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To: "Kevin.Tatreau@floridahousing.org" <Kevin.Tatreau@floridahousing.org>, Ken Reecy <Ken.Reecy@floridahousing.org>

Cc: Jenna Emmons <jemmons@abilityhousing.org>

Subject: my comments/review

So, my comments and recommendations/requests are:

1. Size Homeless and Disabling Condition projects at 0.91 or LOI equity rate, whichever is greater
2. For Applicant with no related applications that is a Homeless or Disabling Condition project, permit a maximum per project of \$2MM; keeping per unit cap
3. Permit Homeless and Disabling Condition projects to draw down SAIL loan 100% until fully disbursed to postpone accruing interest on construction loan for as long as possible; also helps equity come in later which may help rate; also reduces number of SAIL draws and inspections – reducing fees
4. Provide automatic extension of Active Awards to be in conjunction with reasonable deadlines/timelines for this RFA
5. Waive fees for extensions and credit swap requests for Homeless and Disabling Condition projects – Steve had said this was likely (way back in the day)
6. Have Development Pro Forma reflect syndicator required reserves as outlined in LOI to accurately reflect true TDC
7. For Homeless and Disabling Condition projects, with 100% of the developer fee going to a nonprofit and a deferred fee in excess of 50% of the 16% rate – if additional funds come in or the gap is reduced in underwriting – split the reduction in gap 50/50 between the deferred developer fee and the gap loan amount

Regarding the sizing of the loan – if the sources have to equal uses in the application, and the equity rate is actually below 0.92, there is a vicious cycle of needing to show enough funding but then having the loan reduced because at a higher equity rate the gap is reduced and there is no way to bring in more sources afterward without reducing the loan and therefore not addressing the gap. With my scenario (at 0.91 actual rate – although I'm working on this, believe me) my loan is well below 1.5MM and the deferred fee is well above 50% because of this issue.

Feel free to call with any questions, etc.

Thanks!!

Shannon Nazworth
Executive Director



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