ORANGE COUNTY HOUSING FINANCE AUTHORITY

AGENDA PACKAGE

Board of Directors' Meeting

Wednesday, October 6, 2021 – 8:30 a.m.

ORANGE COUNTY ADMINISTRATION BUILDING
201 SOUTH ROSALIND AVE – ORLANDO, FL 32801
COMMISSIONERS CHAMBERS – 1ST FLOOR

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

MEMORANDUM

TO:
Mercedes McCall, Chair, OCHFA
Vernice Atkins-Bradley, Vice Chair, OCHFA
Sascha Rizzo, Board of Directors, OCHFA
Curtis Hunter, Board of Directors, OCHFA
Warren S. Bloom, General Counsel, Greenberg Traurig
Mike Watkins, General 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
James Audette, Trustee – USBank

FROM: Olympia Roman

DATE: September 29, 2021

RE: **OCTOBER 6, 2021 BOARD OF DIRECTORS' AGENDA**

The Orange County HFA's regular monthly meetings has returned to "in-person" participation as of August 4, 2021. There will no longer be any conference call participation.

Enclosed is the Directors' meeting agenda package; scheduled as follows:

Date:	**Wednesday, October 6, 2021**
Time:	**8:30 a.m.**
Location:	Orange County Administration Center Commissioner's Chambers 201 Rosalind Avenue - Orlando, Florida 32801

If you have any questions, need additional information, or you will not be attending the meeting, please contact me as soon as possible at (407) 894-0014.

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

OCHFA BOARD OF DIRECTORS' MEETING
October 6, 2021 ~ 8:30 A.M.

AGENDA

PUBLIC COMMENT

CONSENT AGENDA

A. GENERAL ADMINISTRATION

1. Adoption of September 1, 2021, Board of Directors Meeting minutes. *Pg. 2-3*
2. Ratification of September 1, 2021, Ad Hoc Committee Meeting minutes. *Pg. 4*

B. EXECUTIVE DIRECTOR'S OFFICE

1. Ratification and Adoption of OCHFA's Proposed Operating Budget for Fiscal Year 21/ 22. *Pg. 5-28*
2. Opportunity Zones Status – No Activity. *Pg. 29*

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 2021, operating fund comparison of budget vs. actual; acknowledgement of FY 2021, operating fund comparison of actual revenues & expenses; acknowledgement summary of OCHFA's operating fund investments. *Pg. 30-40*

D. PROGRAM OPERATIONS

1. Acknowledgement of the Current Status of the Single-Family HRB Program. *Pg. 41-48*
2. Acknowledgement of the Multi-Family Audit Period. *Pg. 49-54*

DISCUSSION AGENDA

A. EXECUTIVE DIRECTOR

1. Consider approval of Grand Avenue Economic Community Development Corporation's request for Loan Subordination. *Pg. 55-64*
2. Boards' authorization to distribute the Authority's Request for Proposal for Financial Advisory Services. *Pg. 65-77*
3. Consider approval of the Bond Resolution (#2021-07) and associated documents, terms and financing, for the proposed Stratford Point Apartments, not-to-exceed $43MM. *Pg. 78-134*
4. Consider approval of the Reimbursement Resolution (#2021-08) for the proposed Silver Lakes Village Apartments, not-to-exceed $12MM. *Pg. 135-149*
5. Consider approval of the Reimbursement Resolution (#2021-09) for the proposed Parkwood Apartments, not-to-exceed $44.1MM. *Pg. 150-163*
6. Consider approval of the Reimbursement Resolution (#2021-10) for the proposed Southwick Commons Apartments, not-to-exceed $26.3MM. *Pg. 164-180*
7. Consider approval of the Reimbursement Resolution (#2021-11) for the proposed Somerset Landings Apartments, not-to-exceed $13.4MM. *Pg. 181-197*
8. Consider approval of Increasing the Single-Family Down Payment Assistance Program, from $7,500 to $10,000. *Pg. 198-202*

B. OTHER BUSINESS

ORANGE COUNTY HOUSING FINANCE AUTHORITY

BOARD OF DIRECTORS

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

OFFICIAL MEETING MINUTES

Meeting: Board of Directors Meeting **Date:** Wednesday, September 1, 2021 **Time:** 8:30am

Location: Orange County Administration Center – Commissioners Chambers – 1st Fl., 201 S. Rosalind Ave., Orlando, FL.

Board Members PRESENT	Board Members NOT PRESENT	OCHFA Staff PRESENT	OCHFA Professionals PRESENT	BCC Staff PRESENT
Mercedes McCall Chair	Albert Hanks Board Member	W.D. Morris Executive Director	Warren Bloom General Counsel, Greenberg Traurig	Stephanie St. Louis Stone Assistant County Attorney
Vernice Atkins-Bradley Vice Chair		Kayode Adetayo Chief Financial Officer		
Sascha Rizzo Board Member		Chaynae Price Staff		
Curtis Hunter Board Member		Olympia Roman Staff		

MEETING OPENED: There being a quorum, Chair, Mercedes McCall, called the meeting to order at 8:30 a.m.

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

CONSENT AGENDA:

ACTION TAKEN

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

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

A. GENERAL ADMINISTRATION

1. Adoption of the August 4, 2021, Regular Board of Directors Meeting minutes.

B. EXECUTIVE DIRECTOR'S OFFICE

1. Opportunity Zones Status.

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 2021, operating fund comparison of budget vs. actual; acknowledgement of FY 2021, 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.

DISCUSSION AGENDA

A. EXECUTIVE DIRECTOR

- No Discussion Items -

OTHER BUSINESS

OCHFA PIPLINE AGENDA ITEMS

W.D. Morris, Executive Director, briefed the Board regarding existing proposed developments in OCHFA's pipeline and the possibility of a future, proposed Inter-Local Agreement with Escambia County Housing Finance Authority; which would assist in preserving affordable senior housing in downtown Orlando. Brief discussion ensued.

ADJOURNMENT

There being no further business, Mercedes McCall – Chair, adjourned the meeting at 8:41 a.m.

ATTEST:

W.D. MORRIS **EXECUTIVE DIRECTOR**	**MERCEDES F. McCALL** **CHAIR**

END OF MINUTES PREPARED BY OLYMPIA ROMAN

ORANGE COUNTY HOUSING FINANCE AUTHORITY

BOARD OF DIRECTORS

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

OFFICIAL MEETING MINUTES

Meeting: Finance/ Ad Hoc Committee Meeting **Date:** Wednesday, September 1, 2021 **Time:** 9:15am

Location: Orange County Administration Bldg – Conference Rm #105 – 201 S. Rosalind Ave, Orlando, FL 32801

Members PRESENT	Members ABSENT	OCHFA Staff PRESENT
Mercedes McCall Committee Chair	Curtis Hunter Committee Member	W.D. Morris Executive Director
Vernice Atkins-Bradley Committee Member		Kayode Adetayo Chief Financial Officer
Sascha Rizzo Committee Member		Olympia Roman Staff

MEETING OPENED

There being a quorum, Committee Chair, Mercedes McCall called the meeting to order at 9:16a.m.

A. PROPOSED FISCAL YEAR 2022 OPERATING BUDGET

Committee Chair, Mercedes McCall, addressed the Committee and asked Olukayode Adetayo, CFO, to present to the Committee the Authority's proposed Operating Budget for Fiscal Year 2022. Mr. Adetayo presented the proposed operating budget as follows:

- *Projected: Revenues, Expenses and Net Income*
- *Projected Revenues and Expenses by Line Items*
- *Program(s) Administrative Fee Schedules*
- *Comparison of budget (projected: revenues & expenses)*
- *Financial Trends*
- *Investment Income*
- *Bond Financing Fees*
- *Basis of Rev. Calculations*
- *Projected Gross Revenues FY '21/22: $2,473,117*
- *Projected Expenses FY '21/22: $1,870,030*
- *Projected Net Income FY '21/22: $603,089*

After discussion of various elements within the proposed budget, Committee Member Sascha Rizzo made a motion, seconded by Vernice Atkins-Bradley, to accept the proposed Operating Budget for FY 21/22; and that its recommendation be presented for adoption by the Board at its October 6, 2021 board meeting. Brief discussion ensued.

ACTION TAKEN

There being no further discussion, the Committee recommends adoption of the Authority's proposed Operating Budget for FY 2022, and present its recommendation at its meeting on October 6, 2021.

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

ADJOURNMENT

There being no further business, Committee Chair Mercedes McCall, adjourned the meeting at 9:50 a.m.

ATTEST:

W.D. MORRIS
EXECUTIVE DIRECTOR

MERCEDES McCALL
COMMITTEE CHAIR

END OF MINUTES PREPARED BY OLYMPIA ROMAN

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	September 9, 2021
RE:	**RATIFICATION AND ADOPTION OF THE AUTHORITY'S PROPOSED OPERATING BUDGET FOR FISCAL YEAR 21-22.** OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

Enclosed is a copy of the Proposed Operating Budget for Fiscal Year 2021-2022. The proposed budget was presented to the Finance/Ad Hoc Committee on September 1, 2021. The presentation included the following: Financial Trends, Projected: Revenues, Expenses and Net Income, Comparison of budget, Projected Revenues and Expenses by Line Items, Basis of Revenue Calculations and Single-Family & Multi-Family Administrative Fee Schedules. Finance Committee members (Committee) and staff discussed the proposed FY 2021-2022 Operating Budget and the Committee recommended adoption at the Boards' meeting of October 6, 2021.

The proposed budget is based on the current, core sources of revenues, to include the following:

- Interest on loans
- Interest on Investments
- Single-Family Administrative Fees
- Bond Financing Fees
- Multi-Family Administrative Fees
- Gain on sales of GNMA(s)/ SFP

This year's budget projections are conservative and do not anticipate (1) Acquisition Fees or (2) Residuals (other revenues) from closed transactions. Please review the following projections:

- Projected Gross Revenues FY '22: .... $ 2,473,117
- Projected Expenses FY '22: .... $ 1,870,030
- Projected Net Income FY '22:................................ $ 603,087

As you will note, this proposed budget utilizes conservative projections. The Authority continues to realize revenues exceeding its operating budget, which allows revenues to be added to the Authority's reserves, enhancing the Authority's capital position; and affords the ability to provide finance for special developments from time-to-time.

ACTION REQUESTED

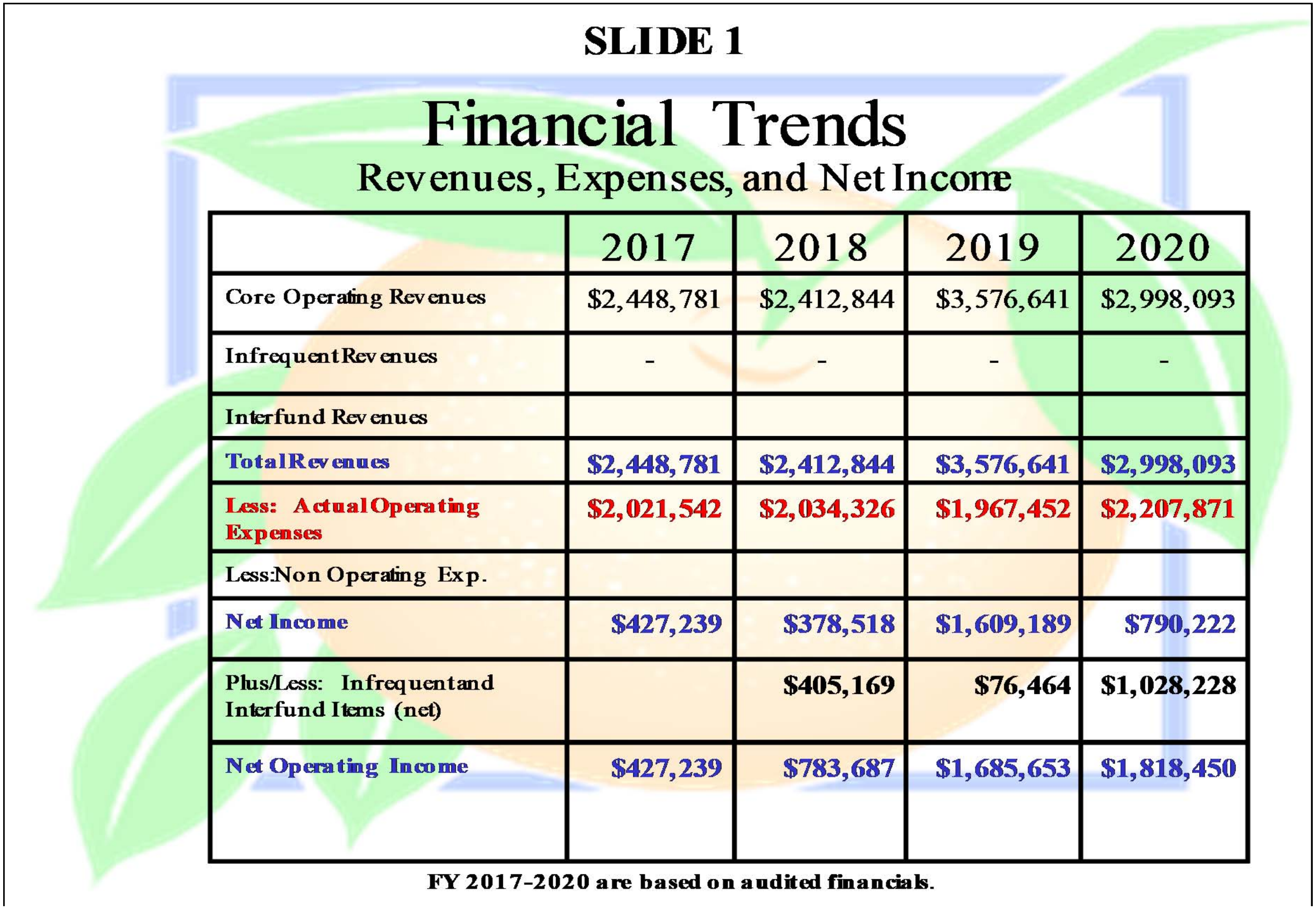
Board approval and adoption of the Authority's Operating Budget FY 2021-2022.

Orange County Housing Finance Authority

FY 2022

PROPOSED BUDGET

"WE SHALL GET THROUGH THIS TOGETHER AND WE WILL"



SLIDE 1

Financial Trends

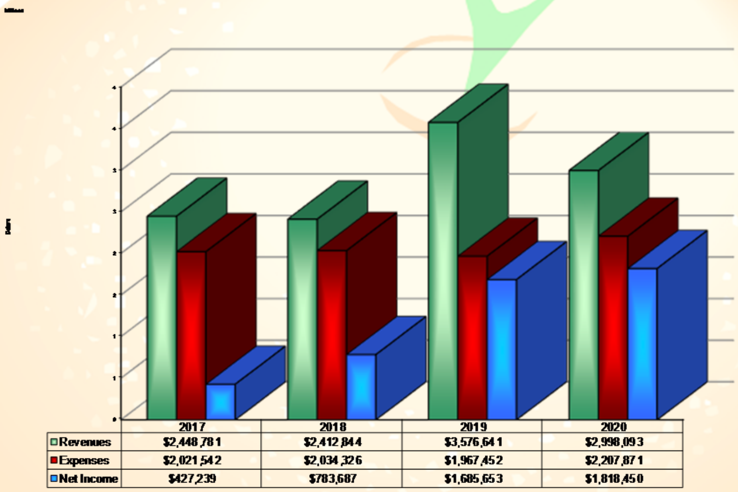
Revenues, Expenses, and Net Income

	2017	2018	2019	2020
Core Operating Revenues	$2,448,781	$2,412,844	$3,576,641	$2,998,093
Infrequent Revenues	-	-	-	-
Interfund Revenues				
Total Revenues	**$2,448,781**	**$2,412,844**	**$3,576,641**	**$2,998,093**
Less: Actual Operating Expenses	**$2,021,542**	**$2,034,326**	**$1,967,452**	**$2,207,871**
Less:Non Operating Exp.				
Net Income	**$427,239**	**$378,518**	**$1,609,189**	**$790,222**
Plus/Less: Infrequent and Interfund Items (net)		**$405,169**	**$76,464**	**$1,028,228**
Net Operating Income	**$427,239**	**$783,687**	**$1,685,653**	**$1,818,450**

FY 2017-2020 are based on audited financials.

SLIDE 2

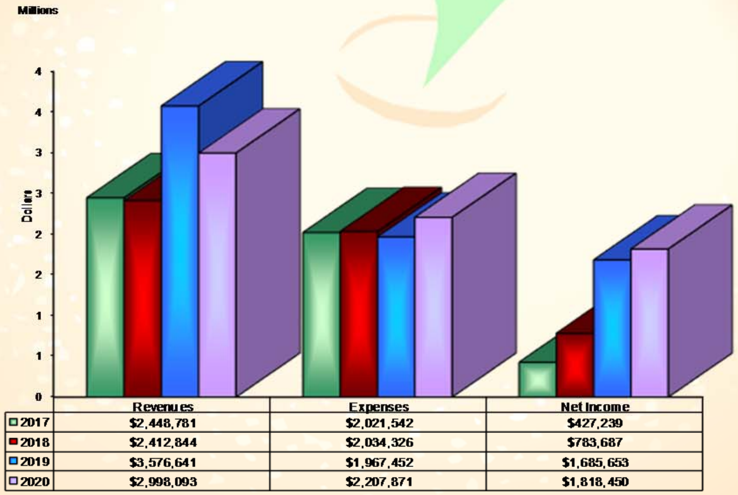
Revenues, Expenses & Net Income



	2017	2018	2019	2020
🟩 Revenues	$2,448,781	$2,412,844	$3,576,641	$2,998,093
🟥 Expenses	$2,021,542	$2,034,326	$1,967,452	$2,207,871
🟦 Net Income	$427,239	$783,687	$1,685,653	$1,818,450

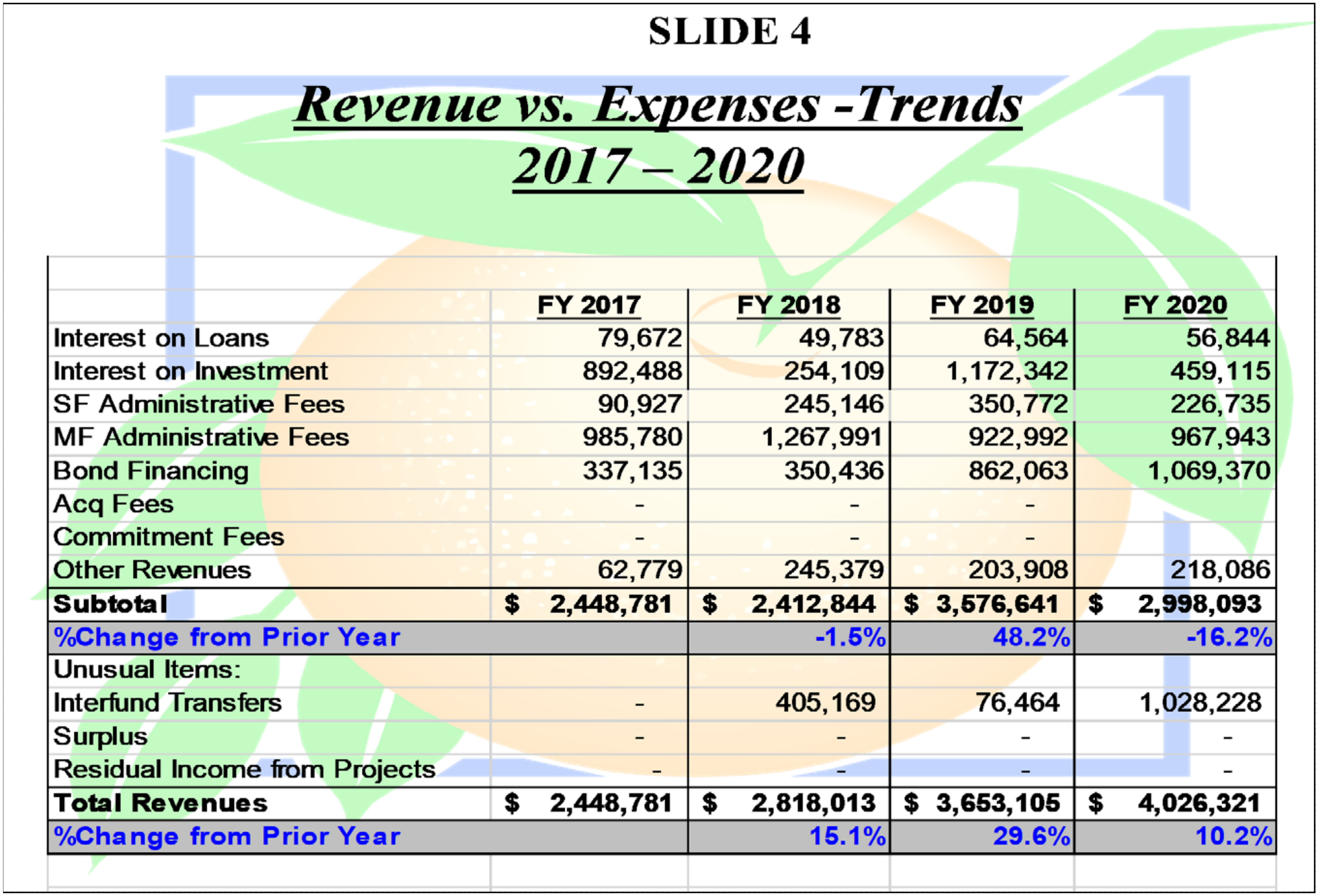
FY 2017-2020 are based on audited financials.

Revenues, Expenses & Net Income



	Revenues	Expenses	Net Income
🟩 2017	$2,448,781	$2,021,542	$427,239
🟥 2018	$2,412,844	$2,034,326	$783,687
🟦 2019	$3,576,641	$1,967,452	$1,685,653
🟪 2020	$2,998,093	$2,207,871	$1,818,450

FY 2017-2020 are based on audited financials.

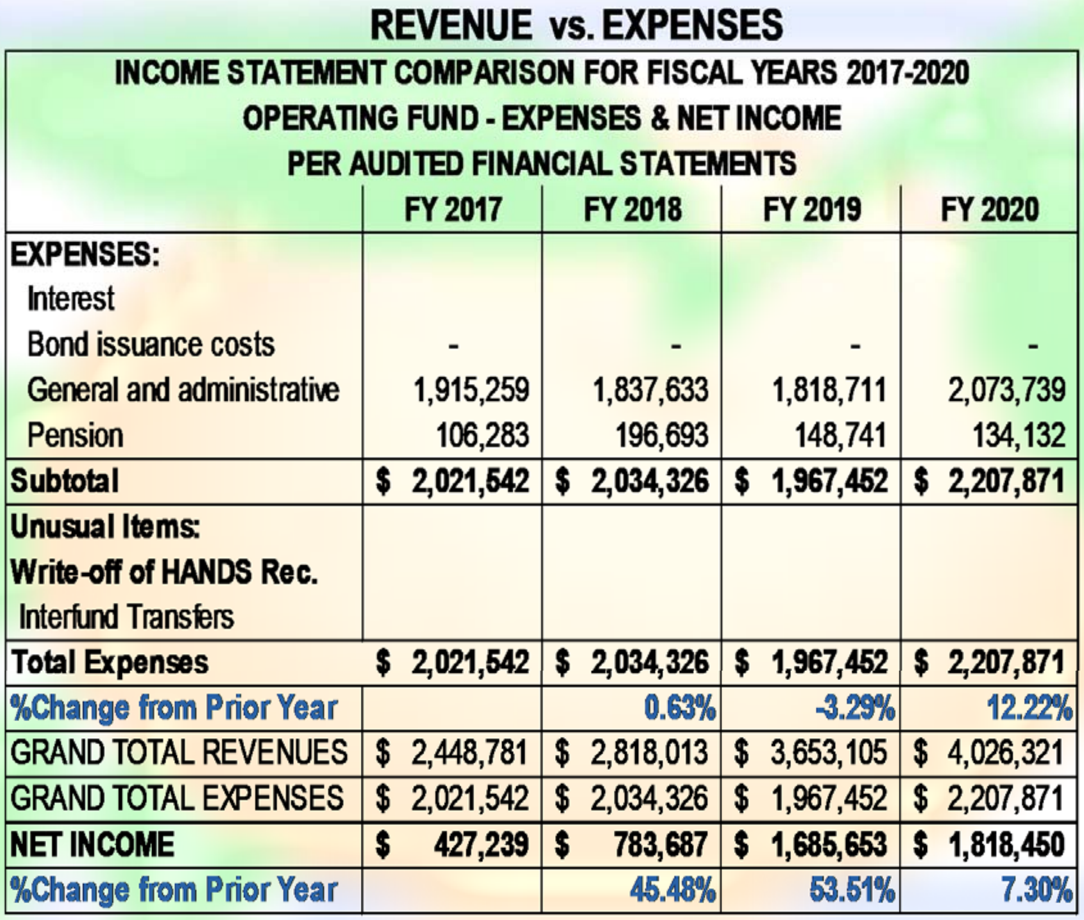


SLIDE 4

Revenue vs. Expenses -Trends
2017 – 2020

	FY 2017	FY 2018	FY 2019	FY 2020
Interest on Loans	79,672	49,783	64,564	56,844
Interest on Investment	892,488	254,109	1,172,342	459,115
SF Administrative Fees	90,927	245,146	350,772	226,735
MF Administrative Fees	985,780	1,267,991	922,992	967,943
Bond Financing	337,135	350,436	862,063	1,069,370
Acq Fees	-	-	-	
Commitment Fees	-	-	-	
Other Revenues	62,779	245,379	203,908	218,086
Subtotal	**$ 2,448,781**	**$ 2,412,844**	**$ 3,576,641**	**$ 2,998,093**
%Change from Prior Year		**-1.5%**	**48.2%**	**-16.2%**
Unusual Items:				
Interfund Transfers	-	405,169	76,464	1,028,228
Surplus	-	-	-	-
Residual Income from Projects	-	-	-	-
Total Revenues	**$ 2,448,781**	**$ 2,818,013**	**$ 3,653,105**	**$ 4,026,321**
%Change from Prior Year		**15.1%**	**29.6%**	**10.2%**

SLIDE 5



REVENUE vs. EXPENSES

INCOME STATEMENT COMPARISON FOR FISCAL YEARS 2017-2020

OPERATING FUND - EXPENSES & NET INCOME

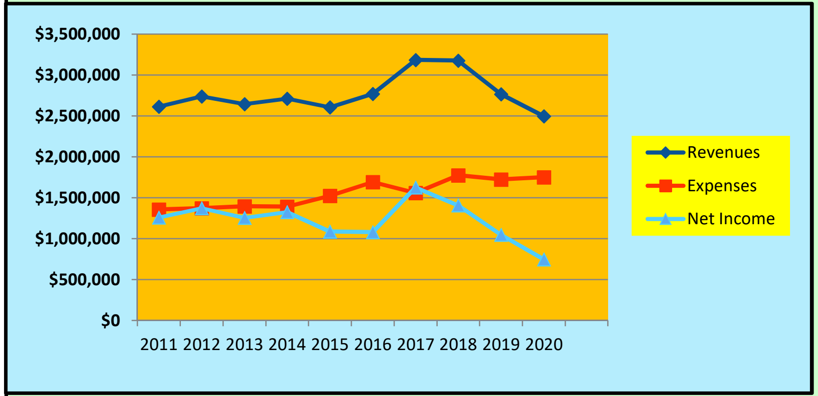
PER AUDITED FINANCIAL STATEMENTS

	FY 2017	FY 2018	FY 2019	FY 2020
EXPENSES:				
Interest				
Bond issuance costs	-	-	-	-
General and administrative	1,915,259	1,837,633	1,818,711	2,073,739
Pension	106,283	196,693	148,741	134,132
Subtotal	**$ 2,021,542**	**$ 2,034,326**	**$ 1,967,452**	**$ 2,207,871**
Unusual Items:				
Write-off of HANDS Rec.				
Interfund Transfers				
Total Expenses	**$ 2,021,542**	**$ 2,034,326**	**$ 1,967,452**	**$ 2,207,871**
%Change from Prior Year		**0.63%**	**-3.29%**	**12.22%**
GRAND TOTAL REVENUES	$ 2,448,781	$ 2,818,013	$ 3,653,105	$ 4,026,321
GRAND TOTAL EXPENSES	$ 2,021,542	$ 2,034,326	$ 1,967,452	$ 2,207,871
NET INCOME	**$ 427,239**	**$ 783,687**	**$ 1,685,653**	**$ 1,818,450**
%Change from Prior Year		**45.48%**	**53.51%**	**7.30%**

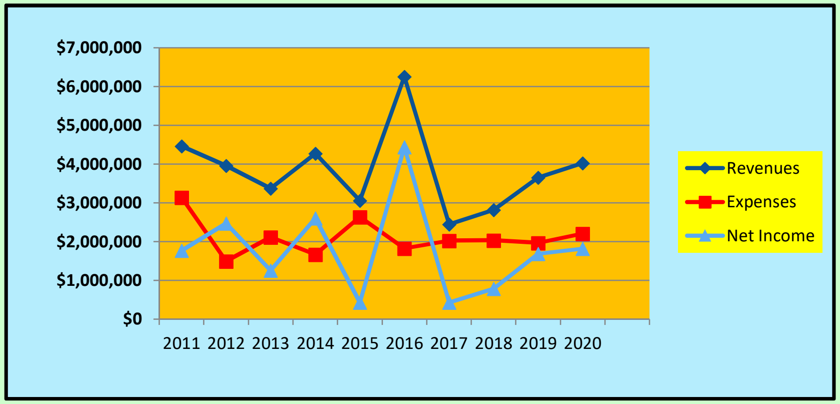
SLIDE 6a

COMPARISON OF BUDGETED PROJECTIONS AND ACTUAL RESULTS

BUDGETED



ACTUAL



BUDGETED PROJECTIONS FROM FY 2011 - FY 2020

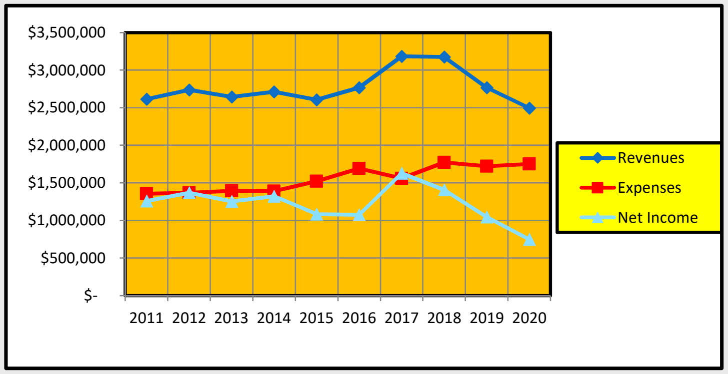
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues	$2,613,476	$2,737,337	$2,645,690	$2,711,830	$2,605,390	$2,767,507	$3,183,634	$3,175,472	$2,766,979	$2,495,549
Expenses	$1,354,815	$1,368,667	$1,392,064	$1,388,813	$1,521,869	$1,691,913	$1,557,850	$1,771,186	$1,722,175	$1,749,310
Net Income	$1,258,661	$1,368,670	$1,253,626	$1,323,017	$1,083,521	$1,075,594	$1,625,785	$1,404,286	$1,044,804	$746,239

ACTUAL PERFORMANCE FROM FY 2011 - FY 2020

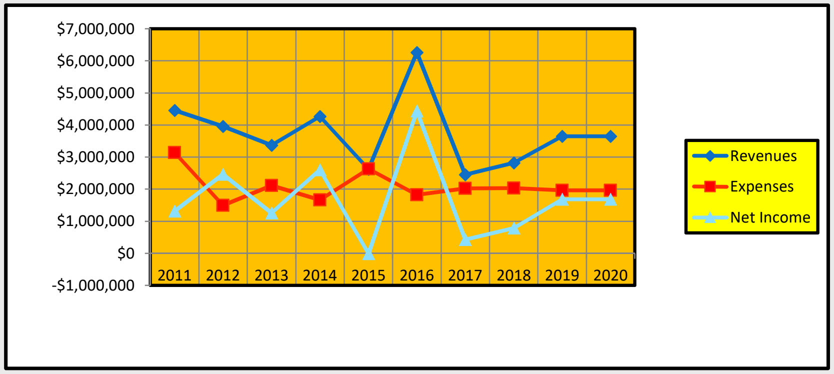
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues	$4,458,687	$3,961,299	$3,373,650	$4,268,703	$3,060,723	$6,258,461	$2,448,781	$2,818,013	$3,653,105	$4,026,321
Expenses	$3,142,255	$1,494,333	$2,117,073	$1,664,331	$2,633,892	$1,821,639	$2,021,542	$2,034,326	$1,967,452	$2,207,871
Net Income	$1,769,350	$2,466,966	$1,256,577	$2,604,372	$426,831	$4,436,822	$427,239	$783,687	$1,685,653	$1,818,450
Rev. Variances by %age		44.71%	27.51%	57.41%	17.48%	126.14%	-23.08%	-11.26%	32.03%	61.34%

SLIDE 6b

BUDGETED PROJECTIONS FROM FY 2011 - FY 2020



ACTUAL REVENUES LESS RESIDUALS AND SURPLUSES FROM FY 2011 - FY 2020



BUDGETED PROJECTIONS FROM FY 2011 - FY 2020

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues	$ 2,613,476	$ 2,737,337	$ 2,645,690	$ 2,711,830	$ 2,605,390	$ 2,767,507	$ 3,183,634	$ 3,175,472	$ 2,766,979	$ 2,495,549
Expenses	$ 1,354,815	$ 1,368,667	$ 1,392,064	$ 1,388,813	$ 1,521,869	$ 1,691,913	$ 1,557,850	$ 1,771,186	$ 1,722,175	$ 1,749,310
Net Income	$ 1,258,661	$ 1,368,670	$ 1,253,626	$ 1,323,017	$ 1,083,521	$ 1,075,594	$ 1,625,785	$ 1,404,286	$ 1,044,804	$ 746,239

ACTUAL REVENUES LESS RESIDUALS AND SURPLUS REVENUES FROM FY 2011 - FY 2020

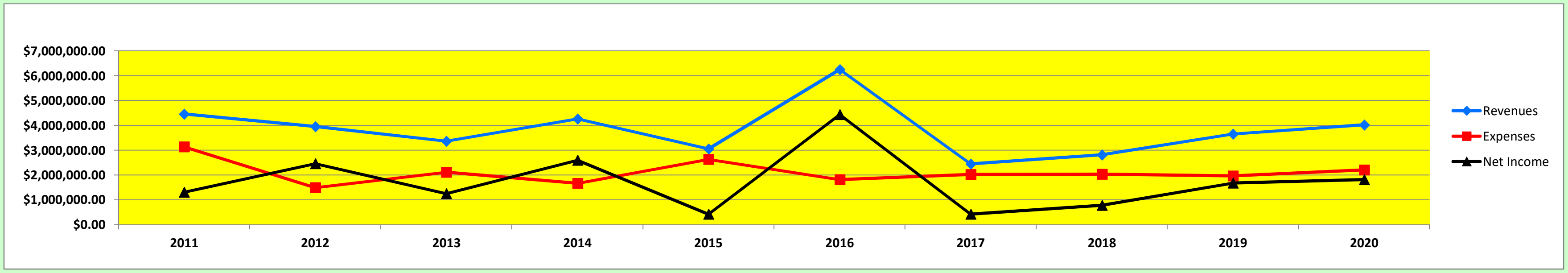
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues	$4,458,687	$3,961,299	$3,373,650	$4,268,703	$2,620,832	$6,258,461	$2,448,781	$2,818,013	$3,653,105	$3,653,105
Expenses	$3,142,255	$1,494,333	$2,117,073	$1,664,331	$2,633,892	$1,821,639	$2,021,542	$2,034,326	$1,967,452	$1,967,452
Net Income	$1,316,432	$2,466,966	$1,256,577	$2,604,372	-$13,060	$4,436,822	$427,239	$783,687	$1,685,653	$1,685,653
Rev. Variances by %age	70.60%	44.71%	27.51%	57.41%	0.59%	126.14%	-23.08%	-11.26%	32.03%	46.38%

ACTUAL REVENUES SHOWING RESIDUALS AND SURPLUS FROM FY 2011 - 202(

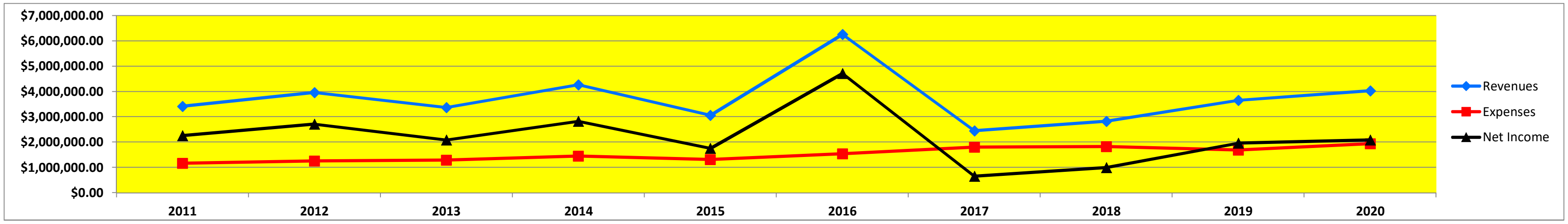
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Actual Revenues	$4,458,687	$3,961,299	$3,373,650	$4,268,703	$3,060,723	$6,258,461	$2,448,781	$2,818,013	$3,653,105	$3,653,105
Budgeted Revenues	$2,613,476	$2,737,337	$2,645,690	$2,711,830	$2,605,390	$2,767,507	$3,183,634	$3,175,472	$2,766,979	$2,766,979
Variances	$1,845,211	$1,223,962	$727,960	$1,556,873	$455,333	$ 3,490,954	$ (734,853)	$ (357,459)	$ 886,126	$ 886,126
%age Variance (Actual to Bgt.)	70.60%	44.71%	27.51%	57.41%	17.48%	126.14%	-23.08%	-11.26%	32.03%	32.03%
Residuals Surplus	$1,038,959					$439,891				
Actual Revenues Less Residuals and Surplus	$3,419,728	$3,961,299	$3,373,650	$4,268,703	$3,060,723	$5,818,570	$2,008,890	$2,818,013	$3,653,105	$3,653,105
%age Variance to Budget	30.85%	44.71%	27.51%	57.41%	17.48%	110.25%	-36.90%	-11.26%	32.03%	46.38%

SLIDE 6C

Actual Revenues and Expenses Trend from 2011 - 2020



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues	$4,458,687.00	$3,961,299.00	$3,373,650.00	$4,268,703.00	$3,060,723.00	$6,258,461.00	$2,448,781.00	$2,818,013.00	$3,653,105.00	$4,026,321.00
Expenses	$3,142,255.00	$1,494,333.00	$2,117,073.00	$1,664,331.00	$2,633,892.00	$1,821,639.00	$2,021,542.00	$2,034,326.00	$1,967,452.00	$2,207,871.00
Net Income	$ 1,316,432	$ 2,466,966	$ 1,256,577	$ 2,604,372	$ 426,831	$ 4,436,822	$ 427,239	$ 783,687	$ 1,685,653	$ 1,818,450



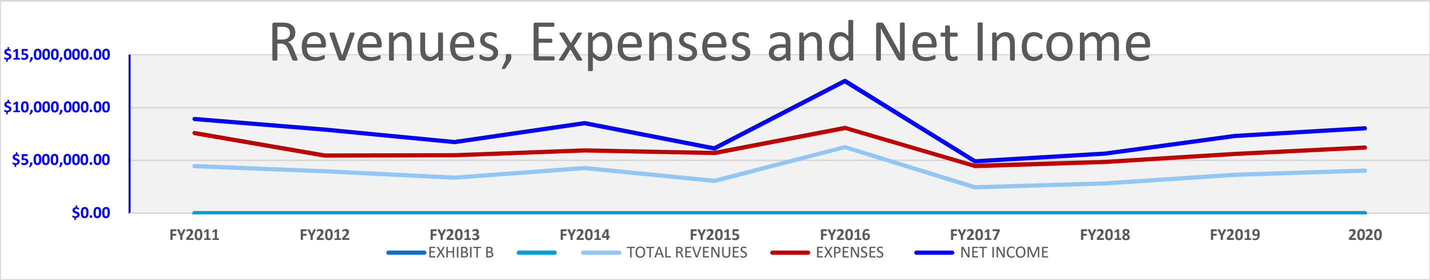
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues	$3,417,943.00	$3,961,299.00	$3,373,650.00	$4,268,703.00	$3,060,723.00	$6,258,461.00	$2,448,781.00	$2,818,013.00	$3,653,105.00	$4,026,321.00
Expenses	$1,167,065.00	$1,256,795.00	$1,293,511.00	$1,443,305.00	$1,310,854.00	$1,544,134.00	$1,800,486.00	$1,822,348.44	$1,690,688.00	$1,940,037.00
Net Income	$ 2,250,878	$ 2,704,504	$ 2,080,139	$ 2,825,398	$ 1,749,869	$ 4,714,327	$ 648,295	$ 995,665	$ 1,962,417	$ 2,086,284

Total Expenses(Cash +Non-cash)	$1,664,331.00	$2,633,892.00	$1,821,639.00	$2,021,542.00	$2,034,326.00	$1,967,452.00	$2,207,871.00
Non-Cash Expenses							
Foreclosures Expensed	($221,026.00)	($185,186.00)	($184,935.00)	($114,773.00)	($116,448.56)	($128,023.00)	($133,702.00)
COI Amortization							
COI Bond Issue (Fully Expensed)		($717,441.00)					
Loss on Sale of GNMA's to 2014 A		($180,612.00)					
Transfer to Purch 2004 A GNMA's		($239,799.00)					
Actuarial Assumptions exp recog (Reversed)			($92,570.00)	($106,283.00)	($95,529.00)	($148,741.00)	($134,132.00)
Interfund Adjustment							
Bad Debt Expense							
NET Expenses	$1,443,305.00	$1,310,854.00	$1,544,134.00	$1,800,486.00	$1,822,348.44	$1,690,688.00	$1,940,037.00

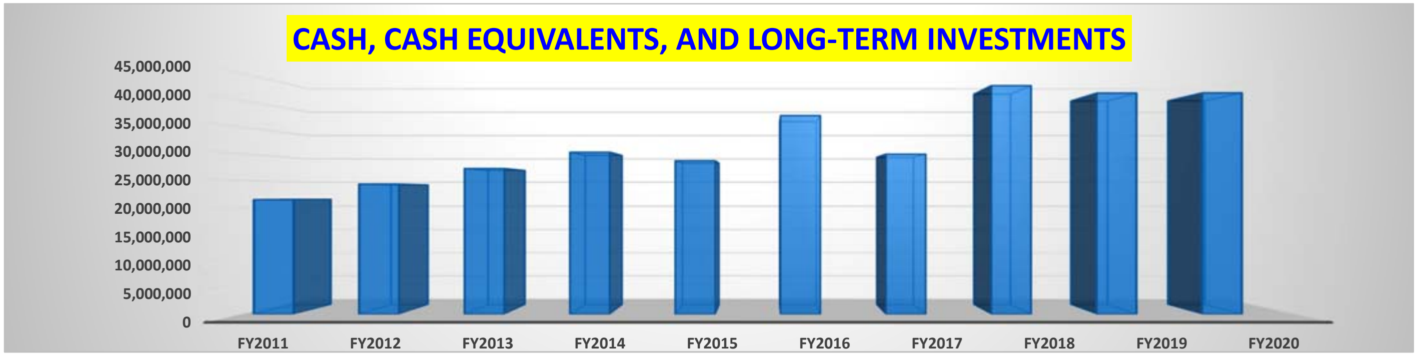
SLIDE 7a

REVENUES, EXPENSES AND NET INCOME, AND CASH AND CASH EQUIVALENTS FROM 2011 - 2020

EXHIBIT B	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	2020
TOTAL REVENUES	4,458,687	3,961,299	3,373,650	4,268,703	3,060,723	6,258,461	2,448,781	2,818,013	3,653,105	4,026,321
EXPENSES	3,142,255	1,494,333	2,117,073	1,664,331	2,633,892	1,821,639	2,021,542	2,034,326	1,967,452	2,207,871
NET INCOME	1,316,432	2,466,966	1,256,577	2,604,372	426,831	4,436,822	427,239	783,687	1,685,653	1,818,450
CASH & CASH EQUIV. AT YR END	5,737,163	7,058,970	6,345,666	3,874,559	12,441,128	8,563,086	6,952,850	8,905,305	11,726,312	28,085,003
LT Inv. at Year End.	15,815,337	17,272,501	20,902,240	26,422,653	12,250,104	24,541,971	18,956,564	28,850,961	22,950,636	8,612,328
Collateral in SF					4,010,000	4,010,000	4,010,000	4,940,860	6,638,269	4,644,803
	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
CASH, CASH.EQUIV.+ LT INV AT THE END OF YEAR	21,552,500	24,331,471	27,247,906	30,297,212	28,701,232	37,115,057	29,919,414	42,697,126	41,315,217	41,342,134
	100%	113%	126%	141%	133%	172%	139%	198%	192%	192%



	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	2020
CASH, CASH.EQUIV.+ LT INV AT THE END OF YEAR	21,552,500	24,331,471	27,247,906	30,297,212	28,701,232	37,115,057	29,919,414	42,697,126	41,315,217	41,342,134
	100%	113%	126%	141%	133%	172%	139%	198%	192%	192%



SLIDE 7b

PROJECTED REVENUES, EXPENSES AND NET INCOME, AND CASH AND CASH EQUIVALENTS FROM 2022 - 2031

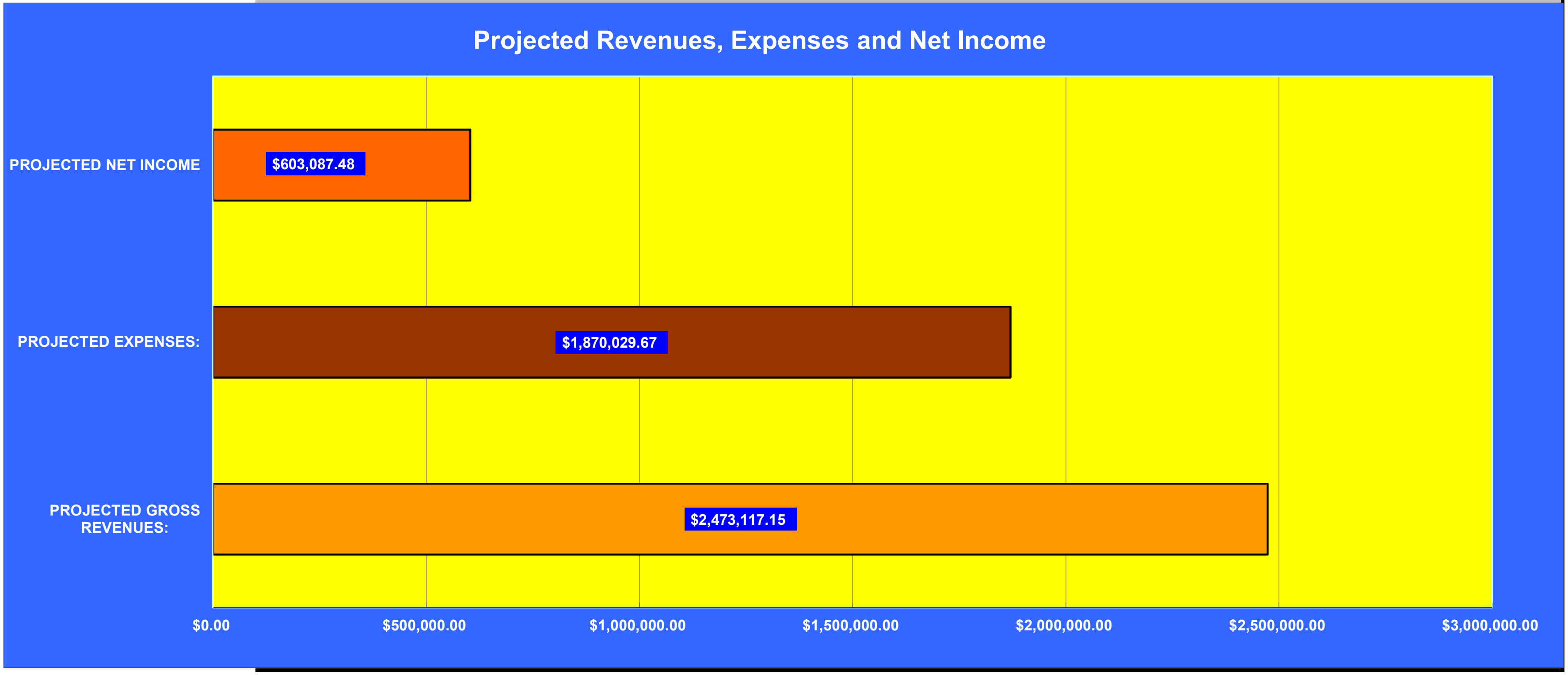
(PROJECTIONS ASSUME 1 MF BOND ISSUE FROM 2022 - 2031)

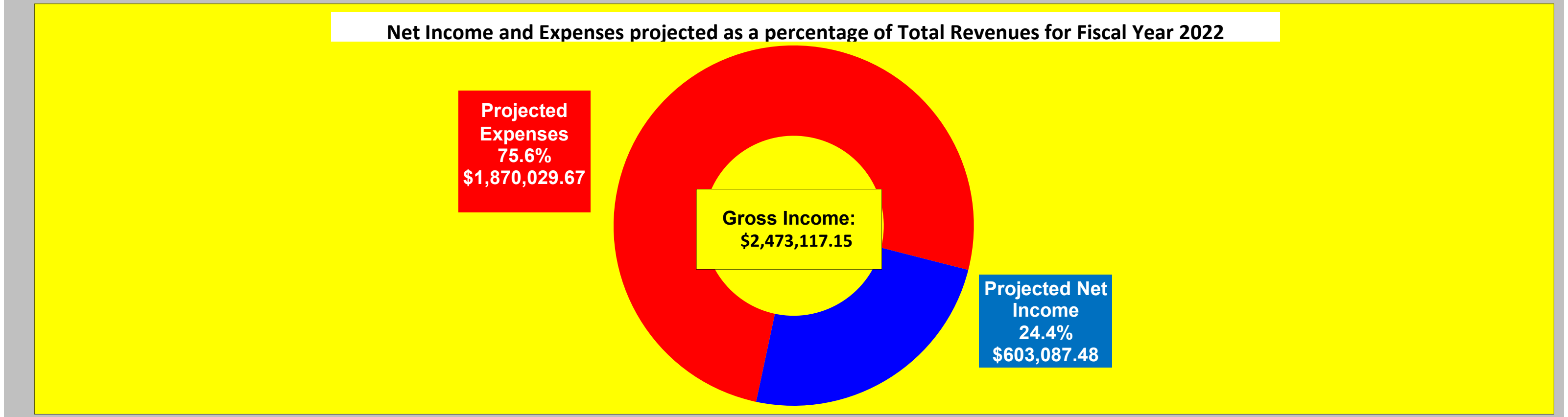
EXHIBIT B	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
	BUDGET									
Interest on GNMA Securities & Investments	$843,687.55	$776,192.54	$714,097.14	$656,969.37	$604,411.82	$556,058.87	$511,574.16	$470,648.23	$432,996.37	$398,356.66
Gain on Sale Of GNMAs	$50,000.00									
Administrative Fees:										
Single Family	$332,191.00	$178,012.00	$152,456.00	$130,094.00	$110,659.00	$93,775.00	$79,218.00	$66,493.00	$55,414.00	$45,923.00
Multi-Family	$889,738.60	$905,251.67	$934,989.09	$963,239.64	$990,077.65	$1,015,573.77	$1,039,795.08	$1,062,805.33	$1,084,665.06	$1,105,431.81
Bond Financing Fees	$187,500.00	$187,500.00	$187,500.00	$187,500.00	$187,500.00	$187,500.00	$187,500.00	$187,500.00	$187,500.00	$187,500.00
Acquisition Fees	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Commitment Fees	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Residuals	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Interest on Loans	$50,000.00	$47,500.00	$45,125.00	$42,868.75	$40,725.31	$38,689.05	$36,754.59	$34,916.86	$33,171.02	$31,512.47
Other	$120,000.00									
PROJECTED TOTAL REVENUES	**$2,473,117.15**	**$2,094,456.22**	**$2,034,167.23**	**$1,980,671.76**	**$1,933,373.79**	**$1,891,596.69**	**$1,854,841.84**	**$1,822,363.42**	**$1,793,746.46**	**$1,768,723.94**
PROJECTED EXPENSES	**$1,870,029.67**	**$1,888,729.97**	**$1,907,617.27**	**$1,926,693.44**	**$1,945,960.37**	**$1,965,419.98**	**$1,985,074.18**	**$2,004,924.92**	**$2,024,974.17**	**$2,045,223.91**
PROJECTED NET INCOME	**$603,087.48**	**$205,726.25**	**$126,549.97**	**$53,978.32**	**-$12,586.59**	**-$73,823.28**	**-$130,232.33**	**-$182,561.49**	**-$231,227.71**	**-$276,499.97**
CASH & CASH EQUIV. AT BEG. OF YEAR (10/01)	**$28,085,003.00**	**$30,140,090.48**	**$28,553,566.33**	**$27,055,245.93**	**$25,638,343.50**	**$24,296,546.64**	**$23,023,849.89**	**$21,814,653.98**	**$20,663,445.99**	**$19,565,063.50**
PROJECTED NET INCOME	**$603,087.48**	**$205,726.25**	**$126,549.97**	**$53,978.32**	**-$12,586.59**	**-$73,823.28**	**-$130,232.33**	**-$182,561.49**	**-$231,227.71**	**-$276,499.97**
Forecasted principal GNMA Payments	**$1,152,000.00**	**$907,749.60**	**$1,075,129.63**	**$1,229,119.26**	**$1,370,789.72**	**$1,501,126.54**	**$1,621,036.42**	**$1,731,353.50**	**$1,832,845.22**	**$1,926,217.61**
Prepayments (Dpa Loans)- Cash Flow	**$300,000.00**	**$300,000.00**	**$300,000.00**	**$300,000.00**	**$300,000.00**	**$300,000.00**	**$300,000.00**	**$300,000.00**	**$300,000.00**	**$300,000.00**
Purchase GNMA under the ALP		**($3,000,000.00)**	**($3,000,000.00)**	**($3,000,000.00)**	**($3,000,000.00)**	**($3,000,000.00)**	**($3,000,000.00)**	**($3,000,000.00)**	**($3,000,000.00)**	**($3,000,000.00)**
CASH & CASH EQUIV. AT YEAR END (9/30/2022) (A)	**$30,140,090.48**	**$28,553,566.33**	**$27,055,245.93**	**$25,638,343.50**	**$24,296,546.64**	**$23,023,849.89**	**$21,814,653.98**	**$20,663,445.99**	**$19,565,063.50**	**$18,514,781.14**
%AGE CHANGE FROM PRIOR YEAR		**-5.26%**	**-5.25%**	**-5.24%**	**-5.23%**	**-4.46%**	**-5.25%**	**-4.49%**	**-4.52%**	**-5.37%**
GNMA/FNMA SECURITIES AT BEGINNING OF FISCAL YR.	**$12,498,869.96**	**$11,346,869.96**	**$13,439,120.36**	**$15,363,990.73**	**$17,134,871.48**	**$18,764,081.76**	**$20,262,955.22**	**$21,641,918.80**	**$22,910,565.30**	**$24,077,720.07**
GNMA/FNMA SECURITIES AT BEGINNING OF FISCAL YR.(Audited FS										
GNMA Purchase under ALP (July)		**$3,000,000.00**	**$3,000,000.00**	**$3,000,000.00**	**$3,000,000.00**	**$3,000,000.00**	**$3,000,000.00**	**$3,000,000.00**	**$3,000,000.00**	**$3,000,000.00**
FORECASTED PRINCIPAL PAYMENTS	**-$1,152,000.00**	**-$907,749.60**	**-$1,075,129.63**	**-$1,229,119.26**	**-$1,370,789.72**	**-$1,501,126.54**	**-$1,621,036.42**	**-$1,731,353.50**	**-$1,832,845.22**	**-$1,926,217.61**
Forecasted GNMA/FNMA Balances at Year End. 9/30/2022 (B)	**$11,346,869.96**	**$13,439,120.36**	**$15,363,990.73**	**$17,134,871.48**	**$18,764,081.76**	**$20,262,955.22**	**$21,641,918.80**	**$22,910,565.30**	**$24,077,720.07**	**$25,151,502.47**
CASH & CASH. EQUIV.+ GNMA SECURITIES AT THE END OF YEAR (A)+(B) -= 9/30/2022	**$41,486,960.44**	**$41,992,686.70**	**$42,419,236.66**	**$42,773,214.98**	**$43,060,628.39**	**$43,286,805.11**	**$43,456,572.78**	**$43,574,011.28**	**$43,642,783.57**	**$43,666,283.61**

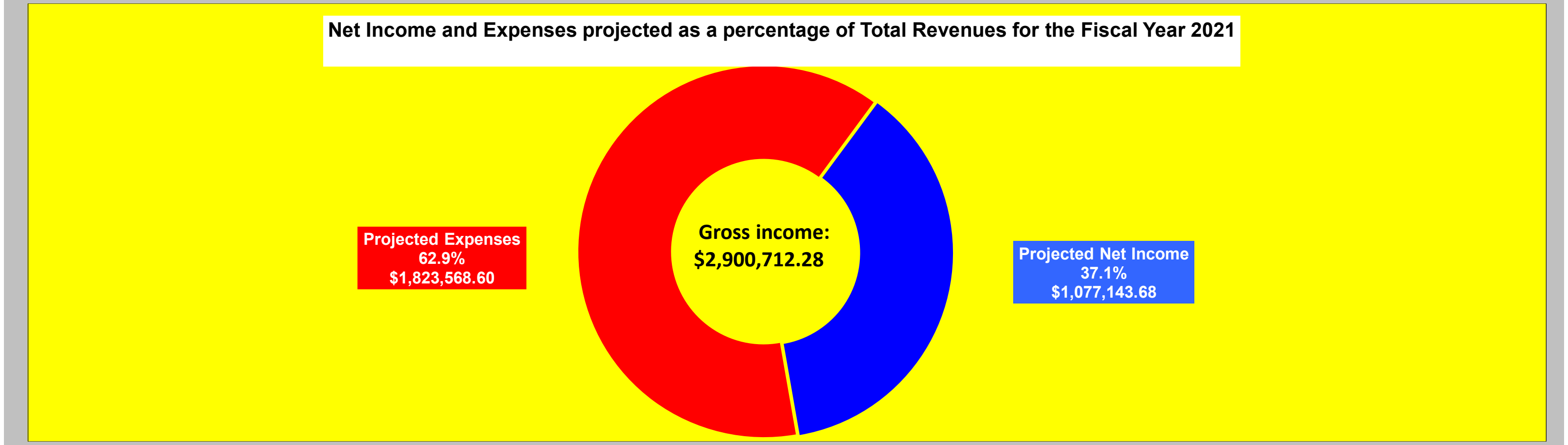
Orange County Housing Finance Authority

Proposed Operating Budget for the Fiscal Year 2022

Category	*Projected Amount*
PROJECTED GROSS REVENUES:	**$2,473,117.15**
PROJECTED EXPENSES:	**$1,870,029.67**
PROJECTED NET INCOME	**$603,087.48**




Net Income and Expenses projected as a percentage of Total Revenues for Fiscal Year 2022

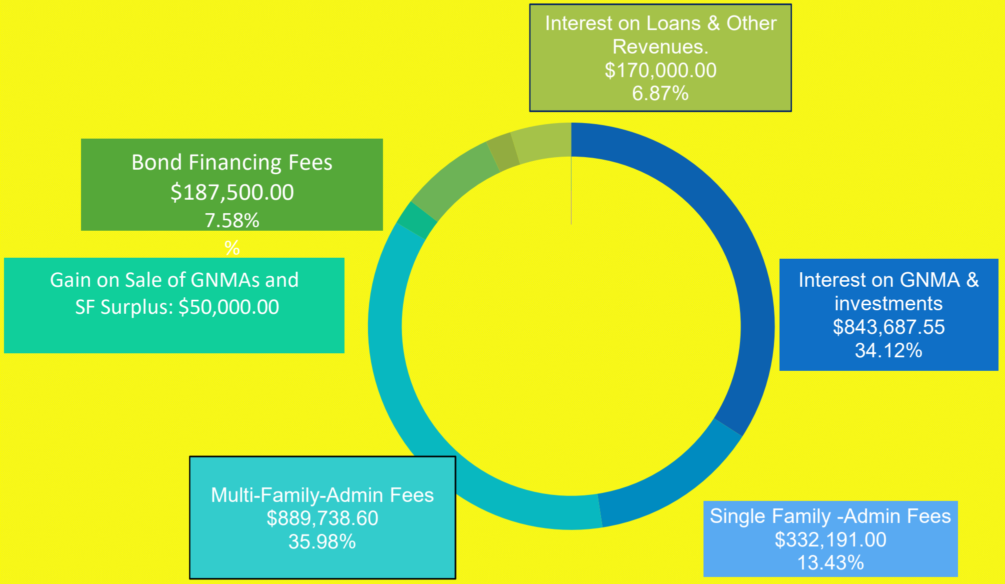

Net Income and Expenses projected as a percentage of Total Revenues for the Fiscal Year 2021

OPERATING BUDGET

FOR THE FISCAL YEAR 2022 *FOR THE FISCAL YEAR 2021*

PROJECTED REVENUES:	$2,473,117.15		**PROJECTED REVENUES:**	$2,900,712.28	
PROJECTED EXPENSES:	$1,870,029.67	75.6%	**PROJECTED EXPENSES:**	$1,823,568.60	62.9%
PROJECTED NET INCOME	$603,087.48	24.4%	**PROJECTED NET INCOME**	$1,077,143.68	37.1%

Projected Revenues and their Sources - FY 2022



Orange County Housing Finance Authority

Proposed Budget for the Fiscal year 2022

Comparison of Budget for Fiscal Year 2022 and 2021

PROJECTED REVENUES:	FY22	FY21	NET %AGE CHG.
Interest on Loans	$50,000.00	$50,000.00	0.00%
Interest GNMA Securities & Investments	$843,687.55	$682,466.41	23.62%
Gain on Sale of GNMAs in Advanced Loan Program/Surplus	$50,000.00	$50,000.00	0.00%
Administrative Fees:			
Single Family -	$332,191.00	$82,936.00	300.54%
Multi-Family -	$889,738.60	$919,506.87	-3.24%
Bond Financing Fees	$187,500.00	$187,500.00	0.00%
Other	$120,000.00	$928,303.00	-87.07%
CORE REVENUES	**$2,473,117.15**	**$2,900,712.28**	**-14.74%**
PROJECTED GROSS REVENUES	**$2,473,117.15**	**$2,900,712.28**	**-14.74%**
PROJECTED EXPENSES	**$1,870,029.67**	**$1,823,568.60**	**2.55%**
PROJECTED NET INCOME	**$603,087.48**	**$1,077,143.68**	**-44.01%**

Orange County Housing Finance Authority

Comparison of FY 2022 & FY 2021 Budgets

	FY22	FY21	NET %AGE CHG.
TOTAL REVENUES (Brought Forward)	**$2,473,117.15**	**$2,900,712.28**	**-14.74%**
PROJECTED EXPENSES:			
Salaries and Wages	$946,931.68	$920,344.07	2.89%
Shipping	$2,500.00	$2,500.00	0.00%
Travel/Conferences	$36,000.00	$36,000.00	0.00%
Casual Labor/Student Assistants	$3,000.00	$3,000.00	0.00%
Office Maintenance	$19,000.00	$19,000.00	0.00%
Building Maintenance	$16,000.00	$16,000.00	0.00%
Telephone	$28,000.00	$25,000.00	12.00%
Postage	$3,000.00	$3,000.00	0.00%
Office Supplies	$5,000.00	$5,000.00	0.00%
Office Furniture	$1,000.00	$1,000.00	0.00%
Publications	$2,000.00	$2,000.00	0.00%
Printing (includes annual report)	$6,500.00	$6,500.00	0.00%
Equipment/Computer/Printer	$9,000.00	$7,000.00	28.57%
Term Leave	$15,000.00	$15,000.00	0.00%
Contract Services	$22,000.00	$28,000.00	-21.43%
Marketing/Sadowski Act Funding - $15,000	$20,000.00	$20,000.00	0.00%
Seminars/Education/Training	$15,000.00	$18,000.00	-16.67%
Employee Benefits/Health etc.	$142,000.00	$138,000.00	2.90%
Unemployment Compensation	$2,000.00	$2,000.00	0.00%
Other Taxes	$1,200.00	$1,200.00	0.00%
Annual Audit	$53,000.00	$54,000.00	-1.85%
Legal Advertising	$4,000.00	$4,000.00	0.00%
Legal Fees	$10,000.00	$10,000.00	0.00%
Membership	$7,500.00	$7,500.00	0.00%
Payroll Taxes	$72,440.27	$70,406.32	2.89%
Miscellaneous	$12,000.00	$5,000.00	140.00%
Loss on DPA Foreclosures	$30,000.00	$30,000.00	0.00%
Florida Retirement System	$102,458.01	$92,034.41	11.33%
Voya Retirement Plan	$47,346.58	$46,017.20	2.89%
Limited HRA	$10,500.00	$10,300.00	1.94%
File Storage	$2,400.00	$2,400.00	0.00%
Local Mileage Reimbursement	$2,000.00	$2,000.00	0.00%
Equipment Maintenance	$5,000.00	$5,000.00	0.00%
Insurance Coverages	$70,000.00	$70,000.00	0.00%
Reserve for Replacement for OCHFA's Building	$5,000.00	$5,000.00	0.00%
Financial Advisory Services	$12,000.00	$15,000.00	-20.00%
Admin. Exp/Bank,Trustee	$1,000.00	$1,000.00	0.00%
Rebate Computation Fees	$6,000.00	$6,000.00	0.00%
Operating Contingency Reserve	$20,000.00	$20,000.00	0.00%
Performance Award	$96,753.12	$94,366.60	2.53%
Custody Fee	$5,500.00	$5,000.00	10.00%
Total Expenses	**$1,870,029.67**	**$1,823,568.60**	**2.55%**
NET INCOME	**$603,087.48**	**$1,077,143.68**	**-44.01%**

Orange County Housing Finance Authority

Proposed Budget for the Fiscal Year 2022

PROJECTED REVENUES:	**FY 2022**
Interest on investments	$843,687.55
Single Family -Admin Fees	$332,191.00
Multi-Family-Admin Fees	$889,738.60
Gain on Sale of GNMAs/SF Surplus	$50,000.00
Bond Financing Fees	$187,500.00
Interest on Loans	$50,000.00
Other Revenues	$120,000.00
PROJECTED TOTAL REVENUES	**$2,473,117.15**

Orange County Housing Finance Authority
Proposed Budget for the Fiscal year 2022

Exhibit - G

PROJECTED REVENUES FOR FY 2022

Category	***Description***	***Amount***
Interest on Investments:	**(See Exhibit H). PAGE 8**	**$843,687.55**
Single Family	**These are fees paid to the Authority for monitoring each project in both S/F & M/F. (See Exhibit J & K).**	**$332,191.00**
Multi Family		**$889,738.60**
Bond Financing Fees:	**These are the projected fees that the Authority receives to Finance Multi-Family Projects. (See Exhibit (*I*), - on same sheet with Exhibit H.**	**$187,500.00**
Loan Revenues:	**Interest on Loans & DPA Loans**	**50,000.00**
Gain on Sale of GNMAs/Surplus Revenues	**Single Family Program**	**50,000.00**
Other Revenues (Including MAF):		**120,000.00**
Total		**2,473,117.15**

Orange County Housing Finance Authority
Proposed Budget for the Fiscal year 2022

Exhibit - H

PROJECTED INVESTMENT INCOME FOR Fiscal Year 2022

	Balance at June 30, 2021 OPERARTING FD		*Interest Rate*	*Projected Interest*
Operating Fund 215252054184-000 - Sun Trust	**5,673,849.41**		0.05%	2,836.92
Low Income Housing Fund 215252054192-000 - Sun Trust	**1,244,259.52**		0.05%	622.13
Homeownership Assistance Fund -1000042656834 -Sun Trust	**2,023,221.63**		0.05%	1,011.61
INT on GNMA Held in M/Accum. Fund*			0.43%	0.00
US Bank Custody Acct 129142000	**3,249,673.84**		0.10%	3,249.67
US Bank Custody Acct 141763000	**480,133.38**		0.10%	480.13
US Bank Custody Acct 2611060000	**464,167.92**		0.10%	464.17
Custody Account - GNMA-OCHFA Invest	**13,931,412.76**		0.34%	569,571.88
Certificate of Deposit	**1,122,742.27**		0.07%	785.92
FHLB Collateral Account	**1,449,652.00**		0.46%	6,639.41
INT on GNMA Collateral held in 2014A*		**4,644,802.91**	0.37%	203,442.37
Net Interest to Issuer - 2014A				59,054.00
Net Interest from Custody Account				0.00
Investment - Total	**29,639,112.73**	**4,644,802.91**	**0.00**	**843,687.55**

Exhibit - I

PROJECTED FINANCING FEES	**BD. VOLUME USE**	**%AGE**	**ESTI. FIN. FEES**
M/F BVCAP FY 20 (Regions 14 & 6)	25,000,000.00	75 BPS%	187,500.00
Taxable Tails	0.00		0.00
TOTAL FINANCING FEES	**25,000,000.00**		**187,500.00**

Orange County Housing Finance Authority
Proposed Budget for the Fiscal Year 2022

Exhibit - J

SINGLE FAMILY ADMINISTRATIVE FEE SCHEDULE FOR FISCAL YEAR 2022

Month Receivable	Bond Issue	Project Number	Fee Calculation - Formula	Bonds / GNMA Outstanding Balance at June 30, 2021	Due Date	*PROJECTED AMT. DUE*
MAR '22	2014 A	546	10bps-LR, 15 bps assisted per yr-gnma o/s,	8,480,000.00	3/1, 9/1	3,875.50
	2017 A	547	10bps-LR, 15 bps assisted per yr-gnma o/s,	15,575,000.00	3/1, 9/1	7,443.50
	2018 A	548	10bps-LR, 15 bps assisted per yr-gnma o/s,	18,710,000.00	3/1, 9/1	9,008.00
	2020 A	549	10bps-LR, 15 bps assisted per yr-gnma o/s,	18,710,000.00	3/1, 9/1	2,946.50
	2020 B	549	10bps-LR, 15 bps assisted per yr-gnma o/s,	18,710,000.00	3/1, 9/1	142,822.00
SEP '22	2014 A	546	10bps-LR, 15 bps assisted per yr-gnma o/s,	8,480,000.00	3/1, 9/1	3,875.50
	2017 A	547	10bps-LR, 15 bps assisted per yr-gnma o/s,	15,575,000.00	3/1, 9/1	7,443.50
	2018 A	548	10bps-LR, 15 bps assisted per yr-gnma o/s,	18,710,000.00	3/1, 9/1	9,008.00
	2020 A	549	10bps-LR, 15 bps assisted per yr-gnma o/s,	18,710,000.00	3/1, 9/1	2,946.50
	2020 B	549	10bps-LR, 15 bps assisted per yr-gnma o/s,	18,710,000.00	3/1, 9/1	142,822.00
						332,191.00

NOTE: EACH YEAR BONDS OR GNMA OUTSTANDING ARE REDUCED BY 7% BASED ON AN EXPECTED MORTGAGE LIFE OF APPROXIMATELY 12 - 15 YEARS.

Orange County Housing Finance Authority

Proposed Budget for the Fiscal year 2022

Exhibit - K

OCHFA MULTI-FAMILY ADMINISTRATIVE FEE SCHEDULE FOR FISCAL YEAR 2022

Month Receivable	Project No.	Bond Issue	Project	Fee Calculation - Formula	*Approximate Bonds Outstanding*	*Due Date*	*Amount Due FY 2021*
OCT '21	430	1995 A	H.A.N.D.S.	(S) Annual Fee not to exceed 20 Basis Pnts O/S Bonds	2,210,000.00	10/1, 4/1	$2,210.00
	437	1998 C	Alhambra	Semi-annually- 20 BPS of Bonds O/S.	1,070,000.00	10/1, 4/1	$1,070.00
	454	2001A	HANDS	Semi-annually- 20 BPS of Bonds O/S.	4,060,000.00	10/1, 4/1	$4,060.00
	465	2005 D	Lake Harris Cove	Semi-annually- 30 BPS of Bonds O/S.	5,194,000.00	10/1, 4/1	$7,791.00
	467	2007A	Marbella Pointe	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	7,650,000.00	10/15, 4/15	$11,475.00
NOV '21							
	461	2004A	Lee Vista Apartments	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	11,300,000.00	5/15, 11 /15	$16,950.00
	462	2004C	Cove at Lady Lake	Semi-annually- 30 BPS of Bonds O/S.	7,485,000.00	5/1, 11 /1	$11,227.50
	463	2004C	Lakeside Point	Semi-annually- 30 BPS of Bonds O/S.	5,630,000.00	5/1, 11 /1	$8,445.00
	475	2007I	Rolling Acres I	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	4,015,000.00	5/1, 11 /1	$5,018.75
	476	2007J	Rolling Acres II	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	1,225,000.00	5/1, 11 /1	$5,000.00
	488	2009A-3 NIBP	Oak Harbor Apts.	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	7,070,000.00	5/1, 11/1	$10,605.00
	497	2017 A	Vista Pines	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	21,983,000.00	5/1, 11/1	$32,974.50
DEC '21							
	468	2007B	Marbella Cove	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	4,185,000.00	12/1 , 6/1	$6,277.50
	477	2007K	Fountains @ Millenia II	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	1,965,000.00	12/1 , 6/1	$5,000.00
	478	2007L	Fountains @ Millenia III	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	3,920,000.00	12/1 , 6/1	$4,900.00
	479	2007M	Fountains @ Millenia IV	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	4,450,000.00	12/1 , 6/1	$5,562.50
	480	2007N	Spring Lake Cove I	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	3,990,000.00	12/1 , 6/1	$4,987.50
	481	2007O	Spring Lake Cove II	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	2,000,000.00	12/1 , 6/1	$5,000.00
	482	2007P	Southwinds	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	6,150,000.00	12/1 , 6/1	$7,687.50
	484	2014C	Boca Vista (Chatham Harbor)	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	22,680,000.00	12/1 , 6/1	$34,020.00
	490	2009A-5 NIBP	Seville Place apts.	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	6,310,000.00	12/1 , 6/1	$9,465.00
	491	2013A	Nassau Bay	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	35,369,257.13	12/1 , 6/1	$53,053.89
	494	2016AB	Buchanan Bay(Landon Trace)	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	12,906,209.88	12/1 , 6/1	$19,359.31
	496	2016 D	Westwood Park Apts	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	16,480,000.00	12/1 , 6/1	$24,720.00
	203	2018A-1	Lake Weston Pointe Apartments	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	17,156,234.64	12/1 , 6/1	$25,734.35
	205	2019A-1/A-2	Chapel Trace Apartments	(S) Annual Fee not to exceed 15 Basis Pnts O/S Bonds	25,610,000.00	12/1 , 6/1	$19,207.50
JAN '22							
	452	2001 AB	Charleston Club Apartments	(S) Annual Fee not to exceed 20 Basis Pnts O/S Bonds	8,550,000.00	1/15 , 7/15	$8,550.00
	486	2009 A-1 NIBP	Crestwood apts.	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	6,090,000.00	1/15, 7/15	$9,135.00
	487	2009 A-2 NIBP	Lake Sherwood	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	5,150,000.00	1/1 , 7/1	$7,725.00
	489	2009A-4 NIBP	River Ridge apts.	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	9,240,000.00	1/1, 7/1	$13,860.00
FEB '22							
	456	2002 A&B	Landings on Millenia Blvd	(S) Annual Fee not to exceed 20 Basis Pnts O/S Bonds	11,110,000.00	2/15, 8/15	$11,110.00
	473	2007G	Laurel Oaks I	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	7,570,000.00	2/1, 8/1	$11,355.00
	474	2007H	Laurel Oaks II	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	6,990,000.00	2/1, 8/1	$10,485.00
MAR '22							
	469	2007C	Oviedo Town Center I	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	5,130,000.00	3/1, 9/1	$7,695.00
	470	2007D	Oviedo Town Center II	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	1,550,000.00	3/1, 9/1	$5,000.00
	471	2007E	Oviedo Town Center III	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	2,800,000.00	3/1, 9/1	$5,000.00
	472	2007F	Oviedo Town Center IV	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	1,450,000.00	3/1, 9/1	$5,000.00
					307,693,701.65		$436,716.80

APRIL '22							$436,716.80
	430	1995 A	H.A.N.D.S.	(S) Annual Fee not to exceed 20 Basis Pnts O/S Bonds	2,210,000.00	10/1, 4/1	$2,210.00
	417	1997 E	Post Vista(Post Fountains)	(Anual Fee)15 bps on 1st $5 mill. 10 bps on rem. bds o/s	16,305,000.00	1-Apr	$16,305.00
	437	1998 C	Alhambra	Semi-annually- 20 BPS of Bonds O/S.	1,070,000.00	10/1, 4/1	$1,070.00
	454	2001A	HANDS	Semi-annually- 20 BPS of Bonds O/S.	4,060,000.00	10/1, 4/1	$4,060.00
	465	2005 D	Lake Harris Cove	Semi-annually- 30 BPS of Bonds O/S.	5,194,000.00	10/1, 4/1	$7,791.00
	467	2007A	Marbella Pointe	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	7,650,000.00	10/15, 4/15	$11,475.00
MAY '22							
	462	2004C	Cove at Lady Lake	Semi-annually- 30 BPS of Bonds O/S.	7,485,000.00	5/1, 11/1	$11,227.50
	463	2004C	Lakeside Point	Semi-annually- 30 BPS of Bonds O/S.	5,630,000.00	5/1, 11/1	$8,445.00
	461	2004A	Lee Vista Apartments	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	11,300,000.00	5/15, 11/15	$16,950.00
	475	2007I	Rolling Acres I	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	4,015,000.00	5/1, 11/1	$5,018.75
	476	2007J	Rolling Acres II	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	1,225,000.00	5/1, 11/1	$5,000.00
	488	2009A-3 NIBP	Oak Harbor Apts.	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	7,070,000.00	5/1, 11/1	$10,605.00
	497	2017 A	Vista Pines	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	21,983,000.00	5/1, 11/1	$32,974.50
JUNE '22							
	468	2007B	Marbella Cove	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	4,185,000.00	12/1 , 6/1	$6,277.50
	477	2007K	Fountains @ Millenia II	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	1,965,000.00	12/1 , 6/1	$5,000.00
	478	2007L	Fountains @ Millenia III	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	3,920,000.00	12/1 , 6/1	$4,900.00
	479	2007M	Fountains @ Millenia IV	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	4,450,000.00	12/1 , 6/1	$5,562.50
	480	2007N	Spring Lake Cove I	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	3,990,000.00	12/1 , 6/1	$4,987.50
	481	2007O	Spring Lake Cove II	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	2,000,000.00	12/1 , 6/1	$5,000.00
	482	2007P	Southwinds	(S) Annual Fee not to exceed 25 Basis Pnts O/S Bonds	6,150,000.00	12/1 , 6/1	$7,687.50
	484	2009A	Chatham Harbor	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	22,680,000.00	12/1 , 6/1	$34,020.00
	490	2009A-5 NIBP	Seville Place apts.	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	6,310,000.00	12/1, 6/1	$9,465.00
	491	2013A	Nassau Bay	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	35,369,257.13	12/1, 6/1	$53,053.89
	494	2016AB	Buchanan Bay	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	12,906,209.88	12/1, 6/1	$19,359.31
	496	2016 D	Westwood Park Apts	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	16,480,000.00	12/1 , 6/1	$24,720.00
	203	2018A-1	Lake Weston Pointe Apts.	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	17,156,234.64	12/1 , 6/1	$25,734.35
	205	2019A-1/A-2	Chapel Trace Apartments	(S) Annual Fee not to exceed 15 Basis Pnts O/S Bonds	25,610,000.00	12/1 , 6/1	$19,207.50
JULY '22							
	452	2001 AB	Charleston Club Apartments	(S) Annual Fee not to exceed 20 Basis Pnts O/S Bonds	8,550,000.00	1/15 , 7/15	$8,550.00
	486	2009 A-1 NIBP	Crestwood apts.	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	6,090,000.00	1/15, 7/15	$9,135.00
	487	2009 A-2 NIBP	Lake Sherwood	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	5,150,000.00	1/1 , 7/1	$7,725.00
	489	2009A-4 NIBP	River Ridge apts.	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	9,240,000.00	1/1, 7/1	$13,860.00
AUGUST '22							
	456	2002 A&B	Landings on Millenia Blvd	(S) Annual Fee not to exceed 20 Basis Pnts O/S Bonds	11,110,000.00	2/15, 8/15	$11,110.00
	473	2007G	Laurel Oaks I	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	7,570,000.00	2/1, 8/1	$11,355.00
	474	2007H	Laurel Oaks II	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	6,990,000.00	2/1, 8/1	$10,485.00
SEPTEMBER '22							
	469	2007C	Oviedo Town Center I	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	5,130,000.00	3/1, 9/1	$7,695.00
	470	2007D	Oviedo Town Center II	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	1,550,000.00	3/1, 9/1	$5,000.00
	471	2007E	Oviedo Town Center III	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	2,800,000.00	3/1, 9/1	$5,000.00
	472	2007F	Oviedo Town Center IV	(S) Annual Fee not to exceed 30 Basis Pnts O/S Bonds	1,450,000.00	3/1, 9/1	$5,000.00
				PROJECTED MF ADMINISTRATIVE FEES	323,998,701.65		$889,738.60

Orange County Housing Finance Authority

Proposed Budget for the Fiscal year 2022

Projected Revenues for the FY 2022 **$2,473,117.15**

Projected Expenses for the FY 2022

	Category	*Amount*	*Description*
1	Salaries and Wages	$946,931.68	8 exempt positions, 2 nonexempt positions.
3	Shipping	$2,500.00	Based on actual monthly average
4	Travel/Conferences	$36,000.00	Same as current year's budget
5	Casual Labor/Student Assistants	$3,000.00	Based on one student hires as projected in Strategic Plan
7	Office Maintenance	$19,000.00	Same as current year's budget
8	Building Maintenance	$16,000.00	Based on actual
9	Telephone	$28,000.00	Based on actual monthly average
10	Postage	$3,000.00	Based on actual monthly average
11	Office Supplies	$5,000.00	Based on actual monthly average
12	Office Furniture	$1,000.00	Based on an estimate
13	Publications	$2,000.00	Based on actual monthly average
14	Printing (includes annual report)	$6,500.00	Includes printing of Annual Reports
15	Equipment/Computer/Printer	$9,000.00	Based on an estimate
16	Term Leave	$15,000.00	Computed
17	Marketing including Sadowski Act Contribution	$20,000.00	Based on an estimate
18	Contract Services	$22,000.00	Professional Services
19	Seminars/Education/Training	$15,000.00	Staff - education, training and seminar participation
21	Employee Benefits/Health etc.	$142,000.00	Based on actual
22	Unemployment Compensation	$2,000.00	Based on current Year's budget
23	Other Taxes	$1,200.00	Based on actual
24	Annual Audit	$53,000.00	Based on Contract
26	Legal Advertising	$4,000.00	Based on actual monthly average
27	Legal Fees	$10,000.00	Based on Actual
28	Membership	$7,500.00	Based on actual monthly average
29	Payroll Taxes	$72,440.27	Based on 6.2% social security tax and 1.45% medicare tax
30	Miscellaneous Expense	$12,000.00	Based on current Year's budget
	Loss on DPA Foreclosures	$30,000.00	Based on an estimate
31	Florida Retirement System	$102,458.01	Employer contribution as required by State Statute
32	VOYA Retirement Plan	$47,346.58	5% of salaries
34	Limited HRA	$10,500.00	For Dental/Vision/Limited medical in accordance with IRS Guides
35	File Storage	$2,400.00	Based on actual monthly average
36	Local Mileage Reimbursement	$2,000.00	Based on actual
37	Equipment Maintenance	$5,000.00	Based on actual monthly average for copiers
38	Insurance Coverages (Including Work. Comp.)	$70,000.00	Based on actual
39	Reserve for Replacement - Building	$5,000.00	Reserves for such items as the roof, air-condition, parking area etc.
40	Financial Advisory Services	$12,000.00	Based on actual
41	Admin. Expense Bank/Trustee	$1,000.00	Based on actual
42	Rebate Fee Expense	$6,000.00	Rebate Computation Fees for some S/F bond issues
43	Operating Contingency Reserve	$20,000.00	Contingency Reserve for unforeseen expenditures
44	Performance Award Program	$96,753.12	board approved bonus plan includes
45	Custody Fee	$5,500.00	Based on contract with US Bank
	Total Projected Expenses	**$1,870,029.67**	
	NET INCOME	**$603,087.48**	

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

D. MORRIS
EXECUTIVE DIRECTOR

CONSENT

MEMORANDUM

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

DATE: September 20, 2021

RE: **OPPORTUNITY ZONES STATUS**
OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

CURRENT

- No Activity -

ACTION REQUESTED

-information only-

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	September 24, 2021
RE:	**OCHFA CONSOLIDATED BALANCE SHEET FOR THE OPERATING FUND FOR THE PERIOD ENDING AUGUST 31, 2021.** OCTOBER 6, 2021 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 1.851% interest income on all investments.

Orange County Housing Finance Authority

Operating Fund Balance Sheet

As of August 31, 2021

	GENERAL FUND	LOW INCOME HOUSING FUND	HOMEOWNERSHIP ASSISTANCE FUND	COMBINED TOTALS
Assets				
Cash	5,605,085.22	1,244,378.80	2,222,473.01	9,071,937.03
* * * * * Investments	4,748,820.27	0.00	434,687.43	5,183,507.70
GNMA/FNMA Securities	14,395,367.35	0.00	0.00	14,395,367.35
Accounts Receivable	323,814.51	0.00	48,641.86	372,456.37
Loan Receivable	665,360.52	0.00	0.00	665,360.52
Notes Receivable	1,063,680.40	24,200.00	0.00	1,087,880.40
S/F 2014 A GNMA Collateral / Rcvbl	4,060,955.67	0.00	0.00	4,060,955.67
GF - FHLB GNMA Collateral / Rcvbl	1,235,192.30	0.00	0.00	1,235,192.30
Mortgage Receivable	0.00	366,574.98	4,852,403.21	5,218,978.19
* * * * Allowance for Doubtful Accounts	(61,492.65)	(341,266.89)	(1,259,399.97)	(1,662,159.51)
Mortgage & GNMA/FNMA Income Receivable	2,886,694.26	0.00	0.00	2,886,694.26
Deferred FRS Pension Contributions	239,559.00	0.00	0.00	239,559.00
Interfund Receivable/Payable	17,322,414.39	4,775,793.63	(8,200,578.35)	13,897,629.67
Prepaid Expenses	48,283.17	0.00	0.00	48,283.17
Fixed Assets	279,950.80	0.00	0.00	279,950.80
Total Assets	52,813,685.21	6,069,680.52	(1,901,772.81)	56,981,592.92
Current liabilities:				
Other Payables	251,269.61	0.00	0.00	251,269.61
FRS Net Pension Liability	1,010,964.00	0.00	0.00	1,010,964.00
Accounts Payables	287,162.29	0.00	0.00	287,162.29
Total liabilities	1,549,395.90	0.00	0.00	1,549,395.90
Retained Earnings Previous Period	49,910,098.63	6,069,067.74	(1,913,543.35)	54,065,623.02
Net Income (Loss)	1,354,190.68	612.78	11,770.54	1,366,574.00
Total Liabilities & Retained Earnings	52,813,685.21	6,069,680.52	(1,901,772.81)	56,981,592.92

* * * * 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 $242,429.24 difference between the GNMA'S book value and market value recorded at 9/30/2020 (GASB 31).

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	September 24, 2021
RE:	**OCHFA COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS FOR THE PERIOD ENDING AUGUST 31, 2021.** OCTOBER 6, 2021 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 11 Periods Ending August 31, 2021

	Operating Fund			
	General Fund	**Low Income Hsg Fund**	**Homeownership Assistance Fund**	**Current YTD**
Revenue:				
Administrative Fees	1,019,495.04	0.00	0.00	1,019,495.04
Bond Financing Fees	309,626.07	0.00	0.00	309,626.07
Intra Fund Revenue	812,189.21	0.00	0.00	812,189.21
Gain on the Sale of GNMA's	3,383.18	0.00	0.00	3,383.18
Other Revenue	77,366.59	612.78	9,500.00	87,479.37
Investment Income	3,989.66	0.00	29.90	4,019.56
Income from Loans, GNMAs	586,721.51	0.00	13,101.63	599,823.14
Total Revenues	2,812,771.26	612.78	22,631.53	2,836,015.57
Expenses				
General and Administrative	1,454,529.79	0.00	10,860.99	1,465,390.78
Rebate Expense	2,700.00	0.00	0.00	2,700.00
Other Expenses	1,350.79	0.00	0.00	1,350.79
Total Expenses	1,458,580.58	0.00	10,860.99	1,469,441.57
Net Income (Loss)	1,354,190.68	612.78	11,770.54	1,366,574.00
Retained Earnings Beginning of Year	49,910,098.63	6,069,067.74	-1,913,543.35	54,065,623.02
Retained Earnings End of Year	**51,264,289.31**	**6,069,680.52**	**(1,901,772.81)**	**55,432,197.02**

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	September 24, 2021
RE:	**OCHFA FISCAL YEAR 2021 OPERATING FUND – COMPARISON OF BUDGET VS. ACTUAL AS OF AUGUST 31, 2021.** OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

Attached for your attention is the comparison of the Budgeted Revenues and Expenses for Fiscal Year 2021 vs. the Actual Revenues and Expenses for the period ending August 31, 2021.

Attachments

Orange County Housing Finance

Statement of Earnings

For The 11 Periods Ending August 31, 2021

	Fiscal Year 2021 Budget	Year To Date Revenue Received	Budget Remaining YTD	%age Budget Remaining YTD
Revenue:				
2011 SERIES A	$18,827	$6,323	$12,504	66%
2011 SERIES B	$7,620	$0	$7,620	100%
2014 SERIES A	$10,445	$4,297	$6,148	59%
2017 SERIES A	$20,905	$7,839	$13,066	63%
2018 SERIES A	$25,139	$8,773	$16,366	65%
CHARLESTON CLUB APTS	$18,040	$17,370	$670	4%
HANDS 2001 F	$8,620	$9,775	($1,155)	-13%
THE LANDINGS ON MILLENIA	$23,290	$22,485	$805	3%
LEE VISTA APARTMENTS	$35,100	$34,200	$900	3%
COVE AT LADY LAKE	$23,055	$22,605	$450	2%
LAKESIDE POINTE APARTMENTS	$17,190	$17,040	$150	1%
LAKE HARRIS COVE APTS	$23,310	$38,026	($14,716)	-63%
MARBELLA COVE	$12,555	$12,555	$0	0%
MARBELLA POINTE	$22,950	$22,950	$0	0%
OVIEDO TOWN CENTER PHASE I	$15,705	$7,695	$8,010	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	$23,010	$22,710	$300	1%
LAUREL OAKS II	$21,240	$20,970	$270	1%
ROLLING ACRES I	$10,213	$10,094	$119	1%
ROLLING ACRES II	$10,000	$10,000	$0	0%
FOUNTAINS @ MILLENIA II	$10,000	$10,000	$0	0%
FOUNTAINS @ MILLENIA III	$9,975	$9,944	$31	0%
FOUNTAINS @ MILLENIA IV	$11,313	$11,175	$138	1%
SOUTHWINDS	$15,625	$15,375	$250	2%
POST VISTA POST FOUNTAINS	$16,980	$18,945	($1,965)	-12%
SPRING LAKE COVE I	$10,225	$9,988	$238	2%
SPRING LAKE COVE II	$10,000	$5,000	$5,000	50%
CHATHAM HARBOR APTS	$68,040	$68,040	$0	0%
CRESTWOOD APARTMENTS	$18,630	$18,360	$270	1%
LAKE SHERWOOD APARTMENTS	$15,780	$15,525	$255	2%
OAK HARBOR APARTMENTS	$21,600	$21,510	$90	0%
RIVER RIDGE APARTMENTS	$28,290	$27,870	$420	1%
SEVILLE PLACE APARTMENTS	$19,260	$19,005	$255	1%
NASSAU BAY APARTMENTS	$106,699	$106,308	$391	0%
DEAN WOODS APARTMENTS	$10,000	$100,000	($90,000)	-900%
BUCHANAN BAY	$39,271	$38,905	$366	1%
WESTWOOD PARK APTS	$49,485	$49,454	$32	0%
VISTA PINES APTS	$66,000	$65,969	$32	0%
LAKE WESTON POINT APTS	$52,062	$51,673	$389	1%
CHAPEL TRACE APARTMENTS	$38,415	$38,415	$0	0%
HANDS	$5,210	$5,015	$195	4%
ALHAMBRA TRACE APTS	$2,370	$2,315	$55	2%
BOND FINANCING FEES	$187,500	$309,626	($122,126)	-65%
TRANSFER IN	$0	$812,189	($812,189)	
GAIN ON SALE OF GNMA'S	$50,000	$3,383	$46,617	93%
OTHER REVENUES	$928,303	$22,122	$906,181	98%
OTHER REVENUE TBA	$0	$65,357	($65,357)	
INV INCOME	$18,745	$164	$18,581	99%
INV INCOME CD OPERATING FUND	$0	$3,856	($3,856)	
FHLB HELD SECURITIES GNMA/FNMA INCOME	$0	$51,106	($51,106)	
MORTGAGE INCOME HFA OF WINTER PARK	$9,000	$3,989	$5,011	56%
INTEREST INCOME ON WESTLAKES PHASE I	$7,500	$5,837	$1,663	22%
MORTGAGE INCOME HABITAT LOC	$5,700	$0	$5,700	100%
MORTGAGE INCOME CITY VIEW LOAN PARTICIPATION	$4,000	$10,734	($6,734)	-168%
GNMA/FNMA INCOME	$305,532	$250,557	$54,975	18%
MASTER ACC FUND GNMA/FNMA INCOME	$358,190	$264,498	$93,692	26%
2006 A DPA MORTGAGE INTEREST	$600	$54	$546	91%

2006 A 1 DPA MORTGAGE INTEREST	$2,100	$95	$2,005	95%
2007 A DPA MORTGAGE INTEREST	$10,300	$5,800	$4,500	44%
2007 B DPA MORTGAGE INTEREST	$10,300	$6,977	$3,323	32%
2009 A NIBP DPA MORTGAGE INTEREST	$500	$159	$341	68%
2011 B 1 NIBP DPA MORTGAGE INTEREST	$0	$17	($17)	
	$2,900,712	$2,836,016	$64,697	2%

	Fiscal Year 2021 Budget	Year To Date Expenses Incurred	Budget Remaining YTD	%age Budget Remaining YTD
Costs and expenses:				
SALARIES AND WAGES	$920,344	$862,116	$58,228	6%
SHIPPING	$2,500	$1,913	$587	23%
TRAVEL/CONFERENCE/ TRAINING	$36,000	$1,415	$34,585	96%
CASUAL LABOR/STUDENT ASST.	$3,000	$0	$3,000	100%
OFFICE MAINTENANCE	$19,000	$20,492	($1,492)	-8%
BUILDING MAINTENANCE	$16,000	$12,192	$3,808	24%
TELEPHONE	$25,000	$27,823	($2,823)	-11%
POSTAGE	$3,000	$1,243	$1,757	59%
OFFICE SUPPLIES	$5,000	$3,081	$1,919	38%
OFFICE FURNITURE	$1,000	$0	$1,000	100%
PUBLICATIONS	$2,000	$956	$1,044	52%
PRINTING/ANNUAL REPORT	$6,500	$4,220	$2,280	35%
EQUIPMENT / COMPUTER / PRINTER	$7,000	$13,766	($6,766)	-97%
MARKETING	$20,000	$5,230	$14,770	74%
CONTRACTOR SERVICES	$28,000	$10,675	$17,325	62%
SEMINARS/EDUCATION	$18,000	$0	$18,000	100%
EMPLOYEE BENEFITS HEALTH/LIFE	$138,000	$137,853	$147	0%
UNEMPLOYMENT COMPENSATION	$2,000	$0	$2,000	100%
OTHER INSURANCE & TAXES	$1,200	$779	$421	35%
ANNUAL AUDIT	$54,000	$49,500	$4,500	8%
LEGAL ADVERTISING	$4,000	$3,289	$711	18%
LEGAL FEES	$10,000	$6,133	$3,867	39%
MEMBERSHIP	$7,500	$6,485	$1,015	14%
PAYROLL TAXES	$70,406	$54,964	$15,443	22%
MISCELLANEOUS EXPENSE	$5,000	$9,554	($4,554)	-91%
LOSS ON DPA FORECLOSURES	$30,000	$0	$30,000	100%
FLORIDA RETIREMENT SYSTEM	$92,034	$88,560	$3,474	4%
457 DEFERRED COMP EMPLOYER CONTRIBUTION EXP	$46,017	$39,477	$6,541	14%
LIMITED HRA	$10,300	$9,300	$1,000	10%
TERM LEAVE	$15,000	$0	$15,000	100%
FILE STORAGE	$2,400	$1,495	$905	38%
LOCAL MILEAGE REIMBURSEMENT	$2,000	$113	$1,887	94%
EQUIPMENT MAINTENANCE	$5,000	$1,957	$3,043	61%
INSURANCE COVERAGES	$70,000	$51,985	$18,015	26%
RESERVE FOR REPLACEMENT BLDG	$10,000	$0	$10,000	100%
FHLB LOAN INTEREST COLLATERAL EXP	$0	$391	($391)	
FINANCIAL ADVISORY SERVICES	$15,000	$2,325	$12,675	85%
PERFORMACE AWARD PROGRAM	$94,367	$30,000	$64,367	68%
ADMINISTRATIVE EXP. TRUSTEE	$0	$6,108	($6,108)	
CUSTODY FEE	$5,000	$0	$5,000	100%
ADMIN EXPENSE BANK/TRUSTEE	$1,000	$0	$1,000	100%
REBATE FEE EXPENSE	$6,000	$2,700	$3,300	55%
OPERATING CONTINGENCY RESERVE	$20,000	$0	$20,000	100%
1994 EXCESS GNMA INTEREST EXP	$0	$412	($412)	
1995 EXCESS GNMA INTEREST EXP	$0	$215	($215)	
LOSS ON SALE	$0	$724	($724)	
	$1,828,569	$1,469,442	$359,127	20%

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	September 24, 2021
RE:	**OCHFA FISCAL YEAR 2021, OPERATING FUND – COMPARISON OF ACTUAL REVENUES AND EXPENSES FOR THE PERIODS ENDING AUGUST 31, 2020 AND AUGUST 31, 2021.** OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

Attached for your review is the comparison of the Actual Revenues and Expenses for the periods ending August 31, 2020 and August 31, 2021.

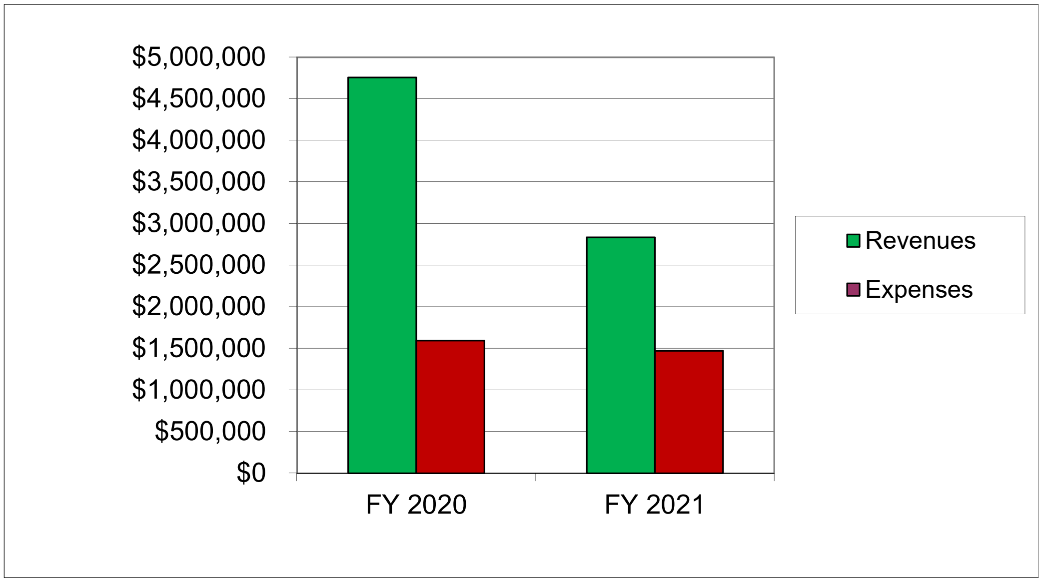
Attachments

Actual Revenues and Expenses Comparison
For the Period Ending August 31, 2021

	FY 2020	FY 2021	% Δ
Revenues	$4,756,039	$2,836,016	-40%
Expenses	$1,595,423	$1,469,442	-8%

Revenues decreased this year compared with last year. This is due to the payoff of the 2010 A bond issuance and bond financing fees in the prior year, which were not present in the current year. The overall change in revenues is -40%.

Overall expenses decreased slightly this year compared to last year due to a loss on transfer of GNMA's in the prior year that is not present in the current year. The overall change in expenses is -8%.



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

CONSENT ITEM

MEMORANDUM

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

CONTACT: Olukayode Adetayo, Chief Financial Officer

DATE: September 24, 2021

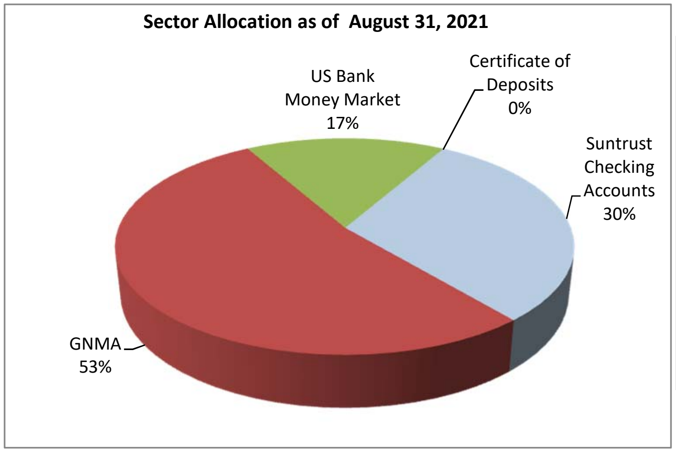
RE: **SUMMARY OF OCHFA'S OPERATING FUND INVESTMENTS.**
OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

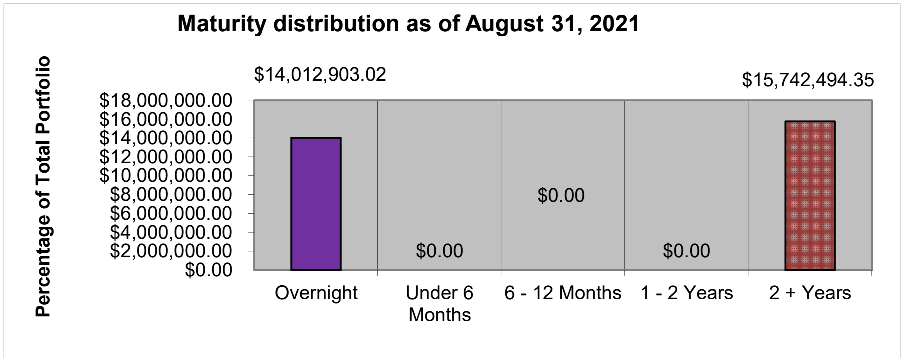
As of August 31, 2021 the total investments in the Operating Fund of the Orange County Housing Finance Authority was $29,755,397.37 producing an average yield of 1.851% as shown in the Summary of Accounts. If you have any questions on this matter do not hesitate to ask me.

Attachments

Orange County Housing Finance Authority
Summary of Accounts
as of August 31, 2021

Account	Account #	Institution	Ending Balance[1]	Net Interest Earned[1]	Average Yield (Annualized)[1]
Operating Fund	215252054184-000	Suntrust Bank	$5,605,025.80	$0.00	0.0000%
Low Income Housing Fund	215252054192-000	Suntrust Bank	$1,244,378.80	$68.74	1.0000%
Homeownership Assistance Fund	1000042656834	Suntrust Bank	$2,222,473.01	$0.00	0.0000%
Custody Account	129142000	US Bank Money Market	$4,038,521.65	$13.52	0.0000%
Custody Account	129142000	US Bank Certificate of Deposit	$0.00	$0.00	0.0700%
Custody Account	129142000	GNMA - OCHFA Investment	$14,395,367.35	$41,448.87	5.0700%
Custody Account	141763000	US Bank Money Market /NIBP	$434,687.43	$1.99	0.0000%
Custody Account	261060000	US Bank Money Market /Turnkey	$467,816.33	$1.98	0.0000%
FHLB Collateral	38786	FHLBank Atlanta	$1,347,127.00	$4,358.17	4.5800%
Total			$29,755,397.37	$45,893.27	1.851%


Sector Allocation as of August 31, 2021


Maturity distribution as of August 31, 2021

Liquidity **$14,012,903.02**

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

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

CONTACT: Frantz Dutes, Director Program Operations

DATE: September 21, 2021

RE: **STATUS REPORT: 2020-A HOMEOWNER REVENUE BOND PROGRAM; TBA "TURNKEY" MORTGAGE LOAN PROGRAM**
OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING.

BACKGROUND

The **Authority's SERIES 2020-A Homeowner Revenue Bonds (HRB) Program** was authorized by the Board on September 2, 2020 for the aggregate principal amount not-to-exceed EIGHT MILLION DOLLARS (**$8MM**) of Homeowner Revenue Bond Program proceeds. The Board authorized Staff to begin a pipeline of loans for future issuance. The 2020A (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	3.250%	1%

Commencing from the initial reservation date there is an aggregate total of Nine Million Five Hundred Thirty Six Thousand Seven Hundred Thirty Six Dollars (**$9,536,736**) 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 September 21, 2021:

- Fifty Six (**56**) loans originated: **56**-FHA; **0**-VA; **0**-USDA-RD.
- The Authority's 2020A DPA program has financed or committed an aggregate total of: Four Hundred Twenty Thousand Five Dollars (**$420,000**).
- The 2020A loan origination activity reported has been adjusted by Two Million One Hundred Fifteen Thousand Nine Hundred One Dollars (**$2,115,901)**. As we transitioned from the 2018A to the 2020A 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 2018A loan originations were reported in the loan origination activity for the 2020A bond issue.
- The loan origination activity reported reflects a total of Eleven Million Six Hundred Fifty Two Thousand Six Hundred Thirty Seven Dollars **($11,652,637)**.

The Reservation Period start date was **September 24**, 2020, and Final Delivery end date is December 15**, 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 Twenty Million Seventy One Thousand Ninety Six Dollars **($20,071,096)** has been financed. The Down Payment Assistance is currently at $7,500, and is a 30 year deferred loan at 0% interest.

As of September 21, 2021:

- One Hundred Eleven **(111)** loans originated
- Financed or committed an aggregate total of Eight Hundred Thirty Two Thousand Five Hundred Dollars **($832,500)** in Down Payment Assistance

ACTION REQUESTED: For information only.

Orange County HFA
Demographic Analysis Report
Orange 2020A SF Program

ORIGINATION SUMMARY REPORT

ORIGINATOR SUMMARY	LOANS	AMOUNT	% OF TOTAL
Centennial Bank	6	$1,436,188.00	10.71%
Christensen Financial, Inc.	5	$996,386.00	8.93%
Envoy Mortgage, Ltd	1	$265,109.00	1.79%
Equity Prime Mortgage, LLC	1	$266,081.00	1.79%
Fairway Independent Mortgage Corporation	12	$2,652,519.00	21.43%
Guaranteed Rate, Inc.	1	$240,562.00	1.79%
Hamilton Group Funding, Inc.	2	$354,460.00	3.57%
Land Home Financial Services, Inc.	2	$363,796.00	3.57%
Waterstone Mortgage Corporation	26	$5,077,536.00	46.43%
TOTAL	**56**	**$11,652,637.00**	**100.00%**

CITY SUMMARY

CITY	LOANS	AMOUNT	% OF TOTAL
Altamonte Springs	2	$343,071.00	3.57%
Apopka	2	$471,305.00	3.57%
Casselberry	3	$596,985.00	5.36%
Clermont	1	$246,355.00	1.79%
Groveland	1	$147,184.00	1.79%
Kissimmee	7	$1,373,959.00	12.50%
Leesburg	2	$336,237.00	3.57%
Longwood	2	$473,269.00	3.57%
Orlando	22	$4,785,231.00	39.29%
Saint Cloud	3	$660,700.00	5.36%
Sanford	6	$1,060,707.00	10.71%
Tavares	1	$270,019.00	1.79%
Winter Garden	1	$266,081.00	1.79%
Winter Park	1	$240,562.00	1.79%
Winter Springs	2	$380,972.00	3.57%
TOTAL	**56**	**$11,652,637.00**	**100.00%**

COUNTY SUMMARY

COUNTY	LOANS	AMOUNT	% OF TOTAL
Lake	5	$999,795.00	8.93%
Orange	26	$5,702,301.00	46.43%
Osceola	10	$2,034,659.00	17.86%
Seminole	15	$2,915,882.00	26.79%
TOTAL	**56**	**$11,652,637.00**	**100.00%**

HOUSEHOLD ANNUAL INCOME REPORT

ANNUAL INCOME	LOANS	% OF TOTAL
$15,000-$29,999	1	1.79%
$30,000-$44,999	12	21.43%
$45,000-$59,999	25	44.64%
$60,000-$74,999	12	21.43%
$75,000-$89,999	5	8.93%
$90,000-$104,999	1	1.79%
TOTAL	**56**	**100.00%**

HOUSEHOLD SIZE REPORT

HOUSEHOLD SIZE	LOANS	% OF TOTAL
1 - One person	17	30.36%
2 - Two persons	16	28.57%
3 - Three persons	14	25.00%
4 - Four persons	5	8.93%
5 - Five persons	3	5.36%
6 - Six persons	1	1.79%
TOTAL	**56**	**100.00%**

LOAN AMOUNT REPORT

LOAN AMOUNT	LOANS	% OF TOTAL
$125,000-$150,000	4	7.14%
$150,000-$175,000	9	16.07%
$175,000-$200,000	15	26.79%
$200,000-$225,000	11	19.64%
$225,000-$250,000	7	12.50%
$250,000-$275,000	6	10.71%
$275,000-$300,000	4	7.14%
TOTAL	**56**	**100.00%**

PURCHASE PRICE REPORT

PURCHASE PRICE	LOANS	% OF TOTAL
$125,000-$150,000	4	7.14%
$150,000-$175,000	5	8.93%
$175,000-$200,000	18	32.14%
$200,000-$225,000	6	10.71%
$225,000-$250,000	10	17.86%
$250,000-$275,000	8	14.29%
$275,000-$300,000	5	8.93%
TOTAL	**56**	**100.00%**

LOAN TYPE REPORT

LOAN TYPE	LOANS	% OF TOTAL
FHA	56	100.00%
TOTAL	**56**	**100.00%**

PROPERTY TYPE REPORT

PROPERTY TYPE	LOANS	% OF TOTAL
1 Unit Single Family Detached	49	87.50%
Townhouse	7	12.50%
TOTAL	**56**	**100.00%**

CATEGORY TYPE REPORT

TYPE	LOANS	% OF TOTAL
Existing	54	96.43%
New	2	3.57%
Unspecified	0	0.00%
TOTAL	**56**	**100.00%**

TARGET/NON TARGET REPORT

TYPE	LOANS	AMOUNT	% OF TOTAL
TARGET	2	$333,841.00	3.57%
NON TARGET	54	$11,318,796.00	96.43%
TOTAL	**56**	**$11,652,637.00**	**100.00%**

INTEREST RATE LISTING REPORT

RATE	COUNT	AMOUNT	% OF TOTAL
3.2500%	19	$4,074,513.00	33.93%
3.3750%	18	$3.813.174.00	32.14%
3.5000%	1	$223.870.00	1.79%
3.6250%	6	$1,189,829.00	10.71%
3.8750%	11	$2.194.149.00	19.64%
4.0000%	1	$157,102.00	1.79%
TOTAL	**56**	**$11.652.637.00**	**100.00%**

INTEREST RATE RANGES REPORT

RATE	LOANS	% OF TOTAL
3.2500% - 3.4900%	37	66.07%
3.5000% - 3.7400%	7	12.50%
3.7500% - 3.9900%	11	19.64%
4.0000% - 4.2400%	1	1.79%
TOTAL	**56**	**100.00%**

FIRST TIME HOMEBUYER REPORT

FIRST TIME HOMEBUYER	LOANS	% OF TOTAL
No	0	0.00%
Yes	56	100.00%
TOTAL	**56**	**100.00%**

ADDITIONAL MORTGAGE REPORT

ADDTL MTG PROGRAM \ PRIMARY MTG PROGRAM	LOANS	AMOUNT	AVERAGE LOAN
Orange DPA 2018 \ Orange 2020A SF Program	56	$420,000.00	$7,500.00

GENDER REPORT

GENDER	LOANS	% OF TOTAL
MALE	24	42.86%
FEMALE	31	55.36%
NONBINARY	0	0.00%
UNDISCLOSED	1	1.79%
TOTAL	**56**	**100.00%**

RACE REPORT

DESCRIPTION	LOANS	% OF TOTAL
Undisclosed	1	1.79%
American Indian/ Alaskan Native & Black/ African Americ	1	1.79%
Black/ African American	12	21.43%
Other	7	12.50%
White	35	62.50%
TOTAL	**56**	**100.00%**

ETHNICITY REPORT

ETHNICITY	LOANS	AMOUNT	% OF TOTAL
HISPANIC	27	$5,652,916.00	49.09%
NON HISPANIC	25	$5,256,533.00	45.45%
OTHER	3	$596,004.00	5.45%
TOTAL	**55**	**$11,505,453.00**	**100.00%**

RACE BY ETHNICITY REPORT

RACE	HISPANIC	NONHISPANIC	OTHER	LOANS	% OF TOTAL
Undisclosed	0	0	0	0	0.00%
American Indian/ Alaskan Native & Black/ African American	0	1	0	1	1.82%
Black/ African American	1	10	1	12	21.82%
Other	5	1	1	7	12.73%
White	21	13	1	35	63.64%
TOTAL	**27**	**25**	**3**	**55**	**100.00%**

PIPELINE REPORT

PROGRAM PIPELINE	LOANS	AMOUNT	% OF TOTAL
UW Certification	2	$486,034.00	3.57%
Purchased/Servicer	3	$706,957.00	5.36%
Investor/Trustee	51	$10,459,646.00	91.07%
TOTAL	**56**	**$11,652,637.00**	**100.00%**

PROGRAM SUMMARY

AVERAGE PRINCIPAL MORTGAGE:	$208,082.80
AVERAGE PURCHASE PRICE:	$212,719.27
AVERAGE DPA AMOUNT:	$7,500.00
AVERAGE AGE OF PRIMARY BORROWER:	37
AVERAGE HOUSEHOLD SIZE:	2
AVERAGE EMPLOYED IN HOUSEHOLD:	1
AVERAGE HOUSEHOLD ANNUAL INCOME:	$55,284.12

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	1.80%
Bank of England	3	$597,475.00	2.70%
Broker Solutions Inc. DBA New American Funding	11	$2,098,607.00	9.91%
Centennial Bank	2	$357,100.00	1.80%
Christensen Financial, Inc.	6	$1,030,755.00	5.41%
Columbus Capital Lending LLC	1	$124,925.00	0.90%
Envoy Mortgage, Ltd	3	$491,810.00	2.70%
Equity Prime Mortgage, LLC	1	$150,350.00	0.90%
Fairway Independent Mortgage Corporation	13	$2,268,561.00	11.71%
FBC Mortgage, LLC	5	$1,042,905.00	4.50%
Guaranteed Rate, Inc.	1	$116,850.00	0.90%
Hamilton Group Funding, Inc.	1	$142,590.00	0.90%
Land Home Financial Services, Inc.	8	$1,538,224.00	7.21%
Movement Mortgage, LLC	1	$135,800.00	0.90%
Waterstone Mortgage Corporation	53	$9,639,524.00	47.75%
TOTAL	**111**	**$20,071,096.00**	**100.00%**

CITY SUMMARY

CITY	LOANS	AMOUNT	% OF TOTAL
Altamonte Springs	4	$534,850.00	3.60%
Apopka	9	$1,606,556.00	8.11%
Casselberry	2	$206,625.00	1.80%
Clermont	1	$106,400.00	0.90%
Eustis	2	$345,303.00	1.80%
Fruitland Park	3	$579,963.00	2.70%
Kissimmee	16	$3,049,090.00	14.41%
Leesburg	1	$189,150.00	0.90%
Longwood	1	$189,053.00	0.90%
Mascotte	1	$204,188.00	0.90%
Mount Dora	1	$169,750.00	0.90%
Ocoee	3	$657,810.00	2.70%
Orlando	46	$7,987,700.00	41.44%
Oviedo	2	$474,650.00	1.80%
Saint Cloud	7	$1,614,250.00	6.31%
Sanford	3	$559,670.00	2.70%
Sorrento	2	$469,828.00	1.80%
Tavares	3	$570,750.00	2.70%
Winter Park	2	$226,195.00	1.80%
Winter Springs	2	$329,315.00	1.80%
TOTAL	**111**	**$20,071,096.00**	**100.00%**

COUNTY SUMMARY

COUNTY	LOANS	AMOUNT	% OF TOTAL
Lake	14	$2,635,332.00	12.61%
Orange	62	$10,923,111.00	55.86%
Osceola	21	$4,218,490.00	18.92%
Seminole	14	$2,294,163.00	12.61%
TOTAL	**111**	**$20,071,096.00**	**100.00%**

HOUSEHOLD ANNUAL INCOME REPORT

ANNUAL INCOME	LOANS	% OF TOTAL
$15,000-$29,999	2	1.80%
$30,000-$44,999	35	31.53%
$45,000-$59,999	45	40.54%
$60,000-$74,999	23	20.72%
$75,000-$89,999	6	5.41%
TOTAL	**111**	**100.00%**

HOUSEHOLD SIZE REPORT

HOUSEHOLD SIZE	LOANS	% OF TOTAL
1 - One person	44	39.64%
2 - Two persons	30	27.03%
3 - Three persons	19	17.12%
4 - Four persons	13	11.71%
5 - Five persons	4	3.60%
6 - Six persons	1	0.90%
TOTAL	**111**	**100.00%**

LOAN AMOUNT REPORT

LOAN AMOUNT	LOANS	% OF TOTAL
$50,000-$75,000	1	0.90%
$75,000-$100,000	2	1.80%
$100,000-$125,000	11	9.91%
$125,000-$150,000	14	12.61%
$150,000-$175,000	23	20.72%
$175,000-$200,000	20	18.02%
$200,000-$225,000	22	19.82%
$225,000-$250,000	12	10.81%
$250,000-$275,000	5	4.50%
$275,000-$300,000	1	0.90%
TOTAL	**111**	**100.00%**

PURCHASE PRICE REPORT

PURCHASE PRICE	LOANS	% OF TOTAL
$50,000-$75,000	1	0.90%
$75,000-$100,000	2	1.80%
$100,000-$125,000	7	6.31%
$125,000-$150,000	11	9.91%
$150,000-$175,000	18	16.22%
$175,000-$200,000	22	19.82%
$200,000-$225,000	24	21.62%
$225,000-$250,000	20	18.02%
$250,000-$275,000	4	3.60%
$275,000-$300,000	1	0.90%
$300,000-$325,000	1	0.90%
TOTAL	**111**	**100.00%**

LOAN TYPE REPORT

LOAN TYPE	LOANS	% OF TOTAL
FreddieMac 80% AMI	27	24.32%
FreddieMac HFA Advantage	70	63.06%
FreddieMac OVER 80% AMI	14	12.61%
TOTAL	**111**	**100.00%**

PROPERTY TYPE REPORT

PROPERTY TYPE	LOANS	% OF TOTAL
1 Unit Single Family Detached	82	73.87%
Condominium	21	18.92%
Duplex w/approval	4	3.60%
Rowhouse	1	0.90%
Townhouse	3	2.70%
TOTAL	**111**	**100.00%**

CATEGORY TYPE REPORT

TYPE	LOANS	% OF TOTAL
Existing	108	97.30%
New	3	2.70%
Unspecified	0	0.00%
TOTAL	**111**	**100.00%**

TARGET/NON TARGET REPORT

TYPE	LOAN	AMOUNT	% OF TOTAL
TARGET	4	$609,580.00	3.60%
NON TARGET	107	$19,461,516.00	96.40%
TOTAL	**111**	**$20,071,096.00**	**100.00%**

INTEREST RATE LISTING REPORT

RATE	COUNT	AMOUNT	% OF TOTAL
2.8750%	4	$569,795.00	3.60%
3.0000%	1	$191,000.00	0.90%
3.1250%	4	$726,006.00	3.60%
3.2500%	9	$1,617,435.00	8.11%
3.3750%	8	$1,362,460.00	7.21%
3.5000%	3	$673,200.00	2.70%
3.7500%	2	$441,350.00	1.80%
3.8750%	4	$955,140.00	3.60%
4.0000%	2	$429,710.00	1.80%
4.2500%	1	$123,675.00	0.90%
4.3750%	1	$150,350.00	0.90%
4.5000%	3	$543,103.00	2.70%
4.6250%	10	$1,869,016.00	9.01%
4.7500%	5	$1,085,750.00	4.50%
4.8750%	6	$1,009,560.00	5.41%
5.0000%	1	$179,550.00	0.90%
5.1250%	2	$327,240.00	1.80%
5.2500%	18	$2,999,840.00	16.22%
5.3750%	20	$3,441,481.00	18.02%
5.5000%	4	$781,307.00	3.60%
5.6250%	3	$594,128.00	2.70%
TOTAL	**111**	**$20,071,096.00**	**100.00%**

INTEREST RATE RANGES REPORT

RATE	LOANS	% OF TOTAL
2.7500% - 2.9900%	4	3.60%
3.0000% - 3.2400%	5	4.50%
3.2500% - 3.4900%	17	15.32%
3.5000% - 3.7400%	3	2.70%
3.7500% - 3.9900%	6	5.41%
4.0000% - 4.2400%	2	1.80%
4.2500% - 4.4900%	2	1.80%
4.5000% - 4.7400%	13	11.71%
4.7500% - 4.9900%	11	9.91%
5.0000% - 5.2400%	3	2.70%
5.2500% - 5.4900%	38	34.23%
5.5000% - 5.7400%	7	6.31%
TOTAL	**111**	**100.00%**

FIRST TIME HOMEBUYER REPORT

FIRST TIME HOMEBUYER	LOANS	% OF TOTAL
No	2	1.80%
Yes	109	98.20%
TOTAL	**111**	**100.00%**

ADDITIONAL MORTGAGE REPORT

ADDTL MTG PROGRAM \ PRIMARY MTG PROGRAM	LOANS	AMOUNT	AVERAGE LOAN AMOUNT
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	84	$630,000.00	$7,500.00

GENDER REPORT

GENDER	LOANS	% OF TOTAL
MALE	63	57.27%
FEMALE	47	42.73%
NONBINARY	1	0.91%
UNDISCLOSED	0	0.00%
TOTAL	**110**	**100.00%**

RACE REPORT

DESCRIPTION	LOANS	% OF TOTAL
American Indian/ Alaskan Native & Black/	1	0.90%
Black/ African American	23	20.72%
Black/African American & White	2	1.80%
Chinese	1	0.90%
Other	9	8.11%
Tenant Declined to Respond	3	2.70%
White	72	64.86%
TOTAL	**111**	**100.00%**

ETHNICITY REPORT

ETHNICITY	LOAN	AMOUNT	% OF TOTAL
HISPANIC	41	$7,460,567.00	36.94%
NON HISPANIC	66	$11,806,034.00	59.46%
OTHER	4	$804,495.00	3.60%
TOTAL	**111**	**$20,071,096.00**	**100.00%**

RACE BY ETHNICITY REPORT

RACE	HISPANIC	NONHISPANIC	OTHER	LOANS	% OF TOTAL
American Indian/ Alaskan Native & Black/ African A	1	0	0	1	0.90%
Black/ African American	0	22	1	23	20.72%
Black/African American & White	1	1	0	2	1.80%
Chinese	0	1	0	1	0.90%
Other	6	2	1	9	8.11%
Tenant Declined to Respond	1	0	2	3	2.70%
White	32	40	0	72	64.86%
TOTAL	**41**	**66**	**4**	**111**	**100.00%**

PIPELINE REPORT

PROGRAM PIPELINE	LOANS	AMOUNT	% OF TOTAL
UW Certification	1	$257,050.00	0.90%
Purchased/Servicer	3	$550.335.00	2.70%
Investor/Trustee	107	$19,263,711.00	96.40%
TOTAL	**111**	**$20,071,096.00**	**100.00%**

PROGRAM SUMMARY

AVERAGE PRINCIPAL MORTGAGE:	$180,820.68
AVERAGE PURCHASE PRICE:	$188,774.28
AVERAGE DPA AMOUNT:	$6,567.67
AVERAGE AGE OF PRIMARY	38
AVERAGE HOUSEHOLD SIZE:	2
AVERAGE EMPLOYED IN HOUSEHOLD:	1
AVERAGE HOUSEHOLD ANNUAL	$51,522.21

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Mildred Guzman, Program Operations Administrator
DATE:	September 28, 2021
RE:	**MULTI-FAMILY OCCUPANCY/ INSPECTION REPORT** OCTOBER 6, 2021 - REGULAR BOARD OF DIRECTORS' MEETING

OCCUPANCY REPORT

The Occupancy Report rates for the period of July 24 to September 23, 2021, was 99% for all units, and 95% for units meeting set-aside requirements.

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

ACTION REQUESTED

For information only.

Multi-Family Occupancy Report

BeginReportingPeriod: **8 /25/2021** EndReportingPeriod: **9 /23/2021**

					Low Income:				
Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Occupied Unit	Occup. %	Prior Month Occup.%	Flag%	Comments
Anderson Oaks, Active 708 Anderson St, Orlando	12	12	100%	100%	12	100%	100%	100%	
Boca Vista (Chantham Harbor Refu 545 Nantucket Court, Altamonte Springs	324	309	95%	97%	66	20%	20%	20%	
Chapel Trace Apartments, Active 556 N. Goldenrod Road, Orlando	312	312	100%	99%	312	100%	99%	40%	
Charleston Club Apartments, Activ 500 Fox Quarry Lane, Sanford	288	286	99%	99%	244	85%	84%	40%	
Citrus Square Apartments, Active 5625 Hickey Dr, Orlando	87	87	100%		87	100%		40%	
Club at Eustis, Active 2750 David Walker Dr, Eustis	96	96	100%	99%	96	100%	98%	40%	
Cove at Lady Lake, Active 735 S. Hwy 27/441, Lady Lake	176	173	98%	100%	173	98%	99%	40%	
Crestwood Apartments, Active 3121 Crestwood Circle, St. Cloud	216	215	100%	100%	215	100%	99%	40%	
Dean Woods Place, Active 9808 Dean Woods Place, Orlando	48	48	100%	100%	48	100%	98%	100%	
Delaney Apartments, Active 507 Delaney Avenue, Orlando	8	8	100%	100%	8	100%	100%	100%	
Emerald Villas (Seville Place), Acti 5450 Cholla Way, Orlando	264	256	97%	97%	256	97%	97%	40%	
Fountains at Lee Vista, Active 5743 Bent Pine Dr, Orlando	508	487	96%	95%	306	60%	55%	31%	
Fountains at Millenia Phase II, Acti 5316 Millenia Blvd., Orlando	32	32	100%	100%	32	100%	100%	40%	

					Low Income:				
Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Occupied Unit	Occup. %	Prior Month Occup.%	Flag%	Comments
Fountains at Millenia Phase III, Acti 5316 Millenia Blvd., Orlando	82	81	99%	99%	81	99%	99%	40%	
Fountains at Millenia Phase IV, Act 5316 Millenia Blvd, Orlando	100	100	100%	100%	100	100%	100%	40%	
Goldenrod Pointe Apartments, Acti 3500 N Goldenrod Road, Orlando	70	70	100%	100%	70	100%	100%	60%	
Governors Manor, Active 2861 LB McLeod Rd, Orlando	120	117	98%	98%	117	98%	98%	75%	
Green Gables (Alhambra Trace), A 5201 Via Alizar Dr, Orlando	95	95	100%	100%	95	100%	100%	100%	
Kensington Oaks, Active 440 S. Mellonville Ave, Sanford	20	19	95%	90%	19	95%	90%	75%	
Lake Davis Apartments, Active 1301 Catherine Street, Orlando	36	36	100%	92%	36	100%	92%	75%	
Lake Harris Cove Appartments, Act 32511 Lake Harris Cove Avenue, Leesburg	152	150	99%	99%	115	76%	76%	40%	
Lake Jennie Phase I, Active 1301 Santa Barbara Dr, Sanford	25	24	96%	96%	24	96%	96%	75%	
Lake Jennie Phase II, Active 1312 Santa Barbara Dr, Sanford	40	39	98%	100%	39	98%	100%	75%	
Lake Sherwood Apartments, Activ 1826 London Crest Drive, Orlando	90	90	100%	100%	90	100%	100%	40%	
Lake Weston Pointe Apartments, A 2201 Weston Point Dr, Orlando	240	239	100%	99%	239	100%	99%	100%	
Lakeside Retreat at 27, Active 1403 Old Harbor Blvd., Leesburg	128	128	100%	99%	128	100%	99%	40%	
Lancaster Villas, Active 800 W. Lancaster Rd, Orlando	145	145	100%	99%	145	100%	99%	100%	
Landings at Carver Park, Active 1150 Conley Street, Orlando	56	53	95%	96%	53	95%	96%	40%	

						Low Income:			
Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Occupied Unit	Occup. %	Prior Month Occup.%	Flag%	Comments
Landings on Millenia, Active 5150 Millenia Boulevard, Orlando	336	334	99%	99%	251	75%	75%	40%	
Landon Pointe Apartments, Active 1705 Grande Pointe Avenue, Orlando	276	276	100%	98%	276	100%	97%	40%	
Landon Trace Townhomes (Bucha 1813 Buchanan Bay Circle, Orlando	228	221	97%	99%	221	97%	98%	100%	
Landstar Park Apartments, Active 1001 Landstar Drive, Orlando	156	153	98%	99%	153	98%	99%	40%	
Laurel Oaks Phase I (Sleepy Hollo 2700 Laurel Hollow Dr., Leesburg	144	141	98%	96%	141	98%	96%	40%	
Laurel Oaks Phase II (Sleepy Hollo 2700 Laurel Hollow Dr., Leesburg	108	107	99%	95%	107	99%	95%	40%	
Lee Vista Club Apartments, Active 5903 Lee Vista Blvd, Orlando	312	311	100%	100%	311	100%	100%	40%	
Marbella Cove, Active 7528 Marbella Pt. Drive, Orlando	104	104	100%	100%	104	100%	100%	0%	
Marbella Pointe, Active 7528 Marbella Pt. Drive, Orlando	120	120	100%	100%	120	100%	100%	40%	
Mendel Villas, Active 3538 Aristotle Ave, Orlando	32	30	94%	94%	30	94%	94%	100%	
Nassau Bay Apartments, Active 5200 North Orange Blossom Trail, Orlando	492	485	99%	98%	485	99%	98%	100%	
Oak Harbor Apartments, Active 5770 Harbor Chase Circle, Orlando,	176	172	98%	99%	172	98%	99%	20%	
Oviedo Town Center Phase I, Activ 450 Fontana Circle #105, Oviedo	106	106	100%	100%	106	100%	100%	40%	
Oviedo Town Center Phase II, Activ 450 Fontana circle #105, Oviedo	34	34	100%	100%	34	100%	100%	40%	
Oviedo Town Center Phase III, Acti 450 Fontana circle #105, Oviedo	72	72	100%	100%	72	100%	100%	40%	

					Low Income:				
Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Occupied Unit	Occup. %	Prior Month Occup.%	Flag%	Comments
Oviedo Town Center Phase IV, Acti 450 Fontana Circle #105, Oviedo	24	24	100%	100%	24	100%	100%	40%	
Palm Grove Gardens, Active 3944 W.D. Judge Drive, Orlando	142	141	99%	99%	141	99%	99%	75%	
Pebble Creek, Active 1317 Boulder Dr, Kissimmee	72	72	100%	100%	72	100%	100%	100%	
River Ridge Apartment Homes, Act 9957 Hidden River Drive #106, Orlando	160	160	100%	99%	160	100%	99%	40%	
Rolling Acres Phase I, Active 824 CrR 466, Lady Lake	104	104	100%	98%	104	100%	98%	40%	
Rolling Acres Phase II, Active 824 CR 466, Lady Lake	35	35	100%	100%	35	100%	100%	40%	
SouthWinds Cove, Active 3400 Southwinds Cove Way, Leesburg	112	111	99%	99%	111	99%	80%	40%	
Spring Lake Cove Phase I, Active 1508 Spring Lake Cove Lane, Fruitland Park	96	96	100%	100%	77	80%	80%	40%	
Spring Lake Cove Phase II, Active 1508 Spring Lake Cove Lane, Fruitland Park	48	47	98%	100%	47	98%	100%	40%	
Vista Pines Apartments, Active 401 N Chickasaw Trail, Orlando	238	238	100%	99%	238	100%	99%	40%	
Westgate Apartments (Alta Westga 6872 Alta West Drive, Orlando	240	239	100%	99%	239	100%	99%	40%	
Westwood Park Apartments, Activ 11037 Laguna Bay Dr, Orlando	178	177	99%	99%	177	99%	99%	40%	
Willow Key Apartments, Active 5590 Arnold Palmer Dr, Orlando	384	383	100%	100%	383	100%	100%	40%	

Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Low Income: Occupied Unit	Low Income: Occup. %	Low Income: Prior Month Occup.%	Flag%	Comments
Total Units:	**8,299**								
Current Period Summary:		**8,200**	**99%**		**7,597**	**95%**			
Prior Period Summary:		**8,101**	**99%**		**7,436**	**95%**			

Total Number of Properties: **56**

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

DISCUSSION ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	September 21, 2021
RE:	**CONSIDER REQUEST TO SUBORDINATE THE LOAN FOR GRAND AVENUE ECONOMIC COMMUNITY DEVELOPMENT CORPORATION.** OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

In 1997, the Authority provided Grand Avenue Economic Community Development Corporation (GAECDC) a $150K loan to acquire and assists with rehabilitation of 127-units of permanent housing, providing supportive services for the homeless population. The original loan carried a 15-year mortgage with a 3% interest rate.

In 2008, GAECDC requested modification of the loan; the Authority amended and restated the rate and term of the loan. The interest rate was reduced to 1% and extended for an additional 20-years. At that time, the balance was $78,652. In 2017, the balance was less than $59K. At that time, T.D. Bank provided the 1st mortgage to refinance the loan, helping to reduce costs. GAECDC has continued to provide permanent and supported services to the homeless population of our community.

CURRENT

In 2017, the Authority approved GAECDC's request to subordinate the loan, additionally, the Authority deferred payment on the loan for a five (5) year period, to enhance the organizations financial position. The deferred balance is currently $58,708.09. The Authority received a request on September 13, 2021, from a representative of TD Bank, requesting a subordination, which would allow GAECDC to refinance the current loan. The refinancing would provide for a lower, overall cost by providing a lower interest rate.

ACTION REQUESTED

Board approval of Grand Avenue Economic Community Development Corporation's request for Subordination of its current Loan and Authorization for execution of document(s).

From: bloomw@gtlaw.com
To: djones@csgadvisors.com
Cc: watkinsm@gtlaw.com; W.D. Morris; W.D. Morris; Olukayode Adetayo
Subject: RE: Grand Ave. Refi with TDbank - Subordination of Orange County Housing Finance Authority;
Date: Tuesday, September 21, 2021 11:02:47 AM
Attachments: image002.png
image003.png
image004.png
image005.png
image006.png

Thanks David.

OCHFA Team, I'll let Grand Avenue know.

Thanks,

Warren

Warren S. Bloom
Shareholder – National Co-Chair Public Finance

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T +1 407.999.2520 | F +1 407.420.5909
bloomw@gtlaw.com | www.gtlaw.com | View GT Biography

From: David Jones <djones@csgadvisors.com>
Sent: Tuesday, September 21, 2021 11:00 AM
To: Bloom, Warren S. (Shld-Orl-BD) <bloomw@gtlaw.com>
Cc: Watkins, Michael L. (Shld-Orl-BD) <watkinsm@gtlaw.com>; 'wdmorris@ochfa.com' <wdmorris@ochfa.com>; Olympia Roman <oroman@ochfa.com>
Subject: RE: Grand Ave. Refi with TDbank - Subordination of Orange County Housing Finance Authority

Thanks, Warren. I agree – given the OCHFA 2nd of only $60k, I don't see a problem moving forward. The variable rate loan with an associated interest rate swap is something we see from time to time, which allows the bank to provide a lower overall cost of funds (banks can often offer variable rate loans with the swap at lower rates than if providing a fixed rate loan).

So, I have no issue with the structure. Thanks for checking in.

From: bloomw@gtlaw.com <bloomw@gtlaw.com>
Sent: Tuesday, September 21, 2021 10:26 AM
To: David Jones <djones@csgadvisors.com>
Cc: watkinsm@gtlaw.com
Subject: FW: Grand Ave. Refi with TDbank - Subordination of Orange County Housing Finance Authority

Hi David,

This is related to a 2nd mortgage loan the OCHA has with Grand Avenue a true not for profit local housing provider. We are 2nd to a $3.5MM mortgage from TD Bank. Our outstanding is only around $60K and I might not have even asked you about this had I known that when I started looking at it.

TD wants us to reup our subordination agreement with them as is their right, but they've added a swap into the mix. Just wanted your thoughts about added liability at the Sr level with the Swap, but maybe it's best just to go with it now that I know our loan amount is teeny.

Let me know your thoughts.

Best,

Warren

Warren S. Bloom
Shareholder – National Co-Chair Public Finance

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From: Mike Carolan <MCarolan@whww.com>
Sent: Monday, September 20, 2021 4:26 PM
To: Bloom, Warren S. (Shld-Orl-BD) <bloomw@gtlaw.com>
Cc: Watkins, Michael L. (Shld-Orl-BD) <watkinsm@gtlaw.com>
Subject: RE: Grand Ave. Refi with TDbank - Subordination of Orange County Housing Finance Authority

Good Afternoon Warren,
Yes the reference in recital A should be changed as you indicate. Attached are copies of the Swap related documents.

Please let me know if you need anything else.

Regards,

- Mike

Michael P. Carolan, Esq.
Board Certified Real Estate Attorney
Winderweedle, Haines, Ward & Woodman, P.A.
Direct: (407) 246-8682
Email: mcarolan@whww.com

From: bloomw@gtlaw.com <bloomw@gtlaw.com>
Sent: Saturday, September 18, 2021 2:41 PM
To: Mike Carolan <MCarolan@whww.com>
Cc: watkinsm@gtlaw.com
Subject: RE: Grand Ave. Refi with TDbank - Subordination of Orange County Housing Finance Authority

Thanks Mike.

Two questions:

1. Should the reference in Recital A in the second line refer to "Authority" rather than City and

2. Would it be possible for us to take a look at the ISDA or a term sheet for the same just to see what type of additional obligations the Borrower will (e.g., Termination Fees etc…) with the SWAP?

Thanks,

Warren

Warren S. Bloom
Shareholder – National Co-Chair Public Finance

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bloomw@gtlaw.com | www.gtlaw.com | View GT Biography

From: Mike Carolan <MCarolan@whww.com>
Sent: Friday, September 17, 2021 6:52 PM
To: Bloom, Warren S. (Shld-Orl-BD) <bloomw@gtlaw.com>
Subject: RE: Grand Ave. Refi with TDbank - Subordination of Orange County Housing Finance Authority

Please see attached and let me know if you need anything else.

Regards,

- Mike

From: bloomw@gtlaw.com [mailto:bloomw@gtlaw.com]
Sent: Friday, September 17, 2021 3:20 PM
To: Mike Carolan
Subject: RE: Grand Ave. Refi with TDbank - Subordination of Orange County Housing Finance Authority

Would like the redline, please.

Warren S. Bloom

From:	Mike Carolan <MCarolan@whww.com>
Sent:	Monday, September 13, 2021 3:37 PM
To:	Helaine Blum; W.D. Morris
Cc:	Belardinelli, Kimberly A
Subject:	Grand Ave. Refi with TDbank - Subordination of Orange County Housing Finance Authority
Attachments:	Orange County Housing Authority Phase II Subordination_8-20-21.doc; Title Commitment (Executed).pdf; Orange County Housing Authority Phase II Subordination (RECORDED).pdf

Good Afternoon Mr. Morris,

I am representing TD Bank in connection with a refinance of a loan to Grand Avenue Economic Community Development Corporation. In connection with the refinance we need to obtain a new subordination for 1997 mortgage granted by Borrower in connection with the Maxwell Terrace Apartments Phase II property.

Ms. Blum said you would be the best person to reach out to for the request.

Attached is the proposed new subordination, prior subordination executed in 2017 and copy of the title commitment showing the subordination as a title requirement.

Please let me know if you can assist with the foregoing request, have any additional questions or if there is someone else I should direct the request to.

Thank you in advance for your assistance.

Regards,
- Mike

Michael P. Carolan, Esq.
Board Certified Real Estate Attorney
Winderweedle, Haines, Ward & Woodman, P.A.
Direct: (407) 246-8682
Email: mcarolan@whww.com

From: Helaine Blum <Helaine@pathlighthome.org>
Sent: Monday, September 13, 2021 3:22 PM
To: Mike Carolan <MCarolan@whww.com>
Cc: Belardinelli, Kimberly A <Kimberly.Belardinelli@td.com>
Subject: RE: Refi with tdbank - Subordinations
Importance: High

You sent to them the subordination for the Orange County Housing Finance Authority which has nothing to do with NLP. The Orange County Housing Finance Authority is located at 2211 Hillcrest Street. Website is www.ochfa.com, executive director is W.D. Morris. His email is W.D. Morris oroman@ochfa.com
He is who you will need to contact for the subordination.
helaine

THIS DOCUMENT PREPARED BY:
Michael P. Carolan, Esq.
Winderweedle, Haines, Ward
& Woodman, P.A.
Post Office Box 880
Winter Park, Florida 32790-0880

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT ("Agreement") is entered into as of September 22, 2021, by and between GRAND AVENUE ECONOMIC COMMUNITY DEVELOPMENT CORPORATION ("Borrower"), and the ORANGE COUNTY HOUSING FINANCE AUTHORITY ("Authority").

RECITALS

A. Borrower has executed that certain mortgage ("Junior Encumbrance") dated November 7, 1997 to the Authority, covering certain real property commonly known as "Maxwell Terrace Apartments Phase II" and more particularly described on Exhibit A attached hereto and incorporated by reference ("Property"), which Junior Encumbrance is recorded at Official Records Book 5360, Page 1966, of the Public Records of Orange County, Florida.

B. Borrower is the owner of the Property.

C. TD Bank, N.A., a national banking association ("Lender") is about to make a loan (the "Lender Loan") to Borrower evidenced by a Second Consolidated Amended and Restated Mortgage Loan Note (the "Lender Note") in the amount of $3,543,353.45 to be secured in part by a mortgage against the Property (the "Lender Mortgage") to be recorded concurrently herewith.

D. Concurrently with the making of the Lender Loan, The Toronto-Dominion Bank, a chartered bank under the laws of Canada, will enter into a certain ISDA Master Agreement with Borrower ("Hedging Contract"), under which Borrower may incur certain Hedging Obligations, as defined in the Lender Mortgage, which Hedging Obligations shall be secured by the Lender Mortgage, in parity with the indebtedness under the Mortgage Loan Note.

E. It is a condition precedent to the making of the Lender Loan and the entry by Affiliate Counterparty into the Hedging Contracts that the Lender Mortgage shall unconditionally be and remain at all times a lien or charge upon the Property, prior and superior to the lien or charge of the Junior Encumbrance.

F. It is to the mutual benefit of the parties hereto that Lender make the Lender Loan to Borrower and that Affiliate Counterparty enter into the Hedging Contract with Borrower, and the parties hereto are willing that the Lender Mortgage shall constitute (and continue to constitute) a lien or charge upon the Property which is unconditionally prior and superior to the lien or charge of each of the Junior Encumbrance.

Therefore, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, it is hereby declared, understood and agreed as follows:

1. The Lender Mortgage and the indebtedness covered thereby, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the Property, prior and superior to the lien or charge of the Junior Encumbrance.

2. This Agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Junior Encumbrance to the lien or charge of the Lender Mortgage, and shall supersede and cancel any prior agreement among the parties hereto, or any of them, to subordinate the lien or charge of the Junior Encumbrance to the Lender Mortgage.

3. Senior Lender shall cause a copy of any notice of default to Borrower to be sent to the following address; however, Senior Lender's failure to cause such copy to be sent shall not affect the validity of any attempted enforcement of Senior Lender's remedies under the Lender Mortgage, nor shall Senior Lender be liable for any such failure:

Orange County Housing Finance Authority
Attention: Executive Director
211 Hillcrest Street
Orlando, Florida 32803

4. Authority and Borrower declare, agree and acknowledge that:

a. Each of them consents to and approves (i) all provisions of the Lender Note and Lender Mortgage, in favor of Lender, and the Hedging Contracts, in favor of Affiliate Counterparty, and (ii) all agreements, including but not limited to any loan or escrow agreements, for the disbursement of the proceeds of the Lender Loan.

b. Neither Lender nor Affiliate Counterparty is under any obligation or duty to, nor has Lender or Affiliate Counterparty represented that it will, see to the application of any proceeds of the Lender Loan. The terms and conditions of the Junior Encumbrance, are of no concern to Lender and Affiliate Counterparty and neither Lender nor Affiliate Counterparty shall be under no duty or obligation to assure compliance with any of the respective terms or conditions thereof. No action or inaction of Lender or Affiliate Counterparty shall defeat the subordination herein made in whole or in part and Lender and Affiliate Counterparty shall be under no duty or obligation to take or refrain from any action because of any knowledge Lender or Affiliate Counterparty has or may have regarding any breach by Borrower of any agreement or other obligation, including any agreement with Lender or Affiliate Counterparty, with any other party to this Agreement, or otherwise.

c. Each party hereto other than Lender and Affiliate Counterparty intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Junior Encumbrance in favor of the lien or charge upon the Property of the Lender Mortgage and the indebtedness secured thereby, including the Hedging Obligations, and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, Lender is making the Lender Loan and Affiliate Counterparty is entering into the Hedging Contract, and, as part and parcel thereof, specific monetary and other obligations and forbearances are being entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

d. An endorsement has been placed upon the note secured by the Junior Encumbrance that said Junior Encumbrance has by this instrument been subordinated to the lien or charge of the Lender Mortgage.

The parties hereto have executed this Agreement as of the day and date set forth above.

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

GRAND AVENUE ECONOMIC COMMUNITY DEVELOPMENT CORP., a Florida not-for-profit corporation

By:____
Helaine M. Blum, Chief Executive Officer

STATE OF FLORIDA

COUNTY OF ORANGE

The foregoing instrument was executed before me, by means of __ physical presence or __ remote notarization, this _______ day of September, 2021, by Helaine M. Blum, as Chief Executive Officer of GRAND AVENUE ECONOMIC COMMUNITY DEVELOPMENT CORP., a Florida not-for-profit corporation, on behalf of the corporation. She is either personally known to me or has produced _________________________________ as identification.

____

(AFFIX NOTARIAL SEAL)

Notary Public
(Name) _____________________________

Commission No. _________________________

My Commission Expires: ______________

ORANGE COUNTY HOUSING FINANCE AUTHORITY

By:____
Name: _____________________________________
Title: _____________________________________

Approved as to form and legality for the use and reliance of the Orange County Housing Finance Authority only:

By:________________________________
General Counsel

STATE OF FLORIDA

COUNTY OF ____________________

The foregoing instrument was executed before me, by means of __ physical presence or __ remote notarization, this _______ day of September, 2021, by _______________, as ____________ of the ORANGE COUNTY HOUSING FINANCE AUTHORITY, on behalf of the Authority. He is either personally known to me or has produced ____ as identification.

____
(AFFIX NOTARIAL SEAL)
Notary Public
(Name) ______________________________
Commission No. __________________________
My Commission Expires: ______________

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Commence at the North 1/4 Corner of Section 28, Township 22 South, Range 29 East, Orange County, Florida, Run Thence S00°33'00"W, 67.23 Feet; Thence N89°45'46"E, 911.08 Feet; Thence S00°02'00"W, 150.00 Feet; Thence N89°45'46"E, 175.00 Feet; Thence S00°02'00"W, 50.00 Feet; Thence N 89°45'46"E, 200 Feet; Thence S00°02'00"W, 404.23 Feet to the Original NE Corner of Lot 1, Haralson Subdivision Second Addition, According to the Plat Thereof as Recorded in Plat Book W, Page 37, of the Public Records of Orange County, Florida, Thence S89°42'40"W Along The North Line of Said Lot 1, a Distance of 6.00 Feet to The Existing Westerly Right-of-way Line of John Young Parkway, Said Point Being The Point of Beginning of The Herein Described Tract: Thence Run S89°42'40"W, 394.00 Feet to The NW Corner of Lot 5, Said Haralson Subdivision; Thence N00°02'00"E, 96.06 Feet; Thence N68°58'09"E, 68.04 Feet; Thence N41°45'18"E, 20.91 Feet; Thence S89°39'29"E, 38.29 Feet; Thence N00°06'40"W, 10.18 Feet; Thence S89°39'28"E, 12.94 Feet; Thence N00°08'50"W, 133.95 Feet; Thence N89°38'40"E, 71.44 Feet; Thence N00°17'20"W, 44.82 Feet; Thence N89°42'40"E, 194.41 Feet to a Point on The Said Existing Right-of-way Line of Said John Young Parkway; Thence S00°02'00"W, a Distance of 324.11 Feet to The Said Point of Beginning.

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

DISCUSSION ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	September 7, 2021
RE:	**CONSIDER APPROVAL TO DISTRIBUTE A REQUEST FOR PROPOSAL (RFP) FOR FINANCIAL ADVISORY SERVICES.** OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

The current agreement with the Authority's Financial Advisor, is due to expire on January 1, 2021. Staff is requesting authorization to distribute a Request for Proposal for Financial Advisory Services. Enclosed for your review is a draft copy of the Request for Proposal for Financial Advisory services.

ACTION REQUESTED

Board authorization for distribution of the Authority's Request for Proposal for Financial Advisory Services.

ORANGE COUNTY HOUSING FINANCE AUTHORITY

REQUEST FOR PROPOSALS

Financial Advisor

October 6, 2021

Written Proposals:
1-Original; 7-Copies; 1-Electronic copy – No later than
4:00pm E.S.T., Wednesday, November 3, 2021

Attention: W.D. Morris, Executive Director
Orange County Housing Finance Authority
2211 E. Hillcrest St. – Orlando, FL 32803 – Phone 407-894-0014

DESCRIPTION

The Orange County Housing Finance Authority ("OCHFA") is requesting proposals from firms interested in serving as Financial Advisor to the OCHFA.

The OCHFA was established in 1978 under Part IV of Chapter 159, Florida Statutes and Orange County Ordinance 78-18, hereby solicits written proposals from qualified firms in order to select a firm to serve as its "Financial Advisor."

The Financial Advisor would serve in a full-service capacity, advising the OCHFA, upon request, on all single-family and multi-family financing, as well as all other matters involving OCHFA participation in the financing of affordable housing in Orange, Osceola, Lake and Seminole counties.

The OCHFA primarily uses tax exempt bond issues as its principal financing instrument. From time to time, the HFA may use its general funds for loans, guarantees, credit enhancement or other purposes in order to facilitate affordable housing. The OCHFA also anticipates several refundings of single-family and multi-family bond issues over the next few years.

The Authority, over the years, has financed or refinanced the development of one hundred fifteen (115) multi-family rental developments and over 17,590 Central Florida first-time home buyers have purchased homes using tax-exempt as well as taxable bond financing. Since inception in 1978, the Authority has issued an estimated $3.8B in Mortgage Revenue Bonds (MRBs).

In 2020, the Authority continued to utilize a combination of MRBs and Mortgage Backed Securities (MBSs) to provide financing for its Single-Family Home Purchase Program, via issuance of SERIES 2020-A Homeowner Revenue Bonds ($20MM); along with purchasing and selling MBSs in the capital market, which allows OCHFA to generate capital for its mortgage loan programs. The Authority utilized proceeds from the MBS transactions, to provide 30-year, fixed-rate mortgages for sixty-eight (68) families in Central Florida. The Authority also provided bond financing for the production and/or preservation to induce or close eight (8) proposed multi-family developments, consisting of 1,853-units, for an estimated bond financing costs of more than $220MM; with an estimated total development cost of $286,673,200.

Although the OCHFA does not guarantee any specific level of service utilization and makes no representation or warranty as to requesting any future level of service, it is estimated that the minimum level of service for Financial Advisor excluding work on transactions may average four (4) to six (6) hours per week.

The OCHFA's annual operating budget is approximately $1.8MM. Annual revenues exceed $2.9MM with a total net position of $62.087MM.

I. MISCELLANEOUS TERMS AND CONDITIONS

1. **Submission of Qualification Statements:** Submissions are to be limited to a total of twenty-five (25) pages, not including a cover letter. Respondents must submit one (1) original hardcopy; seven (7) hardcopies and one (1) pdf version of their proposal to OCHFA for receipt no later than 4:00 P.M. EST on **Wednesday, November 3, 2021**. Proposals submitted by facsimile will not be accepted. Submissions must be responsive, in sequence, to the questions included as Exhibit A. Responses to each question must begin on a new page, with the question (or summary thereof) restated at the top of the page.

2. **Review and Selection Process:** All submissions will be reviewed by Staff to determine responsiveness to the RFP. All proposal meeting responsiveness will be reviewed and evaluated by an Ad Hoc Committee of Board Members and Staff appointed by the Chair using the evaluation criteria form and weighing factors in Exhibit ”B”. The Committee’s scoring will be tabulated and proposals ranked based on the numerical scores. The Chair of the Ad Hoc Committee may present the recommendations, together with a complete tabulation of numerical scoring results, to the full OCHFA Board for its consideration at its December 1, 2021 or subsequent meeting. OCHFA may, but is not obligated to select, the firm which receives the highest numerical score in the evaluation process. OCHFA may, but is not required to, request one or more respondents to make oral presentations to the OCHFA at the December 1, 2021 or subsequent meeting.

   Firms and their representatives are requested not to contact the OCHFA Board Members after the release of the RFP. Questions should be in writing and directed to W.D. Morris, Executive Director, Orange County Housing Finance Authority, 2211 East Hillcrest Street, Orlando, Florida 32803, **by 4:00 p.m., October 22, 2021.**

   At the **December 1, 2021** or subsequent meeting, the OCHFA Board is expected to approve a “primary” choice for Financial Advisor, as well as one “alternate” choice. The primary designee will be requested to submit a fee proposal and to enter into negotiations with OCHFA for the purpose of confirming a mutually agreeable fee arrangement for inclusion in the Financial Advisory Agreement. If such fee negotiations cannot be successfully concluded within a period of time acceptable to the OCHFA, the alternate designee will be requested to submit a fee proposal, whereupon the OCHFA will enter into fee negotiations with that firm.

3. **Expenses Relating to Proposals:** OCHFA shall not be liable for any expenses incurred by respondents in replying to this Request for Proposal (“RFP”).

4. **Rejection and Negotiation:** OCHFA reserves the right to reject any and all proposals submitted in response to this RFP and, as described in paragraph 2 above “Review and Selection Process”, to enter into fee negotiations with one or more respondents to this RFP.

5. **Term of Service:** It is expected that the firm selected pursuant to this RFP will serve as Financial Advisor commencing with the first single-family MRB or COB transaction after January 1, 2021. Any transactions, remarketing(s) or refunding(s) currently in the planning process will be handled by the previously designated Financial Advisor. The term of service will expire on or about January 1, 2024 (subject to extensions at the sole and unfettered option of the OCHFA), including the terms and duration thereof except that any bond transaction in process, as of such termination date, shall be completed by the Financial Advisor selected pursuant to this RFP, unless the OCHFA Board shall specify otherwise.

OCHFA reserves the right to retain another firm or firms (through any process authorized by the OCHFA Board) to assume responsibility as Financial Advisor for any specific transaction to be initiated during the term of service of the Financial Advisor selected pursuant to this RFP, if, in OCHFA's opinion, such action is justified or made necessary by relevant facts and circumstances.

6. **Distribution of RFP:** This RFP is being distributed to independent financial advisory firms which: (a) are listed in The Bond Buyer's Municipal Marketplace Directory of financial advisors for housing bonds during calendar year 2020; (b) who do not sell, trade or underwrite municipal securities; and (c) are deemed to have significant experience as a full service financial advisor for HFA MRB programs.

7. **Minority Women Business Enterprise (MWBE):** The Orange County Housing Finance Authority is an equal employment opportunity employer and governmental business agency. Accordingly, we encourage participation from MWBE in this solicitation for Housing Financial Advisory Services.

II. SCOPE OF SERVICES

A. **General Advisory Services:** The scope of non-transaction-related services to be provided by the Financial Advisor may include, but not necessarily be limited to, the following:

1. Assist in the development of long term strategic plans and an annual financial plan, including strategies to effectively utilize, leverage and enhance OCHFA unrestricted operating reserves and Low Income Housing Fund.

2. Advise OCHFA generally on structuring new programs and restructuring existing programs to address housing related needs or opportunities identified by OCHFA.

3. Conduct independent and objective reviews and evaluations of the economic feasibility and cost-effectiveness of project finance transactions and/or program initiatives proposed to OCHFA by third parties, including governmental entities, non-profit developers, for-profit developers, investment banking firms and others.

4. Evaluate and formulate recommendations regarding financial management, investment management, investment policies and strategies and, upon request of OCHFA, provide direct investment management services for certain of the Authority's general and restricted funds.

5. Evaluate the financial integrity of existing OCHFA programs or projects, and advise OCHFA regarding strategies to preserve or enhance the credit ratings of bonds relating to such programs or projects.

6. Upon request of OCHFA, prepare portfolio analyses of the Authority's Single-Family and Multi-Family Issues.

7. Upon request of OCHFA, prepare consolidated cash flow analyses for the Authority's Homeowner Revenue Bonds, as may be necessary to maintain the AAA rating on the Bonds.

8. Maintain accurate records for each of the Authority's prior single-family bond issues pertaining to IRS 10-Year and 32-Year Rule limitations and advise the Authority of bonds eligible for replacement refunding.

B. **<u>Transaction Advisory Services:</u>** The scope of services to be provided by the Financial Advisor relating to new issues, reissues, remarketing, restructuring or refunding of tax-exempt or taxable bond transactions will include, but not necessarily be limited to, the following:

1. Advise and consult with OCHFA in structuring its taxable or tax-exempt financing transactions and the lending programs or projects which are funded with proceeds of such transactions.

2. Assist OCHFA by analyzing the merits of negotiated sales vs. competitive sales vs. private placements of OCHFA securities, and offer recommendations on same.

3. Coordinate the issuance of OCHFA single family and multi-family bonds and notes, including monthly advances or draws of short term refunding obligations.

4. Advise and assist the OCHFA in the preparation of requests for proposals and in the selection of underwriters and/or other service providers (bond counsel, tax counsel, financial printers, cash flow verifiers, etc.), as may be required to structure and execute a securities-related transaction.

5. Advise and assist in the establishment of appropriate program requirements, including mortgage loan rates/terms, servicing arrangements, insurance coverage, financial incentives and/or limitations on lender participation, and origination/commitment fees and advise OCHFA generally as to the financial integrity of the program.

6. Assist in the preparation and review of all instruments and documents required for bond and note financing transactions, including the bond indenture and official statement.

7. Review the maturities, call features, premiums, interest rates, reserve provisions, flow of funds and other features of proposed bond issues, and advise the OCHFA as to the financial integrity of such issues.

8. Analyze cash flow assumptions with regard to interest rates, fees, application of bond proceeds, investment of funds and other program requirements to assess the reasonableness of the cash flow projections based on such assumptions.

9. Upon request of OCHFA, prepare (for reliance upon by rating agencies, bond trustees, bond counsel, bondholders, bond dealers, and analysts or other third parties) detailed cash flow projections and analyses of specified bond issues and related mortgage loan programs, such as cash projections and analyses to be accompanied by a listing of all significant underlying assumptions.

10. Assist OCHFA in, preparing for and participating in, transaction-related presentations to and negotiations with financial institutions, rating agencies, developers, governmental entities and others.

11. In consultation with OCHFA, provide the rating agencies with information necessary to enable them to analyze the structure and credit quality of proposed transactions.

12. Prepare analyses to comply with asset release test and/or cash flow certificate requirements as may be established by OCHFA bond trust indentures.

13. Advise and assist OCHFA in negotiating rates, underwriter's fees and other terms of bond purchase contracts with underwriters, as well as the terms and provisions of agreements with bond trustees and financial institutions.

14. In consultation with other members of the financing team, provide advice regarding the strategy for reinvestment of bond proceeds and program revenues and, upon request, prepare investment agreement bid specifications and solicit bids in compliance with applicable laws and regulations.

15. Upon request of OCHFA, perform periodic rebate analyses as may be required by the IRS Code and trust indentures relating to OCHFA bond transactions.

16. Such other reasonably related services as may be requested by OCHFA.

ALL PROPOSALS SHALL BE SUBMITTED AS A COMPETITIVE SEALED PROPOSAL

NO LATER THAN MONDAY, NOVEMBER 3, 2021, BY 4:00PM

- One (1) original hardcopy
- Seven (7) hard copies
- One (1) PDF version

W.D. Morris, Executive Director
Orange County Housing Finance Authority
2211 Hillcrest Street, Orlando, Florida 32803
Email: oroman@ochfa.com

OFFER OR SHALL SUBMITT ORIGINAL & COPIES (AS STATED ABOVE) OF THE PROPROSALS TO THE OCHFA. NO AMENDMENTS WILL BE ACCEPTED AFTER THE ABOVE DATE. ALL PROPOSALS WILL BE CONSIDERED AS THEY ARE RECEIVED BY OCHFA WITH OCHFA RESERVING THE RIGHT TO REJECT ANY OR ALL PRPOSALS AND THE RIGHT TO REQUEST ORAL PRESENTATIONS OF ALL OR SOME OF THE OFFERS. ***THE OCHFA REQUESTS THAT PROPOSALS BE SUCCINCT AND LIMITED TO TWENTY-FIVE (25) PAGES.ADDITIONAL INFORMATION*** *MAY BE REQUESTED BY OCHFA AFTER REVIEWING THE PROPSALS.*

Exhibit “A”

III. EVALUATION CRITERIA

1. **Firm Overview:** Briefly describe the history and organization of your firm and confirm its current status as an independent advisory firm which is not engaged in the underwriting, sales, distribution or trading of municipal securities. Describe and discuss any formal or informal business relationships, including but not limited to, overlapping or common ownership between your financial advisory firm and any registered broker/dealer engaged in underwriting municipal securities. Describe any representation of multi-family developers by your firm.

2. **Staffing and Account Coverage:** Provide the name, telephone number and fax number of the primary contact person regarding your firm’s proposal. Identify the personnel and provide a brief resume for each such person who would be assigned to the OCHFA account if your firm is selected, pursuant to this RFP, to serve in any capacity. Specifically address how your firm will ensure proper coverage of the OCHFA account in the event the primary person(s) assigned are unavailable for any reason.

3. **Qualifications and Experience:** For each of the periods indicated in the table below, provide the requested summary data with respect to new issues of long term, fixed rate or floating rate mortgage revenue bond transactions (both tax exempt and taxable) for which your firm served as financial advisor. Include bonds issued via negotiated public sales, competitive sales and private placements indicating which transaction mode was used (co-venture may aggregate experience).

Year	Single-Family MRB’s		Multi-Family MRB’s		Annual Totals	
	# Issues	$ Volume (millions)	# Issues	$ Volume (millions)	# Issues	$ Volume (millions)
2017						
2018						
2019						
2020						
Total						

State the extent to which your firm is able to provide the General Advisory Services and Transaction Advisory Services listed in the RFP. Specifically identify any such services which your firm is either inexperienced in or currently incapable of providing.

4. **Strategies to Enhance Financial Resources:** Describe and discuss innovative strategies whereby OCHFA may increase financing for new or rehabilitated affordable housing (both owner occupied and rental) within the Authority’s area of operation. Describe your firm’s experience in successfully implementing any of these strategies (or similar types of innovative initiatives), providing references where appropriate.

5. **Client Base:** List the state and local housing finance agencies or redevelopment agencies for which your firm has served as financial advisor during 2018-2020. Identify

any local HFA for which your firm served as financial advisor after December 31, 2020, but for which your firm is not currently serving in such capacity.

6. **Potential Conflicts:** List all persons, firms or other entities (other than state and local HFA's) involved in the provision or financing of affordable single family or multi-family housing in Florida with which your firm has any formal business relationship. Discuss how your firm would propose to deal with any potential conflicts arising from concurrently serving as financial advisor for OCHFA.

7. **Computer Analyses:** Describe the capabilities and experience of your firm in providing all of the computer cash flow analyses required by Moody's, Standard Poors or other rating agencies (both on a single series, stand-alone basis and on a consolidated basis for all parity bonds outstanding under a master indenture), and the bond/mortgage yield computations required by bond counsel.

8. **Litigation, Investigations and Regulatory Proceedings:** Provide a summary of any material inquiries, investigations or litigation occurring during the past two (2) years (including those in progress) regarding the conduct of your firm, your firm's management, or any employee or official associated with your firm. Describe any related actions taken against your firm or employees by any federal, state or municipal governmental entity or court or regulatory authority, including fines, suspensions, censure, etc.

9. **Special Capabilities:** Describe any special strengths or capabilities of your firm, or any special services or assistance your firm may provide, or has provided to OCHFA, which you believe may be relevant to or helpful to the OCHFA in structuring, financing or administering its various affordable housing initiatives.

10. **Fee Proposals:** Given your proposed scope of services and work products, discuss your proposed fee arrangement based on each of the following alternatives:

    a. **General Advisory Services:** State your firm's proposed hourly rate(s) of compensation by staff category for providing General Advisory Services, as well as an estimated not-to-exceed dollar amount anticipated for such non-transaction services for each fiscal year.

    b. **Transaction Advisory Services:** State your firm's proposed basis (formula) for fees relating to Transaction Advisory Services and state the extent to which such fees and/or expenses are to be contingent upon closing of each transaction. State if the fees your firm proposes for transactions will differ for long-term and short-term bonds issued by the Authority.

    c. **Computer Analytical Services:** State your firm's proposed basis (formula) for fees relating to the preparation of: (I) all rating agency cash flow analyses and stress tests, as well as all bond/mortgage yield calculations for a "stand-alone" issue of MRBs, (ii) full, consolidated, parity cash flow analyses for a new issue of single family MRBs under the Authority's master trust indenture, and (iii) cash flow certificates, as may be required by the trust indenture as a condition to extension of the loan origination period, release of funds to the Authority, etc.

    d. **Out of Pocket Expenses:** State your firm's proposed reimbursable travel and other out-of-pocket expenses. Each type of expense expected to be reimbursed must be itemized.

The OCHFA may negotiate a best and final fee offer from the selected firm(s) or individual(s); or in the alternative, negotiate fee on an “per task” basis.

IV. PUBLIC ENTITY CRIMES

Florida Statutes Section 287.133(3)(a) requires that prior to award of a contract for certain goods or services, a sworn statement shall be submitted. A copy of such statement is attached hereto for submission – Exhibit C.

V. PUBLIC ACCESS

The Authority is a public body corporate and politic of Orange County, Florida. All documents and other materials made or received in conjunction with this proposal and Authority business will be subject to public disclosure requirements of Chapter 119, Florida Statutes. Copies of the end product(s) of the firm’s work and can be made available to the public upon request. Failure to allow public access to all documents, papers, letters, or other material subject to disclosure pursuant to Chapter 119, Florida Statutes, and made and received by the firm in conjunction with the contract, may, in the discretion of the Authority, result in the cancellation of the contract.

EXHIBIT “B” Criteria Evaluation Form

1. FIRM OVERVIEW

	No Response			Relative Ranking		Best Response	Evaluation Points		Weighting Factor		Total Points	Maximum Score
Evaluation Points Assigned	0	1	2	3	4	5		x	1	=		5

2. STAFFING AND ACCOUNT COVERAGE

	No Response			Relative Ranking		Best Response	Evaluation Points		Weighting Factor		Total Points	Maximum Score
Evaluation Points Assigned	0	1	2	3	4	5		x	3	=		15

3. QUALIFICATIONS AND EXPERIENCE

	No Response			Relative Ranking		Best Response	Evaluation Points		Weighting Factor		Total Points	Maximum Score
Evaluation Points Assigned	0	1	2	3	4	5		x	4	=		20

4. STRATEGIES TO ENHANCE RESOURCES

	No Response			Relative Ranking		Best Response	Evaluation Points		Weighting Factor		Total Points	Maximum Score
Evaluation Points Assigned	0	1	2	3	4	5		x	3	=		15

5. CLIENT BASE

	No Response			Relative Ranking		Best Response	Evaluation Points		Weighting Factor		Total Points	Maximum Score
Evaluation Points Assigned	0	1	2	3	4	5		x	1	=		5

6. POTENTIAL CONFLICTS

	No Response			Relative Ranking		None	Evaluation Points		Weighting Factor		Total Points	Maximum Score
Evaluation Points Assigned	0	1	2	3	4	5		x	1	=		5

7. COMPUTER ANALYSES

	No Response			Relative Ranking		Best Response	Evaluation Points		Weighting Factor		Total Points	Maximum Score
Evaluation Points Assigned	0	1	2	3	4	5		x	2	=		10

8. LITIGATION, INVESTIGATIONS AND REGULATORY PROCEEDINGS

	No Response			Relative Ranking		None	Evaluation Points		Weighting Factor		Total Points	Maximum Score
Evaluation Points Assigned	0	1	2	3	4	5		x	1	=		5

9. SPECIAL CAPABILITIES

	No Response			Relative Ranking		Best Response	Evaluation Points		Weighting Factor		Total Points	Maximum Score
Evaluation Points Assigned	0	1	2	3	4	5		x	2	=		10

10. FEES AND EXPESNES

	No Response			Relative Ranking		Most Competitive	Evaluation Points		Weighting Factor		Total Points	Maximum Score
Evaluation Points Assigned	0	1	2	3	4	5		x	2	=		10

TOTAL POINTS		100

Specific comments of Reviewer related to over-all proposal.

Name of Firm: ______________________________ **Reviewer:** ______________________

EXHIBIT "C" PUBLIC ENTITY CRIMES

SWORN STATEMENT UNDER SECTION 287.133(3)(a), FLORIDA STATUTES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to the **Orange County Housing Finance Authority**
by: ______________________________
for: ______________________________
whose business address is: ______________________________
and (if applicable) its Federal Employer Identification Number (FEIN): ______________ SSN: __________
(if the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement.

2. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), of the **Florida Statutes**, means a violation of any State or Federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or of the United States, including but not limited to, any bid or contract for goods or services, any lease for real property, or any contract for the construction or repair of a public building or public work, involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

3. I understand that "convicted" or "conviction" is defined in Paragraph 287.133(1)(b), **Florida Statutes**, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.

4. I understand that an "affiliate" is defined in Section 287.133(1)(a), **Florida Statutes**, means:

    1) A predecessor or successor of a person convicted of a public entity crime; or

    2) An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Section 287.133(1)(e), **Florida Statutes**, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applied to bid on contracts let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

6. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement (indicate by placing a check in front of the statement which applies):

Neither the entity submitting this sworn statement, nor any of its officers, directors, executives, partners, shareholders, employees, members or agents who are active in the management of the entity, nor any affiliate of the entity was charged with and convicted of a public entity crime subsequent to July 1, 1989.

The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity was charged with and convicted of a public entity crime subsequent to July 1, 1989.

The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity was charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there was a subsequent proceeding before a Hearing Officer of the State of Florida Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list (**attach a copy of final order**).

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 (ONE) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY, PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, **FLORIDA STATUTES**, FOR CATEGORY TWO, OF ANY CHANGE AFFECTING THE CORRECTNESS OF THE INFORMATION CONTAINED IN THIS SWORN STATEMENT.

Signature ______________________ Date ______________

Sworn to and subscribed before me this ______________ day of ______________, 2014

Personally known ______ or Produced identification ______________________

STATE OF: ______________ Notary Name: ______________________

COUNTY OF: ______________ Commission #: ______________ Expiration Date: ______________

Notary Signature: ______________________

(NOTARY SEAL HERE)

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

DISCUSSION ITEM

MEMORANDUM

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

DATE: September 8, 2021

RE: **CONSIDER APPROVAL OF BOND RESOLUTION AND ASSOCIATED DOCUMENTS, TERMS AND FINANCING OF MULTI-FAMILY TAX-EXEMPT BONDS, FOR STRATFORD POINT APARTMENTS, NOT-TO-EXCEED $43,000,000 – REGION 6.**
OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

On August 5, 2020, the Board approved a Reimbursement Resolution for the proposed acquisition/ rehabilitation request for Stratford Point transaction in the amount of $43,000,000. The applicant for Stratford Point Apartments is Stratford Point Preservation, Ltd., and the General Partner is Stratford Point GP LLC. The proposed development is a 384-unit community, located at 1700 Old England Loop, in Sanford. The community will offer two, three and four bedrooms units, with rents ranging from $474 to $1,179 per month. The Set-aside will be 25% at 33% Area Median Income (AMI) and the remaining units at 60% or less of AMI.

The proposal involves the issuance of $43MM of Multi-Family Mortgage Revenue Bonds (MMRB) with an estimated rehabilitation cost of $14.852MM or approximately $38,607 per unit cost. This proposed development has 25% or 96-units of "Extreme Low Income" households (ELI).

CURRENT

The enclosed Bond Resolution is in an amount not-to-exceed of $43MM, as stated in the Credit Underwriting Report (CUR). Attached for your review is the Real Estate Credit Underwriting Report prepared by Seltzer Management Group. The financing structure is a short-term, cash collateralized, tax-exempt transaction with proceeds from a Housing and Urban Development (HUD) Insured First Mortgage loan, under the HUD 223(f) Tax Credit Program. OCHFA will issue up to $43MM in short-term tax-exempt MMRB, which will be underwritten and marketed by RBC Capital Markets LLC (RBC) through a Public Offering; proceeds from the sale of the MMRBs will be held by the Trustee and released to the applicant for the acquisition and rehabilitation of the development.

The release of the MMRB proceeds, funding the acquisition and rehabilitation, will be restricted, contingent upon a like sum of First Mortgage loan funds being sent to the Trustee and held in a collateral fund. The principal and interest of the MMRB will be secured by a cash source at all times, until fully repaid. A fixed rate of interest will be paid on the MMRB estimated to be 0.35%, based on current market conditions. The bonds will require monthly interest only payments until the earlier of the maturity date; 24-months from the date of closing or date of redemption.

The proposed development will assume tow (2) State Apartment Incentive Loans (SAIL), Extremely Low Income Loans with principal balances of $599,550 and $2.278,290 or combined balance of $3,258,030. These loans are forgivable debt and are not reflected as funding sources. The proposal is subject to existing Extended Low Income Housing Agreement for a 30-year period. As stated above, the Short-Term Bonds will bear interest based on current market conditions. The interest rate is currently projected to be 35-basis points (bps) with a Treasury investment rate at 20-bps and a negative arbitrage of approximately 15-bps, with a mandatory tender date of 24-months. The bonds will be fully drawn at closing and funded to the Trustee.

The permanent loan of $82,132,802 will have a 35-year term and repayment would be based on a 35-year amortization schedule. The interest rate will be fixed for the entire loan term and will be a locked up issuance and acceptance of the firm's financial commitment and lender loan commitment. The construction and permanent sources are as follows:

SOURCE	**LENDER**	**CONSTRUCTION**	**PERMANENT**	**PERM LOAN/UNIT**
Local HFA Bonds	JLL/HUD	$ 49,071,000	$ 49,071,000	$ 127,789
Bridge Loan	Truist	$ 13,884,103	$ 0	$ 0
Reserve Escrows	JLL/HUD	$ 0	$ 1,600,730	$ 4,169
Operating Deficit	Truist	$ 1,278,178	$ 0	$ 0
HC Equity	Truist	$ 9,238,136	$ 26,656,543	$ 69,418
Deferred Developer	Developer	$ 8,661,285	$ 4,804,429	$ 12,512
Applicant	Developer	$ 100	$ 100	$ 0
Total Development Cost is projected to be:		**$82,132,802.00**	**$82,132,802.00**	**$213,888.00**

The sources of financing, during construction are: OCHFA/JLL/HUD; Truist Operating Deficit; Bridge Loan; Truist Housing Credits (HC) Equity; and deferred Developer Fee. The transaction has a Debt Service Coverage (DSC) ratio of 1.13, based on net Operating Income of $2,374,849, as estimated by Seltzer Management. The "all-in" interest rate is 2.75%. Seltzer Management recommends that the Authority approve this issuance of $43MM of Tax-Exempt Bonds for acquisition and rehabilitation of Stratford Point Apartments.

The remaining documents to be approved are available for review by Board Members at the office of the Authority. These documents have been reviewed by Staff, Financial Advisor, Bond Counsel and General Counsel; both its capacities as General and Disclosure Counsel's. The Staff, General Counsel, Financial Advisor and Bond Counsel will be available at the Boards' meeting of October 6, 2021 to discuss any issues regarding this documentation and to advise the Board that such documents have been prepared in accordance with the Authority's policies and procedures.

ACTION REQUESTED

Board approval of the Bond Resolution (2021-07), Underwriting Report, Terms and financing in an amount not-to-exceed $43,000,000 for the Acquisition and Rehabilitation of Multi-Family Development Stratford Point Apartments; and authorization for the Chair, Board Member and Executive Director to execute all associated documents subject to General Counsel's review.

RESOLUTION NO. 2021-07

A RESOLUTION OF THE ORANGE COUNTY HOUSING FINANCE AUTHORITY (THE "AUTHORITY") AUTHORIZING THE ISSUANCE BY THE AUTHORITY OF NOT EXCEEDING $43,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS MULTIFAMILY HOUSING REVENUE BONDS, 2021 SERIES B (STRATFORD POINT APARTMENTS) (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 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 BOND PURCHASE AGREEMENT 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.

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") has determined to authorize the issuance of not exceeding $43,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds, 2021 Series B (Stratford Point Apartments) (the "Bonds") for the purpose of financing the acquisition and construction of a residential rental project for persons of low and moderate income (the "Project"). The Bonds are to be secured by cash and Permitted Investments (as defined in the hereinafter described Trust Indenture) sufficient, without need for reinvestment, to pay interest on the Bonds when due and to pay the principal of the Bonds at maturity or upon redemption; 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 and Arbitrage Rebate Agreement for the Bonds and to authorize additional documents in connection therewith; and

WHEREAS, the Authority wishes to approve the Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement") and to authorize distribution of a Preliminary Official Statement for the Bonds and to authorize the preparation, distribution and execution of an Official Statement in connection with the issuance and delivery of the Bonds; and

WHEREAS, the Authority intends to negotiate the sale of the Bonds as hereinafter provided with RBC Capital Markets, LLC (the "Underwriter"); and

WHEREAS, the Authority desires to approve the form of a Bond Purchase Agreement (the "Bond Purchase Agreement") and set parameters for certain members of the Authority to approve the final terms of the sale of the Bonds and to execute the Bond Purchase Agreement in accordance therewith upon the terms and conditions established herein in connection with issuance of the Bonds;

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 Multifamily Housing Revenue Bonds, 2021 Series B (Stratford Point Apartments) in an aggregate principal amount not to exceed $43,000,000 (the "Bonds"). 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 Bond Purchase Agreement attached hereto as Exhibit H and in 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 the 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 Trustee (as herein defined)"", in substantially the form attached hereto as Exhibit A (the "Trust 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 Stratford Point Preservation, Ltd., a limited partnership duly organized and existing under the laws of the State of Florida (together with its permitted successors and assigns, 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 Trust 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 Continuing, Absolute and Unconditional 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 Underwriter, 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. The negotiated sale of the Bonds to the Underwriter, upon substantially the terms and conditions set forth in the Bond Purchase Agreement attached hereto as Exhibit H, is hereby approved, and the Bond Purchase Agreement among the Authority, the Underwriter and the Borrower, is hereby approved in substantially the form attached hereto as Exhibit H. The Authority hereby authorizes the Chairman or Vice Chairman of the Authority or any other Board Member to execute and deliver (attested by the Executive Director/Secretary of the Authority), said Bond Purchase Agreement in the name of and on behalf of the Authority, with such changes, alterations and corrections, if any, as may be approved by said Chairman or Vice Chairman or other Board Member, all of the provisions of which, when executed and delivered by the Authority as authorized herein shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein. The Bonds are hereby sold to the Underwriter (subject to such terms and conditions) in the amount, at the price and upon the final terms set forth in the Bond Purchase Agreement as may be approved by the Chairman or Vice Chairman or other Board Member as attested by the Executive Director/Secretary; provided, that (a) the purchase price of the Bonds shall be not less than 98% of the original principal amount thereof, (b) the average yield of the Bonds determined as required for purposes of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), shall not exceed the limitation on interest rates set forth in Section 215.84, Florida Statutes, and (c) the Bonds shall finally mature not later than 40 years from the date of issuance of the Bonds.

10. The Authority hereby approves the Preliminary Official Statement (the "Preliminary Official Statement") relating to the Bonds in the form attached hereto as Exhibit I and authorizes the use and distribution by the Underwriter of said Preliminary Official Statement in connection with the public offering for sale of the Bonds. The Chairman, Vice Chairman or any other Board Member and Executive Director are hereby authorized to make or approve insertions, modifications and changes in the Preliminary Official Statement. The Authority hereby approves and authorizes the preparation and distribution of a final Official Statement relating to the Bonds with such revisions as shall hereafter be approved by the Chairman or Vice Chairman or other Board Member and the Executive Director of the Authority, with such approval and authorization to be presumed by the execution thereof.

11. 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 Trust Indenture.

12. With respect to the Bonds, the Rebate Analyst shall be appointed by the Borrower, in accordance with the Trust Indenture, as shall be evidenced by the execution of the Trust 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.

13. 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.

14. 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.

15. 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 Trust 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.

16. 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.

17. This Resolution shall become effective immediately upon its adoption.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

APPROVED AND ADOPTED this 6th day of October 2021.

ORANGE COUNTY HOUSING FINANCE AUTHORITY

By:____
Chair/Vice Chair

[S E A L]

ATTEST:

By:__________________________________
W.D. Morris, Secretary

APPROVED AS TO LEGAL SUFFICIENCY:

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

Orange County Housing Finance Authority

Credit Underwriting Report

Stratford Point Apartments

Tax Exempt Multifamily Mortgage Revenue Bond

Section A	Report Summary
Section B	Supporting Information and Schedules

Prepared by

Seltzer Management Group, Inc.

Final Report

September 21, 2021

STRATFORD POINT APARTMENTS

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Section A

Report Summary

Recommendation

Seltzer Management Group, Inc. ("SMG" or "Seltzer") recommends that the Orange County Housing Finance Authority ("OCHFA" or "Authority") issue Multifamily Mortgage Revenue Bonds ("MMRB") in the amount of $43,000,000 for the Acquisition and Rehabilitation of Stratford Point Apartments (the "Subject Development").

DEVELOPMENT & SET-ASIDES

Development Name: Stratford Point

Address: 1700 Old England Loop

City: Sanford Zip Code: 32771 County: Seminole County Size: Medium

Development Category: Acquisition/Rehab Development Type: Garden Apts (1-3 Stories)

Construction Type: Wood Frame on Concrete Podium

Demographic Commitment:

Primary: Family for 100% of the Units

Unit Composition:

# of ELI Units: 96 ELI Units Are Restricted to 33% AMI, or less. Total # of units with PBRA? 0

# 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
2	2.0	36	985	33%			$566	$64	$502		$506	$498	$498	$215,136
2	2.0	107	985	60%			$1,030	$64	$966		$970	$962	$962	$1,235,208
2	2.0	13	1,034	33%			$566	$64	$502		$506	$498	$498	$77,688
2	2.0	39	1,034	60%			$1,030	$64	$966		$970	$962	$962	$450,216
3	2.0	25	1,203	33%			$655	$72	$583		$590	$578	$578	$173,400
3	2.0	76	1,203	60%			$1,191	$72	$1,119		$1,126	$1,114	$1,114	$1,015,968
3	2.0	12	1,227	33%			$655	$72	$583		$590	$578	$578	$83,232
3	2.0	36	1,227	60%			$1,191	$72	$1,119		$1,126	$1,114	$1,114	$481,248
4	2.0	10	1,338	33%			$730	$83	$647		$661	$642	$642	$77,040
4	2.0	30	1,338	60%			$1,329	$83	$1,246		$1,260	$1,241	$1,241	$446,760
		384	428,542											$4,255,896

Buildings: Residential - 16 Non-Residential - 2

Parking: Parking Spaces - 790 Accessible Spaces - 21

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRB	40.0%	154	60%	15
SAIL ELI 2011	5.0%	20	33%	15
SAIL ELI 2011	95.0%	364	60%	15
SAIL ELI 2012	20.0%	76	33%	15
SAIL ELI 2012	80.0%	307	60%	15
HC - Existing	100.0%	384	60%	30
HC - New	100.0%	384	60%	30

Occupancy Rate at Stabilization: Physical Occupancy 97.00% Economic Occupancy 96.00%

Occupancy Comments Current Occupancy - 98.96%

DDA: No QCT: No Multi-Phase Boost: No QAP Boost: No

Site Acreage: 19.59 Density: 19.5978 Flood Zone Designation: X

Zoning: PD (Planned Development) Flood Insurance Required?: No

DEVELOPMENT TEAM

		% Ownership
Applicant/Borrower:	Stratford Point Preservation, Ltd. ("Borrower")	
General Partner	Stratford Point Preservation GP LLC ("GP")	0.0100%
Limited Partner	Truist Community Capital, LLC ("Truist") or Affiliate	99.9900%
Special LP	CDC Special Limited Partner, LLC	0.0000%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Borrower	
CC Guarantor 2:	GP	
CC Guarantor 3:	Jeremy S. Bronfman	
CC Guarantor 4:	Lincoln Avenue Capital, LLC ("LAC")	
CC Guarantor 5:	Stratford Point Developer LLC	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Borrower	
OD Guarantor 2:	GP	
OD Guarantor 3:	Jeremy S. Bronfman	
OD Guarantor 4:	LAC	
OD Guarantor 5:	Stratford Point Preservation Developer LLC	
Bond Purchaser	N/A Public Offering	
Developer:	Stratford Point Preservation Developer LLC	
General Contractor 1:	Legacy Construction Services, LLC	
Management Company:	TPI, Inc. ("TPI")	
Const. Credit Enhancer:	MMRB - Cash Collateral	
Perm. Credit Enhancer:	N/A - MMRB redeemed after rehabilitation	
Syndicator:	Truist	
Bond Issuer:	OCHFA	
Architect:	Ebersoldt and Associates Architecture ("Ebersolt")	
Market Study Provider:	Integra Realty Resources - Tampa Bay ("Integra")	
Appraiser:	Novogradac Consulting LLP ("Novo")	

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lien Position						
Lender/Grantor	JLL/HUD					
Amount	$49,071,000					
Underwritten Interest Rate	2.20%					
All In Interest Rate	2.45%					
Loan Term	35.0					
Amortization	35.0					
Market Rate/Market Financing LTV	52.1%					
Restricted Market Financing LTV	93.5%					
Loan to Cost - Cumulative	59.7%					
Debt Service Coverage	1.137					
Operating Deficit & Debt Service Reserves	$1,278,178					
# of Months covered by the Reserves	8.4					

Deferred Developer Fee	$4,804,429
As-Is Land Value	$2,900,000
As-Is Value (Land & Building)	$49,800,000
Market Rent/Market Financing Stabilized Value	$94,100,000
Rent Restricted Market Financing Stabilized Value	$52,500,000
Projected Net Operating Income (NOI) - Year 1	$2,374,849
Projected Net Operating Income (NOI) - 15 Year	$2,853,238
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Bond Structure	Short Term Cash Collateralized MMRB
Housing Credit (HC) Syndication Price	$0.895
HC Annual Allocation - Initial Award	N/A
HC Annual Allocation - Qualified in CUR	$2,953,085
HC Annual Allocation - Equity Letter of Interest	$2,978,683

CONSTRUCTION/PERMANENT SOURCES:				
Source	**Lender**	**Construction**	**Permanent**	**Perm Loan/Unit**
Local HFA Bonds	JLL/HUD	$49,071,000	$49,071,000	$127,789
Bridge Loan	Truist	$13,884,103	$0	$0
Reserve Escrows	JLL/HUD	$0	$1,600,730	$4,169
Operating Deficit	Truist	$1,278,178	$0	$0
HC Equity	Truist	$9,238,136	$26,656,543	$69,418
Deferred Developer	Developer	$8,661,285	$4,804,429	$12,512
Applicant	Developer	$100	$100	$0
TOTAL		$82,132,802	$82,132,802	$213,888

Financing Structure:

Jones Lang LaSalle Multifamily, LLC ("JLL"), an approved HUD Multifamily Accelerated Processing ("MAP") lender, will fund a FHA insured permanent first mortgage ("First Mortgage") loan under the U.S. Department of Housing and Urban Development ("HUD") Section 223(f) Tax Credit Program.

OCHFA will issue up to $43,000,000 of tax-exempt MMRB, which will be underwritten and marketed by RBC Capital Markets LLC ("RBC") through a Public Offering. Proceeds from the sale of the MMRB will be held by a trustee and released to the Applicant for the acquisition and rehabilitation of the Subject Development. The release of the MMRB proceeds to fund the acquisition and rehabilitation of the Development will be restricted, contingent upon a like sum of First Mortgage loan funds being sent to the Trustee and placed in a Collateral Fund. Therefore, the principal and interest of the MMRB will be secured by a cash source at all times until they are fully repaid. The Applicant will pay a fixed rate of interest on the MMRB, which is estimated to be 0.35% based on current market conditions. The Bonds will require monthly interest only payments until the earlier of the maturity date, which is 24 months from the date of closing, or the date of redemption. Investment income derived from the collateral fund is expected to be 0.20% resulting in negative arbitrage of 0.15%, or $129,000 for the anticipated 18-month redemption date.

Strengths:

1. Per the Market Study, dated July 14, 2021, Integra concludes strong demand in the Primary Market Area ("PMA") as the evidenced by an overall occupancy rate of 96.4% in the PMA for comparable properties.

   In addition, the Market Study concludes that the Subject Development will obtain maximum allowable 2021 HC rents (see COVID-19 discussion below).

   Further, the Market Study concludes that projected market rents are approximately 45% greater than maximum allowable HC rents.
2. Although the Borrower, GP and Developer are newly formed, the principals of the GP, developer, contractor, and the management company have sufficient experience and financial resources to develop, construct and operate the Subject Development.

Other Considerations:

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. The Subject Development is will assume two State Apartment Incentive Loan ("SAIL") Extremely Low Income ("ELI") loans, RFP 2010-16-06 ("SAIL ELI 2011") and 2011-05-03 ("SAIL ELI 2012") in the original amounts of $1,500,000 and $5,700,000, respectively. The SAIL ELI loans bear no interest and principal is forgiven annually at the rate of 6.67% over the term of the loan, subject to the Borrower maintaining compliance with certain set-aside requirements as defined in the respective loan agreements. The SAIL ELI 2011 and SAIL ELI 2012 principal balances are $599,550 and $2,278,290, respectively, or $3,258,030 combined. As these loans are forgivable debt, the assumed loan amounts are not reflected as a funding source nor has the cash purchase price of the Subject Development been increased by the assumed loan amounts.

3. The Subject Development is subject to an existing Extended Low Income Housing Agreement ("ELIHA"), dated September 12, 2001. Set-asides are 100% (384 units) of units for tenants earning 60% or less of the area median income ("AMI") for a period of 30 years.

The Subject Development is also subject to the set-aside restrictions of the two existing SAIL ELI loans. Set-asides for SAIL ELI 2011 are 5% (20 units) of the units for tenants earning 33% or less of the AMI and the balance of the units for tenants earning at 60% or less of the AMI for a period of 15 years. Set-asides for SAIL ELI 2012 are 20% (76 units) of the units for tenants earning 33% or less of the AMI and the balance of the units for tenants earning at 60% or less of the AMI for a period of 15 years. At the end of the 15-year compliance period all units currently restricted to tenants earning 33% or less of the AMI will revert back to tenants earning 60% or less of the AMI.

Waiver Requests/Special Conditions: None

Issues and Concerns: None

Mitigating Factors: None

Recommendation:
SMG recommends OCHFA issue MMRB in the amount of $43,000,000. 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: Reviewed by:

Benjamin S. Johnson
President

Joshua Scribner
Credit Underwriting Manager

Overview

Construction Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Construction Debt Service
First Mortgage	JLL/HUD	$45,777,790	$49,071,000	$49,071,000	2.45%	N/A
Sixth/Bridge	Truist	$0	$13,884,103	$13,884,103	3.75%	$520,654
HC Equity	Truist	$26,052,768	$9,238,138	$9,238,136		
Deferred Developer Fee	Developer	$9,865,529	$8,812,478	$8,661,285		
Additional Equity	General Partner	$100	$100	$100		
Delayed Reserve Funding	Truist	$0	$1,278,178	$1,278,178		
Total		**$81,696,187**	**$82,283,997**	**$82,132,802**		**$520,654**

First Mortgage:

The Applicant provided an application letter (the “JLL Application”), dated September 15, 2021, whereby JLL will fund an FHA Insured First Mortgage loan under the HUD Section 223(f) Tax Credit Program. The First Mortgage will be for a term of 35 years and amortize over a period of 35 years. The interest rate will be fixed for the entire loan term and will be locked upon issuance and acceptance of the Firm Commitment and Lender Loan Commitment.

In addition, SMG is in receipt of an updated HUD application (“HUD Application”), dated June 1, 2021 and a Rate Lock Authorization, dated August 25, 20214, reflecting a requested loan amount up to $49,071,000. The interest rate is locked at 2.20%, exclusive of a 25 basis point Mortgage Insurance Premium (“MIP”) fee, for an underwriting interest of 2.45%.

It is anticipated that the property will maintain stabilized operations throughout the rehabilitation period, as the Subject Development is currently 98.96% occupied as of June 30, 2021. First Mortgage principal and interest payments will be paid from rental income derived from the operations of the Development. Accordingly, no Construction Debt Service is presented above.

As discussed earlier, the JLL HUD insured loan will act as cash collateral for the $43,000,000 OCHFA Tax-Exempt MMRB. The incremental amount above the MMRB will be funded as a source for construction costs during the construction period.

Subordinate Mortgage – Bridge Loan:

Per the Truist proposal (“Proposal”), dated May 11, 2021, Truist will provide bridge loan financing in the amount up to $16,500,000. The loan will require monthly interest-only payments and charge a variable interest rate comprised of the 30-day LIBOR (currently estimated at 0.15%) plus 275 basis points, with a 100-basis point floor, or 3.75% based on current market conditions. Interest will be paid from rental income derived from the operations of the Development. Accordingly, no Construction Debt Service is presented above.

GP Capital Contribution:

The General Partner shall make a capital contribution of $100 at partnership closing.

Other Construction Sources of Funds:

Additional sources of funds for this Development during construction are housing credit equity, delayed reserve funding (from post completion equity contribution) and deferred developer fees. See the Permanent Financing section below for details.

Permanent Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Amort. Yrs.	Term Yrs.	Annual Debt
First Mortgage	JLL/HUD	$43,000,000	$49,071,000	$49,071,000	2.45%	35	35	$2,089,370
HUD Escrow Release	JLL/HUD	$1,453,782	$1,600,730	$1,600,730				
HC Equity	Truist	$26,997,688	$26,656,545	$26,656,543				
Def. Developer Fee	Developer	$10,244,617	$4,955,622	$4,804,429				
Additional Equity	General Partne	$100	$100	$100				
Total		**$81,696,187**	**$82,283,997**	**$82,132,802**				**$2,089,370**

First Mortgage Loan

Terms of the JLL HUD Insured First Mortgage are discussed in the previous section, Construction Financing Sources.

HUD Escrow Release

Since the onset of the pandemic, HUD 223(f) transactions require a COVID Debt Service Reserve to be funded at closing. The release test for the escrow amount is the later of six months, meeting the required program DSCR for three consecutive months, and completion of all non-critical repairs. Funds released from the escrow will be utilized to pay deferred developer fee.

Housing Credits Equity Investment:

The Borrower has applied to Florida Housing to receive 4% Housing Credits ("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 draft Amended and Restated Agreement of Limited Partnership ("LPA"), received September 4, 2021, Truist 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	$5,331,308	20.00%	Closing
2nd Installment	$17,790,931	66.74%	98% Completion, will repay bridge loan
3rd Installment	$2,064,280	7.74%	100% Completion
4th Installment	$1,470,024	5.51%	8609s
Total	$26,656,543	100.00%	

Annual Tax Credits per Syndication Agreement:	$2,978,683
Total HC Available to Syndicator (10 years):	$29,783,851
Syndication Percentage (limited partner interest):	99.990%
Calculated HC Exchange Rate (per dollar):	$0.895
Proceeds Available During Construction:	$23,122,239

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

GP Capital Contribution:

The General Partner shall make a capital contribution of $100 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 LOI have been received, the developer will have to defer $4,804,429 of developer fees.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Recreational Amenities				$0	
Rehab of Existing Common Areas				$0	
Rehab of Existing Rental Units	$11,926,719	$11,965,119	$11,965,119	$31,159	
Site Work				$0	
Swimming Pool				$0	
Furniture, Fixture, & Equipment				$0	
Hard Cost Contingency - in Constr. Cont.				$0	
Constr. Contr. Costs subject to GC Fee	$11,926,719	$11,965,119	$11,965,119	$31,159	$0
General Conditions	$715,603	$717,907	$717,907	$1,870	
Overhead	$238,534	$239,302	$239,302	$623	
Profit	$596,337	$598,256	$598,256	$1,558	
Builder's Risk Insurance				$0	
General Liability Insurance				$0	
Payment and Performance Bonds				$0	
Contract Costs not subject to GC Fee				$0	
Total Construction Contract/Costs	$13,477,193	$13,520,584	$13,520,584	$35,210	$0
Hard Cost Contingency	$1,347,719	$1,356,858	$1,356,858	$3,533	
PnP Bond paid outside Constr. Contr.	$134,772	$136,402	$136,402	$355	
Fees for LOC used as Constr. Surety				$0	
Demolition paid outside Constr. Contr.				$0	
FF&E paid outside Constr. Contr.				$0	
Other: LACM Construction Mgmt Fee		$119,651	$0	$0	
Total Construction Costs:	**$14,959,684**	**$15,133,496**	**$15,013,844**	**$39,099**	**$0**

Notes to the Construction Costs:

1. The Applicant has provided an executed construction contract between the Owner and Legacy Construction Services, LLC ("Legacy") where the basis for payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price in the amount of $13,520,584. The date of commencement is a date set forth in a notice to proceed issued by the Owner. The General Contractor shall achieve substantial completion no later than 365 days from the date of commencement. Retainage shall be reduced to 5% at 75% 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.

   Allowances in GMP Contract:

• Steel Pickets, Steel Tread Supports, Steel Handrails and Concrete Treads	$80,000

   General Contractor fees as stated are within the 14% maximum per the Rule. General liability insurance will be covered by the general contractor under General Conditions. Cost of the payment and performance bond will be paid by the Owner.

   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. A 10% hard cost contingency is supported by the PCA review and is within the limits of the Rule.

3. SMG received a Plan and Cost Analysis ("PCA") from Partner Engineering and Sciences, Inc. ("Partner"). Complete results are set forth in Section B of this credit underwriting report.

4. Revised Applicant Costs include an amount of Construction Management Fee from an entity related to the Applicant. Services provided appear to be typical is what a Developer would otherwise perform. Accordingly, SMG as reflected this amount as a sub-set of developer fee.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	$15,000	$15,000	$15,000	$39	$15,000
Appraisal	$21,150	$32,700	$32,700	$85	
Architect's and Planning Fees				$0	
Architect's Fee - Site/Building Design	$192,000	$192,000	$192,000	$500	
Architect's Fee - Supervision	$48,000	$48,000	$48,000	$125	
Building Permits	$100,000	$100,000	$100,000	$260	
Builder's Risk Insurance				$0	
Capital Needs Assessment/Rehab	$7,100	$8,100	$8,100	$21	
Engineering Fees	$17,500	$31,473	$31,473	$82	
Environmental Report	$8,300	$38,650	$38,650	$101	
Federal Labor Standards Monitoring				$0	
FHFC Administrative Fees	$267,000	$267,625	$265,778	$692	$265,778
FHFC Application Fee	$3,000	$3,000	$3,000	$8	$3,000
FHFC Credit Underwriting Fee	$13,539	$13,539	$13,539	$35	$13,539
FHFC Compliance Fee	$223,475	$223,475	$223,475	$582	$223,475
FHFC Other Processing Fee(s)				$0	
Impact Fee				$0	
Lender Inspection Fees / Const Admin				$0	
Insurance				$0	
Legal Fees - Organizational Costs	$175,000	$175,000	$175,000	$456	$87,500
Local Subsidy Underwriting Fee				$0	
Market Study	$5,000	$5,000	$5,000	$13	$5,000
Marketing and Advertising				$0	
Plan and Cost Review Analysis	$20,100	$20,800	$20,800	$54	
Property Taxes				$0	
Soil Test				$0	
Survey	$15,000	$15,000	$15,000	$39	$7,500
Tenant Relocation Costs	$100,000	$100,000	$100,000	$260	
Title Insurance and Recording Fees	$350,000	$350,000	$350,000	$911	$175,000
Traffic Study				$0	
Utility Connection Fees				$0	
Soft Cost Contingency	$50,000	$50,000	$50,000	$130	
Other:				$0	
Total General Development Costs:	**$1,631,164**	**$1,689,362**	**$1,687,515**	**$4,395**	**$795,792**

Notes to the General Development Costs:

1. Architect's Fees for Site/Building Design and Supervision reflect the fees as stipulated in the Architect Contract between the Applicant and Ebersoldt for the Subject Development.

2. Builders Risk Insurance will be added to the Applicant's hazard policy and paid for from property operations.

3. The FHFC Administrative Fee is based on 9% of the recommended annual allocation of HC. The FHFC Application Fee is reflective of the application fee for 4% HC.
4. 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.
5. The FHFC Compliance Fee is the future compliance fees to be paid at bond redemption. It is based on the Compliance Fee Model provided by FHFC.
6. Legal Fees include Borrower’s Counsel, Borrower’s Local Counsel and HUD Counsel. SMG estimates that 50% of these costs to be ineligible.
7. SMG estimates that 50% of Survey and Title Insurance costs to be ineligible.
8. Soft cost contingency is limited to 5% of General Development Costs (exclusive of the contingency) as required 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
Permanent Loan Application Fee				$0	
Permanent Loan Commitment Fee				$0	
Permanent Loan Origination Fee	$430,000			$0	
Permanent Loan Closing Costs	$51,000	$53,348	$53,348	$139	$53,348
Permanent Loan Interest				$0	
Bridge Loan Origination Fee	$196,123	$138,841	$138,841	$362	
Bridge Loan Commitment Fee				$0	
Bridge Loan Closing Costs	$25,000	$25,000	$25,000	$65	
Bridge Loan Interest	$460,216	$223,151	$223,151	$581	
Local HFA Bond Cost of Issuance	$1,227,119	$1,209,109	$1,209,289	$3,149	$1,209,289
Local HFA Bond Closing Costs				$0	
Local HFA Bond Interest	$129,000	$129,000	$129,000	$336	$129,000
FHA MIP (Prepayment)	$107,500	$122,678	$122,678	$319	$122,678
FHA Exam Fee	$129,000	$147,213	$147,213	$383	$147,213
NIBP Commitment Fee				$0	
Other: HUD Inspection	$148,249	$135,206	$135,206	$352	$135,206
Other: Syndication Legal	$100,000	$100,000	$100,000	$260	$100,000
Other:				$0	
Total Financial Costs:	**$3,003,207**	**$2,283,546**	**$2,283,726**	**$5,947**	**$1,896,734**
Dev. Costs before Acq., Dev. Fee & Reserves	**$19,594,055**	**$19,106,404**	**$18,985,085**	**$49,440**	**$2,692,526**

Notes to the Financial Costs:

1. Proceeds from the sale of the MMRB will be placed in a Collateral Fund and invested in U.S Treasuries at a yield greater than interest on the MMRB. Accordingly, no amount for Construction Loan Interest has been included. As indicated earlier, principal and interest payments due on the CBRE loan will be paid from property operations.
2. Permanent Loan Closing Costs represent JLL legal costs and other closing costs.
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, Bond Counsel, and other fees.
4. Local HFA Bond Interest represents negative arbitrage on the MMRB during the anticipated 18-month term.
5. HFA MIP, HFA Exam Fee and HUD Inspection Fee are all consistent with the JLL Application.
6. 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		$454,080	$454,080	$1,183	
Building Acquisition Cost	$45,426,624	$45,433,741	$45,408,000	$118,250	
Developer Fee on Non-Land Acq. Costs	$8,195,497	$8,263,213	$8,173,440	$21,285	
Other:				$0	
Total Non-Land Acquisition Costs:	**$53,622,121**	**$54,151,034**	**$54,035,520**	**$140,718**	**$0**

Notes to the Non-Land Acquisition Costs:

1. Applicant provided a draft Origination Fee Agreement between the Applicant and Wilshire Originations LLC (a related party entity) in the amount of $473,000. Per FHFC Rule, brokerage fees for an acquisition price of $47,300,000 is limited to $300,000. Accordingly, SMG has limited the Brokerage Fee to $300,000. Further, SMG has allocated the brokerage fee between Non-Land Acquisition Costs and Land Acquisition Costs based on the underlying appraised values.
2. Applicant provided an April 5, 2021 Agreement For Purchase And Sale of Real Property ("APS") between Stratford Point Preservation, LTD. ("Buyer" and Applicant) and Stratford Point Apartments, LTD. ("Seller") reflecting a purchase price of $47,300,000. Agreement provides for various cash deposits to be held in escrow; however, the deposits are applied to the purchase price. The "As-Is" appraised value of the Subject Development is $49,800,000, which supports the purchase price.
3. Building Acquisition Cost is calculated as the difference between the purchase price and the portion attributable to land as described below.
4. Maximum Developer Fee on Non-Land Acquisition Costs is 18% of that amount.

DEVELOPER FEE ON NON-ACQUISTION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	$3,526,930	$3,439,152	$3,206,398	$8,350	
DF to Brokerage Fees - Land			$173,000	$451	
Other: Construction Management Fee			$119,651	$312	
Total Other Development Costs:	**$3,526,930**	**$3,439,152**	**$3,499,049**	**$9,112**	**$0**

Notes to Developer Fee on Non-Acquisition Costs

1. As discussed earlier, excess brokerage fee and construction management fees are reflected as a subset of Developer fee.
2. 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		$18,920	$18,920	$49	$18,920
Land Acquisition Cost				$0	
Land	$1,873,376	$1,866,259	$1,892,000	$4,927	$1,892,000
Other:				$0	
Total Acquisition Costs:	**$1,873,376**	**$1,885,179**	**$1,910,920**	**$4,976**	**$1,910,920**

Notes to the Land Acquisition Costs:

1. The "As-is" Fee Simple Land Value is $2,900,000.
2. The Seminole County Property Appraiser's website a Land Value of $4,800,000.
3. Seltzer has utilized the lesser of the appraised land value, land value per the Seminole County Property Appraiser or the Florida Housing land allocation calculation. The Florida Housing land allocation calculation was the lesser value of the three.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Lender)				$0	
Operating Deficit Reserve (Syndicator)	$1,237,717	$1,278,178	$1,278,178	$3,329	$1,278,178
Debt Service Coverage Reserve (Lender)	$1,453,782	$1,600,730	$1,600,730	$4,169	$1,600,730
Debt Service Coverage Reserve (Syndicator)				$0	
Other: Taxes and Insurance	$100,206	$114,221	$114,221	$297	$114,221
Other: Tax Exemption Escrow		$265,000	$265,000	$690	$265,000
Other: HUD 223(f) Capital Reserves	$288,000	$444,100	$444,100	$1,157	$444,100
Total Reserve Accounts:	**$3,079,705**	**$3,702,229**	**$3,702,229**	**$9,641**	**$3,702,229**

Notes to Reserve Accounts:

1. The Operating Deficit Reserve ("ODR") is required by Truist.
2. Amounts for COVID related Debt Service Reserve, Tax Exemption Escrow and Capital Reserves are consistent with the HUD 223(f) Firm Commitment.
3. The initial deposits to Real Estate Tax and Insurance escrow accounts have been confirmed by CBRE.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	**$81,696,187**	**$82,283,997**	**$82,132,802**	**$213,888**	**$8,305,674**

Operating Pro forma

OPERATING PRO FORMA			ANNUAL	PER UNIT
INCOME	Gross Potential Rental Income		$4,255,896	$11,083
	Rent Subsidy (ODR)		$0	$0
	Other Income:			
	Ancillary Income-Parking		$0	$0
	Miscellaneous		$124,800	$325
	Washer/Dryer Rentals		$0	$0
	Cable/Satellite Income		$0	$0
	Rent Concessions		$0	$0
	Gross Potential Income		$4,380,696	$11,408
	Less:			
	Economic Loss - Percentage:	0.0%	$0	$0
	Physical Vacancy Loss - Percentage:	3.0%	($131,421)	($342)
	Collection Loss - Percentage:	1.0%	($43,807)	($114)
Total Effective Gross Revenue			$4,205,468	$10,952
EXPENSES	Fixed:			
	Real Estate Taxes		$0	$0
	Insurance		$192,000	$500
	Variable:			
	Management Fee - Percentage:	4.0%	$168,219	$438
	General and Administrative		$105,600	$275
	Payroll Expenses		$443,200	$1,154
	Utilities		$422,400	$1,100
	Marketing and Advertising		$0	$0
	Maintenance and Repairs		$384,000	$1,000
	Grounds Maintenance and Landscaping		$0	$0
	Resident Programs		$0	$0
	Contract Services		$0	$0
	Security		$0	$0
	Other-Pest Control		$0	$0
	Reserve for Replacements		$115,200	$300
Total Expenses			$1,830,619	$4,767
Net Operating Income			$2,374,849	$6,185
Debt Service Payments				
DEBT	First Mortgage - JLL/HUD		$2,089,370	$5,441
	Second Mortgage -		$0	$0
Total Debt Service Payments			$2,089,370	$5,441
Cash Flow After Debt Service			$285,480	$743

Debt Service Coverage Ratios	
DSC - First Mortgage plus Fees	1.137
DSC - Second Mortgage plus Fees	1.137
DSC - All Mortgages and Fees	1.137

Financial Ratios	
Operating Expense Ratio	43.5%
Break-Even Ratio	89.6%

Notes to the Operating Pro forma and Ratios:

1. The Subject Development will be utilizing Housing Credits in conjunction with the MMRB financing, which will impose rent restrictions. As restricted by the MMRB, 40% of the units (154 units) will be set aside for households earning 60% or less of the Area Median Income ("AMI"). In addition, the Subject Development will be subject to rental restrictions as committed to in the HC application which will require 100% of the units to be set aside for households earning 60% or less of the AMI. In addition, the Subject Development is subject to existing ELIHA(s) which require 96 units to be set-side for households earning 33% or less of the AMI and the balance of the units at 60% or less of AMI. The appraiser projected that the Subject Development will achieve 2021 Maximum Allowable HC Rents published by FHFC on all units.

2. Seltzer has utilized utility allowances based on a September 8, 2020, Certification of Completeness and Accuracy for Utility Allowance Estimate Per Energy Consumption Model ("UA Certification") conducted by Alan Kocot of Enercon Services, Inc. The UA Certification was approved by David Hines of Florida Housing on September 21, 2020. Residents pay for electricity and the Applicant pays for water, sewer, trash disposal and pest control.

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

MSA/County: Orlando-Kissimmee-Sanford /Seminole

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
2	2.0	36	985	33%			$566	$64	$502		$506	$498	$498	$215,136
2	2.0	107	985	60%			$1,030	$64	$966		$970	$962	$962	$1,235,208
2	2.0	13	1,034	33%			$566	$64	$502		$506	$498	$498	$77,688
2	2.0	39	1,034	60%			$1,030	$64	$966		$970	$962	$962	$450,216
3	2.0	25	1,203	33%			$655	$72	$583		$590	$578	$578	$173,400
3	2.0	76	1,203	60%			$1,191	$72	$1,119		$1,126	$1,114	$1,114	$1,015,968
3	2.0	12	1,227	33%			$655	$72	$583		$590	$578	$578	$83,232
3	2.0	36	1,227	60%			$1,191	$72	$1,119		$1,126	$1,114	$1,114	$481,248
4	2.0	10	1,338	33%			$730	$83	$647		$661	$642	$642	$77,040
4	2.0	30	1,338	60%			$1,329	$83	$1,246		$1,260	$1,241	$1,241	$446,760
		384	428,542											$4,255,896

3. Miscellaneous income is based on historical income collected at the Subject Development from pet fees, application fees, damages, and late fees and consistent with appraisal assumptions.

4. The Appraiser estimates a stabilized physical vacancy rate of 3% and collection loss of 1% for an economic occupancy of 96% and a physical occupancy rate of 97%. These assumptions are supported by the historical occupancy rates of the Subject Development. Accordingly, SMG has utilized the appraisal assumptions.

5. As noted earlier, the Subject Development is anticipated to be exempt from ad valorem real estate taxes.

6. The Applicant has provided a draft Management Agreement between Borrower and TPI with compensation set at the lesser of 3.1%. Comparable management compensation typically ranges between 3.5% and 6%. SMG has utilized a management fee of 4.0%, which is consistent with the appraisal assumptions.

7. Other operating expense estimates are based on either market comparables or historical operations at the Subject Development and are supported by the appraisal.
8. Annual deposit to replacement reserve is equal to the First Mortgage lenders and Florida Housing's minimum requirement and is somewhat greater than the amount concluded in the Physical Needs Assessment.
9. A 15-year income and expense projections reflect 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:

The market value of the fee simple interest in the subject property is $94,100,000 as if complete and stabilized, based on market rents and market financing, as reported in the full narrative appraisal dated September 1, 2021 with an effective date of August 19, 2021, performed by Novogradac Consulting LLP (“Novo”). Lindsey Sutton and Brad Weinberg, MAI, CVA, CRE, are State Certified General Real Estate Appraisers, Florida License Nos. RZ 4150 and RZ 3249, respectively. Based on the market value of the property, the loan-to-value ratio (“LTV”) for the first mortgage debt is 52.1%.

The appraised value as if renovated and stabilized and based on restricted rents and market financing terms is estimated at $52,500,000. The LTV ratio for the first mortgage debt based on this value is 93.5%.

The Appraiser estimated the “as is” value of the Development based on restricted rents to be $49,800,000, which supports the purchase price of $47,300,000.

The appraisal also estimated an “as if vacant” value for the land of $2,900,000.

Market Study:

Integra Realty Resources (“Integra”) of Tampa, Florida provided a Market Study of the Subject Development, dated July 14, 2021 and effective as of April 9, 2021. Integra indicated the unit mix for the 384 unit garden-style apartment community is a set-aside of 25% of the units (96 units) at 33% of the Area Median Income (“AMI”) and the remaining 75% of the units (288 units) at 60% of the AMI. In addition, Integra found the development site to be convenient to neighborhood shopping, employment, and educational facilities and stated all necessary utilities and services were available to the site. Overall, access and exposure are considered good for multifamily purposes. Based on Integra’s investigations, the subject property’s highest and best use is considered to be suitable for multifamily development.

The target market area for the subject property is generally considered to be within a five-mile radius of the subject property. Within this primary market area (“PMA”), the population is projected to increase slightly over the next five years by about 7.2%. The number of households in the property’s PMA is projected to increase similarly by about 6.8%. There are eleven existing multifamily LIHTC apartment developments located within the property’s submarket**,** reflecting a current weighted occupancy rate of 96.4%, well exceeding that of market rate developments. Additionally, there are 64 LIHTC units currently under construction and eight new properties are proposed.

Integra indicated they were unaware of any Guarantee Fund Developments within the PMA of the subject.

The Market Study confirms that the property is not located within a Difficult to Development Area ("DDA") or a Qualified Census Tract ("QCT"). The projected capture rate for the property is 6.9%

Integra projects that the Subject development will achieve 2021 Maximum Allowable HC Rents on all HC units. Based upon the subject's unit mix, the Appraiser concluded that estimated Market Rental Rates exceed estimated Restricted Rental Rates by an average of 45% for tenants of the subject property. This meets the 10% minimum required by FHFC Rule.

The subject property represents an existing property that will remain stable during the renovation process without the need for a lease-up period. Therefore, an absorption rate for the property is not warranted.

Environmental Report: Partner Engineering and Science, Inc. ("Partner") performed a Phase I Environmental Site Assessment ("ESA") in accordance with ASTM Standard E-1527-13 Guidelines. The ESA indicates a Assessment Date of March 15, 2021 and a Report Date of March 24, 2021.

Partner'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.

- Partner 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:

- Partner 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:

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

An environmental issue refers to environmental concerns identified by Partner, which do not qualify as RECs; however, warrant further discussion. The following was identified during the course of this assessment:

- Partner observed one, approximately 500-gallon underground storage tank (UST) for the storage of propane on the subject property. The UST is located adjacent to the leasing office. The propane is supplied to the subject property by Sam's Gas and fuels the spa and laundry equipment. If released from pressure, propane rapidly dissipates in the ambient air. Based on the nature of propane, the propane UST is not expected to represent a significant environmental concern.

According to Information from standard federal, state, county, and city environmental record sources accessed by Environmental Data Resources, Inc. there is one (3) environmentally identified sites located within one (1) mile of the subject site. No sites of concern were listed in the database report:

- Sanford Mini Warehouse (FDEP Facility ID: COM_156408) at State Road 46, is located adjacent to the north of the subject property. According to a Site Assessment Report (SAR) dated May 17, 1999, a Phase I and II Environmental Site Assessment (ESA) had been conducted on the property in February 1999 and revealed the property had been utilized for agricultural purposes and as a result of the Phase II assessment, all soil and groundwater samples were found to be below the FDEP's maximum contaminant levels (MCL) for commercial properties. However, Aroclor 1254 (a type of commercial PCB mixture) was reported to be present in soil samples collected from the central portion of the property. Therefore, a SAR was conducted shortly thereafter as an effort to assess the extent and magnitude of Aroclor 1254.
- As a part of the SAR assessment, 16 soil samples were collected, five monitoring wells were installed, and soil and groundwater

samples were analyzed for organochlorine pesticides and PCBs. Analytical results did not report the presence of contaminated soils on the property and it was assumed that the elevated levels of Aroclor 1254 during the completion of the Phase I and Phase II assessments was a result of a "one-time" release of pesticides due to agricultural spraying. As a result, it was recommended that a no further action (NFA) status be implemented at the property. Additional records on-file with the FDEP indicate a Supplemental SAR was submitted to the FDEP, as a result of commentary regarding the SAR, and revealed that soil samples collected during sampling events conducted in December 1998 and January 1999 contained levels of Aroclor 1254 exceeding the residential and industrial soil cleanup target levels (CTL) at that time. As a result, the FDEP suggested either soil remediation be performed or deed restriction enactment. Soil Source Removal was conducted on the property on July 28, 1999 by Asset Recovery Group, Inc. (ARG). It was reported that approximately 62 tons of soil were excavated around the soil borings in which elevated levels of Aroclor 1254 were identified. Impacted soil was reported to have been disposed of at an off-site location. Furthermore, six soil samples were collected from the excavation pit and analyzed for Aroclor 1254. Laboratory results indicated all samples were below method detection limits.

- As a result, the property obtained regulatory closure in the form of an No Further Action (NFA) designation on August 19, 1999. Based on regulatory closure and removal of impacted soil, this listing does not represent a recognized environmental condition to the subject property at this time.

Partner's Conclusions, Opinions and Recommendations are as follows:

The assessment has revealed no evidence of recognized environmental conditions in connection with the subject property; however, environmental issues were identified. Based on the conclusions of this assessment, Partner recommends no further investigation of the subject property at this time.

Soil Test Report: The Subject Development 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 Partner, dated June 1, 2021 with an assessment date of March 15, 2021. The CNA was performed in general conformance with U.S. Housing and Urban Development's (HUD's) Multifamily Accelerated Processing

(MAP) Section 223(f) as delineated in the HUD MAP Guide Chapter 5 and Appendix 5 (revised January 29, 2016), applicable handbooks, HUD Notice H 2012-27, and Mortgagee Letter 2016-26, as well as related FAQ's.

A site reconnaissance was conducted July 13, 2020. The objective of the physical inspection is to visually observe the Subject Development to obtain information on the condition of the buildings and to identify any physical deficiencies and any unusual features for a reasonable determination of the Subject Development's functionality and sustainability. Partner indicated the subject appears to be in good to fair overall condition. Partner notes that the subject is 46 years in age, and based on conditions observed the estimated remaining useful life of the major building systems appears to correlate with normal routine maintenance.

Immediate repair items are considered life safety items that if left in the current condition, have the potential to cause injury, illness, or death. Partner identified no immediate repairs.

Critical repairs items are items requiring immediate remediation to prevent additional substantial deterioration to a particular system, address an immediate need observed by Partner, or extend the life of a system critical to the operation of the subject. Partner identified the following critical repairs:

- An accessible route does not connect the public sidewalk along West 1st Street to the site accessible route and the leasing office / clubhouse building entrance. An accessible route must connect the sidewalk along the public right of way to the leasing office entrance.
- Partner noted that a designated accessible parking space is provided in close proximity to the leasing office; however, it is not designed for "Van Accessibility." The existing designated accessible parking space should be modified for "Van Accessibility" (i.e., appropriate signage, 96" stall and 96" adjacent aisle with access to curb cut).
- The public use restrooms located within the leasing office/clubhouse do not comply with modern accessibility standards as follows: knob type entry door hardware is provided, appropriate side grab bars are not properly placed at the toilets, and the towel dispensers are located above 48-inches. Toilet grab bars must be mounted at appropriate locations per modern ADA standards, and towel dispensers and other accessories must be mounted at appropriate accessible heights.

- Partner noted that the subject property also provides an additional 16 designated accessible parking spaces; however, they were noted to be designed at varying degrees of compliance (i.e., improper aisle widths, lack of curb cuts, improper location of vertical signage, etc.). Partner recommends reconfiguring the existing designated accessible parking stalls for full compliance (i.e. appropriate signage/markings, 96” stall and 60” adjacent aisles with access to curb cuts/accessible routes, etc.) Of the 16 additional handicapped accessible parking spaces two (2) additional spaces will require to be “Van Accessible” to comply with FFHA.
- The trash compactor is not connected to the site accessible route. The site accessible route must extend to all exterior amenity spaces, including the trash compactor.
- Mailboxes are provided in a central mail center and are accessible via a side approach, with the highest mailboxes mounted at approximately 63” AFF. Mailboxes and drop-off slots serving “covered” ground floor level dwelling units and/or designated accessible dwelling units must be located between 15” and 48” AFF (front approach) or 9” and 54” AFF (side/parallel approach), or alternative, reasonable accommodations will need to be provided for residents requiring additional accessibility/usability.
- An accessible sink is not provided at the clubhouse kitchen. A lowered (34” AFF), rollunder sink with finished flooring below, p-trap insulation, and lever-type faucet must be provided at this location.
- The clubhouse kitchen wall hung cabinets do not provide at least one section where the bottom shelf is at 48-inches AFF. Lowering one section of cabinets will be required in order to comply with the applicable accessibility standards.
- Knob-type hardware was observed at the entry doors of Units 112, 316, 412, 1117, 1513, 1611, 1613, and 1616. Lever-type dwelling unit entry door hardware must be provided at all “covered” ground floor dwelling units.
- The “covered” dwelling unit thermostat controls were not found to be mounted at inappropriate heights (i.e., above 48” AFF). All thermostat controls will need to be relocated at appropriate heights throughout the “covered” ground floor level dwelling units.
- The hallway sink in the bathroom of Unit 1616 was observed mounted less than 24" from the opposing wall. Per FFHA guidelines, bathroom sinks in “covered” ground floor level dwelling units must

either be mounted 24” from the opposing wall for a usable, parallel approach, or be either a roll-under type or fitted with removable face-front vanity cabinetry and finished flooring for a forward approach (if feasible).

- According to the provisions of Section 504/UFAS and Low Income Housing Tax Credit (LIHTC) requirements, existing structures currently receiving “project-based” federal financial assistance must make alterations to an appropriate number of dwelling units (i.e., 5% fully accessible mobility unit/2% sensory impairment unit rules, etc.) to the “maximum extent feasible.” According to property management, the property does not any designated handicapped accessible dwelling units. Based upon the observed and reported conditions, the subject property does not appear to meet the accessibility requirements of Section 504/UFAS or LIHTC requirements. Therefore, Partner recommends property ownership consider altering an appropriate number of dwelling units (in this instance, 20 dwelling units for mobility impairment and eight dwelling units for sensory impairment) as per the 5%/2% requirements.
- In conjunction with the above, eight dwelling units will need to be modified for sensory impairments (i.e., components (i.e., strobe/horn alarms, visual indicators at doorbells, and phones, as applicable) in order to meet the 2% “sensory impairment” dwelling unit requirement.

Deferred maintenance items are items that 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 Development’s financial or operational performance if not remediated within 12 months. Partner identified the following deferred maintenance items:

- Numerous areas of barren soil and erosion were observed throughout the subject property grounds, most notably adjacent to Buildings 11 and 14. Partner recommends property management engage the services of a local contractor to inspect the subject property grounds and recommend corrective measures to reduce further site deterioration and possible damage to building foundation systems.

- The asphalt pavement appeared to be in fair to poor condition, with areas of severe pothole damage noted adjacent to Buildings 1, 2, 3, 4, 11, 13, 14, and 15. Alligator cracking noted throughout. Partner recommends resurfacing the asphalt in the coming year.

- Partner observed several overgrown trees at the subject property that were encroaching on the roofline and exterior façade of the structures. These conditions may affect roof drainage and could possibly lead to future damage to the roof system and façade. Partner recommends trimming the trees that are currently encroaching on the roofline and structures of Buildings 6, 8, and 9.
- The sidewalk adjacent to Building 15 was observed to be damaged due to tree roots. Partner recommends repair or replacement of the damaged concrete sidewalk.
- It was reported that the asphalt composition shingles (ACS) are original to the date of construction (20 years in age) and are approaching the end of their useful life. Based upon age, condition and EUL, Partner recommends replacing the ACS in the coming year.
- The gutters and downspouts are original to construction (20 years in age), and are approaching the end of their useful life. Based upon age, condition and EUL, Partner recommends replacing the gutters and downspouts in the coming year.
- Partner noted that the metal breezeway staircases were in various stages of excessive rust and deterioration. Partner recommends refurbishing of the metal stairs and railings in the coming year.
- Partner noted that the majority of the pad-mounted condenser units are original to construction (20 years in age), and have exceeded the end of their useful life. Based upon age, condition and EUL, Partner recommends replacing the condensing units in the coming year.
- Partner noted that the majority of the closet-mounted air handler units are original to construction (20 years in age), and are approaching the end of their useful life. Based upon age, condition and EUL, Partner recommends replacing the air handler units in the coming year.
- Partner noted that the majority of the water heaters are original to construction (20 years in age), and have exceeded their useful life. Based upon age, condition and EUL, Partner recommends replacing the water heaters in the coming year.
- The fire alarm control panels were reported as being original to construction (20 years in age) and have reached their estimated useful life. Partner recommends replacement of the fire alarm control panels in the coming year.
- The dwelling unit kitchen cabinets and countertops were reported as being original to construction (20 years in age) and have reached

their estimated useful life. Partner recommends replacement of the kitchen cabinets and countertops in the coming year.

All of the above deficiencies have been noted in the rehab budget. Partner also provided a 20-year replacement reserve analysis in the CNA. Replacement reserve costs are typically defined as predictable and in some instances to be recurring within a specified future period. Based on the 20-year replacement reserve projection prepared by Partner, the property will need to fund reserves in the amount of $466,099 or $121 per unit per year in inflated dollars (3% per year inflation factor) in years 1 through 10 and $5,855,401 or $1,525 per unit per year in inflated dollars in years 11 through 20. Per Rule 67-21, in the case of rehabilitation, the greater of $300 per unit per year or the amount identified in the PCR will be used. Partner considers the Owner's proposed rehabilitation work, together with their CNA repair recommendations, to be adequate in scope and depth to meet the physical needs of the Subject Development.

Pre-Construction Analysis:

SMG has received a 223(f) Heavy Document Review ("PCA") from Partner dated May 18, 2021 with an assessment date of March 15, 2021.

The PCA report states that the plans and specifications (architectural and mechanical) provided appear to be generally complete, presenting adequate information for review and coordination, regulatory review and 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 Agreement for Services conforms to general industry standards.

The project scope consists of interior and exterior renovations to the existing residential buildings and Clubhouse/Leasing Office Building, including accessibility upgrades and limited site improvements. The scope of interior renovations will generally include replacement of existing kitchen cabinetry, countertops, and bathroom vanities and fixtures, replacement of flooring throughout, new light fixtures, new HVAC equipment, and new painted gypsum board walls and ceilings. The scope of exterior building improvements will generally include replacement of existing roofing, and touch up painting of all of the buildings. The scope of site work improvements will generally include repairs to existing sidewalks and curbs, accessibility / path of travel upgrades, bike rack installation.

Partner's review of the architectural documents indicate the following:

- All deficiencies and items of concern noted in the CNA (i.e., Critical and Non-Critical Repairs) appear to have been included in the current proposed scope of work and corresponding planned capital improvements budget.
- The provided AIA B104 and related amendments appear to be appropriate for the proposed scope of work.
- The reviewed drawings and specs appear to generally match up with the proposed scope of work and corresponding schedule of values (i.e., planned capital improvements budget).

The total construction cost provided by Legacy Construction Services, LLC equals $11,965,119 (hard cost only and exclusive of hard cost contingency), or $31,159 per unit (384 units). Partner finds the costs to be reasonable and appropriate, based on the planned scope and that all items of concern noted in the CNA have been included in the planned scope.

Following a review of the scope of work, the construction schedule is 365 days, which appears reasonable.

Site Inspection:

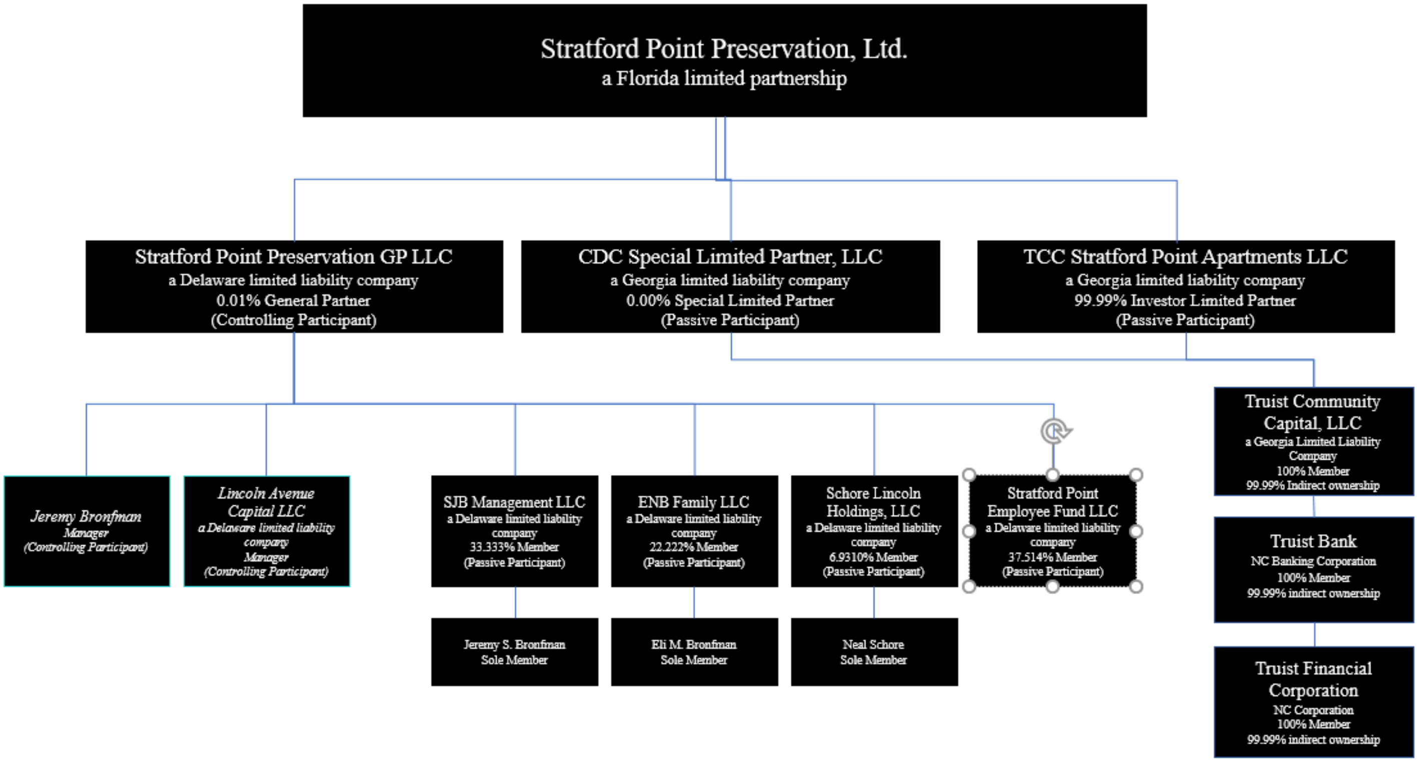
Amanda Lanphear of Seltzer Management Group, Inc., conducted a site visit on September 15, 2020, for the above-referenced development. This site is an existing apartment community built in 2001, with 16 three story residential buildings, featuring 384 units consisting of two, three, and four bedrooms, located in Seminole County.

This is a residential and commercial area, with numerous single-family homes, businesses, restaurants and apartment communities near the site. There is an elementary school 2 miles south, a middle school within 6 miles south-west, and a high school within 5 miles south-east. A community college campus is 6.8 miles south. There is a Hospital, 2.4 miles east. There is a fire department 1.6 miles west and a Boys & Girls Club, within 2.5 miles south-east. A senior center can be found approximately 3.3 miles east of the site. There are numerous shopping centers, grocery stores, pharmacies, banks, restaurants, and a mall within 2.5 miles of the site. Trailblazer Park, Mike Kirby Park, Coastline Park, Centennial Park, Park on Park, Veteran's Memorial Park, and Fort Mellon Park are all under 3.5 miles from the property. Public transportation, a bus stop, is located just west of the property entrance on West State Road 46. There are 3 affordable housing communities (Hatteras Sound Apartments, Vista Haven Apartments and The Overlook at Monroe Apartments), within two miles; additionally, there is 1 Elderly affordable housing community (Saxon Cove Apartments) within 8 miles north.

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

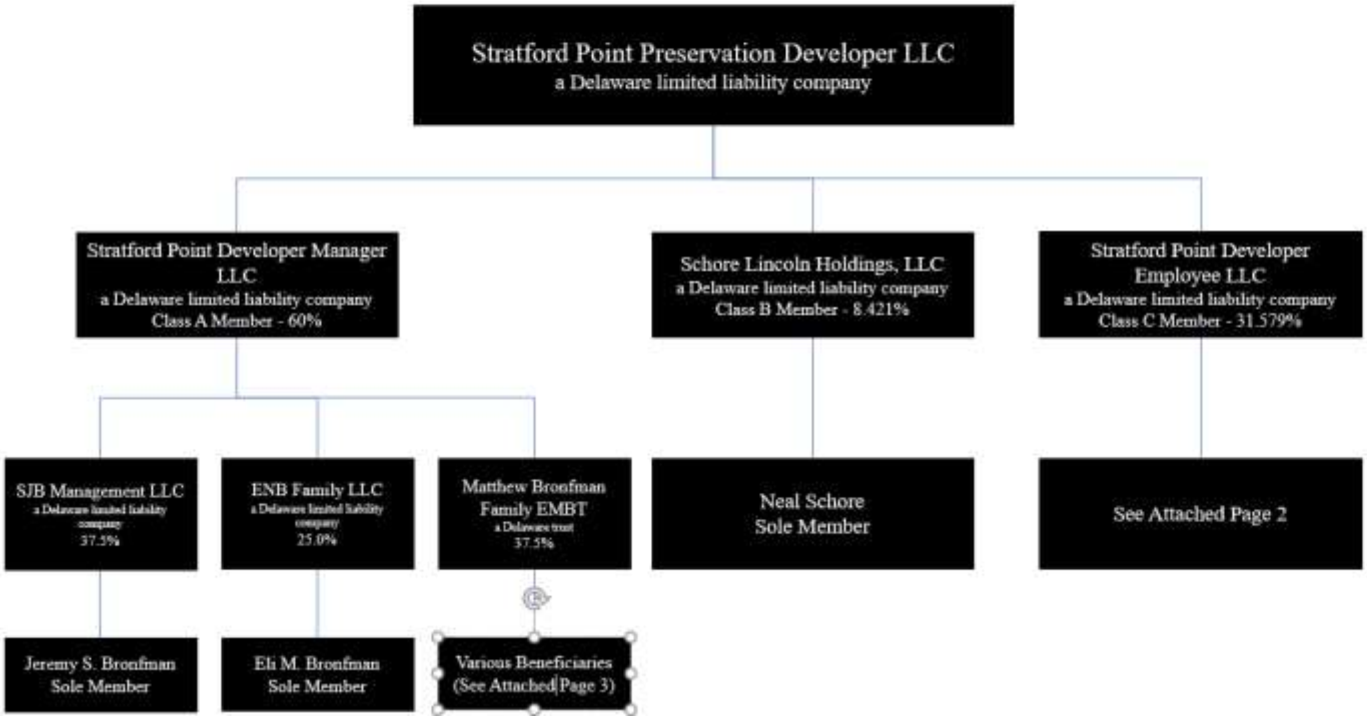
Borrower Name:	Stratford Point Preservation, Ltd. (“Borrower”)
Borrower Type:	Florida Limited Partnership
Ownership Structure:	Borrower is a Florida Limited Partnership registered with the State of Florida on June 19, 2020. A copy of the draft Limited Partnership Agreement, was provided for the Borrower. The current Certificate of Limited Partnership (confirming the Borrower is in good standing with the State of Florida) was verified with the Secretary of State (aka Sunbiz.org). The



The General Partner Stratford Point Preservation GP LLC (“GP”) which owns 0.01% of the borrower entity. Truist Community Capital, LLC (“Truist”) or an Affiliate will replace the current Limited Partner prior to or concurrent with closing. Based upon a HC equity investment letter of intent, dated May 25, 2021 an affiliate of Truist will purchase a 99.99% limited partner interest concurrent with or prior to closing.

Stratford Point Preservation Developer LLC (“Developer”) is the development entity, which was formed May 12, 2021. Its members are Stratford Point Developer Manager LLC, Schore Lincoln Holdings, LLC and Stratford Point Developer Employee LLC with 60%, 8.421% and 31.579% ownership respectively.

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.



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: Brett Buss

424-222-8392 (telephone)

E-Mail: bbuss@lincolnavecap.com

Address:
401 Wilshire Boulevard, Suite 1070
Santa Monica, CA 90401

Federal Employer ID: 86-3413593

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

LAC: LAC was created by the Bronfman Family as a dedicated real estate operation with a particular focus on affordable housing in the United States. LAC has recent experience as General Partner for two Nevada properties representing 444 units and five Florida developments as General Partner and Developer totaling 1,060 units.

Jeremy S. Bronfman: Jeremy Bronfman is the manager of the Bronfman family office. In this capacity, Jeremy oversees all aspects of operations and investment as well as direct oversight of Sixty Capital, an internal Hedge Fund. Before returning to his family business, Jeremy was CEO of Enigma Technologies Inc., a fast-growing Big Data software company. Prior to Enigma he was an investment associate at both Island Capital (the parent entity of CIII Capital Partners) and JANA Partners. Jeremy began his career and became a partner at Iroquois Capital, where he identified opportunities in PIPE investments in small cap public companies.

Matthew Bronfman Family EMBT: EMBT is a Delaware Trust for the benefit of Matthew Bronfman and his children. The original trust, from which the EMBT succeeds, was created during World War II by Samuel Bronfman, the patriarch of the Bronfman Family. Originally funded with shares of the Seagram Company, LTD., the Trust now holds a myriad of interests.

Credit Evaluation:

Borrower, GP and Developer are newly formed entities that have no operating or credit history, financial statements, business references or previous tax returns.

A comprehensive credit report for LAC, dated July 14, 2021, reported no significant adversities.

A comprehensive credit report for Jeremy Bronfman, dated July 14, 2021, reported no significant adversities.

Bank References:

Borrower, GP, LP and Developer are newly formed entities that have no operating or credit history, financial statements, business references or previous tax returns.

Bank references for LAC and Jeremy Bronfman reported satisfactory depository and payment relationships.

SMG has received June 30, 2021 bank statements and/or investment statements for LAC and Jeremy Bronfman, respectively evidencing cash and equivalents as stated in the most currently submitted financial statements.

Financial Statements:

Borrower, GP and Developer are newly formed entities that have no operating or credit history, financial statements, business references or previous tax returns.

LAC:

Cash and Cash Equivalents	$	6,786,519
Total Assets:	$	319,239,156
Total Liabilities:	$	40,216,852
Member Equity:	$	279,022,304

The financial information is based upon financial statements prepared by the Tidwell Group for the period ending June 30, 2021. Assets are primarily real estate, interests in mezzanine debt, developer fees receivable, pre development costs, and various accounts, notes, and member receivables. Liabilities are primarily money due to members / affiliates and interest payable to members / affiliates. Seltzer reviewed the 2020 U.S. Income Tax Return Extension as well as the 2019 and 2018 U.S. Income Tax Returns, which were satisfactory.

Jeremy Bronfman:

Cash and Cash Equivalents	$ 1,321,479
Total Assets:	$ 121,540,356
Total Liabilities:	$ 31,019,249
Net Worth:	$ 90,521,107

The financial information is based upon internally prepared financial statements for the period ending June 30,. Assets primarily consist of loan receivables, investments in securities, real estate and personal effects. Liabilities include mortgage and notes payable and estimated tax liability upon liquidation of assets. Seltzer reviewed the 2020 U.S. Income Tax Return Extension as well as the 2019 and 2018 U.S. Income Tax Returns, which were satisfactory.

Contingent Liabilities:

Borrower, GP and Developer are newly formed entities that have no contingent liabilities.

LAC reports Construction Completion and Operating Deficit Guarantees at one development. A Statement of Financial and Credit Affairs reports no pending legal actions, bankruptcies, foreclosures or unsatisfied judgments.

Jeremy Bronfman reports Construction Completion and Operating Deficit Guarantees at one development. A Statement of Financial and Credit Affairs reports no pending legal actions, bankruptcies, foreclosures or unsatisfied judgments.

Summary:

Based upon the information provided, LAC and Jeremy Bronfman, individually and through various corporate and partnership entities, appear to have the requisite experience and financial resources to develop and operate the Subject Development.

Guarantor Information

Guarantor Name:	Borrower, GP, Lincoln Avenue Capital, LLC and Jeremy Bronfman, individually.
Guarantor Address:	201 Santa Monica Boulevard, Suite 550 Santa Monica, CA 90401
Contact Information:	Jonathan A. Gruskin yoni@lincolnavecap.com Telephone (212) 554-2319
Guarantor Description:	GP is the general partner of the Borrower. Jeremy Bronfman and the members of Lincoln Avenue Capital appear to have substantial net worth and the experience to purchase and rehabilitate the Subject Development. All named entities will provide guarantees.
Nature of the Guarantee:	The Guarantors will sign a OCHFA Fee Guarantee and Environmental Indemnity Agreement.
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. Receipt and satisfactory review of updated (within 90 days of MMRB closing) financial statements for Guarantors is a condition of this Report.

Syndicator Information

Syndicator Name: Truist Community Capital, LLC (“Truist”)

Contact Person: Donna Kelce, Senior Vice President
Telephone: (954) 306-7600

Headquarter Address: 333 S. Garland Ave, 16th Floor
Orlando, FL 32801

Experience: Truist is a subsidiary of Trusit Financial Corporation, which was formed in 2019, with the merger of BB&T and SunTrust Banks. Truist has helped finance more than 40,000 units of affordable housing for seniors and others throughout the community. Trusit also supports targeted economic growth in low and moderate income communities by making millions of dollars in below market rate loans and equity investments via their New Markets Tax Credit Program. Truist has also made grants to local and regional organizations that provide affordable housing and promote small business development. Truist works with a diverse group of for-profit and not-for-profit commercial real estate developers focused on community development and job creation, as well as tax syndicators, community development entities, housing authorities, housing finance agencies and other community improvement focused entities. Truist has closed over $1 billion in Low Income Housing Tax Credit (“LIHTC”) equity investments to create and preserve affordable housing. Truist has invested in 107 family communities totaling over 12,000 units and 60 senior communities comprising over 7,500 units, creating or preserving affordable housing units for families and seniors.

Financial Statements: Truist is a 100% owned subsidiary of Truist Financial Corporation. SEC filings can be found online at https://ir.truist.com/sec-filings which reflects significant liquidity and net worth.

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

General Contractor Information

General Contractor Name:	Legacy Construction Services, LLC ("Legacy")
Type:	An Ohio Limited Liability Company registered to do business in Florida
Contact Person:	Kenneth J. Evers, President Telephone (216) 297-2170
Address:	32701 Miles Road Cleveland, OH 44128
Experience:	Legacy was founded in 2001 and has grown to be a multi-capable firm serving a wide range of development, industrial, retail and not for profit customers. Legacy now provides a full range of construction and consulting services to national retailers, multiple local development and property management firms, not-for-profit institutional entities and international manufacturing firms. Legacy can provide construction needs from initial conceptual estimating to budget preparation to design collaboration to final construction implementation. Legacy is a subsidiary of KJE Holdings, Inc. and licensed to do business in Arizona, Colorado, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Louisiana, Maryland, Michigan, Minnesota, Missouri, North Carolina, Nebraska, New Hampshire, New York, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Utah and Wisconsin. Legacy has been heavily involved in occupied multifamily apartment renovations since 2008 when they began working with Related Companies and Simply Better Management. Legacy has completed over 4,500 occupied unit turns and managed more than $200 Million dollars' worth of common area, building envelope and general grounds renovations throughout the country.
License:	Legacy submitted the license of Cory Maher, who is a Florida Certified General Contractor with license number CGC1517432. His contractor license was originally issued in Florida on June 18, 2009 and is valid through August 31, 2022.
Credit Evaluation:	A July 14, 2021 Experian Business Profile Report for Legacy reflects satisfactory credit data, no bankruptcy, no judgments, no liens, no collections and no charge-offs. There were nine UCC filings.
Business References:	Business references for Legacy are satisfactory.
Financial Statements:	*KJE Holdings, Inc. and Subsidiaries (Legacy Construction Services, LLC):*

Cash and Cash Equivalents	$	5,968,131
Total Assets:	$	21,127,772
Total Liabilities:	$	16,571,686
Members Equity:	$	4,556,086

The financial information is based upon internally prepared financial statements for the period ended June 30, 2021. Assets other than Cash and Equivalents consist primarily of Accounts Receivable, Contract Assets and Prepaid Expenses. Liabilities consist primarily of Accounts Payable, Billings in Excess of Costs and Earnings, Line of Credit, Accrued Expenses, Accrued Retirement Plan Contributions, Distribution Payable and Notes Payable.

Surety:	Legacy provided a "bonding letter" from The Fedeli Group ("Fideli") dated July 23, 2021. In the letter Fideli states Nationwide Mutual Insurance Company is rated "A+" with a Financial Size Category of "XV" ($2 Billion or greater), as rated by A.M. Best Company. Legacy has established Surety Credit for single projects in excess of $20 Million with an aggregate of $50 million.
Summary:	SMG recommends that Legacy 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:	TPI Management Services, LLC ("TPI")
Type:	A Florida Company
Contact Information:	Hugh Jacobs, Executive Vice President 561-655-6775 x 101 (telephone)
Address:	2001 W. Blue Heron Blvd. Riviera Beach, FL 33404
Experience:	TPI is an affiliate of The Partnership, Inc., a nonprofit, charitable organization with a 501(c)(3) determination that was formed in 1994. The Partnership, Inc. was formed to manage and/or acquire affordable, multifamily properties that provide decent, safe and sanitary affordable housing to very low, low, and moderate income families. TPI is a wholly-owned subsidiary of The Partnership, Inc. TPI currently manages 19 affordable housing communities that includes over 2,300 units under management in Florida and Georgia.
Management Agreement:	Applicant submitted a draft Management Agreement between Applicant and TPI. The agreement shall be in effect for a period of 12 months, beginning on the commencement date and ending twelve 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 3.1% of Gross Operating Revenues paid monthly.
Management Plan:	Applicant submitted a Draft Management Plan with TPI that appears satisfactory.
Summary:	The selection of TPI 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 MBM 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
Stratford Point 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		$4,255,896	$4,341,014	$4,427,834	$4,516,391	$4,606,719	$4,698,853	$4,792,830	$4,888,687	$4,986,460	$5,086,190	$5,187,913	$5,291,672	$5,397,505	$5,505,455	$5,615,564
	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		$124,800	$127,296	$129,842	$132,439	$135,088	$137,789	$140,545	$143,356	$146,223	$149,148	$152,131	$155,173	$158,277	$161,442	$164,671
	Washer/Dryer Rentals		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Cable/Satellite Income		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	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		$4,380,696	$4,468,310	$4,557,676	$4,648,830	$4,741,806	$4,836,642	$4,933,375	$5,032,043	$5,132,684	$5,235,337	$5,340,044	$5,446,845	$5,555,782	$5,666,897	$5,780,235
	Less:																
	Economic Loss - Percentage:																
	Physical Vacancy Loss - Percentage:	3.0%	($131,421)	($134,049)	($136,730)	($139,465)	($142,254)	($145,099)	($148,001)	($150,961)	($153,981)	($157,060)	($160,201)	($163,405)	($166,673)	($170,007)	($173,407)
	Collection Loss - Percentage:	1.0%	($43,807)	($44,683)	($45,577)	($46,488)	($47,418)	($48,366)	($49,334)	($50,320)	($51,327)	($52,353)	($53,400)	($54,468)	($55,558)	($56,669)	($57,802)
Total Effective Gross Revenue			$4,205,468	$4,289,578	$4,375,369	$4,462,876	$4,552,134	$4,643,177	$4,736,040	$4,830,761	$4,927,376	$5,025,924	$5,126,442	$5,228,971	$5,333,550	$5,440,222	$5,549,026
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		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Insurance		$192,000	$197,760	$203,693	$209,804	$216,098	$222,581	$229,258	$236,136	$243,220	$250,516	$258,032	$265,773	$273,746	$281,958	$290,417
	Other		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Variable:																
	Management Fee - Percentage:	4.0%	$168,219	$171,583	$175,015	$178,515	$182,085	$185,727	$189,442	$193,230	$197,095	$201,037	$205,058	$209,159	$213,342	$217,609	$221,961
	General and Administrative		$105,600	$108,768	$112,031	$115,392	$118,854	$122,419	$126,092	$129,875	$133,771	$137,784	$141,918	$146,175	$150,560	$155,077	$159,729
	Payroll Expenses		$443,200	$456,496	$470,191	$484,297	$498,826	$513,790	$529,204	$545,080	$561,433	$578,275	$595,624	$613,492	$631,897	$650,854	$670,380
	Utilities		$422,400	$435,072	$448,124	$461,568	$475,415	$489,677	$504,368	$519,499	$535,084	$551,136	$567,670	$584,700	$602,241	$620,309	$638,918
	Marketing and Advertising		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Maintenance and Repairs		$384,000	$395,520	$407,386	$419,607	$432,195	$445,161	$458,516	$472,272	$486,440	$501,033	$516,064	$531,546	$547,492	$563,917	$580,834
	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		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Security		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Other-Pest Control		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Reserve for Replacements		$115,200	$115,200	$115,200	$115,200	$115,200	$115,200	$115,200	$115,200	$115,200	$115,200	$118,656	$122,216	$125,882	$129,659	$133,548
Total Expenses			$1,830,619	$1,880,399	$1,931,639	$1,984,382	$2,038,673	$2,094,556	$2,152,079	$2,211,291	$2,272,242	$2,334,982	$2,403,021	$2,473,061	$2,545,161	$2,619,383	$2,695,788
Net Operating Income			$2,374,849	$2,409,178	$2,443,730	$2,478,494	$2,513,461	$2,548,621	$2,583,961	$2,619,470	$2,655,134	$2,690,942	$2,723,421	$2,755,910	$2,788,389	$2,820,839	$2,853,238
Debt Service Payments																	
DEBT	First Mortgage - JLL/HUD		$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370
	Second Mortgage -		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Debt Service Payments			$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370	$2,089,370
Cash Flow After Debt Service			$285,480	$319,809	$354,360	$389,124	$424,091	$459,251	$494,591	$530,100	$565,765	$601,572	$634,051	$666,540	$699,019	$731,469	$763,868
Debt Service Coverage Ratios																	
	DSC - First Mortgage plus Fees		1.137	1.153	1.170	1.186	1.203	1.220	1.237	1.254	1.271	1.288	1.303	1.319	1.335	1.350	1.366
	DSC - Second Mortgage plus Fees		1.137	1.153	1.170	1.186	1.203	1.220	1.237	1.254	1.271	1.288	1.303	1.319	1.335	1.350	1.366
	DSC - All Mortgages and Fees		1.137	1.153	1.170	1.186	1.203	1.220	1.237	1.254	1.271	1.288	1.303	1.319	1.335	1.350	1.366
Financial Ratios																	
	Operating Expense Ratio		43.5%	43.8%	44.1%	44.5%	44.8%	45.1%	45.4%	45.8%	46.1%	46.5%	46.9%	47.3%	47.7%	48.1%	48.6%
	Break-Even Ratio		89.6%	89.0%	88.4%	87.8%	87.2%	86.7%	86.1%	85.6%	85.1%	84.7%	84.3%	83.9%	83.6%	83.3%	82.9%

COMPLETENESS AND ISSUES CHECKLIST

DEVELOPMENT NAME: Stratford Point Apartments

DATE: September 21, 2021

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 Florida Housing Finance Corporation ("Florida Housing" or "FHFC"). 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.	
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.	Unsatis.	1
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	N/A	
15. Firm commitment letter from the syndicator, if any.	Satis.	
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.	
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. Receipt and satisfactory review of a fully executed Management Agreement with terms consistent with the assumptions of this Report.

HC Allocation Calculation

Section I: Qualified Basis Calculation	
Development Cost	$82,132,802
Less Land Cost	($1,910,920)
Less Federal Funds	$0
Less Other Ineligible Cost	($6,394,754)
Less Disproportionate Standard	$0
Acquisition Eligible Basis	$54,035,520
Rehabilitation Eligible Basis	$19,791,608
Total Eligible Basis	$73,827,128
Applicable Fraction	100.0%
DDA/QCT Basis Credit	100.00%
Acquisition HC Percentage	4.00%
Rehabilitation HC Percentage	4.00%
Annual HC on Acquisition	$2,161,421
Annual HC on Rehabilitation	$791,664
Annual Housing Credit Allocation	$2,953,085

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 and closing costs, and reserves required by the syndicator.
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 not located in a Difficult to Develop Area ("DDA") or a Qualified Census Tract ("QCT").
4. A Housing Credit Percentage of 4.00% is used based on the Consolidated Appropriations Act, 2021.

Section II: Gap Calculation	
Total Development Cost (Including Land and Ineligible Costs)	$82,132,802
Less Mortgages	($49,071,000)
Less Grants	$0
Equity Gap	$33,061,802
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	$0.8950
HC Required to Meet Gap	$36,944,255
Annual HC Required	$3,694,426

Notes to the Gap Calculation:

1. Mortgages include the First Mortgage provided by JLL.
2. HC Syndication Pricing and Percentage to Investment Partnership are based upon the Truist LOI.

Section III: Tax-Exempt Bond 50% Test	
Total Depreciable Cost	$73,827,128
Plus Land Cost	$1,910,920
Aggregate Basis	$75,738,048
Tax-Exempt Bond Amount	$43,000,000
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	$43,000,000
Proceeds Divided by Aggregate Basis	56.77%

Notes to 50% Test:

1. SMG estimates the Tax-Exempt Bond amount to be 56.77% 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	$2,953,085
HC per Gap Calculation	$3,694,426
Annual HC Recommended	$2,953,085

Notes to the Summary:

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

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

DISCUSSION ITEM

MEMORANDUM

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

DATE: September 14, 2021

RE: **CONSIDER APPROVAL OF THE REIMBURSEMENT RESOLUTION FOR MULTI-FAMILY TAX-EXEMPT BONDS APPLICATION, SUBMITTED BY SILVER LAKES VILLAGE VOA AFFORDABLE HOUSING, LP FOR ACQUISTION AND REHABILITATION OF THE PROPOSED SILVER LAKES VILLAGE APARTMENTS, IN AN AMOUNT, NOT-TO-EXCEED $12,000,000.**
OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

On August 10, 2021, the Authority received a proposal for the Silver Lakes Village Apartments under the 2021 Open Cycle Allocation Process, submitted by Silver Lakes Village VOA Affordable Housing, LP. The Open Cycle process allows developers to submit Multi-Family proposals for the Authority's consideration throughout the year, or as long as Volume Cap Allocation remains available. Subsequent to Board approval, staff will engage Professionals and proceed with the underwriting process. The investment banker/Placement Agent is RBC Capital Markets and Trustee will be US Bank.

CURRENT

The proposal is for the acquisition and rehabilitation of a 104-unit community. The proposed development is located at 5102 Cinderlane Parkway, Orlando – Orange County (Region 14). The community will offer one hundred three (103) 1-bd/1-ba; with rent at $837.00 per month/per unit; with residents paying no more than 30% of household income – the balance is paid via project based section vouchers. The Set-Aside for this proposed development will be 100% of the units for "extremely low" and "very low" income senior (62-years and older) residents. The remaining 1-unit will be a 2-bd/2-ba unit, set aside for management.

The Multi-Family Mortgage Revenue Bonds (or tax-exempt loan) are proposed to be issued in the not-to-exceed amount of $12MM. The bonds will be a Private Placement via a direct purchase securitization of the bonds by Boston Capital Finance. The structure involves tax-exempt bonds in the amount of an estimated $12MM, with 4% Tax-Credits of approximately $8.952MM. This structure also includes a Seller's Note in the amount of $7,809,026; an Elderly Housing Community Loan of $750K; Acquisition Reserves of $321,026. The debt coverage ratio for the proposed development is 1.40, which exceeds the Authority's minimum Threshold Criteria of 1.10. Staff utilized a conservative base approach in determining the debt coverage ratio.

Enclosed for your review are copies of the Pro forma Analysis, Reimbursement Resolution 2021-08 and supporting information.

CONSTRUCTION SOURCES

$ 12,000,000	OCHFA
$ 7,809,026	Seller Note
$ 1,185,829	LIHTC Equity
$ 321,026	Acquisition Reserves
$21,315,881.00	**TOTAL SOURCES**

ACTION REQUESTED

Board approval of the Reimbursement Resolution (2021-08) for Multi-Family Tax-Exempt Bonds, for acquisition and rehabilitation of the proposed Silver Lakes Village Apartments, not-to-exceed $12MM; authorization for staff and Bond Counsel to take the required steps to proceed with the process, and with subsequent submission to the Division of Bond Financing.

PROFORMA ANALYSIS

SILVER LAKES VILLAGE APARTMENTS

15-Sep-2021

SOURCES:

CONSTRUCTION	**PERMANENT**	
$12,000,000.00		Tax Exempt Bonds
	$ 4,630,000.00	Boston Capital Finance Loan
	$ 1,049,731.00	Deferred Dev. Fee
$ 7,809,026.00	$ 7,821,584.00	Seller Note
	$ 750,000.00	Elderly Housing Community Loan
$ 1,185,829.00	$ 8,951,771.00	LIHTC Equity
$ 321,026.00	$ 321,126.00	Acquired Reserves
$ 21,315,881.00	**$ 23,524,212.00**	**TOTAL SOURCES**

USES:

$ 8,641,026.00	$ 9,064,027.00	Acquisition Cost
$ 8,257,600.00	$ 8,257,600.00	Construction Costs
$ 2,957,524.00	$ 4,226,839.00	Professional Fees & Soft Costs
$ 1,148,292.00	$ 1,074,592.00	Financing Costs
$ 156,000.00	$ 714,000.00	Reserves & Escrows
$ 155,439.00	$ 187,154.00	Tax Credit Fees
$ 21,315,881.00	**$ 23,524,212.00**	**TOTAL USES**

DEBT SERVICE CALCULATION:

Boston Capital Finance Permanent Loan

$4,630,000.00	Principal
3.730%	Rate
16.00	Term - Years
40	Amortization

3 years int only post stabilization, then 40 year amort

$222,965.00	Debt Service/Yearly
$18,580.00	Debt Service/Monthly
$14,392.00	Int. only payment (3 Years)

2) Seller Note

$7,821,584.00	Principal
3.000%	Rate
35	Term
35	Amortization
$361,217.00	Debt Service/Yearly
$30,101.00	Debt Service/Monthly

Note: Paid from available cash flow

3) Elderly Housing Community Loan (FHFC)

$750,000.00	Principal
1.000%	Rate
15	Term
15	Amortization
$53,865.00	Debt Service/Yearly
$4,489.00	Debt Service/Monthly

Note: Paid from available cash flow

VARIANCE:

Income Analysis:

*Set-Asides: **100% @ 60% or Lower Area Median Income**

Unit/Type: Bd/ Ba	**Number of Units**	**Net Rent**	**Monthly Income**	**Annual Income**
1/1	103	$ 837.00	$86,211.00	$ 1,034,532.00
TOTAL	103	$ 837.00	$86,211.00	$ 1,034,532.00

GROSS INCOME	$1,034,532.00
OTHER INCOME	$3,200.00
	$1,037,732.00
Less 5% Vacancy+0% COLLECTION LOSS	$51,886.60
EFFECTIVE GROSS INCOME	**$985,845.40**
TOTAL EXPENSES	**$ 673,822.00**
NET OPERATING INCOME	**$312,023.40**
ANNUAL DEBT SVC PYMTS	$222,965.00
DEBT COVERAGE RATIO	**1.40**

RESOLUTION NO. 2021-08

A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE ORANGE COUNTY HOUSING FINANCE AUTHORITY TO REIMBURSE ITSELF AND/OR SILVER LAKES VILLAGE VOA AFFORDABLE HOUSING, LP FROM THE PROCEEDS OF DEBT FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO A CERTAIN MULTIFAMILY HOUSING PROJECT; AND AUTHORIZING CERTAIN INCIDENTAL ACTIONS.

WHEREAS, in connection with the acquisition, construction and equipping of a certain multifamily housing residential rental facility described herein by the Orange County Housing Finance Authority (the "Issuer") through a loan to Silver Lakes Village VOA Affordable Housing, LP (the "Owner"), the Issuer and the Owner expect to incur expenses for which the Issuer and/or the Owner will advance internal funds; and

WHEREAS, the Issuer intends to reimburse itself and the Owner for all or a portion of such expenses from the proceeds of debt to be issued by the Issuer and loaned to the Owner.

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

1. **Findings**. It is hereby found, ascertained, determined and resolved that:

(a) There is a shortage of low, middle and moderate housing available as rentals in Orange County, Florida;

(b) This shortage of housing cannot be relieved except through the encouragement of investment by private enterprise;

(c) The financing, acquisition and rehabilitation of rental housing for persons who are senior citizens (62 years and older) of low, middle, and moderate income in Orange County, Florida, constitutes a public purpose;

(d) An existing multifamily housing project consisting of 104 units, located at 5102 Cinderlane Parkway, Orlando, 32808, to be acquired and rehabilitated by the Owner, known as Silver Lakes Village (the "Development"), will assist in alleviating the shortage of rental housing for residents of Orange County who are senior citizens (62 years and older) of low, middle and moderate income;

(e) The Owner has requested the Issuer to issue revenue bonds (the "Bonds") in an amount which, together with other available funds, will be sufficient to finance the cost of the acquisition and rehabilitation of the Development and to pay other costs and fees incidental to the issuance of the Bonds. The Bonds are to be secured by certain assets, revenues and moneys described in the trust indenture securing such bonds. By virtue of the provisions of Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury regulations in effect thereunder or under the 1954 Code, the interest on the Bonds will be excludable from gross income for federal income tax purposes if certain criteria fixed by said provisions (the "Tax Requirements") are met;

(f) The Tax Requirements provide, among other things, that if, as in the case of the Development, the original use of a development commences (or the acquisition of a development occurs) on or after the date that obligations are issued to provide such development, an official intent with respect to such obligations must be adopted by the issuer of such obligations within 60 days after the commencement of the construction or acquisition of such development;

(g) The Owner has agreed or will agree (i) to make all units available for rental by members of the general public and (ii) not to rent any unit to the owner of the Development or to any person related (as defined in said Treasury regulations) to such owner.

2. Declaration of Official Intent. The Issuer hereby declares its official intent to reimburse itself and the Owner from the proceeds of tax-exempt debt to be incurred by the Issuer or the Owner, respectively, for expenses incurred with respect to the Development within 60 days prior to the date of this Resolution and subsequent to the date of this Resolution. This Resolution is intended as a declaration of official intent under Treasury Regulation § 1.150-2. The tax-exempt debt to be issued to finance the Development is expected not to exceed an aggregate principal amount of $12,000,000.

3. Further Authorization. The Issuer hereby authorizes Staff, General Counsel and Bond Counsel to negotiate and prepare a plan of financing and to commence the structuring of a debt instrument or instruments to provide up to $12,000,000 in tax-exempt financing for the Development in order to maintain rental units for persons who are senior citizens (62 years and older) of low, middle, or moderate income in a qualifying housing development, including reimbursement for qualified costs incurred pursuant to Treasury Regulation § 1.150-2. The financing of the qualifying housing development shall, however, be conditioned upon the following:

(a) The plan of financing for the Development shall include a rent schedule to be approved by the Issuer.

(b) The plan of financing shall include tenant age and income restriction provisions in compliance with section 142(d) of the Code.

(c) The Owner shall not discriminate in the use, occupancy or rental of the units against persons or families with children.

(d) Any non-revenue units for Owner use, such as models and manager apartments, must be financed at Owner's expense from other than Bond proceeds.

4. Conditions. In the event that the Issuer and the Owner are unable to reach an agreement with respect to the terms and details of the Bonds or the contracts therefor, or if other circumstances prevent the issuance of the Bonds, there shall be no resultant liability on either the Issuer or the Owner nor shall any third party have any rights against either the Issuer or the Owner by virtue of this resolution. The obligation of the Issuer to issue the Bonds pursuant to this Resolution is further conditioned upon the following:

(a) The information contained in the application of the Owner and now on file with the Issuer shall not change in any material respect. Any such material change shall be brought to the attention of the Issuer immediately in writing for further consideration by the Issuer and its General Counsel and Bond Counsel.

(b) A public hearing shall have been conducted as required by Section 147(f) of the Code.

(c) Upon issuance and delivery of the Bonds there shall be delivered to the Issuer an opinion of Bond Counsel to the effect that the Bonds are valid and binding obligations of the Issuer and that interest on the Bonds is excludable from gross income for federal income tax purposes.

(d) The Bonds shall be issued and delivered within 12 months from the date of adoption of this Resolution, unless such date is extended by resolution of the Issuer.

5. Other Conditions. The Owner has agreed to comply with all land use restrictions relating to tax-exempt financing including but not limited to those promulgated pursuant to Section 142(d) of the Code. The Owner acknowledges that the adoption of this resolution in no way implies final approval of the proposed transaction, such transaction being subject to all policies, guidelines and procedures of the Issuer and a majority affirmative vote of its Board.

6. Incidental Action. Any member of the Issuer and General Counsel and Bond Counsel to the Issuer are hereby authorized to take such actions as may be necessary to carry out the purpose of this Resolution.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

7. **Effective Date**. This Resolution shall take effect immediately upon its adoption.

Passed this 6th day of October, 2021.

[S E A L]

ORANGE COUNTY HOUSING FINANCE AUTHORITY

By:___________________________________
Chair/Vice Chair

ATTEST:

____
W.D. Morris, Secretary

APPROVED AS TO LEGAL SUFFICIENCY:

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

16. Detailed Development Budget (incl. Cost of Issuance)

The sponsor proposes the ‘Option 1’ fee structure, with 0.75% upfront issuance fee and 0.30% ongoing annual issuer administrative fee.

The enclosed detailed development budget includes cost of issuance budget below, based on $12,000,000 tax exempt bond issuance:

Orange Co. HFA – Bond Cost of Issuance (Prelim) 12,000,000 TE Bonds

90,000	Issuance Fee-0.75%
47,000	Bond Counsel
37,500	Issuer Counsel
14,500	Issuer Financial Advisor
14,492	Underwriter
203,492	Total

Attached:

16a. Detailed Development Budget

16b. Sources and Uses

14. Description of Proposed Financing Plan

Tax Exempt Bond Lender/Provider for $12,000,000 Tax Exempt Bond Issuance

Tax exempt bond execution is proposed to be private placement. Citi Community Capital is projected as the lender and placement agent at the time of application:

Tax Exempt Bond Placement Agent / Contact Information
Citi Community Capital
11921 Freedom Drive, Suite 850, Reston, VA, 20190
Bryan Dickson, Director
bryan.dickson@citi.com (703) 234-7308

Financing Plan

Permanent Sources – Tax Exempt First Mortgage and LIHTC Equity ($13,581,771)

- Tax Exempt Permanent Loan (Citi) - $4,630,000
  To help fund the needed repairs, HUD approved a rent increase for the 103 rental units to $837 PUPM, a 46% increase from the prior rents of $574. The rent increase generates the NOI necessary for the 4.63 million permanent first mortgage.

- 4% LIHTC Equity - $8,951,771, priced at $0.88 per syndication estimate by National Affordable Housing Trust.

Permanent Sources - Sponsor Resources ($9,929,783)

- Seller Financing Note (Soft) - $7,809,026

  This represents the current owner entity (a VOANS affiliate) accumulated equity in the project since opening. The seller note may be resized based on the appraisal.

- Deferred Developer Fee Note (Soft) - $1,049,731

  32% of Developer fee is deferred and paid from cash flow over time.

- Reserve for Replacement Account Transfer - $321,026
  The existing RFR account (currently $321,026) will transfer with the property. $1,000 per unit will be maintained in the new RFR account (per HUD guidelines); the remaining $217,026 will be contributed to funding.

- Florida Housing EHCL Loan (Soft) – $750,000

  VOANS secured $750,000 in Elderly Housing Community Loan funds (EHCL), which was awarded by Florida Housing Finance Corporation (FHFC) in early 2021 to the current owner entity; loan will be assigned to the new tax credit LP.

8. Location Map noting City / County, and with Applicable City or County Commissioners

The property is within the City of Orlando.

Elected Officials

County Commissioner: Christine Moore

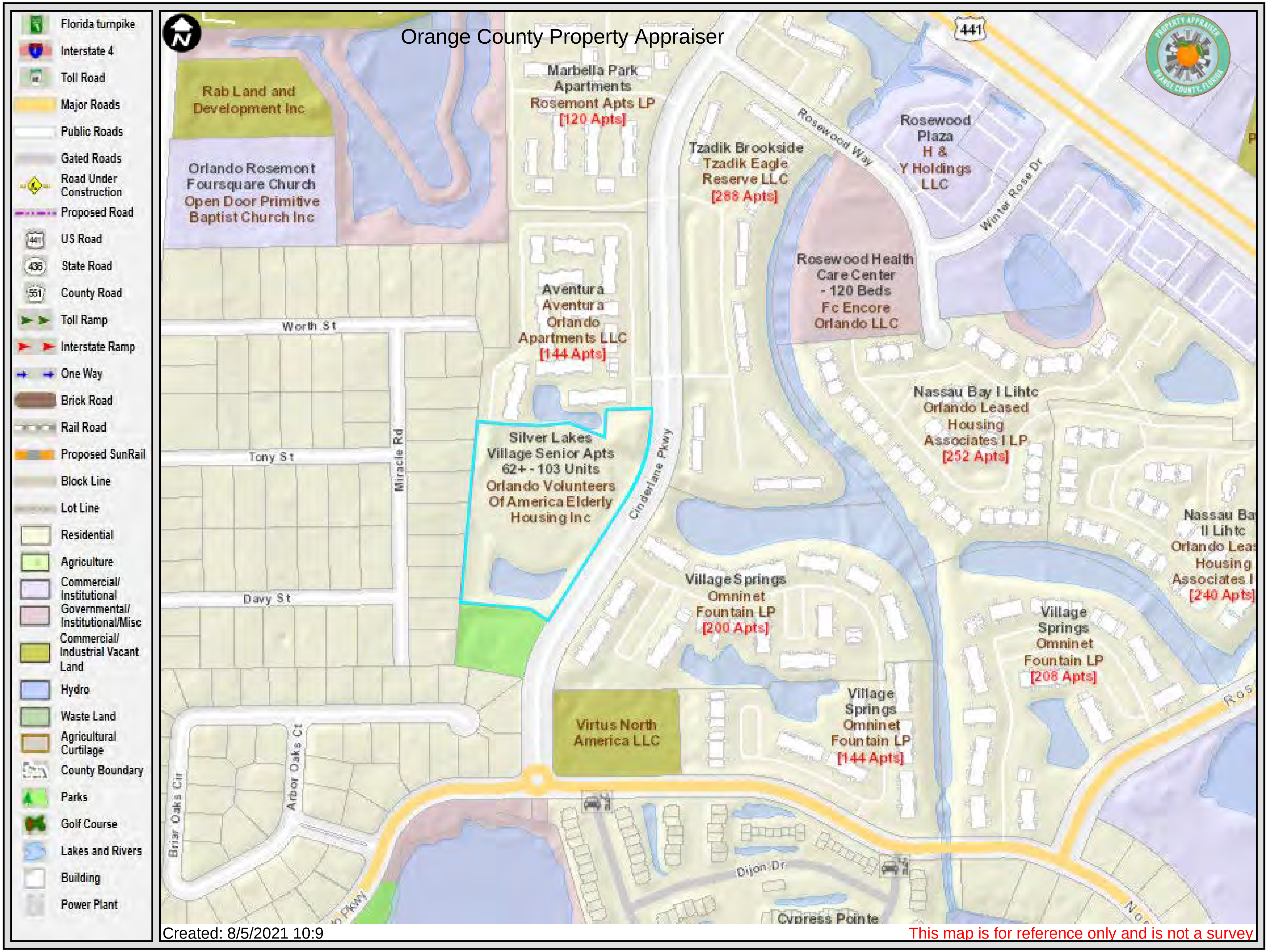
State Senate: Randolph Bracy

US Representative: Val Demings

State Representative: Kamia L. Brown

School Board Representative: Karen Castor Dentel

Attached:
8a. Location Map verifying address in City of Orlando, and Local Officials.


Florida turnpike
Interstate 4
Toll Road
Major Roads
Public Roads
Gated Roads
Road Under Construction
Proposed Road
441 US Road
436 State Road
551 County Road
Toll Ramp
Interstate Ramp
One Way
Brick Road
Rail Road
Proposed SunRail
Block Line
Lot Line
Residential
Agriculture
Commercial/ Institutional
Governmental/ Institutional/Misc
Commercial/ Industrial Vacant Land
Hydro
Waste Land
Agricultural Curtilage
County Boundary
Parks
Golf Course
Lakes and Rivers
Building
Power Plant
Orange County Property Appraiser
Rab Land and Development Inc
Orlando Rosemont Foursquare Church Open Door Primitive Baptist Church Inc
Marbella Park Apartments Rosemont Apts LP [120 Apts]
Aventura Aventura Orlando Apartments LLC [144 Apts]
Silver Lakes Village Senior Apts 62+ - 103 Units Orlando Volunteers Of America Elderly Housing Inc
Tzadik Brookside Tzadik Eagle Reserve LLC [288 Apts]
Rosewood Health Care Center - 120 Beds Fc Encore Orlando LLC
Rosewood Plaza H & Y Holdings LLC
Nassau Bay I Lihtc Orlando Leased Housing Associates I LP [252 Apts]
Nassau Ba II Lihtc Orlando Leas Housing Associates I [240 Apts]
Village Springs Omninet Fountain LP [200 Apts]
Village Springs Omninet Fountain LP [208 Apts]
Village Springs Omninet Fountain LP [144 Apts]
Virtus North America LLC
Cypress Pointe
441
Rosewood Way
Winter Rose Dr
Cinderlane Pkwy
Worth St
Tony St
Davy St
Miracle Rd
Arbor Oaks Ct
Briar Oaks Cir
Dijon Dr
Ros
No
o Pkwy
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This map is for reference only and is not a survey

17. Detailed Pro Forma Operating Statement

On the enclosed 15 year cash flow pro forma, rent revenue and other operating income inflates annually at 2%; operating expenses inflate at 3%.

Attached:
17a. Rental Assumptions

17b. 15 Year Cash Flow Pro Forma

Rental Income Assumptions and Applicable Fraction

Project Name: Silver Lakes Village

Residential Rental Income Assumptions

Inflator:

Unit Information							Rent and Income Targeting					Total
Unit Description	No. of BRs	No. of BAs	Unit Sq. Ft.	No. of Units	Tax Credit Unit *Check Yes*	Rent Subsidy *Check Yes*	Max. Tenant Income Limit (%	Max. Income Target for Rent (%	Utility Allowance	Maximum Contract Rent	Actual Contract Rent	Total Annual Rental Inc - Actual Contract
1BR 60% AMI	1	1.0	750	103	☑	☑	60%	60%		1,532	837	1,034,532
					☐	☐						0
					☐	☐						0
					☐	☐						0
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					☐	☐						0
TOTAL RENTAL UNITS			**77,250**	**103**	**103**	**103**					**837**	**1,034,532**
Manager/Nonrental Units				1								**0**
TOTAL RESIDENTIAL UNITS			**77,250**	**104**								**1,034,532**

Commercial Rental Income Assumptions

Description	Square Feet	Rent per Sq. Ft.	No. of Units	Annual Rent
TOTAL COMM	**0**		**0**	**0**

Rent/Expense Escalation & Vacancy Assumptions

	Residential	Commercial
Projected Annual Rent Increase % (Yrs	2.0%	2.0%
Annual Rent Increase % (Year 1 - 2 on	2.0%	2.0%
Projected Annual Expense Increase	3.0%	3.0%
Annual Expense Increase (Year 1 - 2 o	3.0%	3.0%
Projected Vacancy Loss, Year 1	5.0%	
Projected Vacancy Loss Years 2-16	5.0%	
Interest Rate on Reserve Accounts	2.0%	
Number of Months of Rent in Year 1	*Calculated*	11
Number of Months of Expenses in Yea	11	11

Other Income Assump

Description	Dollars/Unit/Month	Monthly Other Income	Total
Laundry: (Dollars/Unit/M	2.56	267	3,200
Vending: (Dollars/Unit/M	0.00	0	
Other: (Dollars/Unit/Month)		0	0
Other: (Specify			0
Other: (Specify			0
Other: (Specify			0
TOTAL OTHER INCOME	**2.59**	**267**	**3,200**

Bond Deal Minimum Set Aside Test

Percent of Units at or below 60%	100.00%
Test met?	YES

Project Cash Flow

Project Name: Silver Lakes Village

			Year:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
RENTAL INCOME																		
Gross Potential Rental Income - Tax Credit Units			102%	847,044	1,009,121	1,076,327	1,097,854	1,119,811	1,142,207	1,165,051	1,188,352	1,212,119	1,236,362	1,261,089	1,286,311	1,312,037	1,338,277	1,365,043
Gross Potential Rental Income - Non-Tax Credit Units			102%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross Potential Rental Income - Other (Specify)																		
Total Gross Potential Rental Income				**847,044**	**1,009,121**	**1,076,327**	**1,097,854**	**1,119,811**	**1,142,207**	**1,165,051**	**1,188,352**	**1,212,119**	**1,236,362**	**1,261,089**	**1,286,311**	**1,312,037**	**1,338,277**	**1,365,043**
Other Income - Residential			102%	2,933	3,264	3,329	3,396	3,464	3,533	3,604	3,676	3,749	3,824	3,901	3,979	4,058	4,140	4,222
Less Vacancy (Year 1/Years 2-16)	Incl Line 10 Income?	Y	5%	42,499	50,619	53,983	55,062	56,164	57,287	58,433	59,601	60,793	62,009	63,249	64,514	65,805	67,121	68,463
Gross Potential Rental Income - Commercial			102%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Vacancy (Year 1/Years 2-16)	0%		0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income				**807,478**	**961,766**	**1,025,673**	**1,046,188**	**1,067,110**	**1,088,453**	**1,110,222**	**1,132,427**	**1,155,075**	**1,178,177**	**1,201,741**	**1,225,775**	**1,250,290**	**1,275,296**	**1,300,802**
EXPENDITURES			Inflator															
Professional Fees			103%	6,600	7,416	7,638	7,867	8,103	8,346	8,596	8,854	9,120	9,394	9,676	9,966	10,265	10,573	10,890
Administrative Expenses			103%	137,202	154,165	158,790	163,554	168,461	173,515	178,720	184,082	189,604	195,292	201,151	207,186	213,402	219,804	226,398
Total Utilities			103%	44,975	50,536	52,052	53,614	55,222	56,879	58,585	60,343	62,153	64,018	65,939	67,917	69,955	72,054	74,216
Total Repairs and Maintenance			103%	134,688	151,340	155,880	160,556	165,373	170,334	175,444	180,707	186,128	191,712	197,463	203,387	209,489	215,774	222,247
Total Real Estate Taxes			103%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Taxes and Insurance			103%	151,915	170,697	175,818	181,093	186,526	192,122	197,886	203,823	209,938	216,236	222,723	229,405	236,287	243,376	250,677
Total Property Management Fee	Incl Line 10 Income?	Y	103%	44,651	50,171	51,676	53,227	54,824	56,468	58,162	59,907	61,704	63,556	65,462	67,426	69,449	71,532	73,678
Other Miscellaneous Operating Expenses			103%	51,623	58,005	59,745	61,537	63,383	65,284	67,243	69,260	71,338	73,478	75,682	77,952	80,291	82,700	85,181
Other:			103%															
Total Expenditures				**571,654**	**642,330**	**661,599**	**681,448**	**701,892**	**722,948**	**744,636**	**766,976**	**789,985**	**813,686**	**838,096**	**863,239**	**889,138**	**915,813**	**943,287**
NET OPERATING INCOME				**235,824**	**319,435**	**364,074**	**364,740**	**365,219**	**365,505**	**365,585**	**365,451**	**365,090**	**364,491**	**363,644**	**362,536**	**361,152**	**359,483**	**357,515**
Scheduled Additions to Replacement Reserve			103%	0	18,746	38,617	39,775	40,969	42,198	43,464	44,767	46,110	47,494	48,919	50,386	51,898	53,455	55,058
Scheduled Additions to Operating Reserve			100%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Reserve			100%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Reserve			100%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Period Income																		
NOI Adjusted For Reserves				**235,824**	**300,689**	**325,457**	**324,965**	**324,250**	**323,307**	**322,122**	**320,683**	**318,980**	**316,998**	**314,726**	**312,150**	**309,255**	**306,028**	**302,457**
DEBT SERVICE AND CASH FLOW FEES																		
Loan 1 - TBD				0	65,917	263,636	263,508	263,373	263,233	263,086	262,933	262,772	262,604	262,428	262,245	262,052	261,851	261,641
Debt Service Coverage Ratio					4.56	1.23	1.23	1.23	1.23	1.22	1.22	1.21	1.21	1.20	1.19	1.18	1.17	1.16
Asset Management Fee				4,583	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	6,921	7,129	7,343	7,563
Loan 8 - DDF				231,241	229,623	56,517	55,993	55,249	54,278	53,066	51,601	49,874	47,870	45,578	42,984	40,073	35,784	0
Debt Service Coverage Ratio				1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Loan 3 - Seller Note				0	0	0	0	0	0	0	0	0	0	0	0	0	1,050	33,253
Debt Service Coverage Ratio																	1.00	1.00
Loan 5 - EHCL				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service Coverage Ratio																		

Project Cash Flow

Project Name: Silver Lakes Village

Year:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Net Cash Flow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GP Fees as % Effective Gross Income (Economic Interest Test <50%	5.53%	5.22%	5.04%	5.09%	5.14%	5.19%	5.24%	5.29%	5.34%	5.39%	5.45%	5.50%	5.55%	5.61%	5.66%

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

DISCUSSION ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	September 10, 2021
RE:	**CONSIDER APPROVAL OF THE REIMBURSEMENT RESOLUTION FOR MULTI-FAMILY TAX-EXEMPT BONDS APPLICATION, SUBMITTED BY PARKWOOD PLAZA APARTMENTS, LTD, FOR NEW CONSTRUCTION OF THE PROPOSED PARKWOOD APARTMENTS, IN AN AMOUNT, NOT-TO-EXCEED $44,100,000.** OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

On August 12, 2021, the Authority received a proposal for the Parkwood Apartments under the 2021 Open Cycle Allocation Process, submitted by Parkwood Plaza Apartments, Ltd; Lincoln Avenue Capital Management, LLC. The Open Cycle process allows developers to submit Multi-Family proposals for the Authority's consideration throughout the year, or as long as Volume Cap Allocation remains available. Subsequent to Board approval, staff will engage Professionals and proceed with the underwriting process. The investment banker/Placement Agent is RBC Capital Markets and Trustee will be US Bank.

CURRENT

The proposal is for the construction of a 324-unit community. The community will offer one, two, three and four bedroom units. The proposed development is located at 3255 W. Colonial Dr., Orlando – Orange County (Region 14). The proposed development will consist of eighteen (18) 1-bd/1-ba; one hundred fifty (150) 2-bd/2-ba; one hundred thirty-two (132) 3-bd/2-ba; and twenty-four (24) 4-bd/2-ba, with rents ranging from $793 – $1,208 per month. This proposed development will set-aside 100% of the units for families that earn 60% or less of the Area Median Income (AMI).

The Multi-Family Mortgage Revenue Bonds (or tax-exempt loan) are proposed to be issued in the not-to-exceed amount of $44.1MM. The bonds will be a Private Placement via a direct purchase securitization of the bonds by Citibank. The structure involves tax-exempt bonds in the amount of an estimated $44.1MM, with 4% Tax-Credits of approximately $31.5MM. This structure also includes a Capital Contribution of approximately 850K, with a Deferred Developer Fee estimated at $7.385MM. The debt coverage ratio for the proposed development is 1.18, which meets the Authority's minimum Threshold Criteria of 1.10. Staff utilized a conservative base approach in determining the debt coverage ratio.

Enclosed for your review are copies of the Pro forma Analysis, Reimbursement Resolution #2021-09 and supporting information.

CONSTRUCTION SOURCES

$ 44,100,000	OCHFA
$ 18,363,039	Equity Bridge Loan
$ 3,153,611	LIHTC Equity
$ 850,000	GP Capital Contribution
$ 516,780	Impact Fee Reimbursement
$66,983,430.00	**TOTAL SOURCES**

ACTION REQUESTED

Board approval of the Reimbursement Resolution (#2021-09) for Multi-Family Tax-Exempt Bonds, for new construction of the proposed Parkwood Apartments, not-to-exceed $44.1MM; authorization for staff and Bond Counsel to take the required steps to proceed with the process, and with subsequent submission to the Division of Bond Financing.

PROFORMA ANALYSIS

PARKWOOD APARTMENTS

9-Sep-2021

SOURCES:

CONSTRUCTION	PERMANENT	
	$ 37,620,000.00	Citibank Permanent Loan
	$ 7,385,082.00	Deferred Dev. Fee
$ 18,363,039.00		Equity Bridge Financing
$ 44,100,000.00		Tax Exempt Bonds
$ 3,153,611.00	$ 31,536,106.00	LIHTC Equity
$ 850,000.00	$ 850,000.00	GP Capital Contribution
$ 516,780.00	$ 516,780.00	Impact Fee Reimbursements
$ 66,983,430.00	**$ 77,907,968.00**	**TOTAL SOURCES**

DEBT SERVICE CALCULATION:

$37,620,000.00	Citibank Permanent Loan
4.000%	Rate
17.00	Term - Years
40	Amortization
$1,886,741.43	Debt Service/Yearly
$157,228.45	Debt Service/Monthly

2) Deferred Developer Fee will be paid from available cash flow

USES:

$ 5,980,000.00	$ 5,980,000.00	Acquisition Cost
$ 54,099,152.00	$ 54,099,152.00	Construction Costs
$ 1,528,300.00	$ 1,528,300.00	Total Soft Costs
$ 985,360.00	$ 10,669,616.00	Dev. Fee Acq./Rehab
$ 197,500.00	$ 197,500.00	Permanent Financing Costs
$ 2,894,268.00	$ 2,894,268.00	Equity Bridge Int&Fees
$ 1,015,250.00	$ 1,015,250.00	Bond Costs
$ 48,600.00	$ 1,288,882.00	Reserves
$ 235,000.00	$ 235,000.00	Tax Credit Fees
$ 66,983,430.00	**$ 77,907,968.00**	**TOTAL USES**

VARIANCE:

Income Analysis:

*Set-Asides: **100% @ 60% or Lower Area Median Income**

Unit/Type: Bd/ Ba	Number of Units	Net Rent	Monthly Income	Annual Income
1/1	18	$ 793.00	$14,274.00	$ 171,288.00
2/2	150	$ 948.00	$142,200.00	$ 1,706,400.00
3/2	132	$ 1,089.00	$143,748.00	$ 1,724,976.00
4/2	24	$1,208.00	$28,992.00	$ 347,904.00
TOTAL	324	$ 4,038.00	$329,214.00	$ 3,950,568.00

GROSS INCOME	$3,950,568.00
OTHER INCOME	$190,350.00
	$4,140,918.00
Less 5% Vacancy+0% COLLECTION LOSS	$207,045.90
EFFECTIVE GROSS INCOME	**$3,933,872.10**
TOTAL EXPENSES	**$ 1,765,002.00**
NET OPERATING INCOME	**$2,168,870.10**
ANNUAL DEBT SVC PYMTS	$1,886,741.43
DEBT COVERAGE RATIO	**1.15**

RESOLUTION NO. 2021-09

A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE ORANGE COUNTY HOUSING FINANCE AUTHORITY TO REIMBURSE ITSELF AND/OR PARKWOOD PLAZA APARTMENTS, LTD. FROM THE PROCEEDS OF DEBT FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO A CERTAIN MULTIFAMILY HOUSING PROJECT; AND AUTHORIZING CERTAIN INCIDENTAL ACTIONS.

WHEREAS, in connection with the acquisition, construction and equipping of a certain multifamily housing residential rental facility described herein by the Orange County Housing Finance Authority (the "Issuer") through a loan to Parkwood Plaza Apartments, Ltd. (the "Owner"), the Issuer and the Owner expect to incur expenses for which the Issuer and/or the Owner will advance internal funds; and

WHEREAS, the Issuer intends to reimburse itself and the Owner for all or a portion of such expenses from the proceeds of debt to be issued by the Issuer and loaned to the Owner.

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

1. **Findings**. It is hereby found, ascertained, determined and resolved that:

(a) There is a shortage of low, middle and moderate housing available as rentals in Orange County, Florida;

(b) This shortage of housing cannot be relieved except through the encouragement of investment by private enterprise;

(c) The financing, acquisition, construction and equipping of rental housing for persons of low, middle, and moderate income in Orange County, Florida, constitutes a public purpose;

(d) A multifamily housing project consisting of 324 units, located at 3255 W Colonial Dr., Orlando, FL 32808, to be acquired, constructed and equipped by the Owner, to be known as Parkwood Plaza Apartments (the "Development"), will assist in alleviating the shortage of rental housing for residents of Orange County who are of low, middle and moderate income;

(e) The Owner has requested the Issuer to issue revenue bonds (the "Bonds") in an amount which, together with other available funds, will be sufficient to finance the cost of the acquisition, construction and equipping of the Development and to pay other costs and fees incidental to the issuance of the Bonds. The Bonds are to be secured by certain assets, revenues and moneys described in the trust indenture securing such bonds. By virtue of the provisions of Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury regulations in effect thereunder or under the 1954 Code, the interest on the Bonds will be excludable from gross income for federal income tax purposes if certain criteria fixed by said provisions (the "Tax Requirements") are met;

(f) The Tax Requirements provide, among other things, that if, as in the case of the Development, the original use of a development commences (or the acquisition of a development occurs) on or after the date that obligations are issued to provide such development, an official intent with respect to such obligations must be adopted by the issuer of such obligations within 60 days after the commencement of the construction or acquisition of such development;

(g) The Owner has agreed or will agree (i) to make all units available for rental by members of the general public and (ii) not to rent any unit to the owner of the Development or to any person related (as defined in said Treasury regulations) to such owner.

2. Declaration of Official Intent. The Issuer hereby declares its official intent to reimburse itself and the Owner from the proceeds of tax-exempt debt to be incurred by the Issuer or the Owner, respectively, for expenses incurred with respect to the Development within 60 days prior to the date of this Resolution and subsequent to the date of this Resolution. This Resolution is intended as a declaration of official intent under Treasury Regulation § 1.150-2. The tax-exempt debt to be issued to finance the Development is expected not to exceed an aggregate principal amount of $44,100,000.

3. Further Authorization. The Issuer hereby authorizes Staff, General Counsel and Bond Counsel to negotiate and prepare a plan of financing and to commence the structuring of a debt instrument or instruments to provide up to $44,100,000 in tax-exempt financing for the Development in order to maintain rental units for persons who are of low, middle, or moderate income in a qualifying housing development, including reimbursement for qualified costs incurred pursuant to Treasury Regulation § 1.150-2. The financing of the qualifying housing development shall, however, be conditioned upon the following:

(a) The plan of financing for the Development shall include a rent schedule to be approved by the Issuer.

(b) The plan of financing shall include tenant age and income restriction provisions in compliance with section 142(d) of the Code.

(c) The Owner shall not discriminate in the use, occupancy or rental of the units against persons or families with children.

(d) Any non-revenue units for Owner use, such as models and manager apartments, must be financed at Owner's expense from other than Bond proceeds.

4. Conditions. In the event that the Issuer and the Owner are unable to reach an agreement with respect to the terms and details of the Bonds or the contracts therefor, or if other circumstances prevent the issuance of the Bonds, there shall be no resultant liability on either the Issuer or the Owner nor shall any third party have any rights against either the Issuer or the Owner by virtue of this resolution. The obligation of the Issuer to issue the Bonds pursuant to this Resolution is further conditioned upon the following:

(a) The information contained in the application of the Owner and now on file with the Issuer shall not change in any material respect. Any such material change shall be brought to the attention of the Issuer immediately in writing for further consideration by the Issuer and its General Counsel and Bond Counsel.

(b) A public hearing shall have been conducted as required by Section 147(f) of the Code.

(c) Upon issuance and delivery of the Bonds there shall be delivered to the Issuer an opinion of Bond Counsel to the effect that the Bonds are valid and binding obligations of the Issuer and that interest on the Bonds is excludable from gross income for federal income tax purposes.

(d) The Bonds shall be issued and delivered within 12 months from the date of adoption of this Resolution, unless such date is extended by resolution of the Issuer.

5. Other Conditions. The Owner has agreed to comply with all land use restrictions relating to tax-exempt financing including but not limited to those promulgated pursuant to Section 142(d) of the Code. The Owner acknowledges that the adoption of this resolution in no way implies final approval of the proposed transaction, such transaction being subject to all policies, guidelines and procedures of the Issuer and a majority affirmative vote of its Board.

6. Incidental Action. Any member of the Issuer and General Counsel and Bond Counsel to the Issuer are hereby authorized to take such actions as may be necessary to carry out the purpose of this Resolution.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

7. **Effective Date**. This Resolution shall take effect immediately upon its adoption.

Passed this 6th day of October, 2021.

[S E A L]

ORANGE COUNTY HOUSING FINANCE AUTHORITY

By:___________________________________
Chair/Vice Chair

ATTEST:

____
W.D. Morris, Secretary

APPROVED AS TO LEGAL SUFFICIENCY:

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

Parkwood Apartments

3255 W Colonial Dr, Orlando, FL 32808

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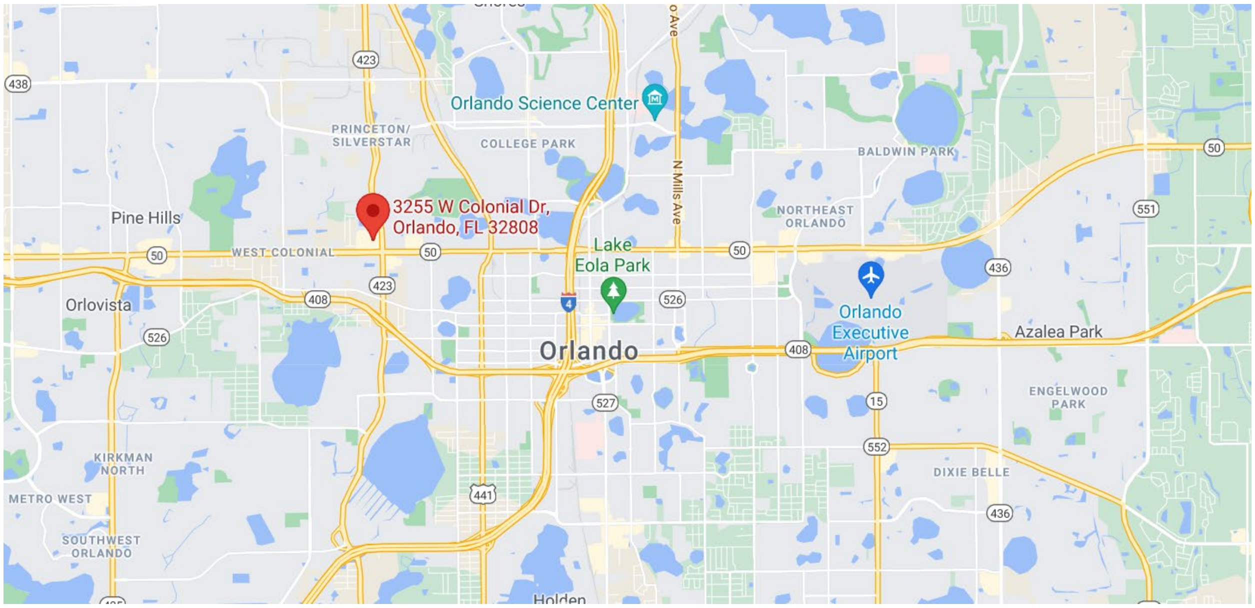
Source: Google.



Source: Google.

EXHIBIT A

COMMITMENT TERMS

This Exhibit A is an integral part of, and establishes additional terms, conditions and requirements of, the Commitment to which this is annexed.

SUMMARY OF MORTGAGE LOAN TERMS

Project:	Parkwood Plaza, a 324-unit multifamily new construction project.
Maximum Tax-Exempt Loan Amount:	An amount estimated to be $44,100,000. The permanent loan is expected to be $37,620,000.
Number of Units:	324
Low-Income Units:	324 units @ 60% of AMI
Permanent Period Interest Rate:	4.00%
Financing Fee:	A fee, payable to CITI, equal to 1.00% of the amount of the Maximum Mortgage Loan Amount. This fee includes permanent lending services.
Conversion Fee:	$10,000.
Guarantor(s):	Anticipated to be Lincoln Avenue Capital LLC
Outside Closing Date:	Q1 2022
Initial Construction Period:	36 months.
Outside Conversion Date	Q1 2025, subject to extension upon availability and satisfaction of such extension requirements.
Possible Extension Period(s):	6 months.
Permanent Loan Term:	17 years following Closing.
Amortization Period:	40 years.
Lockout Period:	10 years following Conversion.
Pre-payment Premium:	Yield maintenance until 6 months prior to maturity.
Loan Sizing Criteria:	Maximum Loan to Value: 90%. Maximum Loan to Cost: 80%. Debt Service Coverage: 1.15 to 1.00.
Required Reserves following	$250/Unit/Year for Years 1-5. Thereafter, subject to

Conversion:	increases once every 5 Years, based upon a physical needs assessment
Approved Subordinate Financing:	The terms, conditions and documentation of the Approved Subordinate Financing, if any, including the form of subordination agreement subordinating the Approved Subordinate Financing to the Loan, are subject to the review and approval CITI in its sole discretion.
Payment and Performance Bonds:	Required from General Contractor.
Tax Credit Equity Provider:	\Must be acceptable to CITI in all respects.

Parkwood Apartments - Orlando, FL

Sources		Construction		Permanent
Citibank - Tax-Exempt Permanent Loan	$	-	$	37,620,000
Orlando Affordable Impact Fee Reimbursements		516,780		516,780
Citibank - Tax-Exempt Bonds (Construction Loan)		44,100,000		-
Equity Bridge Loan		18,363,039		-
LIHTC Equity - 1st Installment		3,153,611		3,153,611
LIHTC Equity - 3rd Installment		-		22,075,274
LIHTC Equity - 4th Installment		-		6,307,221
GP and Class B LP Capital Contribution		850,000		850,000
Deferred Developer Fee		-		7,385,082
Total Sources		**$66,983,430**		**$77,907,968**
(GAP)/SURPLUS		–		–

Uses		Construction		Permanent
Acquisition	$	5,980,000	$	5,980,000
Construction		54,099,152		54,099,152
Project Soft Costs		1,528,300		1,528,300
Permanent Financing		197,500		197,500
Construction & Equity Bridge Fees and Interest		2,894,268		2,894,268
Tax Credit Fees		235,000		235,000
Bond Costs		1,015,250		1,015,250
Reserves		48,600		1,288,882
Developer Fees		985,360		10,669,616
Total Uses		**$66,983,430**		**$77,907,968**
(GAP)/SURPLUS		–		

	Developer Fee Pay-In:	**30.00%**
	Equity Pay-In:	**10.00%**
	Construction Schedule:	**0.00%**
	Construction Completion	**0.00%**
Period		0
Year		2022
Date		3/1/2022
Sources		
LIHTC Equity	$31,536,106	$3,153,611
GP Capital Contribution	$850,000	$850,000
Citibank - Tax-Exempt Bonds (Construction Loan)	$44,100,000	$10,803,175
Equity Bridge Loan	$18,363,039	–
Citibank - Tax-Exempt Permanent Loan	$37,620,000	–
Excess Permanent Proceeds	$516,780	–
Total Sources	**$132,985,926**	**$14,806,785**
	-	
Current Fee Payable		
Uses		
Acquisition:		
Land Purchase Price	$5,980,000	5,980,000
Hard Costs:		
Construction Hard Costs	$44,530,806	
Solar Installation	–	
General Requirement	$890,616	
Overhead	$667,962	
Profit	$890,616	
Hard Cost Contingency	$2,349,000	
Impact Fees (Mobility, Park, Fire)	$1,033,560	$1,033,560
Impact Fees (School)	$2,187,324	$2,187,324
Residential Special Assessment @ CofO	–	–
Sewer Access Fee - Orlando	$624,834	624,834
Water Access Fee - OUC	$291,762	291,762
Builder's Risk Insurance - Included in Contract	–	–
Building/Construction Permits	$170,972	$170,972
GC P&P Bond	$234,900	$234,900
FF&E	$226,800	
Project Soft Costs:		
Architect	$1,036,800	$777,600
Civil Engineering	$175,000	$175,000
Accounting (Cost Certification/Audit)	$15,000	$15,000
Title	$70,000	$70,000
Survey	$25,000	$25,000
Appraisal	$10,000	$10,000
Market Study	$6,500	$6,500
Energy Effiency Consultant	$10,000	$10,000
Historical Consultant	$5,000	$5,000

Accessibility Consultant	$25,000	$25,000
Geotech/Soils	$15,000	$15,000
Environmental	$30,000	$30,000
Interior Design	$25,000	$25,000
Land Use Attorney	$10,000	$10,000
Inspecting Architect	$20,000	$20,000
Relocation	–	–
Capitalized Bond Interest	–	–
FHFC Tax Credit Agency Issuance Costs		
FHFC Application Fee	$3,000	$3,000
FHFC Administrative Fee	$50,000	$50,000
FHFC Compliance Monitoring Fee	$162,000	$162,000
FHFC Credit Underwriting and Appraisal Fee	$20,000	$20,000
Orange County Financing Issuance Costs		
Bond Counsel	$80,000	$80,000
Bond Application Fee	$44,100	$44,100
Issuer Counsel	$55,000	$55,000
Special Counsel	$45,000	$45,000
Cost of Issuance	$10,000	$10,000
TEFRA FEE*	$1,000	$1,000
Bond Fees	$727,650	$727,650
Fiscal Agent	$12,500	$12,500
Placement Agent	$40,000	$40,000
Not Used	–	–
Permanent Financing Issuance Costs		
Lender Counsel	$30,000	$30,000
Borrower Consel	$130,000	$130,000
Fiscal Agent	$15,000	$15,000
Forward Fee	–	–
Origination Fee	–	–
Application/Conversion Fee	$22,500	$22,500
Construction Loan Costs and Reserve		
Construction Loan Interest Reserve	$1,949,456	$ -
Lender Counsel	$25,000	$25,000
Origination Fee	$441,000	$441,000
Third Party Reports and Due Diligence	$12,500	$12,500
Equity Bridge Loan Costs and Reserve		
Equity Bridge Loan Interest Reserve	$313,589	
Lender Counsel	$15,000	$15,000
Origination Fee	$137,723	$137,723
Third Party Reports and Due Diligence	–	–
Reserves and Escrows		
RE Tax/Insurance Escrow (Months)	$284,842	–
Operating Reserve (Months)	$955,440	–
Lease-Up Reserve	–	
Marketing Budget	$48,600	–
Upfront Replacement Reserves	–	–
Soft Cost Contigency		

Soft Cost Contingency	$50,000	–
Construction Loan		
Repayment of Construction Loan	$44,100,000	–
Equity Bridge Loan		
Repayment of Equity Bridge Loan	$18,363,039	–
Developer Fee		
Developer Fee	$3,284,534	$985,360
Total Development Cost	**$ 132,985,926**	**$ 14,806,785**
		–

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

DISCUSSION ITEM

MEMORANDUM

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

DATE: September 13, 2021

RE: **CONSIDER APPROVAL OF THE REIMBURSEMENT RESOLUTION FOR MULTI-FAMILY TAX-EXEMPT BONDS APPLICATION, SUBMITTED BY SOUTHWICK COMMONS, LTD., FOR NEW CONSTRUCTION OF THE PROPOSED SOUTHWICK COMMONS APARTMENTS, IN AN AMOUNT, NOT-TO-EXCEED $26,300,000.**
OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

On August 30, 2021, the Authority received a proposal for the Southwick Commons Apartments under the 2021 Open Cycle Allocation Process, submitted by Southwick Commons, Ltd. The Developer is Wendover Housing Partners, LLC. The Open Cycle process allows developers to submit Multi-Family proposals for the Authority's consideration throughout the year, or as long as Volume Cap Allocation remains available. Subsequent to Board approval, staff will engage Professionals and proceed with the underwriting process. The investment banker/Placement Agent is RBC Capital Markets.

CURRENT

The proposal is for the construction of a 195-unit community. The community will offer one, two and three bedroom units. The proposed development is located at 461 E. 7th Street, Apopka – Orange County (Region 14). The proposed development will consist of fifty-eight (58) 1-bd/1-ba; ninety-eight (98) 2-bd/2-ba; and thirty-nine (39) 3-bd/2-ba; and 4-bd/2-ba, with rents ranging from $264 – $1,493 per month. This proposed development will set-aside 77% of the units for families that earn 60% or less of the Area Median Income (AMI), by utilizing Income Averaging (IA), the proposed development will be supported by Project Based Section-8 Voucher Program, with an average AMI of 80%.

The Multi-Family Mortgage Revenue Bonds (or tax-exempt loan) are proposed to be issued in the not-to-exceed amount of $26.3MM. The bonds will be a Private Placement via a direct purchase securitization of the bonds by JP Morgan Chase and will be unrated. The structure involves tax-exempt bonds in the amount of an estimated $26.3MM, with 4% Tax-Credits of approximately $22,445,895MM. At construction completion (24-months), the bonds will be paid down to 14MM, at conversion to permanent. The projected interest rate is 2.65%. The debt coverage ratio for the proposed development is 1.39, which exceeds the Authority's minimum Threshold Criteria of 1.10. Staff utilized a conservative base approach in determining the debt coverage ratio.

Enclosed for your review are copies of the Pro forma Analysis, Reimbursement Resolution #2021-10 and supporting information.

CONSTRUCTION SOURCES

$ 26,300,000	OCHFA
$ 989,000	National Housing Trust Fund
$ 2,000,000	Orange County Housing Trust Fund
$ 7,000,000	SAIL
$ 600,000	ELI SAIL
$ 6,594,633	Deferred Developer Fee
$ 5,150,976	LIHTC Equity
$48,634,609.00	**TOTAL SOURCES**

ACTION REQUESTED

Board approval of the Reimbursement Resolution (#2021-10) for Multi-Family Tax-Exempt Bonds, for new construction of the proposed Southwick Commons Apartments, not-to-exceed $26.3MM; authorization for staff and Bond Counsel to take the required steps to proceed with the process, and with subsequent submission to the Division of Bond Financing.

PROFORMA ANALYSIS

SOUTHWICK COMMONS

8-Sep-2021

SOURCES:

CONSTRUCTION	PERMANENT	
$26,300,000.00		Tax Exempt Bonds
$ 989,000.00	$ 989,000.00	National Housing Trust Funds
$ 2,000,000.00	$ 2,000,000.00	Orange County Trust Funds
$ 7,000,000.00	$ 7,000,000.00	SAIL
$ 600,000.00	$ 600,000.00	ELI SAIL
$ 6,594,633.00	$ 3,441,706.00	Deferred Developer Fee
$ 5,150,976.00	$ 20,603,903.00	LIHTC Equity
	$ 14,000,000.00	Chase Permanent Loan
$ 48,634,609.00	**$ 48,634,609.00**	**TOTAL SOURCES**

USES: (TOTAL DEVELOPMENT COSTS)

$ 3,350,000.00	$ 3,350,000.00	Land Cost
$ 31,355,790.00	$ 31,355,790.00	Construction Costs
$ 4,237,200.00	$ 4,237,200.00	Total Soft Costs
$ 6,837,633.00	$ 6,837,633.00	Dev. Fee
$ 2,393,860.00	$ 2,393,860.00	Permanent Financing Costs
$ 460,126.00	$ 460,126.00	Operating Reserves
$ 48,634,609.00	**$ 48,634,609.00**	**TOTAL USES**

DEBT SERVICE CALCULATION:

1)Permanent Loan

$14,000,000.00	Chase Permanent Loan
3.700%	Rate
15	Term - Years
35	Amortization
$713,936.00	Debt Service/Yearly
$59,595.00	Debt Service/Monthly

-

2) The following sources will be paid from available cash flow:

Deferred Developer Fees
SAIL Loan from FHFC
SAIL Extremely Low Income Loan From FHFC
NHTF Funds From FHFC
Seminole County Contribution
Orange County Housing Trust Funds

VARIANCE:

Income Analysis:

*Set-Asides: **77% @ 60% or Lower Area Median Income**

Unit/Type: Bd/ Ba	Number of Units	Net Rent	Monthly Income	Annual Income
1/1	12	$ 1,095.00	$13,140.00	$ 157,680.00
*1/1	35	$ 808.00	$28,280.00	$ 339,360.00
*1/1	9	$ 378.00	$3,402.00	$ 40,824.00
*1/1	2	$ 264.00	$528.00	$ 6,336.00
2/2	24	$ 1,297.00	$31,128.00	$ 373,536.00
*2/2	57	$ 953.00	$54,321.00	$ 651,852.00
*2/2	15	$ 438.00	$6,570.00	$ 78,840.00
*2/2	2	$ 301.00	$602.00	$ 7,224.00
3/2	9	$ 1,493.00	$13,437.00	$ 161,244.00
*3/2	23	$ 1,096.00	$25,208.00	$ 302,496.00
*3/2	6	$ 500.00	$3,000.00	$ 36,000.00
*3/2	1	$342.00	$342.00	$ 4,104.00
TOTAL	195	$ 8,965.00	$179,958.00	$ 2,159,496.00

GROSS INCOME	$2,159,496.00
OTHER INCOME	$101,400.00
	$2,260,896.00
Less 5% Vacancy+0% COLLECTION LOSS	$113,045.00
EFFECTIVE GROSS INCOME	**$2,147,851.00**
****TOTAL EXPENSES**	**$ 1,158,142.00**
NET OPERATING INCOME	**$989,709.00**
ANNUAL DEBT SVC PYMTS	$713,936.00
DEBT COVERAGE RATIO	**1.39**

RESOLUTION NO. 2021-10

A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE ORANGE COUNTY HOUSING FINANCE AUTHORITY TO REIMBURSE ITSELF AND/OR SOUTHWICK COMMONS, LTD. FROM THE PROCEEDS OF DEBT FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO A CERTAIN MULTIFAMILY HOUSING PROJECT; AND AUTHORIZING CERTAIN INCIDENTAL ACTIONS.

WHEREAS, in connection with the acquisition, construction and equipping of a certain multifamily housing residential rental facility described herein by the Orange County Housing Finance Authority (the "Issuer") through a loan to Southwick Commons, Ltd. (the "Owner"), the Issuer and the Owner expect to incur expenses for which the Issuer and/or the Owner will advance internal funds; and

WHEREAS, the Issuer intends to reimburse itself and the Owner for all or a portion of such expenses from the proceeds of debt to be issued by the Issuer and loaned to the Owner.

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

1. **Findings**. It is hereby found, ascertained, determined and resolved that:

(a) There is a shortage of low, middle and moderate housing available as rentals in Orange County, Florida;

(b) This shortage of housing cannot be relieved except through the encouragement of investment by private enterprise;

(c) The financing, acquisition, construction and equipping of rental housing for persons of low, middle, and moderate income in Orange County, Florida, constitutes a public purpose;

(d) A multifamily housing project consisting of 195 units, to be located approximately 175 feet southeast of the intersection of E 6th St. and Alabama Ave., Apopka, Florida to be acquired, constructed and equipped by the Owner, to be known as Southwick Commons (the "Development"), will assist in alleviating the shortage of rental housing for residents of Orange County who are of low, middle and moderate income;

(e) The Owner has requested the Issuer to issue revenue bonds (the "Bonds") in an amount which, together with other available funds, will be sufficient to finance the cost of the acquisition, construction and equipping of the Development and to pay other costs and fees incidental to the issuance of the Bonds. The Bonds are to be secured by certain assets, revenues and moneys described in the trust indenture securing such bonds. By virtue of the provisions of Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury regulations in effect thereunder or under the 1954 Code, the interest on the Bonds will be excludable from gross income for federal income tax purposes if certain criteria fixed by said provisions (the "Tax Requirements") are met;

(f) The Tax Requirements provide, among other things, that if, as in the case of the Development, the original use of a development commences (or the acquisition of a development occurs) on or after the date that obligations are issued to provide such development, an official intent with respect to such obligations must be adopted by the issuer of such obligations within 60 days after the commencement of the construction or acquisition of such development;

(g) The Owner has agreed or will agree (i) to make all units available for rental by members of the general public and (ii) not to rent any unit to the owner of the Development or to any person related (as defined in said Treasury regulations) to such owner.

2. Declaration of Official Intent. The Issuer hereby declares its official intent to reimburse itself and the Owner from the proceeds of tax-exempt debt to be incurred by the Issuer or the Owner, respectively, for expenses incurred with respect to the Development within 60 days prior to the date of this Resolution and subsequent to the date of this Resolution. This Resolution is intended as a declaration of official intent under Treasury Regulation § 1.150-2. The tax-exempt debt to be issued to finance the Development is expected not to exceed an aggregate principal amount of $26,300,000.

3. Further Authorization. The Issuer hereby authorizes Staff, General Counsel and Bond Counsel to negotiate and prepare a plan of financing and to commence the structuring of a debt instrument or instruments to provide up to $26,300,000 in tax-exempt financing for the Development in order to maintain rental units for persons who are of low, middle, or moderate income in a qualifying housing development, including reimbursement for qualified costs incurred pursuant to Treasury Regulation § 1.150-2. The financing of the qualifying housing development shall, however, be conditioned upon the following:

(a) The plan of financing for the Development shall include a rent schedule to be approved by the Issuer.

(b) The plan of financing shall include tenant age and income restriction provisions in compliance with section 142(d) of the Code.

(c) The Owner shall not discriminate in the use, occupancy or rental of the units against persons or families with children.

(d) Any non-revenue units for Owner use, such as models and manager apartments, must be financed at Owner's expense from other than Bond proceeds.

4. Conditions. In the event that the Issuer and the Owner are unable to reach an agreement with respect to the terms and details of the Bonds or the contracts therefor, or if other circumstances prevent the issuance of the Bonds, there shall be no resultant liability on either the Issuer or the Owner nor shall any third party have any rights against either the Issuer or the Owner by virtue of this resolution. The obligation of the Issuer to issue the Bonds pursuant to this Resolution is further conditioned upon the following:

(a) The information contained in the application of the Owner and now on file with the Issuer shall not change in any material respect. Any such material change shall be brought to the attention of the Issuer immediately in writing for further consideration by the Issuer and its General Counsel and Bond Counsel.

(b) A public hearing shall have been conducted as required by Section 147(f) of the Code.

(c) Upon issuance and delivery of the Bonds there shall be delivered to the Issuer an opinion of Bond Counsel to the effect that the Bonds are valid and binding obligations of the Issuer and that interest on the Bonds is excludable from gross income for federal income tax purposes.

(d) The Bonds shall be issued and delivered within 12 months from the date of adoption of this Resolution, unless such date is extended by resolution of the Issuer.

5. **Other Conditions**. The Owner has agreed to comply with all land use restrictions relating to tax-exempt financing including but not limited to those promulgated pursuant to Section 142(d) of the Code. The Owner acknowledges that the adoption of this resolution in no way implies final approval of the proposed transaction, such transaction being subject to all policies, guidelines and procedures of the Issuer and a majority affirmative vote of its Board.

6. **Incidental Action**. Any member of the Issuer and General Counsel and Bond Counsel to the Issuer are hereby authorized to take such actions as may be necessary to carry out the purpose of this Resolution.

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7. **Effective Date**. This Resolution shall take effect immediately upon its adoption.

Passed this 6th day of October, 2021.

[S E A L]

ORANGE COUNTY HOUSING FINANCE AUTHORITY

By:___________________________________
Chair/Vice Chair

ATTEST:

____
W.D. Morris, Secretary

APPROVED AS TO LEGAL SUFFICIENCY:

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

National
Equity
Fund INC
an affiliate of LISC

July 1, 2021

Jonathan L. Wolf
Southwick Commons, Ltd.
1105 Kensington Park Drive, Suite 200
Altamonte Springs, FL 32714

Re: Southwick Commons – Preliminary Commitment

Dear Mr. Wolf:

This letter is a preliminary equity investment commitment from the National Equity Fund, Inc. (NEF) for Southwick Commons ("Project"), a proposed LIHTC, multifamily community which will consist of 195 units that will serve families. The community is located in Apopka, Florida.

NEF, an affiliate of the Local Initiatives Support Corporation (LISC), was incorporated in 1987 with the mission to identify and develop new sources of financing to help provide affordable housing for low income families and to assist non-profit organizations in creating this housing. NEF has worked with 700 local development partners in forming partnerships which acquire, develop, rehabilitate and manage low-income rental housing. Since the enactment of the Federal Low-Income Housing Tax Credit in 1986, NEF has raised more than $10 billion in equity and invested it in more than 2,100 affordable housing projects in 46 states, including Washington, D.C. and Puerto Rico.

Described below are the basic terms, conditions and assumptions of this preliminary commitment:

- The Project will be a 195-unit LIHTC housing development located in Apopka, Florida.
- The project will be owned by Southwick Commons, Ltd.; Southwick Commons GP, LLC will act as General Partner. The Limited Partner will be NEF Assignment Corporation. NEF has reviewed the entities and principals involved.
- NEF proposes to be the Federal Low-Income Housing Tax Credit investor with an equity investment of $22,445,895 which represents a price of $0.94 to purchase a total credit amount of $23,878,612 ($23,881,000 x 99.99%), based on an annual allocation of $2,388,100 Federal Low-Income Housing tax credits. NEF's proposed equity pay-in schedule is depicted on the following page:

  - 25% at Closing ($5,611,474, amount paid prior to construction completion);
  - 75% at Stabilization & 8609

The final timing and amounts of equity payments at closing and during construction will be agreed upon by NEF and the General Partners prior to closing.

- NEF will require an annual asset management fee of $100 per unit, or $19,500, increasing 3% per annum.

- **Reserves** – NEF will require Capitalized Operating Reserves in an amount to be sized during underwriting; NEF will require annual contributions to the Replacement Reserves account in the amount of no less than $300 per unit, or $58,500, increasing 3% per annum.

- **Guaranties and Adjusters –** NEF will require Jonathan L. Wolf and guarantors acceptable to NEF in its sole discretion to provide guaranties of development completion, operating deficits, and the repurchase of NEF's interest if the project fails to meet basic tax credit benchmarks. The project's partnership agreement will include adjusters to the Limited Partner's capital contributions if there is a change in the agreed upon amounts of total projected tax credits or projected first year credits.

A final determination of our investment will depend upon confirmation of the project's assumptions; a full underwriting of the Project, the development team and their financial statements; the review of plans and specifications; the commitment for all other sources of financing; the development schedule; review of due diligence materials; successful negotiation of the partnership agreement and approval by NEF's Investment Review Committee and by its final tax credit investors.

Sincerely,

Jason Aldridge
Vice President
National Equity Fund

Accepted By:

____

Southwick Commons, Ltd., a Florida limited partnership
By: Southwick Commons GP, LLC, a Florida limited liability company as its General Partner
By: Jonathan L. Wolf, Manager

July 1, 2021

Southwick Commons, Ltd.
c/o Jonathan L. Wolf
Wendover Housing Partners
1105 Kensington Park Drive, Suite 200
Altamonte Springs, FL 32714

Re: Southwick Commons
Orange County, Florida

Dear Mr. Wolf:

Thank you for considering JPMorgan Chase Bank, N.A. ("JPMorgan Chase" or "Lender") as a potential construction and permanent lender for the development of affordable rental housing to be known as **Southwick Commons** and located in Orange County, Florida. We have completed a preliminary review of the materials you have submitted, and the following is a brief outline of the terms that we propose to underwrite for credit approval. Of course, this letter is for discussion purposes only and does not represent a commitment by JPMorgan Chase to provide financing for the project nor an offer to commit, but is rather intended to serve as a basis for further discussion and negotiation should you wish to pursue the proposed transaction. Our interest and preliminary terms are subject to change as our due diligence and discussions with you continue. Such a commitment can only be made after due diligence materials are received, reviewed and approved and credit approval has been obtained.

Facilities:	JPMorgan Chase will purchase tax exempt bonds in the amount **of $28,000,000**, the proceeds of which will fund construction and permanent loans to the Borrower. Upon meeting the conditions required for the permanent period, the Construction Loan will convert to a Permanent Loan in an amount not to exceed **$14,000,000.**
Borrower:	Southwick Commons, Ltd.
Managing Member:	Southwick Commons GP, LLC
Project:	Southwick Commons will consist of an 195-unit affordable rental property that will be targeted towards family-oriented households and located in Apopka, Orange County, Florida.

<u>Construction Loan</u>

Amount:	Approximately $28,000,000; subject to final budget, sources and uses of funds, and LIHTC equity pay-in schedule.
Initial Term:	24 months.
Interest Rate:	Libor (subject to 50 bps Floor) + 210 bps (2.65% as of November 4, 2020).
Commitment Fee:	1% of the loan amount.
Extension Option:	One, conditional, six-month maturity extension.
Extension Fee:	0.25% of the sum of the loan balance and the amount remaining of the original commitment.
Collateral:	First mortgage; other typical pledges and assignments.

Guarantee:	Full payment and completion guarantees and environmental indemnity by guarantors/indemnitor(s) satisfactory to JPMorgan Chase.
Developer Fee:	Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval.
Tax Credit Equity:	At least 15% must be paid in at closing. The identity of the equity investor and pay-in schedule for this transaction must be disclosed and acceptable to the Lender in its sole discretion.
Subordinate Liens:	Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and Impact.
Repayment:	Construction Loan will be repaid from equity funded up to and including conversion to the permanent financing and from the permanent loan.
Loan to Value:	Up to 80% including the value of the real estate and low income housing tax credits.
Contract Bonding:	100% Payment and Performance Bonds from "A" rated surety

Permanent Loan

Amount:	$14,000,000 subject to final underwriting.
Commitment Fee:	1.00% of the Permanent Loan amount payable at Construction Loan closing.
Interest Rate:	The interest rate for the Permanent Loan shall be locked at Construction Loan closing. The applicable interest rate shall be the 10-Year Swap Rate (Subject to 100 Bps Floor, hereby suspended if closing occurs prior to expiration of this LOI) plus 270 bps. Current indicative rate is **3.70%**
Outside Conversion Date:	The Borrower must convert to the Permanent Loan on or before 30 months from Construction Loan closing. This "Outside Conversion Date" is the Construction Loan closing date advanced by the sum of (i) the number of months of the initial Construction Loan term and (ii) the maximum number of months available under the Extension Option.
Failure to Convert to the Permanent Loan:	In the event the Permanent Period does not commence for any reason or does not commence on or before the Outside Conversion Date, the Borrower shall pay Lender a break funding premium equal to the greater of 1.0% of the Permanent Loan commitment amount or yield maintenance.
Permanent Loan Term:	Measured from Construction Loan closing and equal to the sum of (i) the number of months to the Outside Conversion Date and (ii) 180 months (15 years).
Amortization:	35 years
Collateral:	First mortgage; other typical pledges and assignments.

Guarantee:	After conversion, the Permanent Loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.
Loan to Value:	Up to 80% of the stabilized rent-restricted value.
Conversion Requirements:	At least three consecutive calendar months of not less than: • 1.20x debt service coverage ratio (DSCR); 1.15x all-in DSCR including all loans requiring debt service payment, and • 90% economic and physical occupancy. And a pro forma forecast shows in the first ten years following conversion annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of not less than 1.00x. As applicable, commercial income and commercial tenants will be excluded from the DSCR and occupancy requirements.
Prepayment Terms:	Prepayment prior to three years before the Permanent Loan maturity date will be subject to a prepayment fee equal to the greater of 1% of the loan balance or yield maintenance. Thereafter, prepayment will be without premium.
Escrows/Reserves:	Bank controlled escrows required for property taxes, insurance, and replacement reserves. Replacement reserve of $300/unit/year (or such higher amount as required by any other party to the transaction) funded at conversion with 3-month initial deposit. An operating reserve equal to three months of operating expenses and debt service payments, to stay in place for the life of the loan, is required.

We appreciate the opportunity to discuss with you the possibility of providing construction and permanent financing for the proposed project. This letter of interest is for your, and the local governmental agency as well as the tax credit allocating agency's information and use only, and is not to be shown to or relied upon by other parties. **Please note, credit markets are volatile. Loan fees and interest rates are subject to adjustment prior to Construction Loan Closing.** JPMorgan Chase and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transaction described herein or otherwise. JPMorgan Chase and its affiliates may share information about you in connection with the potential transaction or other possible transactions with you. This letter, which expires December 31, 2021, serves as an outline of the principal terms of the proposed facility, and is subject to receipt and satisfactory review of all due diligence materials by Lender and to change as described above. JPMorgan Chase cannot extend any legally binding lending commitment until formal credit approval has been obtained and a commitment letter has been issued.

Sincerely,

JPMorgan Chase Bank, NA

Tammy Haylock-Moore, Authorized Officer

DEVELOPMENT BUDGET- FORECASTED SOURCES & USES OF FUNDS
Southwick Commons - Orange County, FL - Family

			TOTAL BUDGET	*Per Unit*	Construction Period	
SOURCES OF FUNDS						
Tax Exempt Bonds- Permanent Mortgage	Rate	4.00%	$ 14,000,000	*$ 71,795*	$ -	
NHTF	Rate	0.00%	$ 989,000	*$ 5,072*	$ 989,000	
Orange County Trust Funds	Rate	1.00%	$ 2,000,000	*$ 10,256*	$ 2,000,000	
SAIL	Rate	1.00%	$ 7,000,000	*$ 35,897*	$ 7,000,000	
ELI SAIL	Rate	1.00%	$ 600,000	*$ 3,077*	$ 600,000	
Tax Exempt Bonds- Construction Mortgage	Rate	4.25%		*$ -*	$ 26,300,000	
Deferred Developer Fee Note			$ 3,441,706	*$ 17,650*	$ 6,594,633	
TOTAL EQUITY			$ 20,603,903	*$ 105,661*	$ 5,150,976	*25.00%*
TOTAL SOURCES OF FUNDS			**$ 48,634,609**	***$ 249,408***	**$ 48,634,609**	
USES OF FUNDS						
Hard Construction Costs						
New Rental Units			$ 24,570,000	*$ 126,000*	$ 24,570,000	
Site Work			$ 1,500,000	*$ 7,692*	$ 1,500,000	
General Contractor Fees						
Builders Profit			$ 1,564,200	*$ 8,022*	$ 1,564,200	
General Requirements			$ 1,564,200	*$ 8,022*	$ 1,564,200	
General Overhead			$ 521,400	*$ 2,674*	$ 521,400	
Payment & Performance Bond			$ 150,000	*$ 769*	$ 150,000	
TOTAL GC FEES			**$ 3,799,800**	***$ 19,486***	**$ 3,799,800**	
Hard Cost Contingency Reserves			$ 1,485,990	*$ 7,620*	$ 1,485,990	
TOTAL CONSTRUCTION CONTRACT			**$ 31,355,790**	***$ 160,799***	**$ 31,355,790**	
General Development Costs						
Accounting Fees			$ 25,000	*$ 128*	$ 25,000	
Appraisal			$ 10,000	*$ 51*	$ 10,000	
Architect's Fee - Building Design			$ 350,000	*$ 1,795*	$ 350,000	
Architect's Fees - Landscape			$ 50,000	*$ 256*	$ 50,000	
Architects Fees - Supervision			$ 25,000	*$ 128*	$ 25,000	
Builder's Risk Insurance			$ 195,000	*$ 1,000*	$ 195,000	
Building Permit			$ 292,500	*$ 1,500*	$ 292,500	
Engineering Fees			$ 250,000	*$ 1,282*	$ 250,000	
Environmental			$ 25,000	*$ 128*	$ 25,000	
HFC Administrative Fee			$ 202,975	*$ 1,041*	$ 202,975	
HFC Application Fee + TEFRA Fee			$ 3,000	*$ 15*	$ 3,000	
HFC Compliance Fee			$ 220,904	*$ 1,133*	$ 220,904	
HFC Credit Underwriting Fee			$ 23,891	*$ 123*	$ 23,891	
Insurance			$ 100,000	*$ 513*	$ 100,000	
Soft Cost Contingency			$ 125,225	*$ 642*	$ 125,225	
Green Certification / HERS Inspection Costs			$ 40,000	*$ 205*	$ 40,000	
Impact/Utility Connection Fees			$ 1,056,705	*$ 5,419*	$ 1,056,705	
Inspection Fees			$ 30,000	*$ 154*	$ 30,000	
Legal Fees			$ 350,000	*$ 1,795*	$ 350,000	
Market Study			$ 15,000	*$ 77*	$ 15,000	
Marketing/Advertising			$ 125,000	*$ 641*	$ 125,000	
Property Taxes			$ 50,000	*$ 256*	$ 50,000	
Soil Test Report			$ 10,000	*$ 51*	$ 10,000	
Survey			$ 12,000	*$ 62*	$ 12,000	
Title Insurance and Recording Fees			$ 150,000	*$ 769*	$ 150,000	
Personal Property			$ 500,000	*$ 2,564*	$ 500,000	
TOTAL GENERAL DEVELOPMENT COSTS			**$ 4,237,200**	***$ 21,729***	**$ 4,237,200**	
Financial Costs						
Construction & Soft Loan Commitment Fees			$ 76,000	*$ 390*	$ 76,000	
Const. Loan, Soft & Gap Financing Const. Period Int.			$ 1,503,868	*$ 7,712*	$ 1,503,868	
Chase Construction Loan Cost Review & Inspections			$ 50,000	*$ 256*	$ 50,000	
Chase Perm Loan Fee(s)			$ 140,000	*$ 718*	$ 140,000	
Construction Loan Closing Costs			$ 50,000	*$ 256*	$ 50,000	
Permanent Loan Closing Costs			$ 50,000	*$ 256*	$ 50,000	
Equity Closing Costs			$ 50,000	*$ 256*	$ 50,000	
ffordable Housing Trust Fund Loan Commitment Fee			$ 20,000	*$ 103*	$ 20,000	
ffordable Housing Trust Fund Loan Application Fee			$ 5,000	*$ 26*	$ 5,000	
Cost of Issuance/Underwriter			$ 448,992	*$ 2,303*	$ 448,992	
TOTAL FINANCIAL COSTS			**$ 2,393,860**	***$ 12,276***	**$ 2,393,860**	
Developer's Fee			**$ 6,837,633**	***$ 35,065***	**$ 6,837,633**	
Operating Deficit Reserves			$ 460,126	*$ 2,360*	$ 460,126	
Total Land Cost			**$ 3,350,000**	***$ 17,179***	**$ 3,350,000**	
TOTAL USES OF FUNDS			**$ 48,634,609**	***$ 249,408***	**$ 48,634,609**	

Southwick Commons

Cost of Issuance- Tax Exempt Bond Fee Schedule- OCHFA

FEE TYPE	AMOUNT	TOTAL AMOUNT	PAYMENT DUE DATE
Application Fee	10 bps of the bond amount One-time non-refundable fee	$26,300	At time of application
Initial Bond Financing Fee	30 bps of the bond amount One-time non-refundable fee	$78,900	Adoption of Inducement Resolution
Remaining Bond Financing Fee	35 bps of the bond amount One-time non-refundable fee	$92,050	Due at Closing
Construction Period Admin Fees	30 bps of outstanding bond amount $10k annual minimum	$78,900	Paid semi-annually during construction
Third Party Underwriter	$14,492	$14,492	During underwriting
Issuer/Disclosure Counsel Fee	$7,500 + 25 bps of bond amount (minimum $15k) plus expenses	$73,250	Due at Closing
Bond Counsel Fee	$42k for amounts up to $12mm plus 10bps of amount over $12mm	$56,300	Due at Closing
Issuer Financial Advisor Fee	15 bps for first $5mm plus 10bps of amount over $5mm	$28,800	Due at Closing
TOTAL:		**$448,992**	

Southwick Commons UNIT MIX- INCOME LEVELS & RENTS

	AMI	UNIT MATRIX	1BR	2BR	3BR	TOTAL	Income Average
		100%	30.0%	50.0%	20.0%		
			58.5	97.5	39.0		
% Low Income	80%	23.1%	12	24	9	45	
% Low Income	60%	59.0%	35	57	23	115	
% Extemely Low Income	30%	15.4%	9	15	6	30	
% Extemely Low Income	22%	2.6%	2	2	1	5	
TOTAL LOW INCOME		100.00%	58	98	39	195	60.0000000%
TOTAL		100.00%	58	98	39	195	

One Bedroom SF	800 SF
Two Bedroom SF	1,060 SF
Three Bedroom SF	1,257 SF
Statistical Avg family size per bedroom	1.50
Statistical Avg family size per efficiency	1.00
Rent to Income Limit	30%

UNITT MIX	AMI Level	No. of BRs (1-3)	Net Unit Square Footage	Total Square Footage	MAX HUD RENTS	UTILITY ALLOWANCES	NET RENTS PER UNIT	TOTAL MONTHLY RENTS	TOTAL ANNUAL RENTS
12	80%	1BR	800	9,600	$1,146	$51	$1,095	$13,140	$157,680
35	60%	1BR	800	28,000	$859	$51	$808	$28,280	$339,360
9	30%	1BR	800	7,200	$429	$51	$378	$3,402	$40,824
2	22%	1BR	800	1,600	$315	$51	$264	$528	$6,336
24	80%	2BR	1,060	25,440	$1,374	$77	$1,297	$31,128	$373,536
57	60%	2BR	1,060	60,420	$1,030	$77	$953	$54,321	$651,852
15	30%	2BR	1,060	15,900	$515	$77	$438	$6,570	$78,840
2	22%	2BR	1,060	2,120	$378	$77	$301	$602	$7,224
9	80%	3BR	1,257	11,313	$1,588	$95	$1,493	$13,437	$161,244
23	60%	3BR	1,257	28,911	$1,191	$95	$1,096	$25,208	$302,496
6	30%	3BR	1,257	7,542	$595	$95	$500	$3,000	$36,000
1	22%	3BR	1,257	1,257	$437	$95	$342	$342	$4,104
195	TOTAL LOW INCOME			199,303				$179,958	$2,159,496

PROJECTED OPERATING EXPENSES
Southwick Commons - Orange County, FL - Family

ASSUMPTIONS

Forecasted Vacancy - Apartments	**7.00%**
Forecasted Annual Increase in Expenses	**3.00%**
Forecasted Annual Increase in Rents	**2.00%**

	Adjusted Total		*Per Unit*		Pct. of EGI
Effective Gross Income (EGI)	**$**	**2,102,633**	***$***	***10,783***	**100.00%**
Administrative Expenses					
Accounting	$	13,650	*$*	*70*	0.65%
Advertising	$	14,625	*$*	*75*	0.70%
Management Fee	$	105,142	*$*	*539*	5.00%
Office Supplies & Postage	$	14,625	*$*	*75*	0.70%
Payroll & Taxes	$	300,000	*$*	*1,538*	14.27%
Tenant Services	$	14,625	*$*	*75*	0.70%
General Administrative Expenses	$	14,625	*$*	*75*	0.70%
Other	$	-	*$*	-	0.00%
Total Administrative Expenses	**$**	**477,292**	***$***	***2,448***	**22.70%**
Utility Expenses					
Trash Removal	$	24,000	*$*	*123*	1.14%
Elevator	$	-	*$*	-	0.00%
Utilities	$	93,600	*$*	*480*	4.45%
Water & Sewer	$	78,000	*$*	*400*	3.71%
Other Utilty Expenses	$	-	*$*	-	0.00%
Total Utility Expenses	**$**	**195,600**	***$***	***1,003***	**9.30%**
Maintenance Expenses					
Grounds	$	24,000	*$*	*123*	1.14%
Repairs	$	107,250	*$*	*550*	5.10%
Supplies	$	19,500	*$*	*100*	0.93%
Maintenance	$	39,000	*$*	*200*	1.85%
Total Maintenance Expenses	**$**	**189,750**	***$***	***973***	**9.02%**
Fixed Expenses					
Real Estate Tax	$	136,500	*$*	*700*	6.49%
Annual Insurance Premiums	$	97,500	*$*	*500*	4.64%
Total Fixed Expenses	**$**	**234,000**	***$***	***1,200***	11.13%
Total Annual Operating Expenses	**$**	**1,096,642**	***$***	***5,624***	**52.16%**
Replacement Reserves	$	58,500	*$*	*300*	2.78%
Total Operating Costs & Replacement Reserves	**$**	**1,155,142**	***$***	***5,924***	**54.94%**
NET OPERATING INCOME (LOSS)	**$**	**947,491**	***$***	***4,859***	**45.06%**

Southwick Commons - Orange County, FL - Family
PROJECT OPERATING PRO FORMA

2% Annual increase of income
3% Annual increase of expenses

	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
Potential Gross Income	$ 2,159,496	$ 2,202,686	$ 2,246,740	$ 2,291,674	$ 2,337,508	$ 2,384,258	$ 2,431,943	$ 2,480,582	$ 2,530,194	$ 2,580,798	$ 2,632,414	$ 2,685,062	$ 2,738,763	$ 2,793,538	$ 2,849,409
Laundry Income	$ 81,900	$ 83,538	$ 85,209	$ 86,913	$ 88,651	$ 90,424	$ 92,233	$ 94,077	$ 95,959	$ 97,878	$ 99,836	$ 101,832	$ 103,869	$ 105,946	$ 108,065
Late Fees/Other Income	$ 19,500	$ 19,890	$ 20,288	$ 20,694	$ 21,107	$ 21,530	$ 21,960	$ 22,399	$ 22,847	$ 23,304	$ 23,770	$ 24,246	$ 24,731	$ 25,225	$ 25,730
Vacancy/Collection Loss	$ (158,263)	$ (161,428)	$ (164,657)	$ (167,950)	$ (171,309)	$ (174,735)	$ (178,230)	$ (181,794)	$ (185,430)	$ (189,139)	$ (192,921)	$ (196,780)	$ (200,715)	$ (204,730)	$ (208,824)
EFFECTIVE GROSS INCOME	**$ 2,102,633**	**$ 2,144,686**	**$ 2,187,580**	**$ 2,231,331**	**$ 2,275,958**	**$ 2,321,477**	**$ 2,367,907**	**$ 2,415,265**	**$ 2,463,570**	**$ 2,512,841**	**$ 2,563,098**	**$ 2,614,360**	**$ 2,666,647**	**$ 2,719,980**	**$ 2,774,380**
Annual Operating Costs	$ (921,142)	$ (948,776)	$ (977,240)	$ (1,006,557)	$ (1,036,753)	$ (1,067,856)	$ (1,099,892)	$ (1,132,888)	$ (1,166,875)	$ (1,201,881)	$ (1,237,938)	$ (1,275,076)	$ (1,313,328)	$ (1,352,728)	$ (1,393,310)
Property Taxes	$ (136,500)	$ (140,595)	$ (144,813)	$ (149,157)	$ (153,632)	$ (158,241)	$ (162,988)	$ (167,878)	$ (172,914)	$ (178,102)	$ (183,445)	$ (188,948)	$ (194,616)	$ (200,455)	$ (206,468)
Replacement Reserve	$ (58,500)	$ (60,255)	$ (62,063)	$ (63,925)	$ (65,842)	$ (67,818)	$ (69,852)	$ (71,948)	$ (74,106)	$ (76,329)	$ (78,619)	$ (80,978)	$ (83,407)	$ (85,909)	$ (88,486)
TOTAL OPERATING COSTS	**$ (1,116,142)**	**$ (1,149,626)**	**$ (1,184,115)**	**$ (1,219,638)**	**$ (1,256,228)**	**$ (1,293,914)**	**$ (1,332,732)**	**$ (1,372,714)**	**$ (1,413,895)**	**$ (1,456,312)**	**$ (1,500,002)**	**$ (1,545,002)**	**$ (1,591,352)**	**$ (1,639,092)**	**$ (1,688,265)**
NET OPERATING INCOME	**$ 986,491**	**$ 995,060**	**$ 1,003,465**	**$ 1,011,693**	**$ 1,019,730**	**$ 1,027,563**	**$ 1,035,175**	**$ 1,042,551**	**$ 1,049,675**	**$ 1,056,529**	**$ 1,063,097**	**$ 1,069,359**	**$ 1,075,296**	**$ 1,080,888**	**$ 1,086,115**
Debt Service: Permanent Mortgage	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)	$ (743,862)
Debt Service: Orange County Trust Funds	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)	$ (110,375)
Debt Service: SAIL	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)	$ (70,000)
Debt Service: ELI SAIL	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)
OCHFA Admin Fees	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)	$ (42,000)
CASH FLOW	**$ 14,255**	**$ 22,823**	**$ 31,228**	**$ 39,457**	**$ 47,494**	**$ 55,326**	**$ 62,938**	**$ 70,315**	**$ 77,439**	**$ 84,293**	**$ 90,861**	**$ 97,122**	**$ 103,060**	**$ 108,652**	**$ 113,879**
CUMULATIVE CASH FLOW	***$ 14,255***	***$ 37,079***	***$ 68,307***	***$ 107,764***	***$ 155,258***	***$ 210,584***	***$ 273,522***	***$ 343,837***	***$ 421,276***	***$ 505,569***	***$ 596,429***	***$ 693,552***	***$ 796,611***	***$ 905,263***	***$ 1,019,142***
DSC: 1st Mortgage	**1.33**	**1.34**	**1.35**	**1.36**	**1.37**	**1.38**	**1.39**	**1.40**	**1.41**	**1.42**	**1.43**	**1.44**	**1.45**	**1.45**	**1.46**
DSC: Blended	**1.01**	**1.02**	**1.03**	**1.04**	**1.05**	**1.06**	**1.06**	**1.07**	**1.08**	**1.09**	**1.09**	**1.10**	**1.11**	**1.11**	**1.12**

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

DISCUSSION ITEM

MEMORANDUM

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

DATE: September 14, 2021

RE: **CONSIDER APPROVAL OF THE REIMBURSEMENT RESOLUTION FOR MULTI-FAMILY TAX-EXEMPT BONDS APPLICATION, SUBMITTED BY SOMERSET LANDINGS LTD., FOR NEW CONSTRUCTION OF THE PROPOSED SOMERSET LANDINGS APARTMENTS, IN AN AMOUNT, NOT-TO-EXCEED $13,400,000.**
OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

On August 30, 2021, the Authority received a proposal for the Somerset Landings Apartments under the 2021 Open Cycle Allocation Process, submitted by Somerset Landings, Ltd. The Developer is Wendover Housing Partners, LLC. The Open Cycle process allows developers to submit Multi-Family proposals for the Authority's consideration throughout the year, or as long as Volume Cap Allocation remains available. Subsequent to Board approval, staff will engage Professionals and proceed with the underwriting process. The investment banker/Placement Agent is RBC Capital Markets.

CURRENT

The proposal is for the new construction of an 84-unit community. The community will offer one, two and three bedroom units. The proposed development is located at 1410 Halstead Lane, Sanford, FL 32771 – Seminole County (Region 6). The proposed development will consist of twenty-two (22) 1-bd/1-ba; forty (40) 2-bd/2-ba; and twenty-two (22) 3-bd/2-ba, with rents ranging from $200 – $1,603 per month. This proposed development will set-aside 77% of the units for families that earn less than 60% Area Median Income (AMI), and by utilizing Income Averaging (IA), the proposed development will be supported by Project Based Section-8 Voucher Program, with an average AMI of 80%.

The Multi-Family Mortgage Revenue Bonds (or tax-exempt loan) are proposed to be issued in the not-to-exceed amount of $13.4MM. The bonds are anticipated to be long term, and will be privately placed with JP Morgan Chase (lender) and will be unrated. The structure involves tax-exempt bonds in the amount of an estimated $13.4MM, with 4% Tax-Credits of approximately $10.4MM. At construction completion (24-months), the bonds will be paid down to 8.4MM, at conversion to permanent. The projected interest rate is 2.65%. The debt coverage ratio for the proposed development is 1.35, which exceeds the Authority's minimum Threshold Criteria of 1.10. Staff utilized a conservative base approach in determining the debt coverage ratio.

Enclosed for your review are copies of the Pro forma Analysis, Reimbursement Resolution #2021-11 and supporting information.

CONSTRUCTION SOURCES

$ 13,400,000	OCHFA
$ 593,400	National Housing Trust Fund
$ 2,596,783	LIHTC Equity
$ 50,000	Local Contribution
$ 2,800,000	SAIL
$ 600,000	ELI SAIL
$ 3,421,420	Deferred Developer Fee
$23,461,603.00	**TOTAL SOURCES**

ACTION REQUESTED

Board approval of the Reimbursement Resolution (#2021-11) for Multi-Family Tax-Exempt Bonds, for new construction of the proposed Somerset Landings Apartments, not-to-exceed $13.4MM; authorization for staff and Bond Counsel to take the required steps to proceed with the process, and with subsequent submission to the Division of Bond Financing.

PROFORMA ANALYSIS

SOMERSET LANDINGS

9-Sep-2021

SOURCES:

CONSTRUCTION	PERMANENT	
$13,400,000.00		Tax Exempt Bonds
$ 593,400.00	$ 593,400.00	National Housing Trust Funds
$ 50,000.00	$ 50,000.00	Local Contribution
$ 2,800,000.00	$ 2,800,000.00	SAIL
$ 600,000.00	$ 600,000.00	ELI SAIL
$ 3,421,420.00	$ 631,069.00	Deferred Developer Fee
$ 2,596,783.00	$ 10,387,134.00	LIHTC Equity
	$ 8,400,000.00	Chase Permanent Loan
$ 23,461,603.00	**$ 23,461,603.00**	**TOTAL SOURCES**

USES: (TOTAL DEVELOPMENT COSTS)

$ 100,000.00	$ 100,000.00	Land Cost
$ 14,870,980.00	$ 14,870,980.00	Construction Costs
$ 3,331,651.00	$ 3,331,651.00	Total Soft Costs
$ 3,527,292.00	$ 3,527,292.00	Dev. Fee
$ 1,393,437.00	$ 1,393,437.00	Financing Costs
$ 238,243.00	$ 238,243.00	Operating Reserves
$ 23,461,603.00	**$ 23,461,603.00**	**TOTAL USES**

DEBT SERVICE CALCULATION:

1) Permanent Loan

$8,400,000.00	Chase Permanent Loan
3.700%	Rate
15	Term - Years
35	Amortization
$428,361.00	Debt Service/Yearly
$35,697.00	Debt Service/Monthly

2) The following loans will be paid from available cash flow:

Deferred Developer Fees

SAIL Loan from FHFC

SAIL Extremely Low Income Loan From FHFC

NHTF Funds From FHFC

Seminole County Contribution

Orange County Housing Trust Funds

VARIANCE:

Income Analysis:

*Set-Asides: **77% @ 60% or Lower Area Median Income**

Unit/Type: Bd/ Ba	Number of Units	Net Rent	Monthly Income	Annual Income
1/1 (80% AMI)	1	$ 750.00	$750.00	$ 9,000.00
1/1 (80% FMR Voucher)	5	$ 1,061.00	$5,305.00	$ 63,660.00
1/1 (60% FMR Voucher)	10	$ 1,061.00	$10,610.00	$ 127,320.00
1/1 (30% FMR Voucher)	3	$ 1,061.00	$3,183.00	$ 38,196.00
1/1 (30% ACC Voucher)	2	$ 288.00	$576.00	$ 6,912.00
1/1 (22% ACC Voucher)	1	$ 288.00	$288.00	$ 3,456.00
2/2 (80% AMI)	2	$ 878.00	$1,756.00	$ 21,072.00
2/2 (80% FMR Voucher)	7	$ 1,221.00	$8,547.00	$ 102,564.00
2/2 (60% FMR Voucher)	24	$ 1,221.00	$29,304.00	$ 351,648.00
2/2 (30% FMR Voucher)	3	$ 1,221.00	$3,663.00	$ 43,956.00
2/2 (30% ACC Voucher)	3	$ 245.00	$735.00	$ 8,820.00
2/2 (22% ACC Voucher)	1	$ 245.00	$245.00	$ 2,940.00
3/2 (80% AMI)	1	$ 994.00	$994.00	$ 11,928.00
3/2 (80% FMR Voucher)	3	$ 1,603.00	$4,809.00	$ 57,708.00
3/2 (60% FMR Voucher)	15	$ 1,603.00	$24,045.00	$ 288,540.00
3/2 (30% FMR Voucher)	2	$ 1,603.00	$3,206.00	$ 38,472.00
3/2 (22% ACC Voucher)	1	$ 200.00	$200.00	$ 2,400.00
TOTAL	84	$15,543.00	$98,216.00	$ 1,178,592.00

GROSS INCOME	$1,178,592.00
OTHER INCOME	$16,800.00
	$1,195,392.00
Less 5% Vacancy+0% COLLECTION LOSS	$59,770.00
EFFECTIVE GROSS INCOME	**$1,135,622.00**
****TOTAL EXPENSES**	**$ 557,056.00**
NET OPERATING INCOME	**$578,566.00**
ANNUAL DEBT SVC PYMTS	$428,361.00
DEBT COVERAGE RATIO	**1.35**

** Includes annual bond administration fee of $25,200

RESOLUTION NO. 2021-11

A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE ORANGE COUNTY HOUSING FINANCE AUTHORITY TO REIMBURSE ITSELF AND/OR SOMERSET LANDINGS, LTD. FROM THE PROCEEDS OF DEBT FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO A CERTAIN MULTIFAMILY HOUSING PROJECT; AND AUTHORIZING CERTAIN INCIDENTAL ACTIONS.

WHEREAS, in connection with the acquisition, construction and equipping of a certain multifamily housing residential rental facility described herein by the Orange County Housing Finance Authority (the "Issuer") through a loan to Somerset Landings, Ltd. (the "Owner"), the Issuer and the Owner expect to incur expenses for which the Issuer and/or the Owner will advance internal funds; and

WHEREAS, the Issuer intends to reimburse itself and the Owner for all or a portion of such expenses from the proceeds of debt to be issued by the Issuer and loaned to the Owner.

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

1. **Findings**. It is hereby found, ascertained, determined and resolved that:

(a) There is a shortage of low, middle and moderate housing available as rentals in Seminole County, Florida;

(b) This shortage of housing cannot be relieved except through the encouragement of investment by private enterprise;

(c) The financing, acquisition, construction and equipping of rental housing for persons of low, middle, and moderate income in Seminole County, Florida, constitutes a public purpose;

(d) A multifamily housing project consisting of 84 units, to be located approximately 150 feet Southwest of the intersection of Olive Avenue & west 3rd St., Sanford, Florida to be acquired, constructed and equipped by the Owner, to be known as Somerset Landings (the "Development"), will assist in alleviating the shortage of rental housing for residents of Seminole County who are of low, middle and moderate income;

(e) The Owner has requested the Issuer to issue revenue bonds (the "Bonds") in an amount which, together with other available funds, will be sufficient to finance the cost of the acquisition, construction and equipping of the Development and to pay other costs and fees incidental to the issuance of the Bonds. The Bonds are to be secured by certain assets, revenues and moneys described in the trust indenture securing such bonds. By virtue of the provisions of Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury regulations in effect thereunder or under the 1954 Code, the interest on the Bonds will be excludable from gross income for federal income tax purposes if certain criteria fixed by said provisions (the "Tax Requirements") are met;

(f) The Tax Requirements provide, among other things, that if, as in the case of the Development, the original use of a development commences (or the acquisition of a development occurs) on or after the date that obligations are issued to provide such development, an official intent with respect to such obligations must be adopted by the issuer of such obligations within 60 days after the commencement of the construction or acquisition of such development;

(g) The Owner has agreed or will agree (i) to make all units available for rental by members of the general public and (ii) not to rent any unit to the owner of the Development or to any person related (as defined in said Treasury regulations) to such owner.

2. **<u>Declaration of Official Intent</u>**. The Issuer hereby declares its official intent to reimburse itself and the Owner from the proceeds of tax-exempt debt to be incurred by the Issuer or the Owner, respectively, for expenses incurred with respect to the Development within 60 days prior to the date of this Resolution and subsequent to the date of this Resolution. This Resolution is intended as a declaration of official intent under Treasury Regulation § 1.150-2. The tax-exempt debt to be issued to finance the Development is expected not to exceed an aggregate principal amount of $13,400,000.

3. **<u>Further Authorization</u>**. The Issuer hereby authorizes Staff, General Counsel and Bond Counsel to negotiate and prepare a plan of financing and to commence the structuring of a debt instrument or instruments to provide up to $13,400,000 in tax-exempt financing for the Development in order to maintain rental units for persons who are of low, middle, or moderate income in a qualifying housing development, including reimbursement for qualified costs incurred pursuant to Treasury Regulation § 1.150-2. The financing of the qualifying housing development shall, however, be conditioned upon the following:

(a) The plan of financing for the Development shall include a rent schedule to be approved by the Issuer.

(b) The plan of financing shall include tenant age and income restriction provisions in compliance with section 142(d) of the Code.

(c) The Owner shall not discriminate in the use, occupancy or rental of the units against persons or families with children.

(d) Any non-revenue units for Owner use, such as models and manager apartments, must be financed at Owner's expense from other than Bond proceeds.

4. **<u>Conditions</u>**. In the event that the Issuer and the Owner are unable to reach an agreement with respect to the terms and details of the Bonds or the contracts therefor, or if other circumstances prevent the issuance of the Bonds, there shall be no resultant liability on either the Issuer or the Owner nor shall any third party have any rights against either the Issuer or the Owner by virtue of this resolution. The obligation of the Issuer to issue the Bonds pursuant to this Resolution is further conditioned upon the following:

(a) The information contained in the application of the Owner and now on file with the Issuer shall not change in any material respect. Any such material change shall be brought to the attention of the Issuer immediately in writing for further consideration by the Issuer and its General Counsel and Bond Counsel.

(b) A public hearing shall have been conducted as required by Section 147(f) of the Code.

(c) Upon issuance and delivery of the Bonds there shall be delivered to the Issuer an opinion of Bond Counsel to the effect that the Bonds are valid and binding obligations of the Issuer and that interest on the Bonds is excludable from gross income for federal income tax purposes.

(d) The Bonds shall be issued and delivered within 12 months from the date of adoption of this Resolution, unless such date is extended by resolution of the Issuer.

5. Other Conditions. The Owner has agreed to comply with all land use restrictions relating to tax-exempt financing including but not limited to those promulgated pursuant to Section 142(d) of the Code. The Owner acknowledges that the adoption of this resolution in no way implies final approval of the proposed transaction, such transaction being subject to all policies, guidelines and procedures of the Issuer and a majority affirmative vote of its Board.

6. Incidental Action. Any member of the Issuer and General Counsel and Bond Counsel to the Issuer are hereby authorized to take such actions as may be necessary to carry out the purpose of this Resolution.

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7. **Effective Date**. This Resolution shall take effect immediately upon its adoption.

Passed this 6th day of October, 2021.

[S E A L]

ORANGE COUNTY HOUSING FINANCE AUTHORITY

By:___________________________________
Chair/Vice Chair

ATTEST:

____
W.D. Morris, Secretary

APPROVED AS TO LEGAL SUFFICIENCY:

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

National Equity Fund INC
an affiliate of LISC

July 1, 2021

Jonathan L. Wolf
Somerset Landings, Ltd.
1105 Kensington Park Drive, Suite 200
Altamonte Springs, FL 32714

Re: Somerset Landings – Preliminary Commitment

Dear Mr. Wolf:

This letter is a preliminary equity investment commitment from the National Equity Fund, Inc. (NEF) for Somerset Landings ("Project"), a proposed LIHTC, multifamily community which will consist of 84 units that will serve families. The community is located in Sanford, Florida.

NEF, an affiliate of the Local Initiatives Support Corporation (LISC), was incorporated in 1987 with the mission to identify and develop new sources of financing to help provide affordable housing for low income families and to assist non-profit organizations in creating this housing. NEF has worked with 700 local development partners in forming partnerships which acquire, develop, rehabilitate and manage low-income rental housing. Since the enactment of the Federal Low-Income Housing Tax Credit in 1986, NEF has raised more than $10 billion in equity and invested it in more than 2,100 affordable housing projects in 46 states, including Washington, D.C. and Puerto Rico.

Described below are the basic terms, conditions and assumptions of this preliminary commitment:

- The Project will be an 84-unit LIHTC housing development located in Sanford, Florida.

- The project will be owned by Somerset Landings, Ltd.; Somerset Landings GP, LLC and SHA Somerset Landings, LLC will act as Co-General Partners. The Limited Partner will be NEF Assignment Corporation. NEF has reviewed the entities and principals involved.

- NEF proposes to be the Federal Low-Income Housing Tax Credit investor with an equity investment of $10,387,134 which represents a price of $0.94 to purchase a total credit amount of $11,050,142 ($11,051,247 x 99.99%), based on an annual allocation of $1,105,125 Federal Low-Income Housing tax credits. NEF's proposed equity pay-in schedule is depicted on the following page:

  - 25% at Closing ($2,596,783 amount paid prior to construction completion);
  - 75% at Stabilization & 8609

  The final timing and amounts of equity payments at closing and during construction will be agreed upon by NEF and the General Partners prior to closing.

- NEF will require an annual asset management fee of $100 per unit, or $8,400, increasing 3% per annum.

- **Reserves** – NEF will require Capitalized Operating Reserves in an amount to be sized during underwriting; NEF will require annual contributions to the Replacement Reserves account in the amount of no less than $300 per unit, or $25,200, increasing 3% per annum.

- **Guaranties and Adjusters –** NEF will require Jonathan L. Wolf and guarantors acceptable to NEF in its sole discretion to provide guaranties of development completion, operating deficits, and the repurchase of NEF's interest if the project fails to meet basic tax credit benchmarks. The project's partnership agreement will include adjusters to the Limited Partner's capital contributions if there is a change in the agreed upon amounts of total projected tax credits or projected first year credits.

A final determination of our investment will depend upon confirmation of the project's assumptions; a full underwriting of the Project, the development team and their financial statements; the review of plans and specifications; the commitment for all other sources of financing; the development schedule; review of due diligence materials; successful negotiation of the partnership agreement and approval by NEF's Investment Review Committee and by its final tax credit investors.

Sincerely,

Jason Aldridge
Vice President
National Equity Fund

Accepted By:

____

Somerset Landings, Ltd., a Florida limited partnership
By: Somerset Landings GP, LLC, a Florida limited
liability company as its Co-General Partner
By: Jonathan L. Wolf, Manager

July 1, 2021

Somerset Landings, Ltd.
c/o Jonathan L. Wolf
Wendover Housing Partners
1105 Kensington Park Drive, Suite 200
Altamonte Springs, FL 32714

Re: Somerset Landings
Seminole County, Florida

Dear Mr. Wolf:

Thank you for considering JPMorgan Chase Bank, N.A. ("JPMorgan Chase" or "Lender") as a potential construction and permanent lender for the development of affordable rental housing to be known as **Somerset Landings** and located in Seminole County, Florida. We have completed a preliminary review of the materials you have submitted, and the following is a brief outline of the terms that we propose to underwrite for credit approval. Of course, this letter is for discussion purposes only and does not represent a commitment by JPMorgan Chase to provide financing for the project nor an offer to commit, but is rather intended to serve as a basis for further discussion and negotiation should you wish to pursue the proposed transaction. Our interest and preliminary terms are subject to change as our due diligence and discussions with you continue. Such a commitment can only be made after due diligence materials are received, reviewed and approved and credit approval has been obtained.

Facilities:	JPMorgan Chase will purchase tax exempt bonds in the amount **of $13,400,000**, the proceeds of which will fund construction and permanent loans to the Borrower. Upon meeting the conditions required for the permanent period, the Construction Loan will convert to a Permanent Loan in an amount not to exceed **$8,400,000.**
Borrower:	Somerset Landings, Ltd.
Managing Member:	Somerset Landings GP, LLC and SHA Somerset Landings, LLC
Project:	Somerset Landings will consist of an 84-unit affordable rental property that will be targeted towards family-oriented households and located in Sanford, Seminole County, Florida.

Construction Loan

Amount:	Approximately $13,400,000; subject to final budget, sources and uses of funds, and LIHTC equity pay-in schedule.
Initial Term:	24 months.
Interest Rate:	Libor (subject to 50 bps Floor) + 210 bps (2.65% as of November 4, 2020).
Commitment Fee:	1% of the loan amount.
Extension Option:	One, conditional, six-month maturity extension.
Extension Fee:	0.25% of the sum of the loan balance and the amount remaining of the original commitment.

Collateral:	First mortgage; other typical pledges and assignments.
Guarantee:	Full payment and completion guarantees and environmental indemnity by guarantors/indemnitor(s) satisfactory to JPMorgan Chase.
Developer Fee:	Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval.
Tax Credit Equity:	At least 15% must be paid in at closing. The identity of the equity investor and pay-in schedule for this transaction must be disclosed and acceptable to the Lender in its sole discretion.
Subordinate Liens:	Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and Impact.
Repayment:	Construction Loan will be repaid from equity funded up to and including conversion to the permanent financing and from the permanent loan.
Loan to Value:	Up to 80% including the value of the real estate and low income housing tax credits.
Contract Bonding:	100% Payment and Performance Bonds from “A” rated surety

Permanent Loan

Amount:	$8,400,000 subject to final underwriting.
Commitment Fee:	1.00% of the Permanent Loan amount payable at Construction Loan closing.
Interest Rate:	The interest rate for the Permanent Loan shall be locked at Construction Loan closing. The applicable interest rate shall be the 10-Year Swap Rate (Subject to 100 Bps Floor, hereby suspended if closing occurs prior to expiration of this LOI) plus 270 bps. Current indicative rate is **3.70%**
Outside Conversion Date:	The Borrower must convert to the Permanent Loan on or before 30 months from Construction Loan closing. This “Outside Conversion Date” is the Construction Loan closing date advanced by the sum of (i) the number of months of the initial Construction Loan term and (ii) the maximum number of months available under the Extension Option.
Failure to Convert to the Permanent Loan:	In the event the Permanent Period does not commence for any reason or does not commence on or before the Outside Conversion Date, the Borrower shall pay Lender a break funding premium equal to the greater of 1.0% of the Permanent Loan commitment amount or yield maintenance.
Permanent Loan Term:	Measured from Construction Loan closing and equal to the sum of (i) the number of months to the Outside Conversion Date and (ii) 180 months (15 years).
Amortization:	35 years
Collateral:	First mortgage; other typical pledges and assignments.

Guarantee: After conversion, the Permanent Loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

Loan to Value: Up to 80% of the stabilized rent-restricted value.

Conversion Requirements: At least three consecutive calendar months of not less than:

- 1.20x debt service coverage ratio (DSCR); 1.15x all-in DSCR including all loans requiring debt service payment, and
- 90% economic and physical occupancy.

And a pro forma forecast shows in the first ten years following conversion annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of not less than 1.00x.

As applicable, commercial income and commercial tenants will be excluded from the DSCR and occupancy requirements.

Prepayment Terms: Prepayment prior to three years before the Permanent Loan maturity date will be subject to a prepayment fee equal to the greater of 1% of the loan balance or yield maintenance. Thereafter, prepayment will be without premium.

Escrows/Reserves: Bank controlled escrows required for property taxes, insurance, and replacement reserves. Replacement reserve of $300/unit/year (or such higher amount as required by any other party to the transaction) funded at conversion with 3-month initial deposit. An operating reserve equal to three months of operating expenses and debt service payments, to stay in place for the life of the loan, is required.

We appreciate the opportunity to discuss with you the possibility of providing construction and permanent financing for the proposed project. This letter of interest is for your, and the local governmental agency as well as the tax credit allocating agency's information and use only, and is not to be shown to or relied upon by other parties. **Please note, credit markets are volatile. Loan fees and interest rates are subject to adjustment prior to Construction Loan Closing.** JPMorgan Chase and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transaction described herein or otherwise. JPMorgan Chase and its affiliates may share information about you in connection with the potential transaction or other possible transactions with you. This letter, which expires December 31, 2021, serves as an outline of the principal terms of the proposed facility, and is subject to receipt and satisfactory review of all due diligence materials by Lender and to change as described above. JPMorgan Chase cannot extend any legally binding lending commitment until formal credit approval has been obtained and a commitment letter has been issued.

Sincerely,

JPMorgan Chase Bank, NA

Tammy Haylock-Moore, Authorized Officer

DEVELOPMENT BUDGET- FORECASTED SOURCES & USES OF FUNDS
Somerset Landings - Seminole County, FL - Family

			TOTAL BUDGET	*Per Unit*	Construction Period	
SOURCES OF FUNDS						
Tax Exempt Bonds- Permanent Mortgage	Rate	4.00%	$ 8,400,000	*$ 100,000*	$ -	
NHTF	Rate	0.00%	$ 593,400	*$ 7,064*	$ 593,400	
Local Contribution	Rate	1.00%	$ 50,000	*$ 595*	$ 50,000	
SAIL	Rate	1.00%	$ 2,800,000	*$ 33,333*	$ 2,800,000	
ELI SAIL	Rate	1.00%	$ 600,000	*$ 7,143*	$ 600,000	
Tax Exempt Bonds- Construction Mortgage	Rate	4.25%		*$ -*	$ 13,400,000	
Deferred Developer Fee Note			$ 631,069	*$ 7,513*	$ 3,421,419	
TOTAL EQUITY			$ 10,387,134	*$ 123,656*	$ 2,596,783	*25.00%*
TOTAL SOURCES OF FUNDS			**$ 23,461,603**	***$ 279,305***	**$ 23,461,603**	
USES OF FUNDS						
Hard Construction Costs						
New Rental Units			$ 11,340,000	*$ 135,000*	$ 11,340,000	
Site Work			$ 1,000,000	*$ 11,905*	$ 1,000,000	
TOTAL HARD COSTS			**$ 12,340,000**	***$ 146,905***	**$ 12,340,000**	
General Contractor Fees						
Builders Profit			$ 740,400	*$ 8,814*	$ 740,400	
General Requirements			$ 740,400	*$ 8,814*	$ 740,400	
General Overhead			$ 246,800	*$ 2,938*	$ 246,800	
Payment & Performance Bond			$ 100,000	*$ 1,190*	$ 100,000	
TOTAL GC FEES			**$ 1,827,600**	***$ 21,757***	**$ 1,827,600**	
Hard Cost Contingency Reserves			$ 703,380	*$ 8,374*	$ 703,380	
TOTAL CONSTRUCTION CONTRACT			**$ 14,870,980**	***$ 177,035***	**$ 14,870,980**	
General Development Costs						
Accounting Fees			$ 30,000	*$ 357*	$ 30,000	
Appraisal			$ 10,000	*$ 119*	$ 10,000	
Architect's Fee - Building Design			$ 250,000	*$ 2,976*	$ 250,000	
Architect's Fees - Landscape			$ 50,000	*$ 595*	$ 50,000	
Architects Fees - Supervision			$ 25,000	*$ 298*	$ 25,000	
Builder's Risk Insurance			$ 84,000	*$ 1,000*	$ 84,000	
Building Permit			$ 168,000	*$ 2,000*	$ 168,000	
Engineering Fees			$ 250,000	*$ 2,976*	$ 250,000	
Environmental			$ 25,000	*$ 298*	$ 25,000	
HFC Administrative Fee			$ 100,030	*$ 1,191*	$ 100,030	
HFC Application Fee + TEFRA Fee			$ 3,000	*$ 36*	$ 3,000	
HFC Compliance Fee			$ 220,904	*$ 2,630*	$ 220,904	
HFC Credit Underwriting Fee			$ 23,891	*$ 284*	$ 23,891	
Insurance			$ 100,000	*$ 1,190*	$ 100,000	
Soft Cost Contingency			$ 103,600	*$ 1,233*	$ 103,600	
Green Certification / HERS Inspection Costs			$ 40,000	*$ 476*	$ 40,000	
Impact/Utility Connection Fees			$ 708,226	*$ 8,431*	$ 708,226	
Inspection Fees			$ 30,000	*$ 357*	$ 30,000	
Legal Fees			$ 350,000	*$ 4,167*	$ 350,000	
Market Study			$ 15,000	*$ 179*	$ 15,000	
Marketing/Advertising			$ 125,000	*$ 1,488*	$ 125,000	
Survey			$ 20,000	*$ 238*	$ 20,000	
Title Insurance and Recording Fees			$ 100,000	*$ 1,190*	$ 100,000	
Personal Property			$ 500,000	*$ 5,952*	$ 500,000	
TOTAL GENERAL DEVELOPMENT COSTS			**$ 3,331,651**	***$ 39,663***	**$ 3,331,651**	
Financial Costs						
Construction & Soft Loan Commitment Fees			$ 34,500	*$ 411*	$ 34,500	
onst. Loan, Soft & Gap Financing Const. Period Int.			$ 819,445	*$ 9,755*	$ 819,445	
hase Construction Loan Cost Review & Inspections			$ 50,000	*$ 595*	$ 50,000	
Chase Perm Loan Fee(s)			$ 84,000	*$ 1,000*	$ 84,000	
Construction Loan Closing Costs			$ 50,000	*$ 595*	$ 50,000	
Permanent Loan Closing Costs			$ 50,000	*$ 595*	$ 50,000	
Equity Closing Costs			$ 50,000	*$ 595*	$ 50,000	
Cost of Issuance/Underwriter			$ 255,492	*$ 3,042*	$ 255,492	
TOTAL FINANCIAL COSTS			**$ 1,393,437**	***$ 16,589***	**$ 1,393,437**	
Developer's Fee			**$ 3,527,292**	***$ 41,992***	**$ 3,527,292**	
Operating Deficit Reserves			$ 238,243	*$ 2,836*	$ 238,243	
Total Land Cost			**$ 100,000**	***$ 1,190***	**$ 100,000**	
TOTAL USES OF FUNDS			**$ 23,461,603**	***$ 279,305***	**$ 23,461,603**	

Somerset Landings

Cost of Issuance- Tax Exempt Bond Fee Schedule- OCHFA

FEE TYPE	AMOUNT	TOTAL AMOUNT	PAYMENT DUE DATE
Application Fee	10 bps of the bond amount One-time non-refundable fee	$13,400	At time of application
Initial Bond Financing Fee	30 bps of the bond amount One-time non-refundable fee	$40,200	Adoption of Inducement Resolution
Remaining Bond Financing Fee	35 bps of the bond amount One-time non-refundable fee	$46,900	Due at Closing
Construction Period Admin Fees	30 bps of outstanding bond amount $10k annual minimum	$40,200	Paid semi-annually during construction
Third Party Underwriter	$14,492	$14,492	During underwriting
Issuer/Disclosure Counsel Fee	$7,500 + 25 bps of bond amount (minimum $15k) plus expenses	$41,000	Due at Closing
Bond Counsel Fee	$42k for amounts up to $12mm plus 10bps of amount over $12mm	$43,400	Due at Closing
Issuer Financial Advisor Fee	15 bps for first $5mm plus 10bps of amount over $5mm	$15,900	Due at Closing
TOTAL:		**$255,492**	

Somerset Landings

UNIT MIX- INCOME LEVELS & RENTS

		UNIT MATRIX	1BR	2BR	3BR		
		100%	26%	48%	26%	TOTAL	
	AMI	84.0	22.0	40.0	22.0		Income Average
% Low Income	80%	4.8%	1.00	2.00	1.00	4	
% Low Income	80% FMR Voucher	17.9%	5.00	7.00	3.00	15	
% Low Income	60% FMR Voucher	58.3%	10.00	24.00	15.00	49	
% Extemely Low Income	30% FMR Voucher	9.5%	3.00	3.00	2.00	8	
% Extemely Low Income	30% ACC Voucher	6.0%	2.00	3.00	-	5	
% Extemely Low Income	22% ACC Voucher	3.6%	1.00	1.00	1.00	3	
TOTAL LOW INCOME		100.00%	22.0	40.0	22.0	84	59.8809524%
TOTAL		100.00%	22.0	40.0	22.0	84	

One Bedroom SF	800 SF
Two Bedroom SF	1,060 SF
Three Bedroom SF	1,257 SF
Statistical Avg family size per bedroom	1.50
Statistical Avg family size per efficiency	1.00
Rent to Income Limit	30%

UNITT MIX	AMI Level	No. of BRs (1-3)	Net Unit Square Footage	Total Square Footage	GROSS RENTS	UTILITY ALLOWANCES	NET RENTS PER UNIT	TOTAL MONTHLY RENTS	TOTAL ANNUAL RENTS
1	80%	1BR	800	800	$859.00	$109.00	$750.00	$750	$9,000
5	80% FMR Voucher	1BR	800	4,000	$1,170.00	$109.00	$1,061.00	$5,305	$63,660
10	60% FMR Voucher	1BR	800	8,000	$1,170.00	$109.00	$1,061.00	$10,610	$127,320
3	30% FMR Voucher	1BR	800	2,400	$1,170.00	$109.00	$1,061.00	$3,183	$38,196
2	30% ACC Voucher	1BR	800	1,600	$397.00	$109.00	$288.00	$576	$6,912
1	22% ACC Voucher	1BR	800	800	$397.00	$109.00	$288.00	$288	$3,456
2	80%	2BR	1,060	2,120	$1,030.00	$152.00	$878.00	$1,756	$21,072
7	80% FMR Voucher	2BR	1,060	7,420	$1,373.00	$152.00	$1,221.00	$8,547	$102,564
24	60% FMR Voucher	2BR	1,060	25,440	$1,373.00	$152.00	$1,221.00	$29,304	$351,648
3	30% FMR Voucher	2BR	1,060	3,180	$1,373.00	$152.00	$1,221.00	$3,663	$43,956
3	30% ACC Voucher	2BR	1,060	3,180	$397.00	$152.00	$245.00	$735	$8,820
1	22% ACC Voucher	2BR	1,060	1,060	$397.00	$152.00	$245.00	$245	$2,940
1	80%	3BR	1,257	1,257	$1,191.00	$197.00	$994.00	$994	$11,928
3	80% FMR Voucher	3BR	1,257	3,771	$1,800.00	$197.00	$1,603.00	$4,809	$57,708
15	60% FMR Voucher	3BR	1,257	18,855	$1,800.00	$197.00	$1,603.00	$24,045	$288,540
2	30% FMR Voucher	3BR	1,257	2,514	$1,800.00	$197.00	$1,603	$3,206	$38,472
1	22% ACC Voucher	3BR	1,257	1,257	$397.00	$197.00	$200	$200	$2,400
84	TOTAL LOW INCOME			87,654				$98,216	$1,178,592

PROJECTED OPERATING EXPENSES
Somerset Landings - Seminole County, FL - Family

ASSUMPTIONS

Forecasted Vacancy - Apartments	**7.00%**
Forecasted Annual Increase in Expenses	**3.00%**
Forecasted Annual Increase in Rents	**2.00%**

	Annual Total	*Per Unit*	*Pct. of EGI*
Effective Gross Income (EGI)	**$ 1,111,715**	***$ 13,235***	***100.00%***
Administrative Expenses			
Accounting	$ 8,400	*$ 100*	*0.76%*
Advertising	$ 6,300	*$ 75*	*0.57%*
Management Fee	$ 55,596	*$ 662*	*5.00%*
Office Supplies & Postage	$ 8,400	*$ 100*	*0.76%*
Payroll & Taxes	$ 130,000	*$ 1,548*	*11.69%*
Tenant Services	$ 8,400	*$ 100*	*0.76%*
General Administrative Expenses	$ 8,400	*$ 100*	*0.76%*
Other	$ -	*$ -*	*0.00%*
Total Administrative Expenses	**$ 225,496**	***$ 2,684***	***20.28%***
Utility Expenses			
Trash Removal	$ 18,000	*$ 214*	*1.62%*
Utilities	$ 45,360	*$ 540*	*4.08%*
Water & Sewer	$ 33,600	*$ 400*	*3.02%*
Total Utility Expenses	**$ 96,960**	***$ 1,154***	***8.72%***
Maintenance Expenses			
Grounds	$ 12,000	*$ 143*	*1.08%*
Repairs	$ 46,200	*$ 550*	*4.16%*
Supplies	$ 8,400	*$ 100*	*0.76%*
Maintenance	$ 16,800	*$ 200*	*1.51%*
Total Maintenance Expenses	**$ 83,400**	***$ 993***	***7.50%***
Fixed Expenses			
Real Estate Tax	$ 58,800	*$ 700*	*5.29%*
Annual Insurance Premiums	$ 42,000	*$ 500*	*3.78%*
Total Fixed Expenses	**$ 100,800**	***$ 1,200***	*9.07%*
Total Annual Operating Expenses	**$ 506,656**	***$ 6,032***	***45.57%***
Replacement Reserves	$ 25,200	*$ 300*	*2.27%*
Total Operating Costs & Replacement Reserves	**$ 531,856**	***$ 6,332***	***47.84%***
NET OPERATING INCOME (LOSS)	**$ 579,859**	***$ 6,903***	***52.16%***

Somerset Landings - Seminole County, FL - Family
PROJECT OPERATING PRO FORMA

2% annual increase of income
3% annual increase of expenses

	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**
Potential Gross Income	$ 1,178,592	$ 1,202,164	$ 1,226,207	$ 1,250,731	$ 1,275,746	$ 1,301,261	$ 1,327,286	$ 1,353,832	$ 1,380,908	$ 1,408,527	$ 1,436,697	$ 1,465,431	$ 1,494,740	$ 1,524,634	$ 1,555,127
Late Fees/Other Income	$ 16,800	$ 17,136	$ 17,479	$ 17,828	$ 18,185	$ 18,549	$ 18,920	$ 19,298	$ 19,684	$ 20,078	$ 20,479	$ 20,889	$ 21,306	$ 21,733	$ 22,167
Vacancy/Collection Loss	$ (83,677)	$ (85,351)	$ (87,058)	$ (88,799)	$ (90,575)	$ (92,387)	$ (94,234)	$ (96,119)	$ (98,041)	$ (100,002)	$ (102,002)	$ (104,042)	$ (106,123)	$ (108,246)	$ (110,411)
EFFECTIVE GROSS INCOME	**$ 1,111,715**	**$ 1,133,949**	**$ 1,156,628**	**$ 1,179,760**	**$ 1,203,356**	**$ 1,227,423**	**$ 1,251,971**	**$ 1,277,011**	**$ 1,302,551**	**$ 1,328,602**	**$ 1,355,174**	**$ 1,382,277**	**$ 1,409,923**	**$ 1,438,121**	**$ 1,466,884**
Annual Operating Costs	$ (447,856)	$ (461,292)	$ (475,130)	$ (489,384)	$ (504,066)	$ (519,188)	$ (534,763)	$ (550,806)	$ (567,331)	$ (584,350)	$ (601,881)	$ (619,937)	$ (638,536)	$ (657,692)	$ (677,422)
Property Taxes	$ (58,800)	$ (60,564)	$ (62,381)	$ (64,252)	$ (66,180)	$ (68,165)	$ (70,210)	$ (72,317)	$ (74,486)	$ (76,721)	$ (79,022)	$ (81,393)	$ (83,835)	$ (86,350)	$ (88,940)
Replacement Reserve	$ (25,200)	$ (25,956)	$ (26,735)	$ (27,537)	$ (28,363)	$ (29,214)	$ (30,090)	$ (30,993)	$ (31,923)	$ (32,880)	$ (33,867)	$ (34,883)	$ (35,929)	$ (37,007)	$ (38,117)
TOTAL OPERATING COSTS	**$ (531,856)**	**$ (547,812)**	**$ (564,246)**	**$ (581,173)**	**$ (598,609)**	**$ (616,567)**	**$ (635,064)**	**$ (654,116)**	**$ (673,739)**	**$ (693,951)**	**$ (714,770)**	**$ (736,213)**	**$ (758,299)**	**$ (781,048)**	**$ (804,480)**
NET OPERATING INCOME	**$ 579,859**	**$ 586,137**	**$ 592,382**	**$ 598,587**	**$ 604,747**	**$ 610,856**	**$ 616,907**	**$ 622,895**	**$ 628,812**	**$ 634,650**	**$ 640,404**	**$ 646,064**	**$ 651,623**	**$ 657,073**	**$ 662,404**
Debt Service: Permanent Mortgage	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)	$ (446,317)
Debt Service: Local Contribution	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)	$ (500)
Debt Service: SAIL	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)	$ (28,000)
Debt Service: ELI SAIL	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)	$ (6,000)
OCHFA Admin Fees	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)	$ (25,200)
CASH FLOW	**$ 73,842**	**$ 80,120**	**$ 86,365**	**$ 92,570**	**$ 98,730**	**$ 104,839**	**$ 110,890**	**$ 116,878**	**$ 122,795**	**$ 128,633**	**$ 134,387**	**$ 140,047**	**$ 145,606**	**$ 151,056**	**$ 156,387**
CUMULATIVE CASH FLOW	***$ 73,842***	***$ 153,962***	***$ 240,327***	***$ 332,897***	***$ 431,627***	***$ 536,466***	***$ 647,356***	***$ 764,234***	***$ 887,028***	***$ 1,015,662***	***$ 1,150,049***	***$ 1,290,096***	***$ 1,435,703***	***$ 1,586,758***	***$ 1,743,145***
DSC: 1st Mortgage	**1.30**	**1.31**	**1.33**	**1.34**	**1.35**	**1.37**	**1.38**	**1.40**	**1.41**	**1.42**	**1.43**	**1.45**	**1.46**	**1.47**	**1.48**
DSC: Blended	**1.21**	**1.22**	**1.23**	**1.24**	**1.26**	**1.27**	**1.28**	**1.30**	**1.31**	**1.32**	**1.33**	**1.34**	**1.36**	**1.37**	**1.38**

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

DISCUSSION ITEM

MEMORANDUM

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

DATE: September 8, 2021

RE: **CONSIDER APPROVAL OF STAFF'S REQUEST TO INCREASE OCHFA'S SINGLE-FAMILY DOWN-PAYMENT ASSISTANCE (DPA) LOAN PROGRAM FROM $7,500 TO $10,000.**
OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

Enclosed for your review and consideration is a memorandum from David Jones, Financial Advisor (CSG Advisors), analyzing the Authority's current Down-Payment Assistance Loan Program. The analysis reveals that the current DPA amount of $7,500.00, is insufficient to address the financing gap needed to provide homebuyers with sufficient down-payment and closing cost and to increase the competitiveness of the Authority's DPA with that of Florida Housing Finance Corporation (FHFC). Since 2014, OCHFA has been offering $7,500, in DPA.

The analysis shows that over the last five years, home sale/purchase prices have increased dramatically; moreover, in the last 18-months there has been significant impact in housing costs, which is driven by recorded low mortgage rates causing sharp increases in demand, plus an overall lack of new housing inventory, particularity within the purchase price and income limits of the Authority's target population.

Since 2016, the Authority's average borrowers' purchase prices has increased from $159K to $216K – an increase of 35%. The average first mortgage loan size during the same period increased from $156K to $211K – a 35% increase as well. These numbers are reflected in the analysis of the Authority's loan portfolio as provided by David Jones, CSG.

As a percentage of the average purchase price, the OCHFA's current $7,500.00 in DPA has declined from 4.8% to 3.5%. In response to rising home sale prices and other dynamics in the market, several HFAs have recently increased their second mortgage amounts in an effort to provide a similar percentage of down-payment and closing cost assistance as provided in years past (see attached memo).

Specifically, DPA loans remain the primary reason that low and moderate income homebuyers utilize HFAs single-family mortgages. This product, is what attracts homebuyers, lenders and real estate agents to OCHFA's single-family program, with a mission-minded focus of providing adequate down-payment assistance, is vitally important; additionally, the DPA ensures that OCHFA's single-family program remains relevant and attractive in the marketplace. Furthermore, one element of the Authority's continued financial health & strength, is dependent on the origination of new loans that become pooled into mortgage backed securities (MBS); which given its attractive yields, is what much of the Authority's net assets are invested in on a regular basis. Existing MBS are constantly declining in balance due to loan prepayments and refinancing, so adding new loans and MBS' are important to mainlining a sufficient asset base and ongoing interest income to provide financial support for the Authority.

ACTION REQUESTED

Board approval of staff's request to Increase the Authority's Single-Family Down-Payment Assistance (DPA) Loan Program amount from $7,500.00 to $10,000.00.

CSG advisors

Atlanta • Los Angeles • New York • San Francisco

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Atlanta, Georgia 30346
Telephone: (678) 319-1911
Facsimile: (678) 319-1901
E-mail: djones@csgadvisors.com

MEMORANDUM

TO: W.D. Morris, Executive Director

FROM: David Jones

SUBJECT: Orange County Housing Finance Authority
Single Family Mortgage Program
Down Payment Assistance Loan Analysis

DATE: September 3, 2021

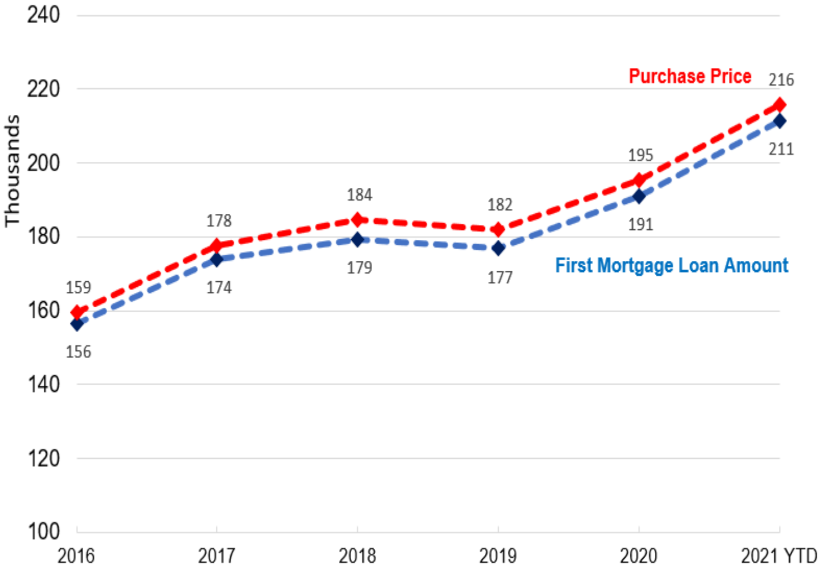
Background

For many years now, in connection with its Low Rate first mortgage loan program, the Authority has offered down payment assistance loans (DPA loans) to its homebuyers used to finance closing costs and down payment assistance. Such DPA loans are non-amortizing 30-year zero percent (0%) deferred second mortgage loans repayable upon sale or refinancing of the mortgaged property, and must be used only for down payment and closing cost assistance with no cash back allowed. The Authority finances such DPA loans with its General Fund monies, and at times, with premium from bond issuances to the extent available. The Authority receives payoffs of such DPA loans in the event the borrower refinances his/her first mortgage loan or sells the property. As existing DPA loans payoff, the Authority uses such funds as well as other available monies to reinvest into future DPA loans.

Single Family Market Dynamics

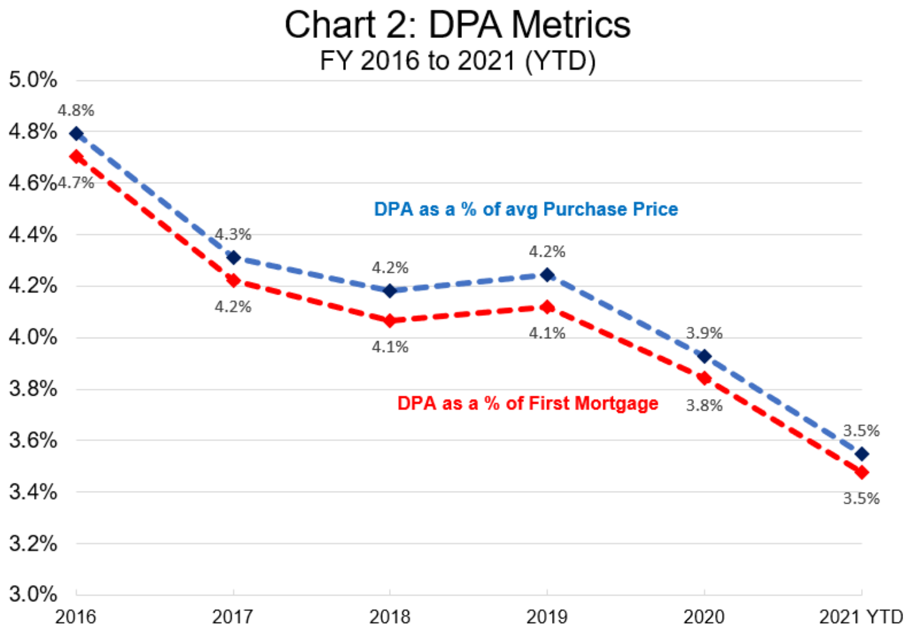
Single family home prices have increased steadily the last 5 years, but even more so the last 18 months driven by record low mortgage rates, sharply higher demand for housing and an overall lack of new housing supply particularly within the home price limits of the Authority. In fact, since FYE 2016, the Authority's average borrower purchase price has increased from $159 thousand to $216 thousand, an increase of 35%. The average first mortgage loan size during that period increased from $156 thousand to $211 thousand, also an increase of 35%. See chart 1 on the right depicting such increases:

Chart 1: Orange Co HFA Program Metrics (Avg)
FY 2016 to 2021 (YTD)



Throughout this period of substantial home price appreciation, the maximum loan amount for the Authority's DPA second mortgage loan has remained $7,500. In fact, the $7,500 maximum second mortgage loan amount has been in place for more than 8 years, with the last increase occurring in FYE 2013 from a $5,000 maximum.

Given the extent to which home prices have increased both in the Authority's operating counties as well as for its actual borrowers, an increase to the maximum second mortgage loan amount is warranted. The DPA second mortgage loan amount as a percentage of the average purchase price has declined from 4.8% to 3.5% since FYE 2016 as shown in Chart 2 below:



In response to rising house prices, several HFAs have recently increased their second mortgage amounts to attempt to provide a similar percentage of down payment and closing cost assistance as provided in years past. Below is an illustrative list of HFAs who and their current maximum down payment loan amounts in their areas of operation, most of which were increased from a $7,500 maximum loan amount:

- Florida Housing (up to $10,000 for its FHA/VA/RD loans)
- Miami-Dade HFA (up to $10,000)
- Pinellas HFA (up to $10,000 in Pinellas County)
- Hillsborough HFA ($15,000 in Hillsborough County, $7,500 in Jacksonville, Clay and Brevard)
- Lee County HFA (up to $10,000 in Palm Beach County)
- Manatee County HFA (up to $10,000)

Currently, because Florida Housing offers a $10,000 DPA loan for its FHA, VA, and RD loans, that product is more attractive than the Authority's program with $7,500 in DPA, which over time will result in more lenders and borrowers choosing Florida Housing's program than the Authority's. In fact, the Authority has seen a slowdown in single family loan reservations the last several months since Florida Housing increased the size of its DPA loans.

Importance of Offering Sufficient Down Payment Assistance
Down payment assistance remains the primary reason that low to moderate income homebuyers look to the Authority for a single family first mortgage. This aspect of the Authority's program is what attracts homebuyers, lenders and real estate agents to the Authority's single family loan program. Ensuring adequate down payment assistance is vitally important from a mission perspective, but also vital to ensure the Authority's single family program remains relevant and attractive in the marketplace. Furthermore, one element of the Authority's continued financial health and strength is dependent on originating new loans that become pooled into mortgage-backed securities (MBS), which given their attractive yields are what much of the Authority's net assets are invested in on a regular basis. Existing MBS are constantly declining in balance due to loan prepayments and refinancings, so adding new loans and MBS are important to maintaining a sufficient asset base and ongoing interest income to support the Authority's operations.

Recommendation
For all of the reasons described above, we recommend that the Authority increase its maximum down payment assistance 2nd mortgage loan amount from $7,500 to $10,000. This modest increase is consistent with the house price appreciation the area has experience in recent years, and also retains the Authority's single family program attractiveness to first-time homebuyers needing such assistance to purchasing their first home.