, sanitarium, nursing home or rest home or trailer court or park.

(6) All of the dwelling units shall be rented or shall be available for rent on a continuous basis to members of the general public, and the Applicant shall not give preference to any particular class of persons in renting the dwelling units in the Development, except to the extent that dwelling units are required to be occupied in compliance with the Code or are being held for Elderly Persons, Commercial Fishing Workers, Homeless Persons or Farmworkers.

(7) The Applicant shall have no present plan to convert the Development to any use other than the use as an affordable residential rental property.

(8) None of the units shall at any time be occupied by the owner of the Development or an individual related to the owner as such terms are defined by the Code; provided, however, that in developments containing more than 50 residential units, such owner or related person may occupy up to one unit per such 100 units in a Development and such owner or related person must reside in a unit that is in a building or structure which contains at least five residential units.

(9) Commencing with the date on which at least 10 percent of the units in the Development are occupied:

(a) At least 20 percent or 40 percent, whichever is applicable based on Applicant’s selection of the minimum federal, state or local occupancy limits in the Code, of the completed residential units in the Development shall be occupied by lower income residents, to the satisfaction of which no additional units shall be added or rented, leased or otherwise occupied by any other group or category of persons.

(b) All of the Public Policy Criteria and Qualified Residents Program selected in the Application must be met; and

(10) After initial rental occupancy of such residential units by lower income residents, at least 20 percent or 40 percent, whichever is applicable based on Applicant’s selection of the minimum federal, state or local occupancy limits of the Code, of the completed residential units in the Development at all times shall be rented to and occupied by lower income residents as required by section 142(2) of the Code, of the Development is financed with the proceeds of tax-exempt Bonds, or as required by the Act, if the Development is financed with the proceeds of Taxable Bonds, or held available for rental if previously rented to and occupied by a lower income resident.

(11) The Applicant shall obtain and maintain on file income certifications from each Lower Income Resident immediately prior to initial occupancy and at least annually thereafter.

(12) The Applicant shall not take, permit, or cause to be taken any action which would adversely affect the exemption from federal income taxation of the interest on Tax-exempt Bonds, nor shall the Applicant fail to take any action which is necessary to preserve the exemption from federal income taxation of the interest on Tax-exempt Bonds.

(13) The Applicant shall take such action or actions as shall be necessary to comply fully with the Code, Florida Statutes, and Florida Housing Rules.
(12) The Applicant may limit the leasing of units in a Development to Elderly Persons, Homeless Persons, or Handicapped Persons, or to those who are the owner of the Development.

(13) In the event that the Applicant has determined that the market no longer supports the Development as Elderly Housing and desires to return to non-target persons or families, the following criteria must be met:

(a) A "Walk" marketing plan is submitted to and is acceptable to Florida Housing showing a good faith effort to market the unit as Elderly Housing.

(b) The Applicant demonstrates that a good faith effort was made to lease the units as Elderly Housing and that such effort was made for at least six months after the certificate of occupancy for the relevant unit was issued.

(c) The Applicant has received and received Board approval for the Development no longer qualifies as Elderly Housing.

(14) The Applicant and Developer of a proposed Rehabilitation Development shall make every effort to rehabilitate existing housing that is occupied by existing tenants, or (b) by temporarily moving existing tenants to unfilled units within the Development until the abandonment of such units is completed.

(15) The owner of a Development must notify Florida Housing of an intended change in the management company. Florida Housing must approve, pursuant to subsection 67-21.010(3), F.A.C., the Applicant's selection of a management agent prior to such company assuming responsibility for the Development. A key management company representative must attend a Florida Housing-sponsored training workshop on certification and compliance procedures prior to leasing of any units in the Development.

(16) The Applicant shall use cost certifications with respect to each Development as required by the United States Department of Housing and Urban Development ("HUD") in connection with the Development financed by HUD funds.

(17) The Applicant shall provide annually to the Trustee not later than 120 days after the end of the Applicant's fiscal year, audited financial statements prepared by an independent certified public accounting firm, consolidated or otherwise, on the development and any other information required by Florida Housing to comply with continuing disclosure requirements imposed by law.

(18) Unless otherwise approved by the Board, Gross-collateralization shall not be allowed.

(19) The Act, 22 U.S.C. § 2656d ("Law Implemented 42050.2, 42050.7.3.1; (17); (18); (19); (20); (21); 42050.8.1; History—Prev 2.22.92.11.4.96.6.23-6.1.7.68. Formerly 421-200; Amended 1.16.99, 13.4-99, 9.21-01, 9.31-02, 9.37-02, Replacemnted A.6.62.

67-21.007 Fees. In addition to the fees specified in the Universal Application Package, Florida Housing shall collect the following fees and charges in conjunction with the Program:

(1) TEFRA Fee: Applicants shall submit a non-refundable TEFRA fee to Florida Housing in the amount of $500 by the Application Deadline. This fee shall be applied to the actual cost of processing the Application and Florida Administrative Weekly notices of TEFRA Hearings, if the actual cost of the required publishing exceeds $500.00. Applicant shall be invoiced for the difference. If a Local Public Fact Finding Hearing is requested, the Applicant shall be responsible for payment of any fees incurred by Florida Housing. If the first TEFRA approval period has expired and a second TEFRA notice and hearing are required, Applicant is responsible for all costs associated with the additional TEFRA process.

(2) Credit Underwriting and Appraisal Fee: Applicants shall submit the required non-refundable Credit Underwriting and Appraisal Fee for each Development to the Credit Underwriter designated by Florida Housing within seven Calendar Days of the date of the invitation by Florida Housing to enter the Credit Underwriting process and prior to final credit review by the Credit Underwriter. The Final Credit Underwriting fee shall be determined pursuant to a contract between Florida Housing and the Credit Underwriter.

(3) Good Faith Deposit: The Applicant shall pay a total deposit equal to one percent of the aggregate principal amount of proposed Taxable and Tax-Exempt Bonds, or $50,000, whichever is greater, to Florida Housing, which deposit may be applied toward the Cost of Issuance Fee. The Good Faith Deposit is payable in two equal installments: the first installment (one-half of one percent) is due within 60 Calendar Days of the date the Board approves the Credit Underwriting Report. The balance is payable no later than the date when the Applicant executes the Loan Commitment. In the event the Loan does not close, the unused portion of the Good Faith Deposit shall be refunded to the Applicant. Notwithstanding the foregoing, the Applicant is responsible for all expenses incurred in preparation for loan closing. Any and all costs of Florida Housing will be deducted from the Good Faith Deposit prior to refunding any unused funds to the Applicant. In the event that additional questions and concerns are raised subsequent to a determination that the Loan will not close and refunding any unused funds to the Applicant, which invoices relate to costs incurred prior to such determination and refunding, Applicant shall be responsible for paying the balance due as invoiced.

(4) Cost of Issuance Fee: Florida Housing shall require Applicants or participating Qualified Lending Institutions selected for participation in the Program, to deliver to Florida Housing, or, at the request of Florida Housing, directly to the Trustee, a certificate of participation in the Bonds, a Cost of Issuance Fee in an amount determined by Florida Housing to be sufficient to pay the costs and expenses relating to issuance of the Bonds, which amount shall be deposited into an account to be held by the Trustee. Florida Housing shall provide the Applicant with a good faith estimate of the Cost of Issuance Fee prior to closing. The Applicant shall pay all costs and expenses incurred by Florida Housing in connection with the issuance of the Bonds, the expenditure of the Loan proceeds, and provision of Credit Enhancement, if any, even if such costs and expenses exceed the Cost of Issuance Fee. Any amounts remaining in this account at the time the balance is transferred and the account closed pursuant to the Trust Indenture shall be returned to the Applicant.

(5) HUD Risk Sharing Program: Applicants utilizing the HUD Risk Sharing Program for the Development shall be responsible for all costs associated with the Program, as follows:

(a) Format II Environmental Review Fee — The fee the Applicant shall pay will be determined by contract between Florida Housing and the environmental professional.
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(b) Subsidy Lending Review Fee — The fee the Applicant shall pay will be determined by the contract between Florida Housing and the Contractor.

(c) Fees of the Florida Housing Finance Corporation Affordable Housing Guarantee Program pursuant to Rule Chapter 67-39, F.A.C.

(d) Compliance Monitoring Fees: The annual monitoring fee the Applicant shall pay will be determined by contract between Florida Housing and the monitoring agent.

(e) Permanent Loan Servicing Fees: The annual servicing fee the Applicant shall pay will be determined by contract between Florida Housing and the servicer.

(f) Financial Monitoring Fees: The annual financial monitoring fees the Applicant shall pay will be determined by contract between Florida Housing and the monitoring agent.

(g) Other Florida Housing Program Fees:

(a) Housing Credit Fees — If Housing Credits are used for the Development, the Compliance Monitoring Fee for that program shall be collected from the Applicant in conjunction with the Compliance Monitoring Fee for the Program.

(b) Florida Affordable Housing Guarantee Program Fees — If the Guarantee Program is used in the Development, the same fee schedule described in Rule Chapter 67-39, F.A.C., shall apply and be paid by the Applicant to Florida Housing.

(10) Development Cost Pro formas: All of the fees set forth above with respect to the Program and other Florida Housing programs are part of the Total Development Cost. These costs must be included in the Development cost pro formas.

Specific Authority 420.507(12), 420.508(3)(a) FS. Law. Implemented 420.507(4). (19) FS. History—New 12-3-80, Amended 1-7-85, Formerly 92.2107, Amended 1-26-99, 1-14-99, 2-11-91, 1-22-02, 4-6-03

67-21.006 Terms and Conditions of Loan.

(1) Each Mortgage Loan for a Development made by Florida Housing shall:

(a) Be evidenced by a properly executed Note or other evidence of indebtedness and be secured by a recorded Mortgage.

(b) Provide for a fully amortized payment of the Mortgage Loan in full beginning on the earlier of 36 months after the closing date or conversion to permanent financing under the Loan documents and ending no later than the expiration of the useful life of the property, and in any event, no later than 45 years from the date of the Mortgage Loan.

(2) Be evidenced by at least 95 percent of the Total Development Cost.

(3) If the Mortgage Loan is to provide financing for the construction of a Development, have each, advance thereof secured, insured, or guaranteed in such manner as Florida Housing determines shall protect its interest and those of the Bond holders.

(e) Have the initial review, approval, and origination process accomplished by a Qualified Lending Institution.

(f) Be serviced by such Qualified Lending Institution or other private entity engaged in the business of servicing mortgage loans in Florida as Florida Housing shall approve.

(10) Require the submission to Florida Housing of an annual audited financial statement for the Development, and for the Applicant if revenue from multiple projects is being pledged. An annual financial statement compiled or reviewed by a licensed Certified Public Accountant may be submitted

in lieu of an audited financial statement for the Development prior to the issuance of a certificate of occupancy for any unit in the Development provided that the subsequent annual audited financial statement shall include all operations since inception.

(2) Upon approval, execution, and satisfaction of the terms of the Program Documents by the Applicant and Florida Housing, the Bond sale and the Loan shall be scheduled for closing.

(3) The Applicant may obtain construction financing from an alternative source with the Bond proceeds being invested in accordance with an investment agreement subject to the requirements of the Code for Tax-exempt Bonds.

(4) The Applicant shall also establish and maintain escrow deposits sufficient to pay any insurance premiums and applicable taxes.

(5) Florida Housing shall charge said Program administration fees as are required to pay the cost of administering the Program during the life of the Bonds and Loan.

(6) The interest rate on the Loan shall be determined by Florida Housing at the time of sale of the Bonds based on the financing structure and the interest rate on the Bonds.

(7) Prepayments shall be permitted only in accordance with the terms and conditions of the Program Documents.

(a) Florida Housing shall appoint a trustee and servicing agent when necessary to administer the Program and service the Loan.

(9) All Florida Housing Loans are contingent upon:

(a) The sale, issuance and delivery of the Bonds and the availability of Bond proceeds.

(b) The Applicant obtaining title insurance on the property.

(c) The Applicant obtaining all governmental approvals for constructing and operating the Development as a multifamily housing Development.

(d) The Applicant providing to Florida Housing, Bond Counsel and Special Counsel the Note, Mortgage, financing statements, survey, hazard insurance policies, liability insurance policies, escrow agreement, investment agreements, opinions of counsel including preference opinions, if required, and such other documents as are necessary to assure that the Bond funded project is properly secured Mortgage as required under the Act and to protect the holders of the Bonds.

(e) If required by Bond Counsel in order to deliver their opinion in connection with the issuance of the Bonds or at the request of Florida Housing, the Bonds being validated pursuant to Chapter 75, F.S., and a certificate of no appeal issuing.

(2) Receipt of TEFRA approval for Tax-exempt Bonds.

(2) All Loans shall be reviewed and originated by a service-designated by Florida Housing, in conformance with the Act.

(11) The Applicant shall agree to execute or cause to be executed all of the Program Loan Documents required by Florida Housing to secure the unconditional payment of the Loan and to retain the Tax-exempt status of the Bonds, if Bonds are issued as Tax-exempt Bonds.

(12) The Applicant shall, prior to the requested date for funding, or as requested by Credit Underwriting, supply in draft form to Florida Housing the following documents with respect to the Development being financed, together with any other documents required by the Loan Agreement:


(1) The Bonds shall be issued in minimum denominations of $100,000 (subject to reduction by means of redemption) and each purchaser of such Bond, including subsequent purchasers unless the requirements of subsection (2) or (3) below are met, shall certify to Florida Housing prior to any purchase or transfer of any Bond that such purchaser is a Qualified Institutional Buyer; or

(2) The Bonds shall be issued in minimum denominations of $250,000 (subject to reduction by means of redemption) and an investment letter satisfactory to Florida Housing and its counsel shall be obtained from each initial purchaser of the Bonds (including any purchaser purchasing such Bonds in an immediate resale from an underwriter), but shall not be required of subsequent purchasers of the Bonds, to the effect that, among other things, such purchaser is a Qualified Institutional Buyer, is purchasing such Bonds for its own account and not for immediate resale to others or another Qualified Institutional Buyer, and has made an independent investment decision as a sophisticated or institutional investor; or

(3) The Bonds shall be issued in minimum denominations of $250,000 (subject to reduction by means of redemption) and an investment letter satisfactory to Florida Housing and its counsel shall be obtained from each initial purchaser of the Bonds and from each subsequent transferee of the Bonds prior to any transfer thereof, to the effect that such purchaser is a Qualified Institutional Buyer.

Specific Authority: 420.370(2), 420.388(3)(c), F.S.; Law Implemented: 420.370(4), (5), (6), (9), (11), (14), (16), (18), (19), (20), (21), F.S.; History—New 11/23/94, Amended 1-7-98, Formerly 46-21.015, Amended 12-6-95, 11-14-99, 211-01, 3-17-02, 4-6-02.

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(3) An invitation into Credit Underwriting shall require that the Applicant submit the Credit Underwriting and Appraisal Fee and information required to complete the Credit Underwriting, to the Credit Underwriter in accordance with the schedule established by Florida Housing upon the requisition of any Bond that such purchaser is a Qualified Institutional Buyer, and has made an independent investment decision as a sophisticated or institutional investor; or

(2) The Credit Underwriter shall in Credit Underwriting analyze and verify all information in the Application in order to make a recommendation to the Board on the feasibility of the Development, without taking into account the willingness of a Credit Enhancer to provide Credit Enhancement.

(a) If the Credit Underwriter determines that special expertise is required to review information submitted to the Credit Underwriter which is beyond the scope of normal underwriting procedures, the cost of such expertise shall be borne by the Applicant.

(b) The Credit Underwriter shall review the proposed financing structure to determine whether the Loan is feasible.

(c) In addition to obtaining expenses, the Credit Underwriter must include an estimate for replacement reserves when calculating the final net operating income available to service the Debt. A minimum amount of $200 per unit must be deposited annually in the replacement reserve account for all Developments. An Applicant may choose to fund a portion of the replacement reserves at closing from moneys other than the proceeds of the Bonds. This partial funding cannot exceed 50 percent of the required replacement reserves for two years and must be placed in escrow with the Bond Trustee as closing. Applicants with Credit Enhancements may employ a different replacement reserve structure than Florida Housing's approval.

(d) Florida Housing shall consider the following when determining the need for construction completion guarantees based on the recommendations of the Credit Underwriter:

1. Liquidity of any guarantee provider.
2. Applicant's, Developer's and General Contractor's history in successfully completing Developments of similar type.
3. The past performance of the Applicant, Developer, General Contractor, or management agent, in developing, constructing or managing Developments financed by Florida Housing or its predecessors, including, by way of example and not limitation, nonpayment of fees and noncompliance with program requirements.
4. Percentage of Florida Housing funds utilized compared to Total Development Costs. At a minimum, the corporate general partner of the borrowing entity shall provide a personal guarantee for completion of construction. In addition, a letter of credit or payment and performance bond shall be required if Florida Housing determines upon recommendation of the Credit Underwriter after evaluation of conditions in subparagraphs 1 through 3, above, that additional surety is needed.

(e) The Credit Underwriter shall review and make a recommendation to Florida Housing whether the number of existing loans and construction commitments of the Applicant and its principals will impede its ability to proceed with the successful development of each proposed Florida Housing Development.

(f) The Credit Underwriter shall consider the appraisal of the Development and other market study documentation to make a recommendation to Florida Housing to the extent that it supports either both the demographic and income restriction Set-Aside(s) committed to within the Application. The Credit Underwriter shall consider the market study and other documentation to make a recommendation of whether to approve or disapprove an application when the proposed Development would financially impair an existing Development previously funded by Florida Housing.

(g) If the Credit Underwriter requires additional clarifying materials in the course of the underwriting process to complete the Credit Underwriting Report, the Credit Underwriter shall notify Florida Housing and request the information from the Applicant. Such requested information shall be submitted within ten business days of receipt of the request therefor. Failure for any reason to submit required information on or before the specified deadline shall result in the Application being moved to the bottom of the ranked list.

(h) At a minimum, the Credit Underwriter shall require the following information during Credit Underwriting:

1. For Credit Enhancers, audited financial statements for their most recent fiscal year ended, if published; otherwise the previous year's audited statements will be provided until the current statements are published or Credit Underwriting is complete.
2. For Principals and Guarantors, audited financial statements or financial statements compiled or reviewed by a
licensure. Certified Public Accountants for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. If audited financial statements or financial statements compiled or reviewed in accordance with SASAS No. 1, are not available, unaudited financial statements prepared within the last 90 days and reviewed by the Credit Underwriter in accordance with the Panini Multifamily Delinquent Underwriting and Servicing (RUS) Guide, effective January 7, 2002, which is adopted and incorporated herein by reference, and the two most recent years tax returns.

3. For the General Partner, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. If the entity is newly formed (less than 18 months in existence as of the date that Credit Underwriting information is requested), a copy of any and all tax returns with related supporting notes and schedules.

4. Required appraisals, market studies, pre-construction analyses, and environmental studies (other than Phase I Environmental Site Assessments) shall be completed by professionals approved by Florida Housing’s Credit Underwriter. Approval of appraisals and contractors to conduct market and environmental studies shall be based upon qualifications, professional designations held, references, and if prior experience in similar types of Developments.

5. A full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice, which is adopted and incorporated herein by reference, and a separate market study shall be ordered by the Credit Underwriter from an appraiser qualified for the geographic area and product type not later than when an Application is received Credit Underwriting. The Credit Underwriter shall review the appraisals to properly evaluate the loan request in relation to the property value.

6. Appraisals and separate market studies which have been ordered and submitted by third party Credit Enhancers or syndicators and which meet the above requirements and are acceptable to the Credit Underwriter may be used instead of the appraisal or market study referred above.

7. (a) The Applicant shall review and provide written comments on the draft Credit Underwriting Report to Florida Housing and the Credit Underwriter within the time frame established by Florida Housing. Florida Housing shall provide comments on the draft report and, at applicable, on the Applicant’s comments to the Credit Underwriter. The Credit Underwriter shall then review and incorporate Florida Housing’s and, if deemed appropriate, the Applicant’s comments and release the revised report to Florida Housing and the Applicant. Any additional comments from the Applicant shall be received by Florida Housing and the Credit Underwriter within the established time frame. Then, the Credit Underwriter shall provide a final report, which shall address comments made by the Applicant to Florida Housing.

(b) After approval by the Board, a presentation of the Credit Underwriting Report and portion of one-half of the Good Faith Deposit, the Board of Directors, Florida Housing staff and Florida Housing Counsel shall begin negotiations of the Loan Commitment.


67-21.015 Use of Roads with Other Affordable Housing Finance Programs.

1. Applicants may submit the Application for the MMRB Program, SAIL, competitive housing credits and non-competitive housing credits, subject to the restrictions set forth in the Universal Application Package.

2. Applicants that receive funding from other programs and the Multifamily Mortgage Revenue Bond Program shall comply with the requirements of the applicable program rate and this rule.

Specific Authority: 420-507(2), 420-508(3)(c) FS. Law Implemented 420-507, 420-509 FS. History—New 1-7-98, formerly 9-21-97, Amended 1-26-99, 11-14-99, 1-17-01, 3-17-02, Repealed 4-6-03.


1. Any duly authorized representative of Florida Housing shall be permitted as a reasonable time to inspect and manage Development and tenant records and facilities. All tenant records shall be maintained by the owner of the Development within 50 miles of the Development site.

2. Florida Housing or its representative shall conduct on-site Development inspections at least annually.

3. Florida Housing must approve the selection or replacement of a management company prior to entering into an agreement for the Development, using the following criteria:

(a) Review of company’s experience in managing large complexes.

(b) Review of company’s financial condition.

(c) Review of company’s experience in managing large complexes.

(d) Review of company’s experience in managing large complexes.

(e) Review of company’s experience in managing large complexes.

(f) Key management personnel’s, management experience and procedures.

(g) Review of management’s experience in managing large complexes.

(h) Review of management’s experience in managing large complexes.

(i) Review of management’s experience in managing large complexes.

(j) Review of management’s experience in managing large complexes.

(k) Review of management’s experience in managing large complexes.

(l) Review of management’s experience in managing large complexes.

(m) Review of management’s experience in managing large complexes.

(n) Review of management’s experience in managing large complexes.

(o) Review of management’s experience in managing large complexes.

(p) Review of management’s experience in managing large complexes.

(q) Review of management’s experience in managing large complexes.

(r) Review of management’s experience in managing large complexes.

(s) Review of management’s experience in managing large complexes.

(t) Review of management’s experience in managing large complexes.

(u) Review of management’s experience in managing large complexes.

(v) Review of management’s experience in managing large complexes.

(w) Review of management’s experience in managing large complexes.

(x) Review of management’s experience in managing large complexes.

(y) Review of management’s experience in managing large complexes.

(z) Review of management’s experience in managing large complexes.

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herein by reference, as in effect on the date of this rule chapter:
(4) Information as to the assets owned by each tenant:
and
(5) Income Certification Form TIC-1 for each tenant.
(6) The applicant shall submit Program Reports pursuant
pursuant to the following: The initial Program Report shall
be submitted prior to the time of Loan closing, if the
Development is occupied, or by the 25th of the month
following rental of the initial unit in the Development.
Subsequent Program Reports shall be submitted each month
and are due no later than the 25th of each month thereafter.
The Program Reports shall be accompanied by the Report of
Tenant Income Certification Information, Form ALT-1, and
the certificates of continuing program compliance and copies
of all Tenant Income Certifications executed since the last
Program Report and shall be sent to Florida Housing, the
Trustee and the monitoring agent.
(7) The Developer shall, at least monthly, submit to Florida
Housing the Trustee and the monitoring agent, a certificate of
continuing program compliance stating the percentage of
dwelling units that are:
(a) Occupied by Lower-Income Residents.
(b) Being held vacant for occupancy by Lower-Income
Residents.
(c) Occupied by other persons.
(8) Florida Housing shall monitor compliance of all terms
and conditions of the Loan and in the Land Use Restriction
Agreement, which Land Use Restriction Agreement shall be
recorded in the public records of the county wherein the
Development is located. The Land Use Restriction
Agreement shall be recorded first. Violation of any term or
condition of the documents evidencing or securing the Loan
shall constitute a default during the term of the Loan.
Florida Housing shall take legal action to effect compliance
if a violation of any term or condition relative to the
Set-Aside of units for Lower Income Residents is discovered
during the course of compliance monitoring or by any other
means.
Borrowors shall annually certify that the household
gross income of each household occupying a unit set aside
for Lower Income Residents meets income requirements
specified in the Code. Should the annual recertification of
such households result in noncompliance with income
occupancy requirements, the next available unit must be
later assigned to a qualifying household in order to
achieve continuing compliance of the Development.
(10) The compliance monitoring for MMBR will begin
following loan closing or, if the Development is occupied,
prior to loan closing.
Specific Authority: 420.507(1), 420.508(3)(a) FS. Law Implemented:
420.507(1), (11), (16), 420.508, 420.509 FS. History—Nov 17-98,
Formerly 91-21.016, Amended 1-26-99, 11-14-98, 1-25-01, 3-17-02,
4-6-03.
67-21.017 Transfer of Ownership.
(1) Any transfer of ownership of any Development shall
be subject to compliance with the provisions of Rule
67-21.017, F.A.C., provided that transfers of the limited
partnership interest in the Developer to a tax credit
creditor, or on the transfer of ownership to a creditor by
means of foreclosure or deed in lieu of foreclosure, need not
comply with this provision. The determination of whether
transfer of ownership of a Development shall be deemed to
take place for purposes of this rule shall be made in
accordance with the provisions of the Land Use Restriction
Agreement and other Program Documents for such
Development. Owners shall advise Florida Housing in
writing of any change of ownership of the owner
aggregating 50 percent or more of ownership interests in
the owner within any six-month period.
(2) A request for transfer of ownership shall be
submitted to Florida Housing in writing and include evidence
that the current owner has agreed to the proposed sale. A detailed
opinion letter from the Applicant's legal counsel describing
the scope of the proposed transaction must also be provided.
Florida Housing shall notify the current owner and potential
purchaser of any additional information necessary for the
Board to make an informed decision.
(3) Upon demonstration of compliance with the provisions
of Rule 67-21.017, F.A.C., and favorable consideration
by the Board to a request for transfer, Florida Housing shall
assign a Credit Underwriter, Bond Counsel, Special Counsel,
and other professionals as needed to effect the transfer.
(4) Prior to the transfer of ownership:
(a) The prospective purchaser and the conditions of the
assumption of the Program Documents must be approved by
the Credit Underwriter in meeting the terms of its Credit
Underwriting Report, Bond Counsel and Special Counsel as
complying with all applicable legal requirements, and
Florida Housing as meeting the stated purposes of Florida
Housing.
(b) All outstanding fees owing to Florida Housing shall
be paid.
(c) The Development shall be in compliance with all
existing regulatory requirements imposed by Florida Housing or
its predecessor, and
(d) If the Set-Aside requirements in the Land Use
Restriction Agreement are expired or have less than
12 months remaining, a new agreement shall be extended for
a minimum of two years from the date of closing. The Credit
Underwriter shall conduct a credit underwriting of the new
owner upon any transfer of ownership. Additionally, the new
owner shall be notified that any refunding of bonds
associated with such Development shall require a full Credit
Underwriting of the Development. All transfer of ownership
transactions shall require a guarantee of recourse obligations
and an environmental indemnity from the assuming owner.
(5) The prospective purchaser or current owner shall be
responsible for payment of all fees and escrow services
rendered in association with the transfer of ownership.
Specific Authority: 420.507(1), 420.508(3)(a) FS. Law Implemented:
420.507(1), (11), (16), 420.508, 420.509 FS. History—Nov 17-98,
Formerly 91-21.016, Amended 1-26-99, 11-14-98, 1-25-01, 3-17-02,
4-6-03.
67-21.018 Refundings and Troubled Development
Review.
(1) Refunding of previously issued Bonds shall in all
instances be as in the opinion of Florida Housing and not
an obligation of Florida Housing.
(2) Florida Housing shall endeavor where feasible to
refund Bonds which are either in default or face a pending
default.
(3) Approval by Florida Housing for a refunding of an
issue of Bonds for reasons related to pending default shall be
subject to the following:
(a) Determination of the likelihood of the impending
default.
(b) Submission of a sworn certificate of impending
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spight by the Developer or Credit Enhancer;
(c) Review of certified information from the Developer or Credit Enhancer that conditions causing default are likely to continue;
(d) Submission of certified public accountant's report; and
(e) Independent evidence of market conditions in the development location;
(f) Evidence of effort by the Developer or Credit Enhancer to procure other sources of capital infusion;
(g) Statement by the Developer or Credit Enhancer of the continued project purpose to be achieved by refunding;
(h) Agreement by the Developer or Credit Enhancer to update the Land Use Restriction Agreement, including sections on state and federal income limits;
(i) New Credit Underwriting by Florida Housing, with new Bond amount determined by Florida Housing based upon the real estate underwriting criteria and equal to the lesser of the amount determined by Florida Housing or the Credit Enhancer, to provide assurance that a similar default condition will not present itself in the future;
(j) The full right of refunding is taken by the Credit Enhancer through all indemnification from Florida Housing; with consideration given to personal indemnification from the Developer if sufficient financial strength can be demonstrated;
(k) All costs of refunding are paid by the Developer or the Credit Enhancer outside of Bond proceeds, including all applicable fees;
(l) Submission of annual tax by Florida Housing;
(m) Provision of other evidence of the immediacy of default;
(n) Rejection of the Credit Enhancement;
(o) Management of the Development is reviewed and approved by Florida Housing;
(p) The Set-Aside of an additional 10 percent of units for Lower Income Residents beyond the requirements of subsection 67-21,004(11), F.A.C.;
(q) In connection with all refundings, the following shall apply:
(r) All outstanding fees of Florida Housing shall be paid in connection with the refunding;
(r) The Set-Aside required by the original Land Use Restriction Agreement shall be extended for a period determined by Florida Housing;
(s) A Credit Underwriting and an existing property valuation report shall be required, which may incorporate any Credit Underwriting undertaken within the past twelve months in connection with a transfer of ownership of the property;
(t) A guarantee of the Credit Enhancer shall be required; and
(u) Additional operating deficits or other guarantees and establishment of replacement reserves or increase in existing reserves may be required to specified in the Credit
Understanding report.
(x) The bond shall immediately on the earlier of 24 months after closing or stabilized occupancy in the case of major rehabilitation begin full amortization over the remaining life of the Bonds; and in the event the economic remaining life of the property, provided the
(y) Any extension or extensions of maturity cumulate for no more than 30 months shall be deemed to constitute a refunding for purposes hereof; and
(z) The owner of the Development shall provide a written request for the refunding and a detailed opinion from applicant's counsel describing the scope of the transaction, and shall not be necessary to complete an application in connection with a refunding request.

67-21,919 Issuance of Bonds for 501(c)(3) Entities

(1) Florida Housing shall enter refund requests for to serve as the issuer of Tax-exempt Bonds for the acquisition or construction of multifamily housing to be owned by a not-for-profit entity organized under section 501(c)(3) of the Code.
(2) In connection with all Bonds issued pursuant to Rule 67-21,019, F.A.C., Applicant shall be required to comply with the provisions of Rules 67-21,003, 67-21,004 and 67-21,004(11) F.A.C., as if the 501(c)(3) Bonds are being issued as Tax-exempt Bonds under section 141 of the Code, except that at least one Qualified Resident Program shall be committed in addition to the maximum federal Set-Aside.
(3) In addition, Applicant shall submit the following:
(a) An initial bond escrow fee of $1,000 along with IRS Form 1023, which is adopted and incorporated herein by reference, and all attachments and correspondence to and from the IRS relative to 501(c)(3) status of the Applicant. A copy of IRS Form 1023 is available on the IRS web site at www.irs.gov; and
(b) An opinion from Applicant's counsel at Applicant's sole expense evidencing the Applicant's qualifications as a 501(c)(3) entity and Applicant's authority to incur bond debt for multi-family housing and
(c) If a Development is acquired to be intended is to be exempt from all valuations taxes, evidence that it has notified all local ad valorem taxing authorities of the acquisition of the proposed Development by a 501(c)(3) entity
(d) Specific information otherwise required to be submitted in an Application as requested by Florida Housing.

S pecific Authority 420.507(13) FS. Law Repealed 420.552, 420.557, F.S. history—Nov. 1-14,99, Formerly 56-21,128, Amendment 1-26,99, 11-14,99, 1-11,01, 3-11,02, Represented 4-6,03

Specific Authority 420.507(13) FS. Law Repealed 420.552, 420.557, F.S. History—Nov. 1-14,99, Formerly 56-21,128, Amendment 1-26,99, 11-14,99, 1-11,01, 3-11,02, Represented 4-6,03