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Sent: Friday, June 30, 2017 1:21 PM
To: Ken Reecy <Ken.Reecy@floridahousing.org>
Subject: Public Comment

With respect to the discussion regarding a limit or cap on Other Income items, it is HTG's position that this policy would have the unfortunate overall effect of decreasing the production of affordable housing statewide for the following reasons:

- 1) By limiting the amount of Other Income, Net Cash Flow (defined as cash available after service debt) would decrease requiring more resources (Corporation and otherwise) to complete a development, as there would be a decrease in available debt sources and less leveraging of other resources.
- 2) Other Income primarily consists of services that are *optional* for a resident such as washer/dryers in their home, covered parking, and storage units. These services are not required to be purchased by residents and in almost every case a resident can elect to not pay for this service.
- 3) The cost of these services is market driven and therefore are limited to what residents are willing to pay. If an owner chooses to charge more than the value of the service, demand for the service will decline and/or occupancy will decline, in which case an owner's guarantee will be at risk if unable to cover debt service on the development.

Thank you for your consideration.

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