

ORANGE COUNTY HOUSING FINANCE AUTHORITY
AGENDA PACKAGE

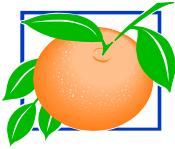
Board of Directors' Meeting

Wednesday, June 3, 2020 – 8:30 a.m.

TELEPHONIC / CONFERENCE CALL

Dial-In: 1-786-789-4796 | Passcode: 359128#





W.D. MORRIS
EXECUTIVE DIRECTOR

MEMORANDUM

BOARD OF DIRECTORS

MERCEDES MCCALL
CHAIRWOMAN

VERNICE ATKINS-BRADLEY
VICE CHAIRWOMAN

SASCHA RIZZO
BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

ALBERT HANKS
BOARD MEMBER

TO: Mercedes McCall, Chairwoman, OCHFA
Vernice Atkins-Bradley, Vice Chairwoman, OCHFA
Sascha Rizzo, Board of Directors, OCHFA
Curtis Hunter, Board of Directors, OCHFA
Albert Hanks, Board of Directors, OCHFA
Warren S. Bloom, General Counsel, Greenberg Traurig
Mike Watkins, General Counsel, Greenberg Traurig
Sylvia S. Penneys, Bond Counsel, Greenberg Traurig
Bruce Giles-Klein, Bond Counsel, Greenberg Traurig
David Jones, Financial Advisor, CSG Advisors
Helen H. Feinberg, Senior Managing Underwriter, RBC Capital Markets
Donald Peterson, Co-Managing Underwriter, Raymond James
Tim Wranovix, Co-Managing Underwriter, Raymond James
Stephanie Stone, Assistant County Attorney – Orange County
Fred Winterkamp, Manager, Fiscal and Business Services – Orange County

FROM: Olympia Roman, Office Supervisor

DATE: May 27, 2020

RE: **JUNE 3, 2020 BOARD OF DIRECTORS' AGENDA**

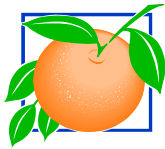
Due to the current Covid-19 Executive Orders:

- State of Florida Executive Orders 20-52 & 20-69 & 20-91; and
- Orange County Florida Emergency Executive Orders 2020-04 & 2020-05

This meeting will be conducted via Telephonic/ Conference Call format.

Enclosed is the OCHFA's Board of Directors' meeting agenda package; scheduled as follows:

Date: **Wednesday, June 3, 2020**
Time: **8:30 a.m.**
Location: **Telephonic/ Conference Call**
Dial-In: 1-786-789-4796 Passcode: 359128#



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

BOARD OF DIRECTORS

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CHAIRWOMAN

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VICE CHAIRWOMAN

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BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

ALBERT HANKS
BOARD MEMBER

OCHFA BOARD OF DIRECTORS' MEETING
June 3, 2020 ~ 8:30 A.M.

AGENDA

The meeting of Orange County Housing Finance Authority Board of Directors' will be held Wednesday, June 3, 2020 at 8:30am **via conference call**; due to Covide-19 Exec. Orders: State of Florida Exec. Orders 20-52 & 20-69 & 20-92; and Orange County Florida Emergency Exec. Orders 20-01 & 20-04 & 20-05

Dial-In: 1-786-789-4796 | Passcode: 359128#

PUBLIC COMMENT

CONSENT AGENDA

A. GENERAL ADMINISTRATION

1. Adoption of May 6, 2020, Board of Directors Meeting minutes.

Pg. 2-4

B. EXECUTIVE DIRECTOR'S OFFICE

1. Opportunity Zones Status – No Activity.

Pg. 5

C. FINANCIAL MANAGEMENT

1. Acknowledgement of the consolidated balance sheet for the Operating Fund; acknowledgement of combined statement of rev(s)/ exp(s)/ changes in retained earnings; acknowledgement of FY 2020, operating fund comparison of budget vs. actual; acknowledgement of FY 2020, operating fund comparison of actual revenues & expenses; acknowledgement summary of OCHFA's operating fund investments.

Pg. 6-16

D. PROGRAM OPERATIONS

1. Acknowledgement of the Current Status of the Single-Family HRB Program.
2. Acknowledgement of the Multi-Family Audit Period April – May 2020.

Pg. 17-26

Pg. 27-31

DISCUSSION AGENDA

A. EXECUTIVE DIRECTOR

1. Consider approval of Bond Resolution and Associated Documents, Terms and Financing of Multi-Family Tax-Exempt Bonds, for Baptist Terrace Apartments – not-to-exceed \$23MM.

Pg. 32-85

B. OTHER BUSINESS

ORANGE COUNTY HOUSING FINANCE AUTHORITY

BOARD OF DIRECTORS

M. McCALL | V. ATKINS-BRADLEY | S. RIZZO | C. HUNTER | A. HANKS

OFFICIAL MEETING MINUTES

Meeting: Board of Directors Meeting **Date:** Wednesday, May 6, 2020 **Time:** 8:34am
Location: Telephonic / Conference Call

Board Members

PRESENT

Mercedes McCall
Chairwoman

Vernice Atkins-Bradley
Vice Chairwoman

Sascha Rizzo
Board Member

Curtis Hunter
Board Member

Board Members

ABSENT

Albert Hanks
Board Member

OCHFA Staff

PRESENT

W.D. Morris
Executive Director

Kayode Adetayo
Chief Financial Officer

Frantz Dutes
Director Program Ops

Olympia Roman
Meeting Moderator

OCHFA Professionals

PRESENT

Warren Bloom
General Counsel, Greenberg Traurig

Mike Watkins
General Counsel, Greenberg Traurig

Sylvia S. Penneys
Bond Counsel, Greenberg Traurig

David Jones
Financial Advisor – CSG Advisors

Helen Feinberg
Managing Underwriter, RBC Capital

Tim Wranovix
Co-Managing Underwriter, Raymond James

James Audette
Trustee, SunTrust Bank

BCC Staff

PRESENT

Stephanie Stone
Assistant County Attorney

MEETING OPENED: There being a quorum, Chairwoman, Mercedes McCall, called the meeting to order at 8:34a.m.

PUBLIC COMMENT(s): No comment(s).

CONSENT AGENDA:

ACTION TAKEN

There being no discussion, the Board approved Consent Agenda items.

MOTION / SECOND: S. Rizzo/ V. Atkins-Bradley AYE BY VOICE VOTE: All Present NAY BY VOICE VOTE: _____ ABSTAINED: _____

A. GENERAL ADMINISTRATION

1. Adoption of the March 4, 2020, Regular Board of Directors Meeting minutes.

B. EXECUTIVE DIRECTOR'S OFFICE

1. Acknowledgment and Ratification of the Agency's Annual Performance.
2. Opportunity Zones Status – No Activity.

C. FINANCIAL MANAGEMENT

1. Acknowledgement Summary of OCHFA's Operating Fund Investments. Acknowledgement of the consolidated balance sheet for the Operating Fund; acknowledgement of combined statement of rev(s)/ exp(s)/ changes in retained earnings; acknowledgement of FY 2020, operating fund comparison of budget vs. actual; acknowledgement of FY 2020, operating fund comparison of actual revenues & expenses; acknowledgement summary of OCHFA's operating fund investments.

D. PROGRAM OPERATIONS

1. Acknowledgement of the Current Status of the Single-Family HRB Program.
2. Acknowledgement of the Multi-Family Audit Period January – February 2020.

DISCUSSION AGENDA

A. EXECUTIVE DIRECTOR

MULTI-FAMILY TAX-EXEMPT BOND RESOLUTION FOR JERNIGAN GARDENS APARTMENTS.

W.D. Morris, Executive Director, addressed the Board regarding consideration of the Bond Resolution (2020-03), for the proposed Jernigan Gardens Apartments, not-to-exceed \$42.4MM. He began the discussion by providing the Board with a brief overview of the proposed project, stating that on November 7, 2019, the Board approved the Reimbursement Resolution for Jernigan Gardens Apartments, not-to-exceed \$43MM, for acquisition and rehabilitation of the development; consisting of 256-units of multi-family affordable housing; and that the developer is Millennia Housing Development Ltd. He then stated that the development is located at 1488 Mercy Drive (Orlando); and consists of ninety-six (96) 2-bd/2-ba and one hundred-sixty (160) 3-bd/2-ba multi-family units; with rents ranging from \$1,190 - \$1,435 per month; and that the rents are supported by a HUD Housing Assistance Plan, (contract) to subsidize the rents for a 20-year period.

Mr. Morris stated that the enclosed Bond Resolution is in the amount of \$42.4MM, as reflected in the Credit Underwriting Report; and that the financing structure involves a public offering, underwritten by RBC Capital Markets. He then concluded by stating that the documents had been reviewed by Staff, Financial Advisor, Bond Counsel and General Counsel; both its capacities as General and Disclosure Counsels'; and recommends approval of the Bond Resolution #2020-03 in the amount of \$42.4MM for Jernigan Gardens Apartments.

RESOLUTION NO. 2020-03

RESOLUTION OF THE ORANGE COUNTY HOUSING FINANCE AUTHORITY (THE "AUTHORITY") AUTHORIZING THE ISSUANCE BY THE AUTHORITY OF NOT EXCEEDING \$42,400,000 AGGREGATE PRINCIPAL AMOUNT OF ITS ORANGE COUNTY HOUSING FINANCE AUTHORITY MULTIFAMILY HOUSING REVENUE BONDS, 2020 SERIES [TO BE DESIGNATED] (JERNIGAN GARDENS) (THE "BONDS"); ESTABLISHING PARAMETERS FOR THE AWARD OF THE SALE THEREOF TO RBC CAPITAL MARKETS, LLC, AND ESTABLISHING CRITERIA FOR DETERMINING THE TERMS THEREOF, INCLUDING THE DATE, INTEREST RATE, INTEREST PAYMENT DATES AND MATURITY SCHEDULE AND OTHER TERMS OF SUCH BONDS; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF A TRUST INDENTURE; LOAN AGREEMENT; ENDORSEMENT OF THE MULTIFAMILY PROMISSORY NOTE; LAND USE RESTRICTION AGREEMENT; ARBITRAGE REBATE AGREEMENT; AND ALL EXHIBITS THERETO; AUTHORIZING THE NEGOTIATED SALE OF THE BONDS AND APPROVING THE FORM OF THE PURCHASE CONTRACT AND EXECUTION THEREOF RELATING TO THE NEGOTIATED SALE OF THE BONDS TO THE UNDERWRITER; AUTHORIZING THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT FOR THE BONDS AND AUTHORIZING THE PREPARATION, DISTRIBUTION AND EXECUTION OF A FINAL OFFICIAL STATEMENT IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE BONDS; AUTHORIZING THE APPOINTMENT OF A TRUSTEE AND REBATE ANALYST; AUTHORIZING THE EXECUTIVE DIRECTOR AND CHAIRMAN OR VICE CHAIRMAN OR ANY AUTHORITY MEMBER TO TAKE ANY OTHER ACTIONS NECESSARY TO ISSUE THE BONDS AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

ACTION TAKEN

There being no discussion, the Board approved Bond Resolution #2020-03, Underwriting Report, Terms and financing in an amount not-to-exceed \$42,400,000 for the Acquisition and Rehabilitation of Multi-Family Development Jernigan Garden Apartments; and authorization for the Chair, Board Member and Executive Director to execute all associated documents subject to General Counsel's review and assurance that the above conditions are satisfied prior to closing the bonds transaction.

MOTION / SECOND: S. Rizzo/ V. Atkins-Bradley AYE BY VOICE VOTE: All Present NAY BY VOICE VOTE: ABSTAINED:

JULY MEETING CANCELLATION

Mr. Morris, addressed the Board regarding consideration to cancel the Authority's July 2020 Board meeting. Board Member Rizzo reminded staff of previous board action approving cancellation of the July board meeting, as a standing policy. Mr. Morris concurred with Mr. Rizzo and thanked him of the reminder.

OTHER BUSINESS

MEETING CANCELLATION

Mr. Morris provided a status of OCHFA's upcoming conferences/training – (NALHFA and FLALHFA) – cancelled due to the current COVID-19 Pandemic. Rescheduling of the conferences would possibly be conducted as webinars.

MOTHER'S DAY GREETING

Chairwoman McCall shared a Mother's Day greeting.

ADJOURNMENT

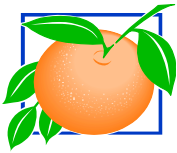
There being no further business, Chairwoman, Mercedes McCall, adjourned the meeting at 8:55 a.m.

ATTEST:

W.D. MORRIS
EXECUTIVE DIRECTOR

MERCEDES F. McCALL
CHAIRWOMAN

END OF MINUTES PREPARED BY OLYMPIA ROMAN



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT

BOARD OF DIRECTORS

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BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

ALBERT HANKS
BOARD MEMBER

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	May 26, 2020
RE:	OPPORTUNITY ZONES STATUS JUNE 3, 2020 REGULAR BOARD OF DIRECTORS' MEETING (TELEPHONIC)

CURRENT

- No Activity -

ACTION REQUESTED

-Information only-



W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

BOARD OF DIRECTORS

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BOARD MEMBER

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	May 22, 2020
RE:	OCHFA CONSOLIDATED BALANCE SHEET FOR THE OPERATING FUND FOR THE PERIOD ENDING APRIL 30, 2020. JUNE 3, 2020 REGULAR BOARD OF DIRECTORS' MEETING.

Attached for your review is the OCHFA's Operating Fund Balance Sheet. The Operating Fund includes all funds namely: the General Fund, the Low Income Housing Fund and the Homeownership Assistance Program Fund.

The majority of the funds in the General Fund are invested in GNMA's. The GNMA's yield approximately 5.0700%. The remaining funds are invested in the US Bank Money Market. The Authority earned an average of 3.22% interest income on all investments.

Orange County Housing Finance Authority

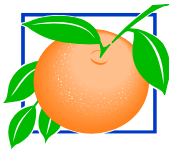
Operating Fund Balance Sheet

As of April 30, 2020

	GENERAL FUND	LOW INCOME HOUSING FUND	HOMEOWNERSHIP ASSISTANCE FUND	COMBINED <u>TOTALS</u>
Assets				
Cash	3,037,595.60	1,233,113.44	2,085,367.02	6,356,076.06
***** Investments	1,659,055.78	0.00	84,890.24	1,743,946.02
GNMA/FNMA Securities	16,802,852.61	0.00	0.00	16,802,852.61
Accounts Receivable	361,800.79	0.00	47,142.64	408,943.43
Loan Receivable	670,721.18	0.00	0.00	670,721.18
Notes Receivable	3,128,441.82	26,700.00	0.00	3,155,141.82
S/F 2014 A GNMA Collateral / Rcvbl	4,060,955.67	0.00	0.00	4,060,955.67
GF - FHLB GNMA Collateral / Rcvbl	2,152,217.61	0.00	0.00	2,152,217.61
Mortgage Receivable	0.00	375,774.98	5,266,229.58	5,642,004.56
**** Allowance for Doubtful Accounts	0.00	(343,766.89)	(1,165,401.71)	(1,509,168.60)
Mortgage & GNMA/FNMA Income Receivable	1,999,078.10	0.00	5,261.66	2,004,339.76
Deferred FRS Pension Contributions	249,407.00	0.00	0.00	249,407.00
Interfund Receivable/Payable	17,950,894.18	4,775,793.63	(8,125,578.35)	14,601,109.46
Prepaid Expenses	4,760.00	0.00	0.00	4,760.00
Fixed Assets	286,191.44	0.00	0.00	286,191.44
Total Assets	52,363,971.78	6,067,615.16	(1,802,088.92)	56,629,498.02
Current liabilities:				
Other Payables	285,886.33	0.00	0.00	285,886.33
FRS Net Pension Liability	967,447.00	0.00	0.00	967,447.00
Accounts Payables	255,617.84	0.00	0.00	255,617.84
Total liabilities	1,508,951.17	0.00	0.00	1,508,951.17
Retained Earnings Previous Period	48,715,550.01	6,064,488.47	(1,829,385.05)	52,950,653.43
Net Income (Loss)	2,139,470.60	3,126.69	27,296.13	2,169,893.42
Total Liabilities & Retained Earnings	52,363,971.78	6,067,615.16	(1,802,088.92)	56,629,498.02

**** A reserve account is set up to allow for percentage of the Down Payment Assistance Notes Receivable to be recognized as doubtful accounts based on industry standards. (Approximately 3%). The actual notes receivable remain on the books while the doubtful account is set up as a contra asset account.

***** This balance includes a \$629,942.76 difference between the GNMA'S book value and market value recorded at 9/30/2019 (GASB 31).



W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

BOARD OF DIRECTORS

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MEMORANDUM

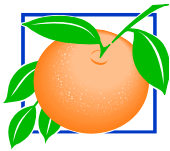
TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	May 22, 2020
RE:	OCHFA COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS FOR THE PERIOD ENDING APRIL 30, 2020. JUNE 3, 2020 REGULAR BOARD OF DIRECTORS' MEETING.

Attached for your review are the OCHFA's Operating Fund Statement of Revenues, Expenses, and Changes in Retained Earnings. The Operating Fund includes all funds namely: the General Fund, the Low Income Housing Fund, and the Homeownership Assistance Program Fund.

Attachments

Orange County Housing Finance Authority
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings
For The 7 Periods Ending April 30, 2020

	Operating Fund			
	General Fund	Low Income Hsg Fund	Homeownership Assistance Fund	Current YTD
Revenue:				
Administrative Fees	558,010.58	0.00	0.00	558,010.58
Bond Financing Fees	402,185.00	0.00	0.00	402,185.00
Intra Fund Revenue	1,487,631.53	0.00	0.00	1,487,631.53
Other Revenue	103,052.80	29,826.69	10,800.00	143,679.49
Investment Income	16,645.33	0.00	889.61	17,534.94
Income from Loans, GNMA's	603,672.85	0.00	11,565.32	615,238.17
Total Revenues	3,171,198.09	29,826.69	23,254.93	3,224,279.71
Expenses				
General and Administrative	963,222.23	26,700.00	-4,041.20	985,881.03
Rebate Expense	2,700.00	0.00	0.00	2,700.00
Other Expenses	65,805.26	0.00	0.00	65,805.26
Total Expenses	1,031,727.49	26,700.00	-4,041.20	1,054,386.29
Net Income (Loss)	2,139,470.60	3,126.69	27,296.13	2,169,893.42
Retained Earnings Beginning of Year	48,715,550.01	6,064,488.47	-1,829,385.05	52,950,653.43
Retained Earnings End of Year	50,855,020.61	6,067,615.16	(1,802,088.92)	55,120,546.85



W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

BOARD OF DIRECTORS

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MEMORANDUM

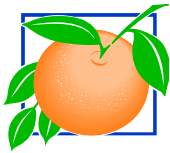
TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	May 22, 2020
RE:	OCHFA FISCAL YEAR 2020 OPERATING FUND – COMPARISON OF BUDGET VS. ACTUAL AS OF APRIL 30, 2020. JUNE 3, 2020 REGULAR BOARD OF DIRECTORS' MEETING

Attached for your attention is the comparison of the Budgeted Revenues and Expenses for Fiscal Year 2020 vs. the Actual Revenues and Expenses for the period ending April 30, 2020.

Attachments

	Orange County Housing Finance			
	Statement of Earnings			
	For The 7 Periods Ending April 30, 2020			
	Fiscal Year 2020	Year To Date	Budget	%age
	Budget	Revenue	Remaining	Budget
		Received	YTD	Remaining YTD
Revenue:				
2010 SERIES A	\$86,630	\$0	\$86,630	100%
2011 SERIES A	\$26,830	\$13,359	\$13,471	50%
2011 SERIES B	\$8,878	\$5,164	\$3,714	42%
2014 SERIES A	\$12,456	\$7,062	\$5,394	43%
2017 SERIES A	\$24,226	\$12,009	\$12,217	50%
2018 SERIES A	\$28,754	\$11,652	\$17,102	59%
CHARLESTON CLUB APTS	\$19,060	\$9,330	\$9,730	51%
HANDS 2001 F	\$9,090	\$10,215	(\$1,125)	-12%
THE LANDINGS ON MILLENIA	\$24,280	\$11,900	\$12,380	51%
LEE VISTA APARTMENTS	\$36,600	\$18,000	\$18,600	51%
COVE AT LADY LAKE	\$23,955	\$11,828	\$12,128	51%
LAKESIDE POINTE APARTMENTS	\$17,790	\$8,745	\$9,045	51%
ALTA WESTGATE APARTMENTS	\$33,450	\$16,388	\$17,063	51%
LAKE HARRIS COVE APTS	\$23,862	\$23,525	\$338	1%
MARBELLA COVE	\$12,555	\$6,278	\$6,278	50%
MARBELLA POINTE	\$22,950	\$22,950	\$0	0%
OVIEDO TOWN CENTER PHASE I	\$16,020	\$7,853	\$8,168	51%
OVIEDO TOWN CENTER PHASE II	\$10,000	\$5,000	\$5,000	50%
OVIEDO TOWN CENTER PHASE III	\$10,000	\$5,000	\$5,000	50%
OVIEDO TOWN CENTER PHASE IV	\$10,000	\$5,000	\$5,000	50%
LAUREL OAKS I	\$23,280	\$11,505	\$11,775	51%
LAUREL OAKS II	\$21,510	\$10,620	\$10,890	51%
ROLLING ACRES I	\$10,400	\$6,906	\$3,494	34%
ROLLING ACRES II	\$10,000	\$6,750	\$3,250	33%
FOUNTAINS @ MILLENIA II	\$10,000	\$5,000	\$5,000	50%
FOUNTAINS @ MILLENIA III	\$10,163	\$5,031	\$5,131	50%
FOUNTAINS @ MILLENIA IV	\$11,500	\$5,700	\$5,800	50%
SOUTHWINDS	\$16,125	\$7,938	\$8,188	51%
POST VISTA POST FOUNTAINS	\$17,490	\$19,610	(\$2,120)	-12%
SPRING LAKE COVE I	\$10,725	\$5,238	\$5,488	51%
SPRING LAKE COVE II	\$10,000	\$5,000	\$5,000	50%
CHATHAM HARBOR APTS	\$56,700	\$34,020	\$22,680	40%
CRESTWOOD APARTMENTS	\$18,990	\$9,405	\$9,585	50%
LAKE SHERWOOD APARTMENTS	\$16,110	\$7,965	\$8,145	51%
OAK HARBOR APARTMENTS	\$22,200	\$10,995	\$11,205	50%
RIVER RIDGE APARTMENTS	\$28,830	\$14,280	\$14,550	50%
SEVILLE PLACE APARTMENTS	\$19,590	\$9,720	\$9,870	50%
NASSAU BAY APARTMENTS	\$107,303	\$53,514	\$53,789	50%
DEAN WOODS APARTMENTS	\$10,000	\$12,519	(\$2,519)	-25%
BUCHANAN BAY	\$39,842	\$19,791	\$20,052	50%
WESTWOOD PARK APTS	\$49,500	\$24,750	\$24,750	50%
VISTA PINES APTS	\$66,000	\$33,000	\$33,000	50%
CHAPEL TRACE APARTMENTS	\$0	\$19,208	(\$19,208)	
HANDS	\$5,940	\$5,760	\$180	3%
ALHAMBRA TRACE APTS	\$2,580	\$2,530	\$50	2%
BOND FINANCING FEES	\$187,500	\$402,185	(\$214,685)	-114%
TRANSFER IN	\$0	\$1,487,632	(\$1,487,632)	
GAIN ON SALE OF GNMA'S	\$50,000	\$0	\$50,000	100%
OTHER REVENUES	\$245,000	\$40,627	\$204,373	83%
OTHER REVENUE TBA	\$0	\$103,053	(\$103,053)	
INV INCOME	\$41,878	\$17,351	\$24,527	59%
INV INCOME CD OPERATING FUND	\$110,000	\$184	\$109,816	100%
FHLB HELD SECURITIES GNMA/FNMA INCOME	\$0	\$56,576	(\$56,576)	
MORTGAGE INCOME HFA OF WINTER PARK	\$9,000	\$3,691	\$5,309	59%
INTEREST INCOME ON WESTLAKES PHASE I	\$7,500	\$4,239	\$3,261	43%
MORTGAGE INCOME HABITAT LOC	\$5,700	\$5,393	\$307	5%
MORTGAGE INCOME CITY VIEW LOAN PARTICIPATION	\$4,000	\$3,145	\$855	21%
GNMA/FNMA INCOME	\$575,208	\$342,323	\$232,885	40%
MASTER ACC FUND GNMA/FNMA INCOME	\$183,800	\$188,306	(\$4,506)	-2%

2006 A DPA MORTGAGE INTEREST	\$600	\$121	\$479	80%
2006 A 1 DPA MORTGAGE INTEREST	\$2,100	\$418	\$1,682	80%
2007 A DPA MORTGAGE INTEREST	\$10,300	\$5,263	\$5,037	49%
2007 B DPA MORTGAGE INTEREST	\$10,300	\$5,673	\$4,627	45%
2009 A NIBP DPA MORTGAGE INTEREST	\$500	\$89	\$411	82%
	\$2,495,550	\$3,224,280	(\$728,730)	-29%
	Fiscal Year 2020	Year To Date	Budget	%age
	Budget	Expenses	Remaining	Budget
		Incurred	YTD	Remaining YTD
Costs and expenses:				
SALARIES AND WAGES	\$898,048	\$563,433	\$334,615	37%
SHIPPING	\$2,500	\$1,191	\$1,309	52%
TRAVEL/CONFERENCE/ TRAINING	\$36,000	\$14,437	\$21,563	60%
CASUAL LABOR/STUDENT ASST.	\$3,000	\$0	\$3,000	100%
OFFICE MAINTENANCE	\$19,000	\$10,311	\$8,689	46%
BUILDING MAINTENANCE	\$12,500	\$12,220	\$280	2%
TELEPHONE	\$25,000	\$15,701	\$9,299	37%
POSTAGE	\$3,000	\$150	\$2,850	95%
OFFICE SUPPLIES	\$8,000	\$1,997	\$6,003	75%
OFFICE FURNITURE	\$1,000	\$0	\$1,000	100%
PUBLICATIONS	\$2,000	\$1,137	\$863	43%
PRINTING/ANNUAL REPORT	\$6,500	\$300	\$6,200	95%
EQUIPMENT / COMPUTER / PRINTER	\$7,000	\$1,129	\$5,871	84%
MARKETING	\$22,500	\$2,790	\$19,710	88%
CONTRACTOR SERVICES	\$20,000	\$23,170	(\$3,170)	-16%
SEMINARS/EDUCATION	\$18,000	\$129	\$17,871	99%
EMPLOYEE BENEFITS HEALTH/LIFE	\$132,000	\$72,926	\$59,074	45%
UNEMPLOYMENT COMPENSATION	\$2,000	\$0	\$2,000	100%
OTHER INSURANCE & TAXES	\$1,200	\$748	\$452	38%
ANNUAL AUDIT	\$54,000	\$51,500	\$2,500	5%
LEGAL ADVERTISING	\$4,000	\$2,514	\$1,486	37%
LEGAL FEES	\$15,000	\$3,374	\$11,626	78%
MEMBERSHIP	\$7,500	\$5,535	\$1,965	26%
PAYROLL TAXES	\$68,701	\$38,651	\$30,050	44%
MISCELLANEOUS EXPENSE	\$5,000	(\$6,959)	\$11,959	239%
LOSS ON DPA FORECLOSURES	\$10,000	\$21,204	(\$11,204)	-112%
FLORIDA RETIREMENT SYSTEM	\$76,065	\$46,996	\$29,069	38%
457 DEFERRED COMP EMPLOYER CONTRIBUTION EXP	\$44,902	\$11,846	\$33,056	74%
LIMITED HRA	\$9,300	\$10,319	(\$1,019)	-11%
TERM LEAVE	\$15,000	\$0	\$15,000	100%
FILE STORAGE	\$2,400	\$846	\$1,554	65%
LOCAL MILEAGE REIMBURSEMENT	\$2,000	\$60	\$1,940	97%
EQUIPMENT MAINTENANCE	\$7,000	\$2,243	\$4,757	68%
INSURANCE COVERAGES	\$50,000	\$44,629	\$5,371	11%
RESERVE FOR REPLACEMENT BLDG	\$5,000	\$0	\$5,000	100%
FHLB LOAN INTEREST COLLATERAL EXP	\$0	\$225	(\$225)	
FINANCIAL ADVISORY SERVICES	\$25,000	\$2,674	\$22,326	89%
PERFORMANCE AWARD PROGRAM	\$93,194	\$25,000	\$68,194	73%
ADMINISTRATIVE EXP. TRUSTEE	\$0	\$1,500	(\$1,500)	
CUSTODY FEE	\$7,000	\$1,955	\$5,045	72%
ADMIN EXPENSE BANK/TRUSTEE	\$1,000	\$0	\$1,000	100%
REBATE FEE EXPENSE	\$8,000	\$2,700	\$5,300	66%
OPERATING CONTINGENCY RESERVE	\$20,000	\$0	\$20,000	100%
1994 EXCESS GNMA INTEREST EXP	\$0	\$332	(\$332)	
1995 EXCESS GNMA INTEREST EXP	\$0	\$188	(\$188)	
LOSS ON SALE	\$0	\$65,286	(\$65,286)	
	\$1,749,310	\$1,054,386	\$694,923	40%



W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

BOARD OF DIRECTORS

MERCEDES MCCALL
CHAIRWOMAN

VERNICE ATKINS-BRADLEY
VICE CHAIRWOMAN

SASCHA RIZZO
BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

ALBERT HANKS
BOARD MEMBER

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	May 22, 2020
RE:	OCHFA FISCAL YEAR 2020, OPERATING FUND – COMPARISON OF ACTUAL REVENUES AND EXPENSES FOR THE PERIODS ENDING APRIL 30, 2019 AND APRIL 30, 2020. JUNE 3, 2020 REGULAR BOARD OF DIRECTORS' MEETING

Attached for your review is the comparison of the Actual Revenues and Expenses for the periods ending April 30, 2019 and April 30, 2020.

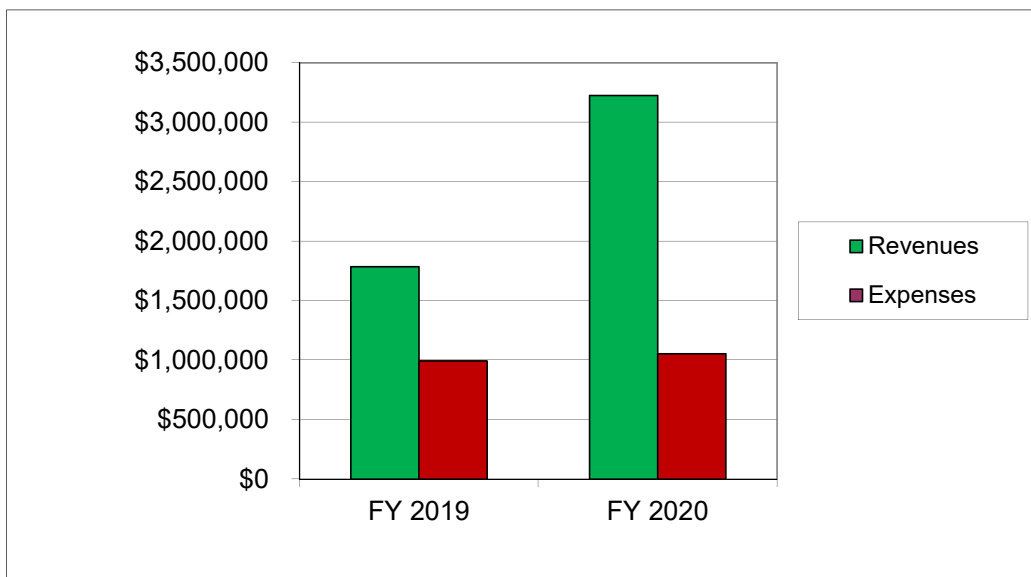
Attachments

Actual Revenues and Expenses Comparison
For the Period Ending April 30, 2020

	FY 2019	FY 2020	% Δ
Revenues	\$1,785,987	\$3,224,280	81%
Expenses	\$991,864	\$1,054,386	6%

Revenues increased this year compared with last year. This is due to equity transfers from the payoff of the S/F 2010 A bond redemption and the additional bond financing fees received during the year. The overall change in revenues is 81%.

Overall expenses increased slightly this year compared to last year due to a minor change in operating expenses. The overall change in expenses is 6%.





CONSENT ITEM

W.D. MORRIS
EXECUTIVE DIRECTOR

MEMORANDUM

BOARD OF DIRECTORS

MERCEDES MCCALL
CHAIRWOMAN

VERNICE ATKINS-BRADLEY
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BOARD MEMBER

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BOARD MEMBER

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BOARD MEMBER

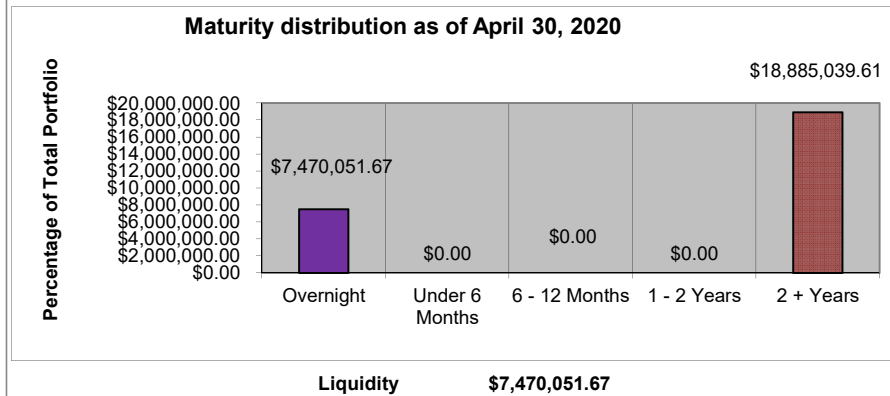
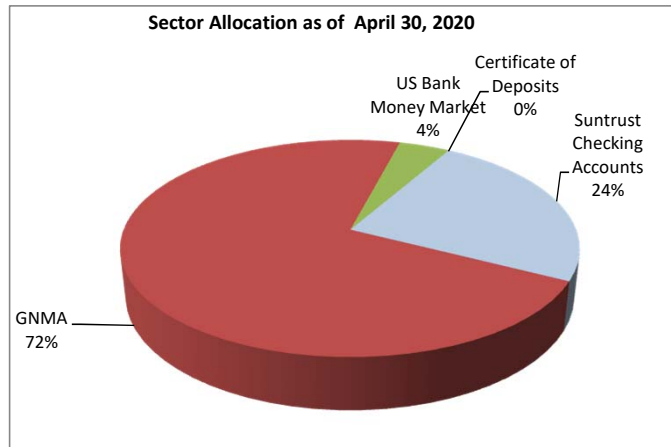
TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	May 22, 2020
RE:	SUMMARY OF OCHFA'S OPERATING FUND INVESTMENTS. JUNE 3, 2020 REGULAR BOARD OF DIRECTORS' MEETING

As of April 30, 2020 the total investments in the Operating Fund of the Orange County Housing Finance Authority was \$26,355,091.28, producing an average yield of 3.22% as shown in the Summary of Accounts. If you have any questions on this matter do not hesitate to ask me.

Attachments

**Orange County Housing Finance Authority
Summary of Accounts
as of April 30, 2020**

Account	Account #	Institution	Ending Balance ¹	Net Interest Earned ¹	Average Yield (Annualized) ¹
Operating Fund	215252054184-000	Suntrust Bank	\$3,037,558.00	\$0.00	0.0000%
Low Income Housing Fund	215252054192-000	Suntrust Bank	\$1,233,113.44	\$4,595.33	1.0000%
Homeownership Assistance Fund	1000042656834	Suntrust Bank	\$2,085,367.02	\$0.00	0.0000%
Custody Account	129142000	US Bank Money Market	\$709,781.66	\$391.58	1.0000%
Custody Account	129142000	US Treasury Note	\$0.00	\$0.00	0.0000%
Custody Account	129142000	US Bank Certificate of Deposit	\$0.00	\$0.00	0.0000%
Custody Account	129142000	GNMA - OCHF A Investment	\$16,802,852.61	\$58,472.41	5.0700%
Custody Account	141763000	US Bank Money Market /NIBP	\$84,890.24	\$55.22	1.0000%
Custody Account	261060000	US Bank Money Market /Turnkey	\$319,341.31	\$97.86	1.0000%
FHLB Collateral	38786	FHLBank Atlanta	\$2,082,187.00	\$7,105.84	4.3300%
Total			\$26,355,091.28	\$70,718.24	3.220%



Note:

1. Ending Bal., Net Int. Earned, Avg. Yields shown above are recorded directly from month-end accts statements provided by respective institutions.



ORANGE COUNTY HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

MEMORANDUM

BOARD OF DIRECTORS

MERCEDES MCCALL
CHAIRWOMAN

VERNICE ATKINS-BRADLEY
VICE CHAIRWOMAN

SASCHA RIZZO
BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

ALBERT HANKS
BOARD MEMBER

TO:	OCHF Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Frantz Dutes, Director Program Operations
DATE:	May 26, 2020
RE:	STATUS REPORT: 2018-A HOMEOWNER REVENUE BOND PROGRAM; TBA "TURNKEY" MORTGAGE LOAN PROGRAM JUNE 3, 2020 REGULAR BOARD OF DIRECTORS' MEETING.

BACKGROUND

The Authority's **SERIES 2018-A Homeowner Revenue Bonds (HRB) Program** was authorized by the Board on October 3, 2018 for the aggregate principal amount not-to-exceed TWENTY MILLION DOLLARS (\$20MM) of Homeowner Revenue Bond Program proceeds. The Board authorized Staff to begin a pipeline of loans for future issuance. The 2018A (HRB) Program offers a 30-year loan product. The Down Payment Assistance (DPA) is currently at \$7,500, and is a 30-year deferred loan at 0% interest.

PRODUCTS	INTEREST RATES	ORIGINATION FEE
Zero Point	3.625%	1%

Commencing from the initial reservation date there is an aggregate total of Thirty Four Million One Hundred Thirty Six Thousand Three Hundred Eighty Seven Dollars (\$34,136,387) financed by the Single Family Acquisition, and Single Family Custody Account. Under the Authority's Advance Loan Program, any loans originated in excess of the principal amount will be "rolled" into the next Single Family Bond Issue. This will mitigate the Authority's overall risk.

As of May 26, 2020:

- Two Hundred Eight (208) loans originated: 204-FHA; 2-VA; 2-USDA-RD.
- The Authority's 2018A DPA program has financed or committed an aggregate total of: One Million One Hundred Forty Thousand Dollars (\$1,140,000). The aggregate total reported does not include Fifty Four (54) loans, and the associated DPA, Four Hundred Five Thousand Dollars (\$405,000) which was financed by the Florida Housing Finance Agency (FHFA) under the Hardest Hit Fund (HHF) Program.
- The 2018A loan origination activity reported has been adjusted by Three Million One Hundred Ninety Eight Thousand Three Hundred Sixteen Dollars (\$3,198,316). As we transitioned from the 2017A to the 2018A bond issue, the reporting system used by our Program Administrator is unable to prorate the loans originated between the two bond issues, consequently some of the 2017A loan originations were reported in the loan origination activity for the 2018A bond issue.
- The loan origination activity reported reflects a total of Thirty Seven Million Three Hundred Thirty Four Thousand Seven Hundred Three Dollars (\$37,334,703).

The Reservation Period start date was **November 8, 2018**, and Final Delivery end date is March **31, 2021**.

BACKGROUND

The **Authority's TBA "Turnkey" Mortgage Loan program was authorized by the board on August 2, 2017**. This conventional loan program is a partnership with OCHFA, Freddie Mac, and Raymond James and Associates. Since the inception of the program an aggregate total of Fourteen Million Seven Hundred Six Thousand Three Hundred Dollars **(\$14,706,300)** has been financed. The Down Payment Assistance is currently at \$7,500, and is a 30 year deferred loan at 0% interest.

As of May 26, 2020:

- Eighty Two **(82)** loans originated
- Financed or committed an aggregate total of Six Hundred Fifteen Thousand Dollars **(\$615,000)** in Down Payment Assistance

ACTION REQUESTED: For information only.

**Orange County HFA
Demographic Analysis Report**

ORIGINATION SUMMARY REPORT

ORIGINATOR SUMMARY	LOANS	AMOUNT	% OF TOTAL
Atlantic Bay Mortgage Group, LLC.	5	\$907,829.00	2.40%
Bank of England	10	\$1,858,634.00	4.81%
Broker Solutions Inc, DBA New American Funding	5	\$912,634.00	2.40%
Centennial Bank	7	\$1,217,985.00	3.37%
DHI Mortgage Co., Ltd.	2	\$435,936.00	0.96%
Embrace Home Loans, Inc.	16	\$2,625,426.00	7.69%
Envoy Mortgage, Ltd	15	\$2,667,395.00	7.21%
Equity Prime Mortgage, LLC	11	\$2,249,809.00	5.29%
Fairway Independent Mortgage Corporation	31	\$5,679,180.00	14.90%
FBC Mortgage, LLC	26	\$5,167,990.00	12.50%
Guaranteed Rate, Inc.	1	\$73,641.00	0.48%
Hamilton Group Funding, Inc.	7	\$1,110,672.00	3.37%
HomeBridge Financial Services Inc.	3	\$412,290.00	1.44%
IBERIABANK	2	\$352,140.00	0.96%
Land Home Financial Services, Inc.	13	\$2,169,898.00	6.25%
loanDepot.com, LLC	1	\$210,123.00	0.48%
Movement Mortgage, LLC	2	\$314,203.00	0.96%
Paramount Residential Mortgage Group, Inc.	3	\$516,225.00	1.44%
Waterstone Mortgage Corporation	48	\$8,452,693.00	23.08%
TOTAL	208	\$37,334,703.00	100.00%

CITY SUMMARY

CITY	LOANS	AMOUNT	% OF TOTAL
Altamonte Springs	2	\$312,632.00	0.96%
Apopka	18	\$3,484,941.00	8.65%
Casselberry	3	\$650,989.00	1.44%
Clermont	3	\$658,488.00	1.44%
Deland	1	\$148,992.00	0.48%
Eustis	3	\$503,608.00	1.44%
Fern Park	1	\$188,030.00	0.48%
Fruitland Park	1	\$184,179.00	0.48%
Groveland	4	\$701,928.00	1.92%
Intercession City	1	\$143,355.00	0.48%
Kissimmee	36	\$6,439,515.00	17.31%
Lady Lake	1	\$203,148.00	0.48%
Leesburg	5	\$892,715.00	2.40%
Maitland	1	\$162,894.00	0.48%
Mascotte	5	\$1,045,092.00	2.40%
Oakland	1	\$122,735.00	0.48%
Ocoee	5	\$941,984.00	2.40%
Orlando	79	\$13,228,736.00	37.98%
Oviedo	1	\$242,526.00	0.48%
Saint Cloud	18	\$3,374,107.00	8.65%
Sanford	8	\$1,463,766.00	3.85%
Tavares	4	\$729,777.00	1.92%
Umatilla	2	\$369,036.00	0.96%
Winter Garden	3	\$808,061.00	1.44%
Winter Park	2	\$333,469.00	0.96%
TOTAL	208	\$37,334,703.00	100.00%

COUNTY SUMMARY

COUNTY	LOANS	AMOUNT	% OF TOTAL
Lake	29	\$5,436,963.00	13.94%
Orange	107	\$18,697,458.00	51.44%
Osceola	55	\$9,956,977.00	26.44%
Seminole	17	\$3,243,305.00	8.17%
TOTAL	208	\$37,334,703.00	100.00%

HOUSEHOLD ANNUAL INCOME REPORT

ANNUAL INCOME	LOANS	% OF TOTAL
\$15,000-\$29,999	5	2.40%
\$30,000-\$44,999	63	30.29%
\$45,000-\$59,999	99	47.60%
\$60,000-\$74,999	37	17.79%
\$75,000-\$89,999	3	1.44%
\$90,000-\$104,999	1	0.48%
TOTAL	208	100.00%

HOUSEHOLD SIZE REPORT

HOUSEHOLD SIZE	LOANS	% OF TOTAL
1 - One person	61	29.33%
2 - Two persons	55	26.44%
3 - Three persons	46	22.12%
4 - Four persons	38	18.27%
5 - Five persons	7	3.37%
6 - Six persons	1	0.48%
TOTAL	208	100.00%

LOAN AMOUNT REPORT

LOAN AMOUNT	LOANS	% OF TOTAL
\$50,000-\$75,000	1	0.48%
\$100,000-\$125,000	15	7.21%
\$125,000-\$150,000	32	15.38%
\$150,000-\$175,000	56	26.92%
\$175,000-\$200,000	38	18.27%
\$200,000-\$225,000	42	20.19%
\$225,000-\$250,000	19	9.13%
\$250,000-\$275,000	5	2.40%
TOTAL	208	100.00%

PURCHASE PRICE REPORT

PURCHASE PRICE	LOANS	% OF TOTAL
\$75,000-\$100,000	1	0.48%
\$100,000-\$125,000	9	4.33%
\$125,000-\$150,000	28	13.46%
\$150,000-\$175,000	49	23.56%
\$175,000-\$200,000	46	22.12%
\$200,000-\$225,000	44	21.15%
\$225,000-\$250,000	22	10.58%
\$250,000-\$275,000	7	3.37%
\$275,000-\$300,000	2	0.96%
TOTAL	208	100.00%

LOAN TYPE REPORT

LOAN TYPE	LOANS	% OF TOTAL
FHA	204	98.08%
USDA-RHS	2	0.96%
VA	2	0.96%
TOTAL	208	100.00%

PROPERTY TYPE REPORT

PROPERTY TYPE	LOANS	% OF TOTAL
1 Unit Single Family Detached	182	87.50%
Condominium	2	0.96%
Rowhouse	2	0.96%
Townhouse	22	10.58%
TOTAL	208	100.00%

CATEGORY TYPE REPORT

TYPE	LOANS	% OF TOTAL
Existing	178	85.58%
New	30	14.42%
Unspecified	0	0.00%
TOTAL	208	100.00%

TARGET/NON TARGET REPORT

TYPE	LOANS	AMOUNT	% OF TOTAL
TARGET	9	\$1,316,216.00	4.33%
NON TARGET	199	\$36,018,487.00	95.67%
TOTAL	208	\$37,334,703.00	100.00%

INTEREST RATE LISTING REPORT

RATE	COUNT	AMOUNT	% OF TOTAL
3.8750%	14	\$2,861,561.00	6.73%
4.0000%	5	\$768,344.00	2.40%
4.2500%	38	\$6,997,319.00	18.27%
4.3750%	4	\$798,159.00	1.92%
4.5000%	14	\$2,496,849.00	6.73%
4.7500%	39	\$6,994,310.00	18.75%
4.8750%	25	\$4,470,724.00	12.02%
5.0000%	58	\$10,081,687.00	27.88%
5.2500%	11	\$1,865,750.00	5.29%
TOTAL	208	\$37,334,703.00	100.00%

INTEREST RATE RANGES REPORT

RATE	LOANS	% OF TOTAL
3.7500% - 3.9900%	14	6.73%
4.0000% - 4.2400%	5	2.40%
4.2500% - 4.4900%	42	20.19%
4.5000% - 4.7400%	14	6.73%
4.7500% - 4.9900%	64	30.77%
5.0000% - 5.2400%	58	27.88%
5.2500% - 5.4900%	11	5.29%
TOTAL	208	100.00%

FIRST TIME HOMEBUYER REPORT

FIRST TIME HOMEBUYER	LOANS	% OF TOTAL
No	0	0.00%
Yes	208	100.00%
TOTAL	208	100.00%

ADDITIONAL MORTGAGE REPORT

ADDTL MTG PROGRAM \ PRIMARY MTG PROGRAM	LOANS	AMOUNT	AVERAGE LOAN AMOUNT
Orange DPA 2018 \ Orange 2018A SF Program	152	\$1,140,000.00	\$7,500.00

GENDER REPORT

GENDER	LOANS	% OF TOTAL
MALE	106	50.96%
FEMALE	102	49.04%
NONBINARY	0	0.00%
UNDISCLOSED	0	0.00%
TOTAL	208	100.00%

RACE REPORT

DESCRIPTION	LOANS	% OF TOTAL
Asian	2	0.96%
Asian & White	1	0.48%
Black/ African American	59	28.37%
Missing	1	0.48%
Other	10	4.81%
Tenant Declined to Respond	5	2.40%
White	130	62.50%
TOTAL	208	100.00%

ETHNICITY REPORT

ETHNICITY	LOAN	AMOUNT	% OF TOTAL
HISPANIC	92	\$16,967,565.00	44.23%
NON HISPANIC	104	\$18,189,888.00	50.00%
OTHER	12	\$2,177,250.00	5.77%
TOTAL	208	\$37,334,703.00	100.00%

RACE BY ETHNICITY REPORT

RACE	HISPANIC	NONHISPANIC	OTHER	LOANS	% OF TOTAL
Asian	0	2	0	2	0.96%
Asian & White	0	1	0	1	0.48%
Black/ African American	1	57	1	59	28.37%
Missing	1	0	0	1	0.48%
Other	5	0	5	10	4.81%
Tenant Declined to Respond	0	1	4	5	2.40%
White	85	43	2	130	62.50%
TOTAL	92	104	12	208	100.00%

PIPELINE REPORT

PROGRAM PIPELINE	LOANS	AMOUNT	% OF TOTAL
Reservation	2	\$346,016.00	0.96%
UW Certification	5	\$998,901.00	2.40%
eHP Compliance	2	\$354,460.00	0.96%
Purchased/Service	1	\$157,102.00	0.48%
Investor/Trustee	198	\$35,478,224.00	95.19%
TOTAL	208	\$37,334,703.00	100.00%

PROGRAM SUMMARY

AVERAGE PRINCIPAL MORTGAGE:	\$179,493.76
AVERAGE PURCHASE PRICE:	\$184,609.98
AVERAGE DPA AMOUNT:	\$7,500.00
AVERAGE AGE OF PRIMARY BORROWER:	40
AVERAGE HOUSEHOLD SIZE:	2
AVERAGE EMPLOYED IN HOUSEHOLD:	1
AVERAGE HOUSEHOLD ANNUAL INCOME:	\$50,530.53

Report Selection Criteria

Programs

CODE	NAME
ORU	Orange 2018A SF Program
6-ORU	Orange DPA 2018

Orange County HFA

Demographic Analysis Report
Orange Freddie Mac Program

ORIGINATION SUMMARY REPORT

ORIGINATOR SUMMARY	LOANS	AMOUNT	% OF TOTAL
Atlantic Bay Mortgage Group, LLC.	2	\$335,620.00	2.44%
Bank of Enoland	3	\$597,475.00	3.66%
Broker Solutions Inc, DBA New American Funding	11	\$2,098,607.00	13.41%
Centennial Bank	1	\$174,600.00	1.22%
Christensen Financial, Inc.	5	\$841,605.00	6.10%
Columbus Capital Lending LLC	1	\$124,925.00	1.22%
Envoy Mortgage, Ltd	3	\$491,810.00	3.66%
Equity Prime Mortgage, LLC	1	\$150,350.00	1.22%
Fairway Independent Mortgage Corporation	10	\$1,808,686.00	12.20%
FBC Mortgage, LLC	5	\$1,042,905.00	6.10%
Guaranteed Rate, Inc.	1	\$116,850.00	1.22%
Hamilton Group Funding, Inc.	1	\$142,590.00	1.22%
Land Home Financial Services, Inc.	5	\$1,016,821.00	6.10%
Movement Mortgage, LLC	1	\$135,800.00	1.22%
Waterstone Mortgage Corporation	32	\$5,627,656.00	39.02%
TOTAL	82	\$14,706,300.00	100.00%

CITY SUMMARY

CITY	LOANS	AMOUNT	% OF TOTAL
Altamonte Springs	3	\$399,050.00	3.66%
Apopka	7	\$1,206,571.00	8.54%
Casselberry	2	\$206,625.00	2.44%
Clermont	1	\$106,400.00	1.22%
Eustis	2	\$345,303.00	2.44%
Fruitland Park	3	\$579,963.00	3.66%
Kissimmee	10	\$1,970,337.00	12.20%
Longwood	1	\$189,053.00	1.22%
Mascotte	1	\$204,188.00	1.22%
Mount Dora	1	\$169,750.00	1.22%
Ocoee	2	\$439,560.00	2.44%
Orlando	34	\$5,783,337.00	41.46%
Oviedo	2	\$474,650.00	2.44%
Saint Cloud	6	\$1,319,750.00	7.32%
Sanford	2	\$351,120.00	2.44%
Sorrento	2	\$469,828.00	2.44%
Tavares	1	\$161,500.00	1.22%
Winter Springs	2	\$329,315.00	2.44%
TOTAL	82	\$14,706,300.00	100.00%

COUNTY SUMMARY

COUNTY	LOANS	AMOUNT	% OF TOTAL
Lake	11	\$2,036,932.00	13.41%
Orange	44	\$7,579,818.00	53.66%
Osceola	15	\$3,139,737.00	18.29%
Seminole	12	\$1,949,813.00	14.63%
TOTAL	82	\$14,706,300.00	100.00%

HOUSEHOLD ANNUAL INCOME REPORT

ANNUAL INCOME	LOANS	% OF TOTAL
\$15,000-\$29,999	2	2.44%
\$30,000-\$44,999	26	31.71%
\$45,000-\$59,999	33	40.24%
\$60,000-\$74,999	16	19.51%
\$75,000-\$89,999	5	6.10%
TOTAL	82	100.00%

HOUSEHOLD SIZE REPORT

HOUSEHOLD SIZE	LOANS	% OF TOTAL
1 - One person	34	41.46%
2 - Two persons	19	23.17%
3 - Three persons	13	15.85%
4 - Four persons	12	14.63%
5 - Five persons	3	3.66%
6 - Six persons	1	1.22%
TOTAL	82	100.00%

LOAN AMOUNT REPORT

LOAN AMOUNT	LOANS	% OF TOTAL
\$50,000-\$75,000	1	1.22%
\$75,000-\$100,000	2	2.44%
\$100,000-\$125,000	7	8.54%
\$125,000-\$150,000	10	12.20%
\$150,000-\$175,000	19	23.17%
\$175,000-\$200,000	14	17.07%
\$200,000-\$225,000	17	20.73%
\$225,000-\$250,000	9	10.98%
\$250,000-\$275,000	3	3.66%
TOTAL	82	100.00%

PURCHASE PRICE REPORT

PURCHASE PRICE	LOANS	% OF TOTAL
\$50,000-\$75,000	1	1.22%
\$75,000-\$100,000	2	2.44%
\$100,000-\$125,000	4	4.88%
\$125,000-\$150,000	9	10.98%
\$150,000-\$175,000	14	17.07%
\$175,000-\$200,000	15	18.29%
\$200,000-\$225,000	19	23.17%
\$225,000-\$250,000	15	18.29%
\$250,000-\$275,000	2	2.44%
\$275,000-\$300,000	1	1.22%
TOTAL	82	100.00%

LOAN TYPE REPORT

LOAN TYPE	LOANS	% OF TOTAL
FreddieMac 80% AMI	8	9.76%
FreddieMac HFA Advantage	70	85.37%
FreddieMac OVER 80% AMI	4	4.88%
TOTAL	82	100.00%

PROPERTY TYPE REPORT

PROPERTY TYPE	LOANS	% OF TOTAL
1 Unit Single Family Detached	64	78.05%
Condominium	14	17.07%
Duplex w/approval	2	2.44%
Rowhouse	1	1.22%
Townhouse	1	1.22%
TOTAL	82	100.00%

CATEGORY TYPE REPORT

TYPE	LOANS	% OF TOTAL
Existing	79	96.34%
New	3	3.66%
Unspecified	0	0.00%
TOTAL	82	100.00%

TARGET/NON-TARGET REPORT

TYPE	LOANS	AMOUNT	% OF TOTAL
TARGET	4	\$609,580.00	4.88%
NON TARGET	78	\$14,096,720.00	95.12%
TOTAL	82	\$14,706,300.00	100.00%

INTEREST RATE LISTING REPORT

RATE	COUNT	AMOUNT	% OF TOTAL
3.2500%	4	\$695,300.00	4.88%
3.3750%	1	\$232,800.00	1.22%
3.5000%	3	\$673,200.00	3.66%
4.2500%	1	\$123,675.00	1.22%
4.3750%	1	\$150,350.00	1.22%
4.5000%	3	\$543,103.00	3.66%
4.6250%	10	\$1,869,016.00	12.20%
4.7500%	5	\$1,085,750.00	6.10%
4.8750%	6	\$1,009,560.00	7.32%
5.0000%	1	\$179,550.00	1.22%
5.1250%	2	\$327,240.00	2.44%
5.2500%	18	\$2,999,840.00	21.95%
5.3750%	20	\$3,441,481.00	24.39%
5.6250%	3	\$594,128.00	3.66%
TOTAL	82	\$14,706,300.00	100.00%

INTEREST RATE RANGES REPORT

RATE	LOANS	% OF TOTAL
3.2500% - 3.4900%	5	6.10%
3.5000% - 3.7400%	3	3.66%
4.2500% - 4.4900%	2	2.44%
4.5000% - 4.7400%	13	15.85%
4.7500% - 4.9900%	11	13.41%
5.0000% - 5.2400%	3	3.66%
5.2500% - 5.4900%	38	46.34%
5.5000% - 5.7400%	7	8.54%
TOTAL	82	100.00%

FIRST TIME HOMEBUYER REPORT

FIRST TIME HOMEBUYER	LOANS	% OF TOTAL
No	2	2.44%
Yes	80	97.56%
TOTAL	82	100.00%

ADDITIONAL MORTGAGE REPORT

ADDTL MTG PROGRAM \ PRIMARY MTG PROGRAM	LOANS	AMOUNT	AVERAGE LOAN
Orange AIS \ Orange Freddie Mac Program	21	\$33,500.00	\$1,595.24
Orange DPA 2017 \ Orange Freddie Mac Program	28	\$210,000.00	\$7,500.00
Orange DPA 2018 \ Orange Freddie Mac Program	53	\$397,500.00	\$7,500.00

GENDER REPORT

GENDER	LOANS	% OF TOTAL
MALE	49	59.76%
FEMALE	33	40.24%
NONBINARY	0	0.00%
UNDISCLOSED	0	0.00%
TOTAL	82	100.00%

RACE REPORT

DESCRIPTION	LOANS	% OF TOTAL
American Indian/ Alaskan Native & Black/ Ai	1	1.22%
Black/ African American	18	21.95%
Black/African American & White	2	2.44%
Other	8	9.76%
Tenant Declined to Respond	1	1.22%
White	52	63.41%
TOTAL	82	100.00%

ETHNICITY REPORT

ETHNICITY	LOAN	AMOUNT	% OF TOTAL
HISPANIC	32	\$5,803,424.00	39.02%
NON HISPANIC	48	\$8,474,116.00	58.54%
OTHER	2	\$428,760.00	2.44%
TOTAL	82	\$14,706,300.00	100.00%

RACE BY ETHNICITY REPORT

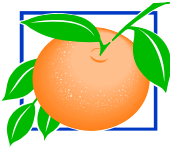
RACE	HISPANIC	NONHISPANIC	OTHER	LOANS	% OF TOTAL
American Indian/ Alaskan Native & Black/ African	1	0	0	1	1.22%
Black/ African American	0	17	1	18	21.95%
Black/African American & White	1	1	0	2	2.44%
Other	5	2	1	8	9.76%
Tenant Declined to Respond	1	0	0	1	1.22%
White	24	28	0	52	63.41%
TOTAL	32	48	2	82	100.00%

PIPELINE REPORT

PROGRAM PIPELINE	LOAN	AMOUNT	% OF TOTAL
Reservation	3	\$532,340.00	3.66%
Purchased/Servicer	5	\$1,068,960.00	6.10%
Investor/Trustee	74	\$13,105,000.00	90.24%
TOTAL	82	\$14,706,300.00	100.00%

PROGRAM SUMMARY

AVERAGE PRINCIPAL MORTGAGE:	\$179,345.12
AVERAGE PURCHASE PRICE:	\$186,733.48
AVERAGE DPA AMOUNT:	\$6,284.31
AVERAGE AGE OF PRIMARY BORROWER:	37
AVERAGE HOUSEHOLD SIZE:	2
AVERAGE EMPLOYED IN HOUSEHOLD:	1
AVERAGE HOUSEHOLD ANNUAL INCOME:	\$51,566.74



W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

BOARD OF DIRECTORS

MERCEDES MCCALL
CHAIRWOMAN

VERNICE ATKINS-BRADLEY
VICE CHAIRWOMAN

SASCHA RIZZO
BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

ALBERT HANKS
BOARD MEMBER

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Mildred Guzman, Administrator, Program Operations
DATE:	May 26, 2020
RE:	MULTI-FAMILY OCCUPANCY/ INSPECTION REPORT JUNE 3, 2020 - REGULAR BOARD OF DIRECTORS' MEETING - TELEPHONIC

OCCUPANCY REPORT

The Occupancy Report rates for the period of 04/26/20 to 05/21/20, was 99% for all units, and 94% for units meeting set-aside requirements

Multi-Family Rental Occupancy and Set-aside Summary - A summary of the occupancy and set-aside average rates for each period by property is provided.

MULTI-FAMILY INSPECTION REPORT

There were no properties audited during the month of May due to Covid -19.

ACTION REQUESTED

For information only.

Multi-Family Occupancy Report

BeginReportingPeriod: 4 /26/2020

EndReportingPeriod: 5 /21/2020

Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Low Income:			Flag%	Comments
					Occupied Unit	Occup. %	Prior Month Occup. %		
Alta Westgate (Westgate Apts), Act 6872 Alta West Drive, Orlando	240	240	100%		240	100%		40%	
Anderson Oaks, Active 708 Anderson St, Orlando	12	12	100%		12	100%		100%	
Boca Vista(Chantham Harbor Refu 545 Nantucket Court, Altamonte Springs	324	303	94%		65	20%		20%	
Charleston Club Apts, Active 500 Fox Quarry Lane, Sanford	288	287	100%		244	85%		40%	
City View (West Church St), Active 595 West Church Street, Orlando	266	251	94%		118	44%		40%	
Club at Eustis, Active 2750 David Walker Dr, Eustis	96	96	100%		96	100%		40%	
Cove at Lady Lake, Active 735 S. Hwy 27/441, Lady Lake	176	174	99%		174	99%		40%	
Crestwood Apartments, Active 3121 Crestwood Circle, St. Cloud	216	216	100%		216	100%		40%	
Dean Woods, Active 9808 Dean Woods Place, Orlando	48	47	98%		47	98%		100%	
Delaney Apartments, Active 507 Delaney Avenue, Orlando	8	8	100%		8	100%		100%	
Emerald Villas (Seville Place), Acti 5450 Cholla Way, Orlando	264	264	100%		264	100%		40%	
Fountains at Lee Vista, Active 5743 Bent Pine Dr, Orlando	508	479	94%		274	54%		31%	
Fountains at Millenia II, Active 5316 Millenia Blvd., Orlando	32	32	100%		32	100%		40%	

Tuesday, May 26, 2020

Page 1 of 4

Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Low Income:			Flag%	Comments
					Occupied Unit	Occup. %	Prior Month Occup. %		
Fountains at Millenia III, Active 5316 Millenia Blvd., Orlando	82	82	100%		82	100%		40%	
Fountains at Millenia IV, Active 5316 Millenia Blvd, Orlando	100	98	98%		98	98%		40%	
Goldenrod Pointe Apartments, Acti 3500 N Goldenrod Road, Orlando	70	67	96%		67	96%		60%	
Governors Manor, Active 2861 LB McLeod Rd, Orlando	120	119	99%		119	99%		75%	
Green Gables (Alhambra Trace), A 5201 Via Alizar Dr, Orlando	95	94	99%		94	99%		100%	
Kensington Oaks, Active 440 S. Mellonville Ave, Sanford	20	19	95%		19	95%		75%	
Lake Davis Apartments, Active 1301 Catherine Street, Orlando	36	35	97%		35	97%		75%	
Lake Harris Cove Apts, Active 32511 Lake Harris Cove Avenue, Leesburg	152	151	99%		116	76%		40%	
Lake Jennie I, Active 1301 Santa Barbara Dr, Sanford	25	24	96%		24	96%		75%	
Lake Jennie II, Active 1312 Santa Barbara Dr, Sanford	40	38	95%		38	95%		75%	
Lake Sherwood Apartments, Activ 1826 London Crest Drive, Orlando	90	90	100%		90	100%		40%	
Lakeside Pointe, Active 1403 Old Harbor Blvd., Leesburg	128	126	98%		126	98%		40%	
Lancaster Villas, Active 800 W. Lancaster Rd, Orlando	145	145	100%		145	100%		100%	
Landings at Carver Park, Active 1150 Conley Street, Orlando	56	55	98%		55	98%		40%	
Landings on Millennia, Active 5150 Millenia Boulevard, Orlando	336	334	99%		252	75%		40%	

Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Low Income:			Flag%	Comments
					Occupied Unit	Occup. %	Prior Month Occup. %		
Landon Pointe Apartments, Active 1705 Grande Pointe Avenue, Orlando	276	274	99%		274	99%		40%	
Landon Trace Townhome(Buchana 1813 Buchanan Bay Circle, Orlando	228	226	99%		226	99%		100%	
Landstar Park Apartments, Active 1001 Landstar Drive, Orlando	156	156	100%		156	100%		40%	
Laurel Oaks I (Sleepy Hollow Apart 2700 Laurel Hollow Dr., Leesburg	144	142	99%		142	99%		40%	
Laurel Oaks II (Sleepy Hollow Apar 2700 Laurel Hollow Dr., Leesburg	108	104	96%		104	96%		40%	
Lee Vista Club Apartments, Active 5903 Lee Vista Blvd, Orlando	312	311	100%		311	100%		40%	
Marbella Cove, Active 7528 Marbella Pt. Drive, Orlando	104	104	100%		104	100%		0%	
Marbella Pointe, Active 7528 Marbella Pt. Drive, Orlando	120	117	98%		117	98%		40%	
Mendel Villas, Active 3538 Aristotle Ave, Orlando	32	32	100%		32	100%		100%	
Nassau Bay Apartments, Active 5200 North Orange Blossom Trail, Orlando	492	491	100%		491	100%		100%	
Oak Harbor Apartments, Active 5770 Harbor Chase Circle, Orlando,	176	176	100%		176	100%		20%	
Oviedo Town Center Ph. I, Active 450 Fontana Circle #105, Oviedo	106	106	100%		106	100%		40%	
Oviedo Town Center Ph. II, Active 450 Fontana circle #105, Oviedo	34	34	100%		34	100%		40%	
Oviedo Town Center Ph. III, Active 450 Fontana circle #105, Oviedo	72	72	100%		72	100%		40%	
Oviedo Town Center Ph. IV, Active 450 Fontana Circle #105, Oviedo	24	24	100%		24	100%		40%	

Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Low Income:			Flag%	Comments
					Occupied Unit	Occup. %	Prior Month Occup. %		
Palm Groves Gardens, Active 3944 W.D. Judge Drive, Orlando	142	142	100%		142	100%		75%	
Pebble Creek, Active 1317 Boulder Dr, Kissimmee	72	72	100%		72	100%		100%	
River Ridge Apartment Homes, Act 9957 Hidden River Drive #106, Orlando	160	160	100%		160	100%		40%	
Rolling Acres I, Active 824 CrR 466, Lady Lake	104	103	99%		103	99%		40%	
Rolling Acres II, Active 824 CR 466, Lady Lake	35	35	100%		35	100%		40%	
SouthWinds Cove, Active 3400 Southwinds Cove Way, Leesburg	112	111	99%		90	80%		40%	
Spring Lake Cove I, Active 1508 Spring Lake Cove Lane, Fruitland Park	96	95	99%		77	80%		40%	
Spring Lake Cove II, Active 1508 Spring Lake Cove Lane, Fruitland Park	48	46	96%		46	96%		40%	
Vista Pines Apartments, Active 401 N Chickasaw Trail, Orlando	238	236	99%		236	99%		40%	
Westwood Park Apartments, Activ 11037 Laguna Bay Dr, Orlando	178	177	99%		177	99%		40%	

Total Units: 7,542

Current Period Summary: 7,432 99% 6,657 94%

Prior Period Summary:

Total Number of Properties: 53



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

DISCUSSION ITEM

BOARD OF DIRECTORS

MERCEDES MCCALL
CHAIRWOMAN

VERNICE ATKINS-BRADLEY
VICE CHAIRWOMAN

SASCHA RIZZO
BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

ALBERT HANKS
BOARD MEMBER

MEMORANDUM

TO:	OCHFHA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	May 22, 2020
RE:	CONSIDER APPROVAL OF BOND RESOLUTION AND ASSOCIATED DOCUMENTS, TERMS AND FINANCING OF MULTI-FAMILY TAX-EXEMPT BONDS, FOR BAPTIST TERRACE APARTMENTS; NOT-TO-EXCEED \$23,000,000 – REGION 14. JUNE 3, 2020 REGULAR BOARD OF DIRECTORS' MEETING (TELEPHONIC)

BACKGROUND

On June 5, 2019, the Board approved a Reimbursement Resolution for the proposed acquisition/rehabilitation request for Baptist Terrace transaction in the amount of \$17MM. Subsequent to the Boards' action, the developer determined to utilize a different structure for the transaction. Therefore, a resubmission of request was required. On February 5, 2020, the Board approved the revised Reimbursement Resolution for Baptist Terrace Apartments, not-to-exceed \$23MM, for acquisition and rehabilitation of the development; consisting of 197-units of multi-family affordable housing – an existing Section 202 – elderly housing development.

The applicant for Baptist Terrace Apartments is Orlando Neighborhood Improvement Corporation (ONIC). The development is located at 414 E. Pine Street in Orlando; consists of one hundred six (106) efficiencies and ninety-one (91) 1-bd/1-ba units; with current rents ranging from \$451-\$565 per month. After acquisition, the project will have a Housing Assistance Payment (HAP) Contract and gross rents for units will increase to HUD's Fair Market Rents. The tenant portion of the rent will be determined based on 30% of tenants' monthly adjusted income. The current tenant services will continue to be offered.

CURRENT

The enclosed Bond Resolution is in the amount of \$23MM; however, the Credit Underwriting Report (CUR) reflected \$21,500,000. Attached for your review is the Real Estate Credit Underwriting Report prepared by Seltzer Management. The financing structure is a Private Placement underwritten by RBC Capital Markets (RBC). The Authority will issue \$21.5MM Tax-Exempt Multi-Family Mortgage Revenue Bonds (MMRB). The MMRB will be unrated and initially purchased by Bank of America (BOA) via a direct purchase ("construction bonds"). Subsequent to completion of construction the bonds will be purchased by Boston Capital ("Permanent Bonds"). The construction bonds will bear interest at a variable rate based on an index of daily London Inter Bank Offer Rate (LIBOR) plus 225-basis points. The construction bonds term will be up to 30-months, inclusive of one (1) 6-month extension and will be payable monthly on an interest-only basis.

Following construction completion and after conversion requirements have been met for conversion to the Permanent Bonds the Permanent Bonds will bear interest at a fixed rate determined on the date of a rate lock prior to, or concurrent with the construction loan closing. The fixed rate will continue through the permanent period with interest and principal payment, based on a 40-year amortization schedule, due through the 15-year maturity. Proceeds from the sale of the MMRB will be utilized to make first mortgage loans to the Applicant with matching economic term of the construction and permanent MMRB loan. The construction and permanent sources is as follows:

SOURCE	LENDER	CONSTRUCTION	PERMANENT	PERM LOAN/UNIT
<i>Frist Mortgage</i>	BOA/ Boston Capital	\$ 21,500,000	\$ 21,500,000	\$ 109,137
<i>Equity Bridge</i>	BOA	\$ 6,979,433	\$ 0	--
<i>Subordinate Mortgage</i>	ONIC	\$ 2,000,000	\$ 2,000,000	\$ 10,152
<i>HC Equity</i>	Red Stone	\$ 1,611,602	\$ 10,744,020	\$ 54,538
<i>Deferred Developer Fee</i>	Developer	\$ 4,498,664	\$ 3,408,679	\$ 17,303
<i>NOI from Operations</i>	Applicant	\$ 2,000,000	\$ 2,000,000	\$ 10,152
<i>Additional Equity</i>	General Partner	\$ 15,000	\$ 15,000	\$ 76
<i>Delayed Reserve</i>	Red Stone	\$ 1,063,000	\$ 0	--
<i>Total Development Cost is projected to be...</i>		\$39,667,699.00	\$39,667,699.00	\$201,358

The additional sources of financing, during construction are: ONIC subordinate Loan; Housing Credits (HC) Equity; Delayed Reserve Funding (post rehabilitation); NOI from operations; additional equity and deferred fees, for a total development cost of \$39,667,699. The transaction has a Debt Service Coverage (DSC) ratio of 1.162, based on net Operating Income of \$1,319,098, as estimated by Seltzer Management. The "all-in" interest rate is 3.5% for approximately a 24-month period. The development has up to a 30-month construction and stabilization period. Seltzer Management recommends that the Authority approve this issuance of \$21.5MM of Tax-Exempt Bonds for acquisition and rehabilitation of Baptist Terrace Apartments. Seltzer's report identifies issues related to the schedule of values having a General Contractor (GC) fee exceeding the allowed 14% requirement. This issue is required to be resolved prior to closing.

ACTION REQUESTED

Board approval of the Bond Resolution (2020-04), Underwriting Report, Terms and financing in an amount not-to-exceed \$23,000,000 for the Acquisition and Rehabilitation of Multi-Family Development Baptist Terrace Apartments; and authorization for the Chairman, Board Member and Executive Director to execute all associated documents subject to General Counsel's review and assurance that the above condition is satisfied prior to closing the bonds transaction.

RESOLUTION NO. 2020-04

RESOLUTION OF THE ORANGE COUNTY HOUSING FINANCE AUTHORITY (THE “AUTHORITY”) AUTHORIZING THE ISSUANCE BY THE AUTHORITY OF NOT EXCEEDING \$23,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS ORANGE COUNTY HOUSING FINANCE AUTHORITY MULTIFAMILY HOUSING REVENUE BONDS, 2020 SERIES [TO BE DESIGNATED] (BAPTIST TERRACE) (THE “BONDS”); APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF A TRUST INDENTURE, LOAN AGREEMENT, ENDORSEMENT OF THE PROMISSORY NOTE, LAND USE RESTRICTION AGREEMENT, ARBITRAGE REBATE AGREEMENT, GUARANTY OF RECOURSE OBLIGATIONS, ENVIRONMENTAL INDEMNITY, AND ALL EXHIBITS THERETO; AUTHORIZING THE NEGOTIATED SALE OF THE BONDS AND APPROVING THE FORM OF THE BOND PURCHASE AGREEMENT AND EXECUTION THEREOF RELATING TO THE NEGOTIATED SALE OF THE BONDS TO BANK OF AMERICA, N.A.; AUTHORIZING THE APPOINTMENT OF A TRUSTEE AND REBATE ANALYST; AUTHORIZING THE EXECUTIVE DIRECTOR AND CHAIRMAN OR VICE CHAIRMAN OR ANY AUTHORITY MEMBER TO TAKE ANY OTHER ACTIONS NECESSARY TO ISSUE THE BONDS AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Legislature of the State of Florida (the “State”) has enacted the Florida Housing Finance Authority Law, Sections 159.601 *et seq.*, Florida Statutes, as amended (the “Act”), pursuant to which the State has empowered each county in the State to create by ordinance a separate public body corporate and politic, to be known as a housing finance authority of the county for which it was created, for the purpose of alleviating a shortage of housing and creating capital for investment in housing in the area of operation of such housing finance authority; and

WHEREAS, pursuant to the Act, the Board of County Commissioners of Orange County, Florida (the “County”), enacted Ordinance No. 78-18 on October 31, 1978, and codified in the County’s Code at Section 2-151 *et seq.* approved April 16, 1991, and effective April 26, 1991 (the “Ordinance”), creating the Orange County Housing Finance Authority to carry out and exercise all powers and public and governmental functions set forth in and contemplated by the Act; and

WHEREAS, pursuant to the Act and the Ordinance, the Orange County Housing Finance Authority (the “Authority”), at the request of 414 East Pine Street, LP, a limited partnership duly organized and existing under the laws of the State of Florida, has determined to authorize the issuance of not exceeding \$23,000,000 aggregate principal amount of its Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, 2020 Series [to be designated] (Baptist Terrace) (the “Bonds”) for the purpose of financing the acquisition and construction of a multifamily rental housing development to be located at 414 East Pine Street, Orlando, Orange

County, Florida 32801, to be known as Baptist Terrace for seniors of low and moderate income (the “Project”); and

WHEREAS, the Authority deems it necessary to provide for the form of a Trust Indenture to be entered into with a bank or trust company to serve as Trustee, and provide for the form of a Loan Agreement; Promissory Note, Land Use Restriction Agreement, Arbitrage Rebate Agreement, Environmental Indemnity and Guaranty of Recourse Obligations for the Bonds and to authorize additional documents in connection therewith; and

WHEREAS, the Bonds will be sold in a private placement to Bank of America, N.A. (the “Initial Purchaser”);

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTY HOUSING FINANCE AUTHORITY, as follows:

1. There is hereby authorized and directed to be issued the Authority’s Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, 2020 Series [to be designated] (Baptist Terrace) in an aggregate principal amount not to exceed \$23,000,000 (the “Bonds”). The Bonds shall be issued under and secured by the Trust Indenture referred to below, the form of which by reference is hereby incorporated into this resolution as if set forth in full herein. The Bonds shall mature in the amounts and at the times, shall bear interest at the rates, be redeemable at the redemption prices and upon the terms and shall have all of the other characteristics, all as set forth in the form of the Trust Indenture attached hereto as Exhibit A all as shall be approved by the Chairman or the Vice Chairman, or other Board Member and the Executive Director/Secretary of the Authority or their duly authorized alternate officers prior to sale of said Bonds, as provided in this resolution. The Bonds shall be executed, authenticated and delivered by the officers of the Authority authorized below in substantially the form set forth in the Trust Indenture in fully registered form.

2. The Trust Indenture, between the Authority and The Bank of New York Mellon Trust Company, N.A. (the “Trustee”), in substantially the form attached hereto as Exhibit A (the “Indenture”), is hereby approved, and the Chairman or Vice Chairman, or other Board Member and the Executive Director/Secretary of the Authority or their duly authorized alternate officers are hereby authorized and directed to execute and deliver the Trust Indenture on behalf of and in the name of the Authority with such additional changes, insertions and omissions therein including but not limited to, the insertion of rates, maturities, sinking fund redemption provisions and other details of the Bonds determined as herein provided and as may be made prior to the delivery of the Bonds, and as may be otherwise made or approved by the said officers of the Authority executing the same, such execution to be conclusive evidence of such approval.

3. The Loan Agreement, between the Authority and 414 East Pine Street, LP (the “Borrower”), in substantially the form attached hereto as Exhibit B (the “Loan Agreement”), is hereby approved, and the Chairman or the Vice Chairman, or any other Board Member and the Executive Director/Secretary of the Authority or their duly authorized alternate officers are hereby

authorized and directed to execute and deliver the Loan Agreement on behalf of and in the name of the Authority with such additional changes, insertions and omissions therein as may be made or approved by the said officers of the Authority executing the same, such execution to be conclusive evidence of such approval.

4. The Land Use Restriction Agreement, among the Borrower, the Authority and the Trustee in substantially the form attached hereto as Exhibit C (the “Land Use Restriction Agreement”) is hereby approved, and the Chairman or the Vice Chairman, or other Board Member and the Executive Director/Secretary of the Authority or their duly authorized alternate officers are hereby authorized and directed to execute and deliver the Land Use Restriction Agreement on behalf of and in the name of the Authority with such additional changes, insertions and omission therein as may be made or approved by the said officers of the Authority executing the same, such execution to be conclusive evidence of such approval.

5. The Promissory Note, from the Borrower to the Authority in substantially the form attached hereto as Exhibit D (the “Note”) is hereby approved, and the Chairman or the Vice Chairman, or any other Board Member and the Executive Director/Secretary of the Authority or their duly authorized alternate officers are hereby authorized and directed to endorse the Note to the Trustee, on behalf of and in the name of the Authority, with such additional changes, insertions and omissions therein as may be made or approved by the said officers of the Authority accepting the same, such acceptance to be conclusive evidence of such approval.

6. The Arbitrage Rebate Agreement, among the Authority, the Borrower and the Trustee, in substantially the form attached hereto as Exhibit E (the “Arbitrage Rebate Agreement”), is hereby approved and the Chairman or the Vice Chairman, or any other Board Member and the Executive Director/Secretary of the Authority or their duly authorized alternate officers are hereby authorized and directed to execute and deliver such Arbitrage Rebate Agreement on behalf of and in the name of the Authority with such additional changes, insertions and omissions therein as implement the provisions of the Indenture, and as may be made or approved by the said officers of the Authority executing the same, such execution to be conclusive evidence of such approval.

7. The Environmental Indemnity, from the Borrower and other guarantors in favor of the Authority and the Trustee, in the form attached hereto as Exhibit F (the “Environmental Indemnity”) is hereby approved, and the Chairman or the Vice Chairman, or any other Board Member and the Secretary of the Authority or their duly authorized alternate officers are hereby authorized and directed to accept the Environmental Indemnity on behalf of and in the name of the Authority with such additional changes, insertions and omissions therein as may be made or approved by the said officers of the Authority.

8. The Guaranty of Recourse Obligations from the Borrower and other guarantors in favor of the Authority and the Trustee, in the form attached hereto as Exhibit G (the “Guaranty”) is hereby approved, and the Chairman or the Vice Chairman, or any other Board Member and the Secretary of the Authority or their duly authorized alternate officers are hereby authorized and directed to accept the Guaranty on behalf of and in the name of the Authority with such additional

changes, insertions and omissions therein as may be made or approved by the said officers of the Authority.

9. Following consultation with the Borrower and the placement agent for the Bonds, it being understood that virtually all transaction costs are being borne by the Borrower, it is hereby found and determined that due to the characteristics of the financing and the prevailing and anticipated market conditions, it is in the best interest of the Authority to negotiate the sale of the Bonds.

10. With respect to the Bonds, The Bank of New York Mellon Trust Company, N.A., is hereby appointed as Trustee (the “Trustee”) pursuant to the Indenture.

11. With respect to the Bonds, the Rebate Analyst shall be as determined in accordance with the Indenture, as shall be evidenced by the execution of the Indenture. The Chairman, Vice Chairman or other Board Member and the Executive Director/Secretary are hereby authorized to execute any and all instruments necessary in connection therewith.

12. All prior resolutions and motions of the Authority inconsistent with the provisions of this resolution are hereby modified, supplemented and amended to conform with the provisions herein contained and except as otherwise modified, supplemented and amended hereby shall remain in full force and effect.

13. To the extent that the Chairman, Vice Chairman, or other Board Member, and/or the Executive Director/Secretary of the Authority are unable for any reason to execute or deliver the documents referred to above, such documents may be executed, attested and/or delivered by their duly authorized alternate officers, with the same effect as if executed and/or delivered by the Chairman, Vice Chairman, or other Board Member, or Executive Director/Secretary.

14. The Chairman, the Vice Chairman, and all other Board Members of the Authority and the Executive Director/Secretary and staff of the Authority are hereby authorized and directed to execute any and all certifications or other instruments or documents required by the Indenture, the Loan Agreement, the Bond Purchase Agreement or any other document referred to above as a prerequisite or precondition to the issuance of the Bonds and any representation made therein shall be deemed to be made on behalf of the Authority. All action taken to date by the members of the Authority and the staff of the Authority in furtherance of the issuance of the Bonds is hereby approved, confirmed and ratified.

15. It is hereby found and determined that all formal actions of the governing body of the Authority concerning and relating to the adoption of this resolution and the consummation of the transactions contemplated by this resolution were adopted in open meetings of the governing body of the Authority, and that all deliberations of the governing body of the Authority that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

16. This resolution shall become effective immediately upon its adoption.

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APPROVED AND ADOPTED this 3rd day of June, 2020.

ORANGE COUNTY HOUSING FINANCE
AUTHORITY

[S E A L]

By: _____
Chair/Vice Chair/Board Member

ATTEST:

W. D. Morris, Secretary

APPROVED AS TO LEGAL SUFFICIENCY:

By: _____
Greenberg Traurig, P.A.
General Counsel

Orange County Housing Finance Authority

Credit Underwriting Report

Baptist Terrace Apartments

Multifamily Mortgage Revenue Bond Program

Section A Report Summary

Section B Supporting Information and Schedules

Prepared by

Seltzer Management Group, Inc.

Final Report

May 27, 2020

BAPTIST TERRACE APARTMENTS

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Section A
Report Summary

Recommendation

Seltzer Management Group, Inc. ("SMG" or "Seltzer") recommends the Orange County Housing Finance Authority ("OCHFA" or "Authority") issue Multifamily Mortgage Revenue Bonds ("MMRB") in the amount of \$21,500,000 for the Acquisition and Rehabilitation of Baptist Terrace Apartments (the "Subject Development").

DEVELOPMENT & SET-ASIDES

Development Name: Baptist Terrace Apartments

Address: 414 East Pine Street

City: Orlando Zip Code: 32801 County: Orange County Size: Large

Development Category: Acquisition/Rehab Development Type: High Rise

Construction Type: Concrete Masonary Unit ("CMU")

Demographic Commitment:

Primary: Elderly: 55+ or 62+ for 100% of the Units

Unit Composition:

of ELI Units: 0 ELI Units Are Restricted to AMI, or less. Total # of units with PBRA? 196

of Link Units: 0 Are the Link Units Demographically Restricted? No # of NHTF Units: 0

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
0	1.0	27	438	30%			\$381		\$381	\$989	\$989	\$989	\$989	\$320,436
0	1.0	79	438	60%			\$763		\$763	\$989	\$989	\$989	\$989	\$937,572
1	1.0	16	620	40%			\$545		\$545	\$1,064	\$1,064	\$1,064	\$1,064	\$204,288
1	1.0	20	620	60%			\$818		\$818	\$1,064	\$1,064	\$1,064	\$1,064	\$255,360
1	1.0	39	656	80%			\$1,091		\$1,091	\$1,064	\$1,064	\$1,064	\$1,064	\$497,952
1	1.0	15	620	80%			\$1,091		\$1,091	\$1,064	\$1,064	\$1,064	\$1,064	\$191,520
1	1.0	1	620	60%			\$818		\$818		\$818	\$818	\$818	\$9,816
		197	104,252											\$2,416,944

Buildings: Residential - 1

Non-Residential - 0

Parking: Parking Spaces - 123

Accessible Spaces - 5

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRB	40.0%	79	60%	15
HC	13.7%	27	30%	30
HC	8.1%	16	40%	30
HC	50.8%	100	60%	30
HC	27.4%	54	80%	30

Occupancy Rate at Stabilization: Physical Occupancy 96.00% Economic Occupancy 95.00%
Occupancy Comments Currently 98% Occupied

DDA: Yes QCT: No Multi-Phase Boost: N/A QAP Boost: N/A

Site Acreage: 0.78 Density: 252.5641 Flood Zone Designation: X

Zoning: MXD-2/T, Mixed Residential-Office District Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	414 East Pine Street, LP ("Borrower")	% Ownership
General Partner	ONIC-Senior Affordable Housing, Inc. ("GP")	0.0090%
Limited Partner	Red Stone Equity Partners, LLC ("Red Stone") or Affiliate	99.9900%
Special LP	Red Stone or Affiliate	0.0010%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Borrower	
CC Guarantor 2:	GP	
CC Guarantor 3:	Orlando Neighborhood Improvement Corporation, Inc. ("ONIC")	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Borrower	
OD Guarantor 2:	GP	
OD Guarantor 3:	ONIC	
Bond Purchaser	Bank of America N.A. ("BOA") Construction/Boston Capital Finance LLC ("Boston Financial") Permanent	
Developer:	ONIC	
General Contractor 1:	Schaefer General Contracting Services, LLC ("GC" or "Schaefer")	
Management Company:	Royal American Management, Inc. ("RAM")	
Const. Credit Enhancer:	N/A	
Perm. Credit Enhancer:	N/A	
Syndicator:	Red Stone	
Bond Issuer:	OCHFA with RBC Capital Markets ("RBC") as MMRB Underwriter	
Architect:	PQH Group Design, Inc. ("PQH")	
Market Study Provider:	Vogt Strategic Insights ("VSI")	
Appraiser:	Integra Realty Resources - Tampa Bay ("IRR" or "Integra")	

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lien Position						
Lender/Grantor	OCHF/BC	ONIC				
Amount	\$21,500,000	\$2,000,000				
Underwritten Interest Rate	4.15%	8.00%				
All In Interest Rate						
Loan Term	15.0	17.0				
Amortization	40.0	N/A				
Market Rate/Market Financing LTV	94.7%	103.5%				
Restricted Market Financing LTV	86.0%	94.0%				
Loan to Cost - Cumulative	54.2%	59.2%				
Debt Service Coverage	1.162	1.019				
Operating Deficit & Debt Service Reserves	\$1,063,000					
# of Months covered by the Reserves	12.3					

Deferred Developer Fee	\$3,408,679
As-Is Land Value	\$2,100,000
As-Is Value (Land & Building)	\$15,700,000
Market Rent/Market Financing Stabilized Value	\$22,700,000
Rent Restricted Market Financing Stabilized Value	\$25,000,000
Projected Net Operating Income (NOI) - Year 1	\$1,319,098
Projected Net Operating Income (NOI) - 15 Year	\$1,587,091
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Bond Structure	Private Placement
Housing Credit (HC) Syndication Price	\$0.95
HC Annual Allocation - Initial Award	N/A
HC Annual Allocation - Qualified in CUR	\$1,275,023
HC Annual Allocation - Equity Letter of Interest	\$1,131,063

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
First Mortgage	OCHFA/BOA/Boston Capital	\$21,500,000	\$21,500,000	\$109,137
Equity Bridge	BOA	\$6,979,433	\$0	\$0
Subordinate Mortgage	ONIC	\$2,000,000	\$2,000,000	\$10,152
HC Equity	Red Stone	\$1,611,602	\$10,744,020	\$54,538
Deferred Developer Fee	Developer	\$4,498,664	\$3,408,679	\$17,303
NOI from Operations	Applicant	\$2,000,000	\$2,000,000	\$10,152
Additional Equity	GP	\$15,000	\$15,000	\$76
Delayed Reserve	Red Stone	\$1,063,000	\$0	\$0
TOTAL		\$39,667,699	\$39,667,699	\$201,359

Bond Financing Structure:

OCHFA will issue \$21,500,000 of tax-exempt MMRB which will be underwritten by RBC through a Private Placement. The MMRB will be non-rated and initially acquired by BOA via a direct purchase (the "Construction MMRB"). Following completion of construction the MMRB will be acquired by Boston Capital (the "Permanent MMRB").

The Construction MMRB will bear interest at a variable rate based on an index of Daily London Inter Bank Offer Rate ("LIBOR") plus 225 basis points. The Construction MMRB will carry a term of up to 30 months, inclusive of one six month extension, and will be payable monthly on an interest only basis.

Following construction completion and after conversion requirements have been met, the Permanent MMRB will bear interest at a fixed rate determined on the date of rate lock, prior to or concurrent with the Construction MMRB closing. The fixed rate will continue through the permanent period with interest and principal payments, based on a 40-year amortization schedule, due through the 15-year maturity.

Proceeds from the sale of the MMRB will be utilized to make first mortgage loans to the Applicant with matching economic terms of the respective Construction and Permanent MMRB. See Construction and Permanent Financing sections below for details.

Changes from the Application:

COMPARISON CRITERIA	YES	NO
Does the level of experience of the current team equal or exceed that of the team described in the application?	X	
Are all funding sources the same as shown in the Application?		1
Are all local government recommendations/contributions still in place at the level described in the Application?	X	
Is the Development feasible with all amenities/features listed in the Application?	X	
Do the site plans/architectural drawings account for all amenities/features listed in the Application?	X	

Does the Applicant have site control at or above the level indicated in the Application?	X	
Does the Applicant have adequate zoning as indicated in the Application?	X	
Has the Development been evaluated for feasibility using the total length of set-aside committed to in the Application?	X	
Have the Development costs remained equal to or less than those listed in the Application?	X	
Is the Development feasible using the set-asides committed to in the Application?	X	
If the Development has committed to serve a special target group (e.g. elderly, large family, Schaefer.), do the development and operating plans contain specific provisions for implementation?	X	
HOME ONLY: If points were given for match funds, is the match percentage the same as or greater than that indicated in the Application?	N/A	
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?	N/A	
Is the Development in all other material respects the same as presented in the Application?		

The following are explanations of each item checked "No" in the table above:

1. The OCHFA application indicated a MMRB amount of \$21,850,000 which is now reduced to \$21,500,000.

These changes have no substantial material impact to the MMRB recommendation for this Development.

Does the Development Team have any Florida Housing Finance Corporation ("FHFC" or "Florida Housing") Financed Developments on the Past Due/Noncompliance Report?

Florida Housing's Past Due Report, dated April 24, 2020, reflects the following past due item(s): None

Florida Housing's Asset Management Noncompliance Report, February 21, 2020 reflects the following open noncompliance item(s): None

Strengths:

1. The Applicant has requested that HUD provide a 20-year Project based Section 8 Housing Assistance Payments Contract ("HAP Contract") for 196 of the Subject Development's units at Fair Market Rents ("FMR"). Assuming approval of the HAP Contract, the Subject Development is anticipated to have an extremely stable rental revenue stream for 99% of the units. It is anticipated that the HAP Contract rents will exceed maximum allowable HC by more than 30% on average across all set-asides.

2. Per the Market Study, dated April 30, 2020, VSI concludes strong demand in the Primary Market Area ("PMA") as evidenced by an overall occupancy rate of 99% in the PMA for comparable elderly HC developments and current occupancy for the Subject Development of 98.5%.
Further, the Market Study concludes that projected market rents are approximately 125% greater than maximum allowable HC rents.
3. Although the Borrower is a newly formed entity, the Developer, principal of the GP, contractor, and the management company have sufficient experience and financial resources to develop, construct and operate the Subject Development.

Additional Information:

1. The United States is currently under a national emergency due to the spread of the virus known as COVID-19. The extent of the virus' impact to the overall economy is unknown. More specifically, it is unknown as to the magnitude and timeframe the residential rental market (e.g. absorption rates, vacancy rates, collection losses, appraised value, etc.) and the construction industry (e.g. construction schedules, construction costs, subcontractors, insurance, etc.) will be impacted. Recommendations made by Seltzer in this report, in part, rely upon assumptions made by third-party reports that are unable to predict the impacts of the virus.

2. As evidenced by a Purchase and Sale Agreement ("PSA"), the Subject Development (along with the existing parking lot) is currently under contract with ONIC who will assign the PSA to the Applicant. Prior to closing, the Applicant will enter into an agreement with ONIC-414 Parking Lot, LLC ("ONIC Parking"), the anticipated owner of the existing parking lot, whereby the Applicant will take title to the entire parcel (residential building and existing parking lot), in part as agent for ONIC and ONIC Parking.

Prior to or concurrent with closing, the Applicant will form a land condominium consisting of two units. Unit 1 will be the land parcel with the residential building improvements (also known as the Subject Development). The purchase price for Unit 1 is \$15,700,000 which is supported by the "As Is" appraised value of the Subject Development.

Unit 2 will be the land parcel with the parking lot. The Applicant will then assign Unit 2 to ONIC Parking. Subsequently, the Applicant and ONIC Parking will enter into a ground lease agreement thereby granting parking privileges to tenants of the Subject Development.

It should be noted that residents will have access to the parking lot at no charge.

3. SMG is in receipt of a draft appraisal and the above referenced market study both of which include rent determinations for the Subject Development as if operated as a 100% HC development with no overriding HAP contract. For purposes of income averaging, the set-asides will include income limits at the 30%, 40% 60% and 80% income levels. However, the number of units at each income level has changed since the distribution of each report and neither report has been updated. In addition, comments and additional information from the Developer and Seltzer have not yet been incorporated where deemed appropriate by the appraiser. Further, comments from an intended user, BOA, have not yet been received nor reviewed by the appraiser.

It is anticipated that the final HC income averaging set-aside determination and the receipt of all comments will be received by the appraiser in the near future but not before finalization of this

report. Please note that as a development operating under a HAP contract, changes to HC set-asides are not anticipated to have any material impact on the underlying appraised values relied on for purposes of this analysis. In addition, the incorporation of any comments deemed appropriate by the appraiser are not anticipated to have a negative impact on the underlying appraised values relied on for purposes of this analysis.

4. The Subject Development is a legal non-conforming use for failure to meet parking requirements. Despite this, the Subject Development may be fully reconstructed as it was prior to any casualty as long as the reconstruction cost does not exceed 75% of the replacement cost of the structures.
5. SMG was not engaged to provide closing services. Therefore, SMG has provided the following list of items that must be resolved prior to closing:
 - a. HAP Contract consistent with rental assumptions utilized herein
 - b. PSA assignment, land condominium documents, and ground lease, including initial and ongoing rental amounts, consistent with assumptions utilized in this report
 - c. Structure and terms of BOA construction financing loan(s)
 - d. Final appraisal
 - e. Executed management agreement
 - f. Executed syndication agreement
 - g. Executed General Construction ("GC") contract including total contractor fee discrepancy
 - h. Revised ONIC commitment or draft loan documents confirming the term of the ONIC loan.

Waiver Requests/Special Conditions:

1. Florida Housing Finance Corporation ("FHFC" or "Florida Housing") Rule prohibits any one subcontractor from being awarded more than 20% of the total construction contract amount without prior notification and approval. The Applicant has indicated that due to the extensive scope of planned plumbing renovations this requirement will be exceeded and that it is not practical to hire or coordinate multiple plumbing contractors for purposes of adhering to this Rule.

SMG understands that FHFC will require confirmation from the plan and cost review ("PCR") provider, GLE, that in their opinion multiple plumbing subcontractors is not practical in this specific situation. In addition, GLE must make a determination that the costs associated with the one plumbing subcontract are reasonable, including a review of three competing bids. The Applicant has indicated that the three competing bids will not be available until early June. It is anticipated that this request will be presented to Florida Housing's Board for consideration at its July 17, 2020 meeting.

Issues and Concerns:

1. The schedule of values included as an exhibit to the GC includes amounts for GC overhead, general requirements and profit in an amount that exceeds the limitation for these items of 14%.

Mitigating Factors:

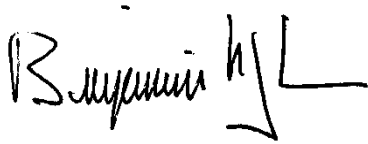
1. Satisfactory resolution of this issue is required prior to closing.

Recommendation:

SMG recommends OCHFA issue the MMRB in the amount of \$21,500,000. This recommendation is based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section B). The reader is cautioned to refer to these sections for complete information.

This recommendation is only valid for six months from the date of the report.

Prepared by:



Benjamin S. Johnson
President

Reviewed by:



Cindy Highsmith
Credit Underwriting Manager

Overview

Construction Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Construction Debt Service
First Mortgage	OCHFA/BOA	\$21,500,000	\$21,500,000	\$21,500,000	3.50%	\$1,098,964
Bridge Loan	BOA	\$6,257,357	\$6,979,433	\$6,979,433	3.50%	\$356,751
Subordinate Mortgage	ONIC	\$2,000,000	\$2,000,000	\$2,000,000	8.00%	N/A
HC Equity	Red Stone	\$1,556,541	\$1,611,604	\$1,611,602		
Deferred Developer Fee	Developer	\$4,985,493	\$4,515,867	\$4,498,664		
NOI from Operations	Applicant	\$2,117,500	\$2,000,000	\$2,000,000		
Additional Equity	GP	\$520,000	\$15,000	\$15,000		
Delayed Reserve Funding	Red Stone	\$1,062,000	\$1,063,000	\$1,063,000		
Total		\$39,998,891	\$39,684,904	\$39,667,699		\$1,455,715

First Mortgage and Bridge Loan Financing:

The Applicant provided a Letter of Preliminary Terms, dated February 24, 2020, from BOA that illustrates the terms and conditions of a construction period financing in an amount up to \$30,000,000, currently estimated to be \$28,479,433, through its 4% tax-exempt or taxable financing program. SMG understands that the financing will be provided through a Construction MMRB first mortgage loan (provided by OCHFA) of \$21,500,000 (equal to the MMRB amount) and a construction period Bridge Loan (directly from BOA to Applicant and subordinate to the Construction MMRB first mortgage) in the amount of \$6,979,433. Both loans will have matching terms.

The term of the loans will be 24 months from the closing date with one six month extension available. Interest shall accrue on the outstanding principal balance at a variable rate equal to the LIBOR Daily Floating Rate plus a spread of 2.25%. Payments of interest only will be required until maturity. The construction interest is calculated based upon the current LIBOR Daily Floating Rate of 0.15% (as of May 14, 2020) plus a 2.25% spread and an underwriting cushion of 1.10%, for an “all-in” interest rate of 3.50%. Based on the terms of the loans and Applicant’s construction draw schedule, MMRB interest for approximately 24 months is reflected in the Financial Cost of the Use of Fund’s section of this report.

Other Construction Sources of Funds:

Additional sources of funds for this Development during construction are the ONIC Subordinate Loan, Housing Credit (“HC”) Equity, delayed reserve funding (post rehabilitation), NOI from Operations, Additional Equity and deferred developer fees which are all discussed in the Permanent Financing Section that follows.

Permanent Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Amort. Yrs.	Term Yrs.	Annual Debt
First Mortgage	OCHFA/Boston Capital	\$21,500,000	\$21,500,000	\$21,500,000	4.15%	40	15	\$1,102,475
Subordinate Loan	ONIC	\$2,000,000	\$2,000,000	\$2,000,000	8.00%	N/A	17	\$160,000
HC Equity	Red Stone	\$10,376,938	\$10,744,030	\$10,744,020				\$0
Def. Developer Fee	Developer	\$3,601,953	\$3,425,874	\$3,408,679				\$0
NOI from Operations	Applicant	\$2,000,000	\$2,000,000	\$2,000,000				
Additional Equity	GP	\$520,000	\$15,000	\$15,000				
Total		\$39,998,891	\$39,684,904	\$39,667,699				\$1,262,475

Proposed First Mortgage Loan

The Applicant provided a Preliminary Proposal, dated April 8, 2020, from Boston Capital, which proposes a tax-exempt first priority fee mortgage loan in an amount up to \$23,500,000, subject to final underwriting, and currently estimated to be \$21,500,000. The term of the loan is 15 years and amortizes based on a 40-year period. The interest rate will be based on a spread of 3.35% over the 17 Year LIBOR rate and then reduced by 21% (tax exempt adjustment), plus a 24-month forward commitment fee of 0.11%, subject to a floor of 4.15%. The rate is currently calculated based upon the current 17 Year LIBOR rate of 0.74% resulting in a rate of 3.31%. Accordingly, SMG has utilized the floor rate of 4.15% for underwriting purposes. Ongoing OCHFA administration fees of 15 basis points are reflected separately on the Operating Pro Forma.

Subordinate Loan

SMG has reviewed correspondence, dated May 20, 2020, from ONIC indicating a financial commitment to fund a subordinate loan in the amount of \$2,000,000 for construction and permanent period financing. Terms include an interest rate of eight percent, annual payments of interest only (subject to available cash flow) and a 17-year term. All remaining principal and accrued interest are due and payable at maturity.

Housing Credits Equity Investment:

The Borrower has applied to Florida Housing to receive 4% HC directly from the United States Treasury in conjunction with tax-exempt financing. A HC calculation is contained in Exhibit 3 of this credit underwriting report.

Based upon a Proposal Letter, dated May 20, 2020 (not yet executed), Red Stone or an affiliate will purchase a 99.99% interest in the Applicant and provide HC equity as follows:

Capital Contributions	Amount	Percent of Total	When Due
1st Installment	\$1,611,602	15.00%	shall be paid upon the later of (a) the execution of the Partnership Agreement, (b) receipt and approval of all due diligence items on Red Stone's due diligence checklist, (c) receipt by the Partnership of commitment for a non-recourse permanent loan acceptable to Red Stone, (d) receipt of commitments of the additional financing sources described in Paragraph 11, and (e) closing and initial funding of the construction loan and the soft loans.
2nd Installment	\$7,520,816	70.00%	upon the later of (a) satisfaction of the funding conditions described in (A) above, (b) receipt of temporary certificates of occupancy, (c) receipt of an architect's certificate of lien-free substantial completion, and (d) January 1, 2022.
3rd Installment	\$805,801	7.50%	upon the later of (a) satisfaction of the funding conditions described in (B) above, (b) receipt of permanent certificates of occupancy, (c) receipt of the final cost certification from an independent certified public accountant, (d) repayment of the construction loan and funding of the Project's permanent mortgage (or such condition will be met concurrently with the payment of this installment), (e) satisfaction of all funding conditions required for the permanent mortgage, including without limitation, three consecutive months of a 1.15 to 1.00 Debt Service Coverage ratio ("DSC") and 90 days of 90% occupancy, (f) achievement of 100% qualified occupancy, (g) calculations of the preliminary adjusters have been prepared, and (h) April 1, 2022.
4th Installment	\$805,801	7.50%	upon the later of (a) satisfaction of the funding conditions described in (C) above, (b) receipt of IRS Form 8609s and a recorded extended use agreement, (c) receipt and review of an acceptable initial tenant file audit, and (d) calculations of final adjusters have been prepared.
Total	\$10,744,020	100.00%	

Annual Tax Credits per Syndication Agreement: \$1,131,063

Total HC Available to Syndicator (10 years): \$11,309,499

Syndication Percentage (limited partner interest): 99.990%

Calculated HC Exchange Rate (per dollar): \$0.950

Proceeds Available During Construction: \$1,611,602

Sufficient equity proceeds will be disbursed at closing to meet regulatory requirements.

GP Capital Contribution:

The General Partner shall make a capital contribution of \$15,000 at partnership closing.

Other Permanent Sources of Funds:

In order to balance the sources and uses of funds after all loan proceeds and capital contributions payable under the Red Stone Proposal Letter have been received, the developer will have to defer \$3,408,679 of developer fees.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accessory Buildings				\$0	
Demolition				\$0	
Installation of Pre Fab Units				\$0	
New Rental Units				\$0	
Off-Site Work				\$0	
Recreational Amenities				\$0	
Rehab of Existing Common Areas				\$0	
Rehab of Existing Rental Units	\$11,371,292	\$9,733,060	\$9,733,060	\$49,406	
Site Work				\$0	
Swimming Pool				\$0	
Furniture, Fixture, & Equipment				\$0	
Hard Cost Contingency - in Constr. Contr.		\$250,000	\$250,000	\$1,269	
Constr. Contr. Costs subject to GC Fee	\$11,371,292	\$9,983,060	\$9,983,060	\$50,675	\$0
General Conditions		\$584,703	\$584,703	\$2,968	
Overhead		\$194,901	\$194,901	\$989	
Profit		\$629,742	\$629,742	\$3,197	
Builder's Risk Insurance				\$0	
General Liability Insurance				\$0	
Payment and Performance Bonds		\$78,885	\$78,885	\$400	
Contract Costs not subject to GC Fee				\$0	
Total Construction Contract/Costs	\$11,371,292	\$11,471,291	\$11,471,291	\$58,230	\$0
Hard Cost Contingency	\$1,237,129	\$1,237,129	\$1,237,129	\$6,280	
PnP Bond paid outside Constr. Contr.				\$0	
Fees for LOC used as Constr. Surety				\$0	
Demolition paid outside Constr. Contr.				\$0	
FF&E paid outside Constr. Contr.	\$25,000	\$25,000	\$25,000	\$127	
Other: Construction Management Fee	\$100,000			\$0	
Total Construction Costs:	\$12,733,421	\$12,733,420	\$12,733,420	\$64,637	\$0

Notes to the Construction Costs:

1. The Applicant has provided an unexecuted construction contract between the Orlando Neighborhood Improvement Corp. and Schaefer General Contracting Services, LLC where the basis for payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price in the amount of \$11,471,291. The date of commencement to be on the issuance of an official Notice to Proceed from Owner, which shall be issued after mortgage closing, and issuance of building permit. The General Contractor shall achieve substantial completion no later than 498 days from the date of commencement. If the General Contractor has not achieved substantial completion within 468 days, there will be a \$1,000 per day liquidated damages fee payable to the Owner. Retainage shall be limited to 10% of each Application for Payment and will be reduced to 5% at 50% substantial completion upon approval from the Owner. Final payment will be made when the contract has been fully performed, the General Contractor has submitted final accounting for the Cost of the Work and a final Certificate for Payment has been issued by the Architect. The Owner's final payment to the Contractor shall be made no later than 30 days after the Architect's final Certificate for Payment.

General Contractor fees as stated appear to be in excess of the 14% maximum per the Rule. Resolution of this issue prior to closing is a condition of this report. General liability insurance will be covered by the general contractor under General Conditions.

The schedule of values also includes an allowance item of \$350,000 for Asbestos Abatement and a \$250,000 contingency related to possible COVID delays.

SMG received the General Contractors Certification of Requirements indicating an understanding of the GC conditions per Rule 67-21 and 67-48, F.A.C.

2. SMG received a Plan and Cost Review ("PCR") from GLE Associates, Inc. ("GLE"). Complete results are set forth in Section B of this credit underwriting report.
3. A 12.96% hard cost contingency is supported by the PCR review and is within the limits of the Rule.
4. Per FHFC Rule, Consulting fees, including those for construction management must be paid out of the Developer Fee. Accordingly, SMG has reflected Construction Management Fee as a sub-set of Developer Fee below.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$40,000	\$40,000	\$40,000	\$203	\$40,000
Appraisal	\$40,000	\$28,700	\$28,700	\$146	
Architect's and Planning Fees				\$0	
Architect's Fee - Green Initiative				\$0	
Architect's Fee - Landscape				\$0	
Architect's Fee - Site/Building Design	\$485,000	\$459,139	\$493,000	\$2,503	
Architect's Fee - Supervision	\$75,000	\$70,000	\$35,000	\$178	
Building Permits	\$75,000	\$75,000	\$75,000	\$381	
Builder's Risk Insurance	\$110,000	\$126,955	\$126,955	\$644	
Capital Needs Assessment/Rehab	\$20,000	\$31,950	\$31,950	\$162	
Engineering Fees	\$65,000	\$65,000	\$65,000	\$330	
Environmental Report	\$50,000	\$29,473	\$29,473	\$150	
Federal Labor Standards Monitoring				\$0	
FHFC Administrative Fees	\$60,077	\$62,192	\$70,126	\$356	\$70,126
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$15	\$3,000
FHFC Credit Underwriting Fee	\$12,908	\$12,915	\$12,915	\$66	\$12,915
FHFC Compliance Fee	\$150,000	\$150,000	\$150,000	\$761	\$150,000
FHFC Other Processing Fee(s)				\$0	
Impact Fee				\$0	
Lender Inspection Fees / Const Admin	\$15,000	\$15,000	\$15,000	\$76	
Insurance		\$199,306	\$199,306	\$1,012	
Legal Fees - Organizational Costs	\$265,952	\$265,500	\$265,500	\$1,348	\$132,750
Market Study		\$5,000	\$5,000	\$25	\$5,000
Marketing and Advertising	\$5,000	\$5,000	\$5,000	\$25	\$5,000
Plan and Cost Review Analysis		\$16,500	\$16,500	\$84	
Property Taxes	\$171,718	\$18,500	\$18,500	\$94	
Soil Test				\$0	
Survey	\$20,000	\$20,000	\$20,000	\$102	\$10,000
Tenant Relocation Costs	\$499,153	\$518,000	\$518,000	\$2,629	
Title Insurance and Recording Fees	\$111,580	\$91,582	\$91,582	\$465	\$45,791
Traffic Study				\$0	
Utility Connection Fees				\$0	
Soft Cost Contingency	\$100,000	\$100,000	\$100,000	\$508	
Other:				\$0	
Total General Development Costs:	\$2,374,388	\$2,408,712	\$2,415,507	\$12,261	\$474,582

Notes to the General Development Costs:

1. Architect's Fees for Site/Building Design and Supervision reflect the fees as stipulated in the Architect Agreement, dated February 14, 2019 between the Applicant and PQH for the Subject Development.
2. Capital Needs Assessment amount includes amounts for rehabilitation scope determination, various lender requirements and HUD 202 prepayment approval.
3. Environmental Report amount includes expenses related to the Phase I, asbestos testing and radon testing.
4. The FHFC Administrative Fee is based on 5.5% (not for profit general partner) of the recommended annual allocation of HC. The FHFC Application Fee is reflective of the application fee for 4% HC.

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5. The FHFC Credit Underwriting fee is for the FHFC HC fee. The OCHFA MMRB Underwriting fee is included in Local HFA Cost of Issuance in Financial Cost below.
 6. The FHFC Compliance Fee is the future compliance fees to be paid at permanent loan conversion and is based on the FHFC Compliance Fee Model.
 7. Legal Fees include amounts for Developer representations and counsel for obtaining HUD 202 prepayment approval.
 8. Soft cost contingency is within 5% of General Development Costs (exclusive of the contingency) as limited by Rule.
 9. Other General Development Costs are based on the Borrower's estimates, which appear reasonable.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Application Fee				\$0	
Construction Loan Underwriting Fee				\$0	
Construction Loan Origination Fee				\$0	
Construction Loan Commitment Fee	\$249,816	\$280,315	\$256,315	\$1,301	
Construction Loan Closing Costs	\$65,000	\$65,000	\$65,000	\$330	
Construction Loan Interest	\$1,431,524	\$1,455,715	\$1,455,715	\$7,389	\$900,313
Construction Loan Servicing Fees				\$0	
Permanent Loan Application Fee				\$0	
Permanent Loan Underwriting Fee				\$0	
Permanent Loan Subsidy Layering Rev.				\$0	
Permanent Loan Commitment Fee		\$139,750	\$139,750	\$709	\$139,750
Permanent Loan Origination Fee				\$0	
Permanent Loan Closing Costs	\$214,750	\$90,000	\$90,000	\$457	\$90,000
Permanent Loan Interest				\$0	
Local HFA Application Bond Fee				\$0	
Local HFA Bond Cost of Issuance	\$532,992	\$623,992	\$623,992	\$3,167	\$623,992
Local HFA Bond Closing Costs				\$0	
Local HFA Bond Interest				\$0	
Other: Syndication Expenses	\$65,000	\$60,000	\$60,000	\$305	\$60,000
Other: Stadby Deposit				\$0	
Total Financial Costs:	\$2,559,082	\$2,714,772	\$2,690,772	\$13,659	\$1,814,055
Dev. Costs before Acq., Dev. Fee & Reserves	\$17,666,891	\$17,856,904	\$17,839,699	\$90,557	\$2,288,637

Notes to the Financial Costs:

1. Construction Loan Origination Fee is consistent with the BOA proposal.
2. Permanent Loan Origination Fee is consistent with the Boston Capital proposal.
3. Local Bond HFA Cost of Issuance amount is based on an estimate provided by RBC and includes the following: fees and expenses of the Issuer, RBC Underwriter fee, Real Estate Counsel, Bond Counsel, Disclosure Counsel and other fees.
4. Other Financial Costs are based on the Applicant's estimates, which appear reasonable.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Building				\$0	
Building Acquisition Cost	\$15,770,000	\$10,282,500	\$13,600,000	\$69,036	
Developer Fee on Non-Land Acq. Costs	\$5,000,000	\$1,850,850	\$2,448,000	\$12,426	
Other: Vacant Unit Payment	\$0	\$15,000	\$15,000	\$76	
Total Non-Land Acquisition Costs:	\$20,770,000	\$12,148,350	\$16,063,000	\$81,538	\$0

Notes to the Non-Land Acquisition Costs:

1. Applicant presented a January 19, 2018 ("Effective Date") Purchase and Sale Agreement ("PSA") between ONIC ("Buyer") and First Baptist Housing, Inc. ("Seller") reflecting a purchase price of \$15,750,000. Subsequently there have been four amendments to the PSA dated October 18, 2018, April 30, 2019, July 24, 2019 and November 5, 2019 (collectively, the "Master Purchase Agreement" or "MPA"). As evidenced by the Fourth Amendment to Purchase and Sale Agreement, dated

November 5, 2019, the closing date has been extended to October 30, 2020. The PSA provides for various cash deposits to be held in escrow; however, the deposits are applied to the purchase price.

A draft Assignment, Assumption and Agency Agreement ("Assignment") assigns rights and obligations under the MPA to the Applicant. The Applicant, as agent for ONIC and ONIC Parking, will create a land condominium consisting of Unit 1 (Subject Development) and Unit 2 (residential parking lot). The purchase price of Unit 1 is \$15,700,000.

- The "As-Is" appraised value of the Subject is \$15,700,000 which supports the purchase price. Building Acquisition Cost is calculated as the difference between the purchase price and the portion attributable to land as described below.
- Maximum Developer Fee on Non-Land Acquisition Costs is 18% of that amount.
- Vacant unit payments are due under an agreement, dated February 14, 2020, between ONIC and the Seller for the Seller not to lease a certain number units as they become vacant through the closing date so as to ensure rehabilitation on those units can start immediately after closing. This amount is currently estimated to total \$15,000.

DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned		\$3,149,150	\$2,552,000	\$12,954	
Other:				\$0	
Total Other Development Costs:	\$0	\$3,149,150	\$2,552,000	\$12,954	\$0

Notes to Developer Fee on Non-Acquisition Costs

- Developer Fee – Unapportioned is 18% of Development Costs, exclusive of Non-Land Acquisition Costs, Land Acquisition Costs and Reserves.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Land				\$0	
Land Acquisition Cost		\$5,417,500	\$2,100,000	\$10,660	\$2,100,000
Other: Parking Garage Prepayment	\$500,000	\$50,000	\$50,000	\$254	\$50,000
Total Acquisition Costs:	\$500,000	\$5,467,500	\$2,150,000	\$10,914	\$2,150,000

Notes to the Land Acquisition Costs:

- The "As-If" Vacant Land value is \$2,100,000
- The Orange County Property Appraiser's website indicates a Land Value of \$4,334,000.
- Based upon FHFC's Land Allocation criteria, SMG has utilized the "As If" Vacant Land value.
- Parking Garage Prepayment reflects the anticipated upfront ground lease payment due at closing.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Lender)				\$0	\$0
Operating Deficit Reserve (Syndicator)	\$1,062,000	\$1,063,000	\$1,063,000	\$5,396	\$1,063,000
Replacement Reserves (Lender)				\$0	\$0
Other: Tax & Insurance Escrow				\$0	\$0
Other:				\$0	\$0
Total Reserve Accounts:	\$1,062,000	\$1,063,000	\$1,063,000	\$5,396	\$1,063,000

Notes to Reserve Accounts:

1. Reserves – Operating Deficit is the Operating Deficit Reserve (“ODR”) required by Red Stone in the Equity Investor Proposal Letter.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$39,998,891	\$39,684,904	\$39,667,699	\$201,359	\$5,501,637

Notes to the Total Development Costs: None

Operating Pro forma

OPERATING PRO FORMA				ANNUAL	PER UNIT
INCOME	Gross Potential Rental Income			\$2,416,944	\$12,269
	Rent Subsidy (ODR)			\$0	\$0
	Other Income:				
	Ancillary Income-Parking			\$0	\$0
	Miscellaneous			\$32,000	\$162
	Washer/Dryer Rentals			\$0	\$0
	Cable/Satellite Income			\$28,638	\$145
	Rent Concessions			\$0	\$0
	Alarm Income			\$0	\$0
	Gross Potential Income			\$2,477,582	\$12,577
	Less:				
	Economic Loss - Percentage: 0.00%			\$0	\$0
Physical Vacancy Loss - Percentage: 4.00%			(\$99,103)	(\$503)	
Collection Loss - Percentage: 1.00%			(\$24,776)	(\$126)	
Total Effective Gross Revenue				\$2,353,703	\$11,948
EXPENSES	Fixed:				
	Ground Lease			\$0	\$0
	Sub-Ground Lease			\$0	\$0
	Real Estate Taxes			\$12,500	\$63
	Insurance			\$124,875	\$634
	Other			\$0	\$0
	Variable:				
	Management Fee - Percentage: 4.25%			\$100,032	\$508
	General and Administrative			\$51,139	\$260
	Payroll Expenses			\$347,665	\$1,765
	Utilities			\$265,000	\$1,345
	Marketing and Advertising			\$0	\$0
	Maintenance and Repairs			\$31,687	\$161
	Grounds Maintenance and Landscaping			\$0	\$0
	Resident Programs			\$0	\$0
	Contract Services			\$16,800	\$85
	Security			\$0	\$0
	Other-Parking Lease Payment			\$0	\$0
	Reserve for Replacements			\$84,907	\$431
Total Expenses				\$1,034,605	\$5,252
Net Operating Income				\$1,319,098	\$6,696
Debt Service Payments					
DEBT SE	First Mortgage - Fannie Mae			\$1,102,475	\$5,596
	Second Mortgage - ONIC			\$160,000	\$812
	First Mortgage Fees - OCHFA Administrative			\$32,250	\$164
Total Debt Service Payments				\$1,294,725	\$6,572
Cash Flow After Debt Service				\$24,373	\$124

Debt Service Coverage Ratios		
	DSC - First Mortgage plus Fees	1.162
	DSC - Second Mortgage plus Fees	1.019
	DSC - All Mortgages and Fees	1.019
Financial Ratios		
	Operating Expense Ratio	44.0%
	Break-Even Ratio	94.2%

Notes to the Operating Pro forma and Ratios:

1. It is anticipated that the Subject Development will be encumbered by a new HUD Project-based Section 8 HAP Contract for 196 units at FMR. The FMR have been utilized for purposes of determining pro forma NOI. In addition, these rents were utilized by the Appraiser for purposes of providing appraised values.

A rent roll for the Subject Development is illustrated in the following table:

MSA/County: Orlando-Kissimmee-Sanford MSA/ Orange County

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
0	1.0	27	438	30%			\$381		\$381	\$989	\$989	\$989	\$989	\$320,436
0	1.0	79	438	60%			\$763		\$763	\$989	\$989	\$989	\$989	\$937,572
1	1.0	16	620	40%			\$545		\$545	\$1,064	\$1,064	\$1,064	\$1,064	\$204,288
1	1.0	20	620	60%			\$818		\$818	\$1,064	\$1,064	\$1,064	\$1,064	\$255,360
1	1.0	39	656	80%			\$1,091		\$1,091	\$1,064	\$1,064	\$1,064	\$1,064	\$497,952
1	1.0	15	620	80%			\$1,091		\$1,091	\$1,064	\$1,064	\$1,064	\$1,064	\$191,520
1	1.0	1	620	60%			\$818		\$818		\$818	\$818	\$818	\$9,816
		197	104,252											\$2,416,944

2. Miscellaneous income is based on historical income collected at the Subject Development from pet fees, application fees, damages, and late fees.
3. The Appraiser estimates a stabilized physical vacancy rate of 4% and collection loss of 1% for an economic occupancy of 95% and a physical occupancy rate of 96%. These assumptions are supported by the historical occupancy rates of the Subject Development.
4. Real estate tax expense is based on the Appraiser's estimate and is reflective of tax abatement associated with Florida Statute 196.175, The Homes for Aged Exemption.
5. Management Fees are based on a draft Management Agreement between Applicant and RAM with compensation set at the greater of 4.25% of rental income or \$3,000 per month. Comparable management company compensation typically ranges between 3.5% and 6% of rental income. SMG has utilized a management fee of 4.25% which is consistent with the appraiser's assumption.
6. Other operating expense estimates are based on either market comparables or historical operations at the Subject and are supported by the appraisal.

7. Annual deposit to replacement reserve is equal to the Applicant's estimate which is equal to the amount concluded in the Physical Needs Assessment of \$431 and greater than Florida Housing's minimum requirement.
8. A 15-year income and expense projection shows increasing debt service coverage ("DSC") through year fifteen (15). This projection is attached to this report as Exhibit 1.

Section B

Supporting Information and Schedules

Additional Development and Third Party Supplemental Information

Appraised Value:	<p>The appraised value is \$22,700,000, as if completed and stabilized, based on market rents and market financing, as reported in a full narrative appraisal, dated April 29, 2020, with an effective date of April 11, 2020, of the Subject Development, performed by Integra Realty Resources (“Integra”) of Tampa, Florida. Michael Ahwash is a State Certified General Real Estate Appraiser, Florida License No. RZ2326. Based on the market value of the property, the loan-to-value ratio for the first mortgage debt is 94.7%.</p> <p>The appraised value as if completed and stabilized and based on HUD restricted rents and market financing is estimated at \$25,000,000. The loan-to-value ratio for the first mortgage debt based on this value is 86.0%.</p> <p>The appraiser estimated the “as-is” market value of the Subject Development is \$15,700,000, which is greater than the reported purchase price.</p> <p>The appraisal also estimated an “as if vacant” value for the land of \$2,100,000.</p>
Market Study:	<p>Seltzer also received a separate Market Study on the subject property completed by Vogt Strategic Insights (“VSI”), dated April 30, 2020. VSI indicated the current unit mix for the 197 unit high rise apartment community will change to income averaging with 30%, 60% and 80% AMI units. In addition, VSI found the development site to be convenient to neighborhood shopping, employment, educational and medical facilities and stated all necessary utilities and services were available to the site to support the current development plan. Overall, access and exposure are considered good for multifamily purposes. Based on VSI’s investigations, the subject property’s highest and best use is considered to be suitable for multifamily development. The subject’s amenities include a game room, activity room and library.</p> <p>The subject property is located in Orange County in what is considered the Orlando-Kissimmee-Sanford Metropolitan Statistical Area (“MSA”) in the central portion of Florida. According to the 2019 U.S. Census Bureau estimation, Orange County has a total population of 1,378,538 people and 503,126 total households. Over the past ten years the unemployment rate for the region was consistent with state averages. The most recent unofficial, not seasonally adjusted unemployment rate for Orange County is 2.8% as of February 2020. The neighborhood boundaries include State Road 438 to the north; Crystal Lake Drive to</p>

the east; Michigan Street to the South; and John Young Parkway to the west.

The target market area for the subject is generally considered to be Primary Market Area ("PMA"). The PMA comprises the central downtown portion of Orlando and the neighborhoods in central Orlando including Spring Lake, College Park, Lake Formosa, Park Lake/Highland, Lake Eola Heights, Hampton Park, Lake Como, Lake Cherokee, Delaney Park, South Orange, Griffin Park Historic District and Callahan. The population is projected to increase over the next five years by approximately 7,255 persons, or 11.4%. The number of households in the PMA is projected to increase by about 4,023, or 12.7%.

The subject property was 95.9% occupied at the time of VSI's review. The subject property is currently stabilized, however the owner is keeping rooms vacant as they become available due to the rehab. It is VSI's opinion that the subject will not have a problem reaching stabilized occupancy within 8 months of completion, limited only to the speed which management could process applicants. Occupancies within the comparable elderly LIHTC rental apartment developments surveyed at 100%. The weighted occupancy is more than the 92% minimum required by FHFC. VSI estimates a capture rate within the PMA of 7.37%. Absorption was indicated to be in a range of approximately 25 units per month; however, the subject is an existing development and currently stabilized.

SMG has confirmed that the property is not located within a Qualified Census Tract, however it is in a Difficult to Develop Area.

The subject is an existing development and currently stabilized, VSI expects that the subject will not have an impact on the existing affordable housing units in like (elderly) properties and/or Guarantee Fund Developments within the submarket, PMA, or County due to a shortage in like-kind properties. VSI's opinion is that the Development should not have a significant short-term or long-term impact on existing properties in the submarket. SMG has confirmed there are no Guarantee Fund Developments located within the subject's PMA.

VSI notes that the subject will obtain maximum allowable 2020 HC rents except for those units at 80% AMI. Per FHFC requirements, market rents are to exceed restricted rents by a minimum of 10%. VSI estimates the overall weighted average market rent is 29.7% to 78.8% greater than estimated average restricted rent. Seltzer notes the property will continue to operate under a Section 8 HAP contract.

Environmental Report: Dominion Due Diligence Group (“Dominion”) performed a Phase I Environmental Site Assessment (“ESA”) in accordance with ASTM Standard E-1527-13 and HUD MAP Guide. The ESA indicates an inspection date of January 28, 2020 and a report issue date of February 10, 2020.

Dominion’s findings are summarized below:

A recognized environmental condition (“REC”) refers to the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: due to release to the environment; under conditions indicative of a release to the environment; or under conditions that pose a material threat of a future release to the environment:

- Dominion did not identify any recognized environmental conditions during the course of this assessment.

A controlled recognized environmental condition refers to a REC resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls. The following was identified during the course of this assessment:

- Dominion did not identify any controlled recognized environmental conditions during the course of this assessment.

A historical recognized environmental condition refers to a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls. The following was identified during the course of this assessment:

- Dominion did not identify any historical recognized environmental conditions during the course of this assessment.

An environmental issue refers to environmental concerns identified by Dominion, which do not qualify as RECs; however, warrant further

discussion. The following was identified during the course of this assessment:

- Dominion did not identify any environmental issues during the course of this assessment.

Dominion's assessment revealed no evidence of recognized environmental conditions in connection with the subject property and recommends no further investigation of the subject property at this time.

Soil Test Report:

The subject is an existing purchase/rehabilitation. There are no new structures being built as part of the planned rehabilitation; therefore, no soils test or borings are required.

Capital Needs Assessment:

SMG received and reviewed a Capital Needs Assessment ("CNA") from GLE Associates, Inc. ("GLE") dated March 23, 2020. A site visit was conducted March 12, 2020. The CNA was performed in general conformance with ASTM E2018-15.

The purpose of the CNA was to determine the property's current condition and to identify major deficiencies and other problems currently present at the property or anticipated to require repair or replacement in the future to operate as a competitive affordable residential community. At the time of GLE's site visit, the property was in fair to poor condition.

GLE surveyed the property to determine compliance with applicable sections of accessibility statutes and regulations such as the ADA Standards for Accessible Design (28 CFR Part 26) of the Code of Federal Regulations, the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973. It was noted that the property was constructed prior to 1991 therefore the Fair Housing act does not apply.

Immediate repair items are life safety items that, in GLE's opinion, if left in the current condition, have the potential to cause injury, illness, or death. Critical repair items are items requiring immediate remediation to prevent additional substantial deterioration to a particular system, to address an immediate need, or extend the life of a system critical to the operation of the property. GLE has estimated total immediate repairs of \$0 and critical repairs of \$3,060,302. Of these repairs, \$83,600 is associated with accessibility compliance such as providing hearing and visual impaired units, compliant washers and dryers, and providing additional Section 504 units.

Deferred maintenance items are material systems, components, or equipment that are approaching, have reached, or have exceeded their estimated useful life, and which have the potential to affect the property's financial and operational performance if not remediated within twelve (12) months. GLE has stated there are no deferred maintenance items.

The replacement reserves chart within GLE's CNA is based on a term of 15 years with uninflated and inflated (3% increase per year) capital expenditure averages per unit per year. Based on GLE's analysis, the Development will require an inflated replacement reserve of \$431.00 per unit per year.

Pre-Construction Analysis:

SMG has received a Plan and Cost Review ("PCA") from GLE dated May 15, 2020.

The PCA report states that the plans and specifications (architectural and mechanical) provided appear to be generally adequate for review and coordination / regulatory review / pricing under the proposed contract model (negotiated Cost Plus a Fee with a Guaranteed Maximum Price). Overall, the drawings and specifications are sufficiently organized and depict a reasonable approach to the development of the project and provide an adequate amount of information for the Construction Phase. General compliance, code compliance, zoning and ADA regulations appear to have been met.

The project scope consists of interior and exterior renovations to the existing residential building including accessibility upgrades and limited site improvements. The scope of interior renovations will generally include the removal of windows, fan coils, appliances, select interior partitions, floor finishes, portions of the existing roof covering, select exterior doors, select interior doors, plumbing fixtures, light fixtures, kitchen cabinets and countertops, as well as bathroom cabinets, new rooftop exhaust grills and dampers, new ground fault circuit interrupters will be provided in all kitchens and bathrooms as needed, new emergency call system, new visual and hearing components for the vision and hearing impaired units, floor drains and new plumbing throughout. The scope of exterior building improvements will generally include replacement of some existing roofing and new exterior doors. The scope of site work improvements will generally include repairs to the mailboxes being replaced. The Plumbing Contractor is to receive 34% of the of overall contract amount. A waiver from FHFC is required for the Plumbing Contractor to receive 34% of the of overall contract amount.

The total construction cost provided by Schaefer General Contracting Services, LLC equals \$11,471,291 (not including a 10% hard cost contingency), or \$110.03 per square foot of gross building (104,252 gross square feet) and \$58,229 per apartment (197 apartments). It is GLE's opinion that this cost is appropriate for the scope of work indicated. Individual line item costs generally appear appropriate.

Following a review of the scope of work, the construction schedule of 498 days which appears reasonable.

Site Inspection:

Emily Taylor of Seltzer Management Group, Inc., conducted a site visit on April 30, 2020, for the above-referenced project. This site is an existing apartment community built in 1969, with 1 fourteen story high rise residential building, featuring 197 units consisting of studio and one bedroom units. This is a residential and commercial area, with numerous condos, businesses, restaurants and apartment communities near the site. The property is located in the heart of Downtown Orlando. There is an elementary school and a middle school northeast, within 1.5 miles, and a high school north-west, within 5.5 miles. Valencia College is less than 2 miles north-west and AdventHealth University and Rollins College are within 5 miles north. There are two hospitals, within 3 miles north and south. There is a Fire Department and a Boys & Girls Club, within 1.5 miles west and north-west. A senior center can be found approximately 1.2 miles south of the site. The Paramount on Lake Eola has a grocery store, pharmacy, bank and restaurants less than 0.25 miles from site. Lake Eola Park, Mayor Carl T. Langford Park, Delaney Park, Lorna Doone Park, and Lake Ivanhoe Park are all less than 3 miles from the property. Public transportation, a bus stop, is located just southeast of the property entrance on the corner of S. Osceola Ave. and E. Church St. There are 3 affordable housing communities (Delaney Apartments, Lexington Court Apartments and Anderson Oaks Apartments), within five miles. There is 1 Elderly affordable housing community (Kinneret Apartments) within 1.5 miles south.

There does not appear to be any apparent adverse conditions that would negatively affect this development nor impair the property's ability to attract tenants.

Borrower Information

Borrower Name: 414 East Pine Street, LP ("Borrower")

Borrower Type: Florida Limited Partnership

Ownership Structure: Borrower is a Florida Limited Partnership registered with the State of Florida on June 7, 2018. A copy of the Limited Partnership Agreement ("LPA") was provided for the Borrower. The current Certificate of Status was verified with the Secretary of State.

The general partner of Borrower is ONIC-Senior Affordable Housing, Inc. ("GP" or "ONIC SA"), a Florida Not For Profit Corporation registered with the State of Florida on December 18, 2001, with 0.01% ownership interest. ONIC SA is fully owned by Orlando Neighborhood Improvement Corporation, Inc. ("ONIC") is, a Florida Not For Profit Corporation registered with the State of Florida on April 15, 1985. The current 99.99% limited partner is ONIC-Acquisition LLC, a Florida limited liability company, registered with the State of Florida in June 4, 2018. An affiliate of Red Stone Equity Partners, LLC will replace ONIC-Acquisition LLC as LP prior to or concurrent with construction loan closing.

Copies of the Articles of Incorporation and/or Organization and Certificates of Status have been provided on each of the pertinent ownership structure entities listed above.

Contact Information: Alfred Arzuaga
407-648-1623 (telephone)
E-Mail: arzuaga@orlandoneighborhood.org

Address: 101 South Terry Avenue
Orlando, FL 32805

Federal Employer ID: 83-2814629

Experience: Borrower: The Borrower was formed to acquire, own, and operate the subject property, and has no development experience.

GP: The GP is a subsidiary of ONIC, who is also the Developer. ONIC is a development company, which has been developing affordable housing in Central Florida since 1989 consisting of both new construction and acquisition rehabilitations. They have developed single family homes as well as neighborhood-oriented shopping. They have also developed, co-developed or partnered in 24 properties throughout central Florida, representing 2,587 residential units.

Credit Evaluation: Borrower is a newly formed entity and has no operating or credit history.

	A comprehensive credit report for ONIC, dated May 19, 2020, reported no significant adversities.								
Bank References:	<p>Borrower is a newly formed entities that have no business references.</p> <p>Bank references for ONIC reported satisfactory depository and payment relationships.</p> <p>SMG has received February 28, 2020 bank statements and/or investment statements for ONIC evidencing cash and equivalents as stated in the most currently submitted financial statements.</p>								
Financial Statements:	<p>Borrower is a newly formed entities that have no financial statements.</p> <p><u>ONIC and Subsidiaries:</u></p> <table><tr><td>Cash and Cash Equivalents</td><td>\$ 7,005,573</td></tr><tr><td>Total Assets:</td><td>\$ 42,975,984</td></tr><tr><td>Total Liabilities:</td><td>\$ 28,779,025</td></tr><tr><td>Net Assets:</td><td>\$ 14,196,959</td></tr></table> <p>The financial information is based upon audited financial statements prepared by Schafer, Tschopp, Whitcomb, Mitchell & Sheridan, LLP for the period ending September 30, 2019. Assets are primarily real estate, cash, restricted cash, cash equivalents, prepaid expenses and predevelopment costs. Liabilities are primarily accrued expenses, deferred revenue and ,mortgage debt Seltzer reviewed the 2016 and 2017 U.S. Forms 990, which were satisfactory.</p>	Cash and Cash Equivalents	\$ 7,005,573	Total Assets:	\$ 42,975,984	Total Liabilities:	\$ 28,779,025	Net Assets:	\$ 14,196,959
Cash and Cash Equivalents	\$ 7,005,573								
Total Assets:	\$ 42,975,984								
Total Liabilities:	\$ 28,779,025								
Net Assets:	\$ 14,196,959								
Contingent Liabilities:	<p>Borrower is a newly formed entity that has no contingent liabilities.</p> <p>ONIC reports no Construction Completion or Operating Deficit Guarantees. A Statement of Financial and Credit Affairs reports four pending legal actions and no bankruptcies, foreclosures or unsatisfied judgments.</p>								
Summary:	Based upon the information provided, Borrower and GP via ONIC t have the requisite experience and financial resources to develop and operate the Subject Development.								

Guarantor Information

Guarantor Name:	Borrower, GP and Developer
Guarantor Address:	101 South Terry Avenue Orlando, FL 32805
Contact Information:	Alfred Arzuaga Arzuaga@orlandoneighborhood.org Telephone (407) 648-1623
Guarantor Description:	The Borrower was formed expressly to own and operate the Subject Development. The Borrower and the GP, through ONIC, who is also the developer, appear to have the experience to purchase and rehabilitate the subject property. All named entities will provide guarantees.
Nature of the Guarantee:	<p>The Guarantors will sign standard OCHFA Construction Completion, Environmental Indemnity, Recourse Obligation and Operating Deficit Guarantees. The Construction Completion Guarantee will be released upon 100% lien-free completion as approved by the Loan Servicer.</p> <p>For the MMRB Loan, Guarantors are to provide the standard OCHFA Operating Deficit Guarantee. If requested in writing by Applicant, the Loan Servicer will consider a recommendation to release the Operating Deficit Guarantee if all conditions are met, including achievement of a 1.15x Debt Service Coverage ("DSC") Ratio on the MMRB Loan, as determined by the OCHFA or the Loan Servicer and 90% occupancy and 90% of the Gross Potential Rental Income, net of Utility Allowances, if applicable, for a period of 12 consecutive months, all certified by an independent Certified Public Accountant and verified by the Loan Servicer. The calculation of the DSC Ratio shall be made by OCHFA or the Loan Servicer. Notwithstanding the above, the Operating Deficit Guarantee shall not terminate earlier than three (3) years following the final Certificate of Occupancy.</p>
Credit Evaluation:	Please refer to the Borrower Information section of this report.
Banking References:	Please refer to the Borrower Information section of this report.
Financial Statements:	Please refer to the Borrower Information section of this report.
Contingent Liabilities:	Please refer to the Borrower Information section of this report.
Summary:	Based upon the financial information provided, the Guarantors appear to have adequate financial strength to serve as the guarantors for this Development.

Syndicator Information

Syndicator Name: Red Stone Equity Partners, LLC ("Red Stone") or affiliate

Contact Person: Darren Swanson, Managing Director Acquisitions (Southeast)

(704) 200-9508 Telephone

Darren.Swanson@rsequity.com Email

Address: 6000 Fairview Road, Suite 550

Charlotte, NC 28210

Experience: Red Stone Equity Partners, LLC was formed in 2007 to sponsor and manage LIHTC investments funds for institutional investor clients. Red Stone Equity Partners carefully acquires, structures, and provides long-term fund and asset management services to both its developer and investor clients. Through a national network of development and investor customers, Red Stone-managed investment funds acquire interests in multifamily affordable housing apartment communities throughout the United States. Red Stone Equity Partners focuses on the acquisition of multifamily affordable housing apartment communities in markets throughout the United States. Since 2007, Red Stone Equity Partners has raised more than \$3.9 billion in tax credit equity for the development and/or rehabilitation of more than 29,000 affordable housing units.

Financial Statements: The December 31, 2019 Consolidated Financial Statements for Red Stone, reflect Total Assets in the high eight figures with Members' Equity in the mid eight figures. Net Income attributable for the year ended December 31, 2019 is in the low eight figures.

Summary: Red Stone has demonstrated that it has the experience and financial strength to serve as the syndicator for this Development.

General Contractor Information

General Contractor Name: Schaefer General Contracting Services, LLC ("Schaefer")

Type: A Florida Limited Liability Company

Contact Person: Brian Kebler
Telephone (813) 232-9637

Address: 8417 Sunstate Street
Tampa, FL 33634

Experience: Schaefer was founded in 1954, is a national builder who specializes in construction management, design-build and general contracting. Schaefer Companies has renovated or constructed over 11,228 units in 58 developments located in Massachusetts, New Jersey, New York, Connecticut, Florida, Maryland and Virginia.

License: Schaefer submitted the license of Eric James Schaefer, who is a Florida Certified Building Contractor with license number CBC1260315. His contractor license was originally issued in Florida on March 19, 2015 and is valid through August 31, 2020.

Credit Evaluation: A May 19, 2020 Experian Business Profile Report for Schaefer reflects satisfactory credit data, no judgments, no liens, no UCC filings and one item in collections.

Business References: Business references for Schaefer are satisfactory.

Financial Statements: Schaefer:

Cash and Cash Equivalents	\$ 563,543
Total Assets:	\$ 2,989,808
Total Liabilities:	\$ 2,606,383
Total Equity:	\$ 383,425

The financial information is based upon an internally prepared balance sheet for the period ended December 31, 2019. Assets consist primarily of Cash and Equivalents and Contracts Receivable in the amounts of \$563,543 and \$2 million, respectively. Liabilities consist primarily of Accounts Payable in the amount of \$2.

Summary: Schaefer has the requisite experience and financial capacity to complete the proposed rehabilitation of the Development. Schaefer provided a Surety Letter from L A Surety Solutions dated April 3, 2020 stating that Travelers Casualty and Surety Company of America is prepared to favorably consider requests for surety bonding falling within a \$20 Million single project and \$40 Million aggregate program in favor of

Schaefer. Travelers Casualty and Surety Company of America has an A.M. Best Rating of A++ XV.

SMG recommends that Schaefer be accepted as the general contractor subject to the conditions, if any, listed in the Recommendations section of this report.

Property Manager Information

Property Manager Name: Royal American Management, Inc. ("RAM")

Type: A Florida Corporation

Contact Person: Kerri Toth, President, Manager

(850) 769-8981 Telephone

(850) 769-1294 Facsimile

Address: 1002 West 23rd Street, Suite 400
Panama City, FL 32405

Experience: RAM is a Florida Corporation formed in February 1979. It is an S Corporation and a 100% subsidiary of Peoples First Properties, Inc. Currently, Kerri Toth is President, Jeanette B. Chapman is a Director, Joseph F. Chapman, IV, is Vice President, Scott C. Clemo is Vice President, Robert F. Henry, III, is Vice President, and Laurretta J. Pippin is Secretary/Treasurer.

RAM provided a resume indicating it is a licensed real estate brokerage corporation based in Panama City, Florida with regional offices in Concord, North Carolina; Orlando, Florida; Miami, Florida; and Bainbridge, Georgia. The firm's charter is to provide professional property management services and it has done so since its inception in 1971. RAM has attained the Accredited Management Organization designation from the Institute of Real Estate Management. RAM currently manages 250 apartment communities comprised of over 20,000 units of conventional, family, and elderly housing in Alabama, Florida, Georgia, North Carolina, South Carolina, and southern Mississippi. The majority of these properties are located in Florida. RAM has extensive experience in all types of multifamily property management and funding programs including HUD, RD, Bonds, HOME, SAIL, Hope VI, ALF, Senior Affordable, and Aggregate Living Communities as well as numerous other conventionally financed and housing tax credit properties. The company also actively manages office buildings and retail facilities in Florida.

Management Agreement: Applicant submitted a **draft** Management Agreement between Applicant and RAM. The agreement shall be in effect for a period of two years, beginning on the commencement date and ending twenty four calendar months thereafter. The term will be automatically renewed at the end of the original term and subsequent terms for additional one year terms, unless terminated in accordance with the terms of the

agreement. A management fee equal to 4.25% of gross collections or \$3,000 per unit per month, whichever is greater, will be paid monthly.

Management Plan: Applicant submitted a Management Plan with RAM that appears satisfactory.

Summary: The selection of RAM as a management company has previously been approved by the Asset Management Department of FHFC. The Asset Management Department of FHFC will need to approve the selection of RAM for the Subject Development prior to the commencement of lease-up activity. Continued approval will be contingent upon ongoing satisfactory performance. Receipt and satisfactory review of a fully executed Management Agreement is a closing condition of this Report.

Exhibit 1
Baptist Terrace Apartments
15 Year Income and Expense Projection

FINANCIAL COSTS:		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	
OPERATING PRO FORMA																	
INCOME	Gross Potential Rental Income	\$2,416,944	\$2,465,283	\$2,514,589	\$2,564,880	\$2,616,178	\$2,668,501	\$2,721,872	\$2,776,309	\$2,831,835	\$2,888,472	\$2,946,241	\$3,005,166	\$3,065,269	\$3,126,575	\$3,189,106	
	Rent Subsidy (ODR)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Other Income:																
	Ancillary Income-Parking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Miscellaneous	\$32,000	\$32,640	\$33,293	\$33,959	\$34,638	\$35,331	\$36,037	\$36,758	\$37,493	\$38,243	\$39,008	\$39,788	\$40,584	\$41,395	\$42,223	
	Washer/Dryer Rentals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Cable/Satellite Income	\$28,638	\$29,211	\$29,795	\$30,391	\$30,999	\$31,619	\$32,251	\$32,896	\$33,554	\$34,225	\$34,910	\$35,608	\$36,320	\$37,046	\$37,787	
	Rent Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Alarm Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Gross Potential Income	\$2,477,582	\$2,527,134	\$2,577,676	\$2,629,230	\$2,681,814	\$2,735,451	\$2,790,160	\$2,845,963	\$2,902,882	\$2,960,940	\$3,020,159	\$3,080,562	\$3,142,173	\$3,205,017	\$3,269,117	
	Less:																
	Economic Loss - Percentage:																
Physical Vacancy Loss - Percentage:	4.0%	(\$99,103)	(\$101,085)	(\$103,107)	(\$105,169)	(\$107,273)	(\$109,418)	(\$111,606)	(\$113,839)	(\$116,115)	(\$118,438)	(\$120,806)	(\$123,222)	(\$125,687)	(\$128,201)	(\$130,765)	
Collection Loss - Percentage:	1.0%	(\$24,776)	(\$25,271)	(\$25,777)	(\$26,292)	(\$26,818)	(\$27,355)	(\$27,902)	(\$28,460)	(\$29,029)	(\$29,609)	(\$30,202)	(\$30,806)	(\$31,422)	(\$32,050)	(\$32,691)	
Total Effective Gross Revenue		\$2,353,703	\$2,400,777	\$2,448,793	\$2,497,768	\$2,547,724	\$2,598,678	\$2,650,652	\$2,703,665	\$2,757,738	\$2,812,893	\$2,869,151	\$2,926,534	\$2,985,064	\$3,044,766	\$3,105,661	
EXPENSES	Fixed:																
	Ground Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Sub-Ground Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Real Estate Taxes	\$12,500	\$12,875	\$13,261	\$13,659	\$14,069	\$14,491	\$14,926	\$15,373	\$15,835	\$16,310	\$16,799	\$17,303	\$17,822	\$18,357	\$18,907	
	Insurance	\$124,875	\$128,621	\$132,480	\$136,454	\$140,548	\$144,764	\$149,107	\$153,580	\$158,188	\$162,934	\$167,822	\$172,856	\$178,042	\$183,383	\$188,885	
	Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Variable:																
	Management Fee - Percentage:	4.25%	\$100,032	\$102,033	\$104,074	\$106,155	\$108,278	\$110,444	\$112,653	\$114,906	\$117,204	\$119,548	\$121,939	\$124,378	\$126,865	\$129,403	\$131,991
	General and Administrative	\$51,139	\$52,673	\$54,253	\$55,881	\$57,557	\$59,284	\$61,063	\$62,895	\$64,781	\$66,725	\$68,727	\$70,788	\$72,912	\$75,099	\$77,352	
	Payroll Expenses	\$347,665	\$358,095	\$368,838	\$379,903	\$391,300	\$403,039	\$415,130	\$427,584	\$440,412	\$453,624	\$467,233	\$481,250	\$495,687	\$510,558	\$525,875	
	Utilities	\$265,000	\$272,950	\$281,139	\$289,573	\$298,260	\$307,208	\$316,424	\$325,917	\$335,694	\$345,765	\$356,138	\$366,822	\$377,827	\$389,161	\$400,836	
	Marketing and Advertising	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Maintenance and Repairs	\$31,687	\$32,638	\$33,617	\$34,625	\$35,664	\$36,734	\$37,836	\$38,971	\$40,140	\$41,344	\$42,585	\$43,862	\$45,178	\$46,533	\$47,929	
	Grounds Maintenance and Landscaping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Resident Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Contract Services	\$16,800	\$17,304	\$17,823	\$18,358	\$18,909	\$19,476	\$20,060	\$20,662	\$21,282	\$21,920	\$22,578	\$23,255	\$23,953	\$24,671	\$25,412	
	Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Other-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Reserve for Replacements	\$84,907	\$84,907	\$84,907	\$84,907	\$84,907	\$84,907	\$84,907	\$84,907	\$84,907	\$87,454	\$90,078	\$92,780	\$95,564	\$98,430	\$101,383	
	Total Expenses		\$1,034,605	\$1,062,096	\$1,090,391	\$1,119,515	\$1,149,492	\$1,180,347	\$1,212,105	\$1,244,795	\$1,278,442	\$1,315,624	\$1,353,897	\$1,393,294	\$1,433,849	\$1,475,596	\$1,518,570
	Net Operating Income		\$1,319,098	\$1,338,681	\$1,358,401	\$1,378,253	\$1,398,232	\$1,418,332	\$1,438,546	\$1,458,870	\$1,479,296	\$1,497,269	\$1,515,254	\$1,533,239	\$1,551,215	\$1,569,169	\$1,587,091
	Debt Service Payments																
	DEBT SERVICE	First Mortgage	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475	\$1,102,475
		Second Mortgage	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000
		First Mortgage Fees	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250	\$32,250
		Total Debt Service Payments	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725	\$1,294,725
	Cash Flow After Debt Service		\$24,373	\$43,956	\$63,677	\$83,529	\$103,507	\$123,607	\$143,822	\$164,145	\$184,571	\$202,545	\$220,529	\$238,515	\$256,490	\$274,445	\$292,366
Debt Service Coverage Ratios																	
DSC - First Mortgage plus Fees		1.162	1.180	1.197	1.215	1.232	1.250	1.268	1.286	1.304	1.320	1.335	1.351	1.367	1.383	1.399	
DSC - Second Mortgage plus Fees		1.019	1.034	1.049	1.065	1.080	1.095	1.111	1.127	1.143	1.156	1.170	1.184	1.198	1.212	1.226	
DSC - Third Mortgage plus Fees		1.019	1.034	1.049	1.065	1.080	1.095	1.111	1.127	1.143	1.156	1.170	1.184	1.198	1.212	1.226	
DSC - Fourth Mortgage plus Fees		1.019	1.034	1.049	1.065	1.080	1.095	1.111	1.127	1.143	1.156	1.170	1.184	1.198	1.212	1.226	
DSC - Fifth Mortgage plus Fees		1.019	1.034	1.049	1.065	1.080	1.095	1.111	1.127	1.143	1.156	1.170	1.184	1.198	1.212	1.226	
DSC - All Mortgages and Fees		1.019	1.034	1.049	1.065	1.080	1.095	1.111	1.127	1.143	1.156	1.170	1.184	1.198	1.212	1.226	
Financial Ratios																	
Operating Expense Ratio		44.0%	44.2%	44.5%	44.8%	45.1%	45.4%	45.7%	46.0%	46.4%	46.8%	47.2%	47.6%	48.0%	48.5%	48.9%	
Break-Even Ratio		94.2%	93.5%	92.7%	92.0%	91.4%	90.7%	90.1%	89.4%	88.9%	88.4%	87.9%	87.5%	87.0%	86.6%	86.3%	

COMPLETENESS AND ISSUES CHECKLIST

DEVELOPMENT NAME: Baptist Terrace ApartmentsDATE: May 27, 2020

In accordance with applicable Program Rule(s), the Borrower is required to submit the information required to evaluate, complete, and determine its sufficiency in satisfying the requirements for Credit Underwriting to the Credit Underwriter in accordance with the schedule established by the Orange County Housing Finance Authority ("OCHFA"). The following items must be satisfactorily addressed. "Satisfactorily" means that the Credit Underwriter has received assurances from third parties unrelated to the Borrower that the transaction can close within the allotted time frame. Unsatisfactory items, if any, are noted below and in the "Issues and Concerns" section of the Executive Summary.

CREDIT UNDERWRITING REQUIRED ITEMS:	STATUS	NOTE
	Satis. /Unsatis.	
1. The Development's final "as submitted for permitting" plans and specifications. Note: Final "signed, sealed, and approved for construction" plans and specifications will be required thirty days before closing.	Satis.	
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	
4. Pre-construction analysis ("PCA").	Satis.	
5. Survey.	Satis.	
6. Complete, thorough soil test reports.	Satis.	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice.	Satis.	1
8. Market Study separate from the Appraisal.	Satis.	
9. Environmental Site Assessment – Phase I and/or Phase II if applicable (If Phase I and/or II disclosed environmental problems requiring remediation, a plan, including time frame and cost, for the remediation is required). If the report is not dated within one year of the application date, an update from the assessor must be provided indicating the current environmental status.	Satis.	
10. Audited financial statements for the most recent fiscal year ended or acceptable alternative as stated in the Rule for credit enhancers, Borrower, general partner, principals, guarantors and general contractor.	Satis.	
11. Resumes and experience of Borrower, general contractor and management	Satis.	

agent.		
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Satis.	2
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	N/A	
15. Firm commitment letter from the syndicator, if any.	UnSatis.	3
16. Firm commitment letter(s) for any other financing sources.	Satis.	
17. Updated sources and uses of funds.	Satis.	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Satis.	
19. Fifteen-year income, expense, and occupancy projection.	Satis.	
20. Executed general construction contract with "not to exceed" costs.	Satis.	4
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis.	
22. Any additional items required by the credit underwriter.	Satis.	

NOTES AND APPLICANT'S RESPONSES:

1. SMG has only a "draft" Management Agreement.
2. SMG has only a "draft" Appraisal.
3. SMG does not have a fully executed firm commitment letter from the syndicator
4. SMH has only a "draft" GC contract.

HC Allocation Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$39,667,699
Less Land Cost	(\$2,150,000)
Less Federal Funds	\$0
Less Other Ineligible Cost	(\$3,351,637)
Less Disproportionate Standard	\$0
Acquisition Eligible Basis	\$16,063,000
Rehabilitation Eligible Basis	\$18,103,062
Total Eligible Basis	\$34,166,062
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Acquisition HC Percentage	3.22%
Rehabilitation HC Percentage	3.22%
Annual HC on Acquisition	\$517,229
Annual HC on Rehabilitation	\$757,794
Annual Housing Credit Allocation	\$1,275,023

Notes to the Qualified Basis Calculation:

1. Other Ineligible Costs primarily include a portion of Accounting fees, FHFC administrative, application and HC compliance fees, legal fees, Market Study, permanent loan origination and commitment fees, closing costs, costs of issuance and reserves.
2. The Borrower committed to a set aside of 100%. Therefore, SMG has utilized an Applicable Fraction of 100%.
3. Per the Application, this Development is located in a Difficult to Development Area ("DDA") but is not located in a Qualified Census Tract ("QCT"). As such, the Subject Development is eligible to use the 130% multiplier for the DDA/QCT Basis Credit.
4. A HC percentage of 3.22% is used based on the June 2020 rate of 3.07% plus 15 basis points.

Section II: Gap Calculation	
Total Development Cost (Including Land and Ineligible Costs)	\$39,667,699
Less Mortgages	(\$23,500,000)
Less Grants	\$0
Equity Gap	\$16,167,699
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.9500
HC Required to Meet Gap	\$17,020,333
Annual HC Required	\$1,702,033

Notes to the Gap Calculation:

1. Mortgages include the First Mortgage provided by Boston Capital.
2. HC Syndication Pricing and Percentage to Investment Partnership are based upon the Red Stone Proposal Letter.

Section III: Tax-Exempt Bond 50% Test	
Total Depreciable Cost	\$34,166,062
Plus Land Cost	\$2,150,000
Aggregate Basis	\$36,316,062
Tax-Exempt Bond Amount	\$21,500,000
Less Debt Service Reserve	\$0
Less Proceeds Used for Costs of Issuance	\$0
Plus Tax-exempt GIC earnings	\$0
Tax-Exempt Proceeds Used for Building and Land	\$21,500,000
Proceeds Divided by Aggregate Basis	59.20%

Notes to 50% Test:

1. SMG estimates the Tax-Exempt Bond amount to be 59.20% of Depreciable Development Costs plus Land Acquisition Costs. If, at the time of Final Cost Certification, the Tax-Exempt Bond Amount is less than 50%, developer fees will have to be reduced by an amount to ensure compliance with the 50% Test. That may, in turn, result in a reduction to HC Equity.

Section IV: Summary	
HC per Qualified Basis	\$1,275,023
HC per Gap Calculation	\$1,702,033
Annual HC Recommended	\$1,275,023
Syndication Proceeds Based on HC Recommended	\$12,111,507

Notes to the Summary:

1. The Annual HC Recommended is based on the Qualified Basis Calculation.