



# ORANGE COUNTY HOUSING FINANCE AUTHORITY


## AGENDA PACKAGE

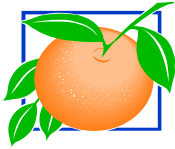
### BOARD OF DIRECTORS' MEETING

**WEDNESDAY, NOVEMBER 2, 2022**

ORANGE COUNTY ADMINISTRATION BUILDING

201 South Rosalind Ave – Orlando, FL 32801 | Commissioners Chambers – 1st Floor





W.D. MORRIS  
EXECUTIVE DIRECTOR

## MEMORANDUM

BOARD OF DIRECTORS

MERCEDES MCCALL  
CHAIR

VERNICE ATKINS-BRADLEY  
VICE CHAIR

SASCHA RIZZO  
BOARD MEMBER

CURTIS HUNTER  
BOARD MEMBER

KENNETH HUGHES  
BOARD MEMBER

TO: Mercedes McCall, Chair, OCHFA  
Vernice Atkins-Bradley, Vice Chair, OCHFA  
Sascha Rizzo, Board of Directors, OCHFA  
Curtis Hunter, Board of Directors, OCHFA  
Kenneth Hughes, 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  
Kate Latorre, Senior Assistant County Attorney – Orange County  
Fred Winterkamp, Manager, Fiscal and Business Services – Orange County  
James Audette, Trustee – USBank

FROM: W.D. Morris, Executive Director

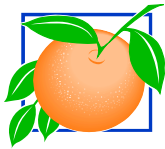
DATE: October 26, 2022

RE: **NOVEMBER 2, 2022 BOARD OF DIRECTORS' AGENDA**

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

Date: **Wednesday, November 2, 2022**  
Time: **8:30 a.m.**  
Location: Orange County Administration Center  
Commissioner's Chambers  
201 Rosalind Avenue - Orlando, Florida 32801

Should 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.



W.D. MORRIS  
EXECUTIVE DIRECTOR

BOARD OF DIRECTORS

MERCEDES MCCALL  
CHAIR

VERNICE ATKINS-BRADLEY  
VICE CHAIR

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BOARD MEMBER

CURTIS HUNTER  
BOARD MEMBER

KENNETH HUGHES  
BOARD MEMBER

OCHFA BOARD OF DIRECTORS' MEETING  
November 2, 2022 ~ 8:30 A.M.

# AGENDA

## PUBLIC COMMENT

## CONSENT AGENDA

### A. GENERAL ADMINISTRATION

1. Adoption of October 2, 2022, Board of Directors Meeting minutes.

Pg. 2-4

### B. EXECUTIVE DIRECTOR'S OFFICE

1. Opportunity Zones Status – No Activity.

Pg. 5

### C. FINANCIAL MANAGEMENT

1. Acknowledgement of the consolidated balance sheet for the Operating Fund; acknowledgement of combined statement of rev(s)/ exp(s)/ changes in retained earnings; acknowledgement of FY 2023, operating fund comparison of budget vs. actual; acknowledgement of FY 2023, operating fund comparison of actual revenues & expenses; acknowledgement summary of OCHFA's operating fund investments.

Pg. 6-16

### D. PROGRAM OPERATIONS

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

Pg. 17-21

Pg. 22-26

## DISCUSSION AGENDA

### A. EXECUTIVE DIRECTOR

1. Consider approval of the Bond Resolution for the proposed Somerset Landings Apartments, not to exceed \$13.4MM.
2. Consider approval of the Authorizing Remarketing Resolution of OCHFA'S Multi-Family Housing Revenues Bonds, 2007 SERIES G (Laurel Oaks Apartments) and 2007 SERIES H (Laurel Oaks Apartments II).
3. Consider approval of the Inducement Resolution for the proposed, Little Turtle (t.b.k.a. Wildflower Oaks), Turtle Oaks (t.b.k.a. Oakley Terrace) and Oakwood Apartments (t.b.k.a. Plateau Village), not to exceed, \$37.390MM.

Pg. 27-88

Pg. 89-117

Pg. 118-143

### B. OTHER BUSINESS

# ORANGE COUNTY HOUSING FINANCE AUTHORITY

## BOARD OF DIRECTORS

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

### OFFICIAL MEETING MINUTES

**Meeting:** Board of Directors Meeting **Date:** Wednesday, October 5, 2022 **Time:** 8:30am  
**Location:** Orange County Administration Center – Commissioners Chambers – 1<sup>st</sup> Fl., 201 S. Rosalind Ave., Orlando, FL.

#### Members

PRESENT

Mercedes McCall  
Chair

Vernice Atkins-Bradley  
Vice Chair

Sascha Rizzo  
Board Member

#### Members

NOT PRESENT

Curtis Hunter  
Board Member

Kenneth Hughes  
Board Member

#### OCHFA Staff

PRESENT

W.D. Morris  
Executive Director

Kayode Adetayo  
Chief Financial Officer

Frantz Dutes  
Staff

Olympia Roman  
Staff

Chaynae Price  
Staff

#### OCHFA Professionals

PRESENT

Mike Watkins  
Bond Counsel, Greenberg Traurig

#### BCC Staff

PRESENT

Danielle Philippe  
Fiscal Business Svcs

**MEETING OPENED:** There being a quorum, Chair, Mercedes McCall, called the meeting to order at 8:33 a.m.

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

### CONSENT AGENDA:

#### ACTION TAKEN

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

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

### A. GENERAL ADMINISTRATION

1. Adoption of September 7, 2022, Regular Board of Directors Meeting minutes.
2. Adoption of September 14, 2022, Ad Hoc Committee Meeting minutes.

### B. EXECUTIVE DIRECTOR'S OFFICE

1. Adoption of OCHFA's Operating Budget for Fiscal Year '22/ '23.
2. Opportunity Zone 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 2022, operating fund comparison of budget vs. actual; acknowledgement of FY 2022, 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

**CONSIDER APPROVAL OF REIMBURSEMENT RESOLUTION FOR THE PROPOSED CATCHLIGHT CROSSINGS – PHASE III – APARTMENTS, NOT-TO-EXCEED \$25MM**

W.D. Morris, addressed the board regarding consideration of a Reimbursement (Inducement) Resolution for Multi-Family Tax-Exempt Bonds, for the proposed Catchlight Crossings – Phase III – Apartments, not-to-exceed of \$25,000,000. He stated that on April 12, 2022, the Authority received a proposal for the Catchlight Crossings – Phase III – Apartments under the 2022 Open Cycle Allocation Process, submitted by WHFT Affordable III, Ltd. He then stated that proposal is for the new construction of affordable/ workforce housing, consisting of new construction of a 150-unit community; and that the proposed development is located at Destination Pkwy, Orlando – Orange County (Region 14). He also stated that the community would offer, forty-five (45) 1-bd/1-ba; seventy-four (74) 2-bd/2-ba; and thirty-one (31) 3-bd/2-ba, with rents ranging from \$384 – \$1,589 per month; and that this proposed development will set-aside 100% of the units for families that earn 60% or less of the Area Median Income (AMI), by utilizing Income Averaging (IA).

Mr. Morris stated that the proposed development is a partnership among a major employer, a private developer and Orange County government, to provide 1,000-units of workforce housing; and that development will be built in four or five phases to accommodate the various phases of financing.

**RESOLUTION NO. 2022-03**

**A RESOLUTION DECLARING THE OFFICIAL INTENT OF ORANGE COUNTY HOUSING FINANCE AUTHORITY TO REIMBURSE ITSELF AND/OR WHFT AFFORDABLE III, LTD. AND/OR WHFT AFFORDABLE IV, LTD. AND/OR THEIR RESPECTIVE AFFILIATES FROM THE PROCEEDS OF DEBT FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO A CERTAIN MULTIFAMILY HOUSING PROJECT IN ONE OR MORE PHASES; AND AUTHORIZING CERTAIN INCIDENTAL ACTIONS.**

**ACTION TAKEN**

*There being no discussion, the Board approved Reimbursement (Inducement) Resolution (#2022-03) for Multi-Family Tax-Exempt Bonds, for new construction of the proposed Catchlight Crossings – Phase III – Apartments, not-to-exceed \$25MM; 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 at the appropriate time.*

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

**CONSIDER APPROVAL OF REIMBURSEMENT RESOLUTION FOR THE PROPOSED CATCHLIGHT CROSSINGS – PHASE IV – APARTMENTS, NOT-TO-EXCEED \$25MM**

W.D. Morris, addressed the board regarding consideration of a Reimbursement (Inducement) Resolution for Multi-Family Tax-Exempt Bonds, for the proposed Catchlight Crossings – Phase IV – Apartments, not-to-exceed of \$25,000,000. He stated that on April 12, 2022, the Authority received a proposal for the Catchlight Crossings – Phase IV – Apartments under the 2022 Open Cycle Allocation Process, submitted by WHFT Affordable III, Ltd. He then stated that proposal is for the new construction of affordable/ workforce housing, consisting of new construction of a 150-unit community; and that the proposed development is located at Destination Pkwy, Orlando – Orange County (Region 14). He also stated that the community would offer, forty-five (45) 1-bd/1-ba; seventy-four (74) 2-bd/2-ba; and thirty-one (31) 3-bd/2-ba, with rents ranging from \$384 – \$1,589 per month; and that this proposed development will set-aside 100% of the units for families that earn 60% or less of the Area Median Income (AMI), by utilizing Income Averaging (IA).

Mr. Morris stated that the proposed development is a partnership among a major employer, a private developer and Orange County government, to provide 1,000-units of workforce housing; and that development will be built in four or five phases to accommodate the various phases of financing. He also stated that Phase IV of the proposed development is identical to Phase III in every aspect and both are covered under the same Resolution.

**RESOLUTION NO. 2022-03**  
**A RESOLUTION DECLARING THE OFFICIAL INTENT OF ORANGE COUNTY HOUSING FINANCE AUTHORITY TO REIMBURSE ITSELF AND/OR WHFT AFFORDABLE III, LTD. AND/OR WHFT AFFORDABLE IV, LTD. AND/OR THEIR RESPECTIVE AFFILIATES FROM THE PROCEEDS OF DEBT FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO A CERTAIN MULTIFAMILY HOUSING PROJECT IN ONE OR MORE PHASES; AND AUTHORIZING CERTAIN INCIDENTAL ACTIONS.**

**ACTION TAKEN**

*There being no discussion, the Board approved Reimbursement (Inducement) Resolution (#2022-03) for Multi-Family Tax-Exempt Bonds, for new construction of the proposed Catchlight Crossings – Phase IV – Apartments, not-to-exceed \$25MM; 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 at the appropriate time.*

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

**OTHER BUSINESS**

**SOUTHWICK COMMONS APARTMENTS**

Mr. Morris asked Bond Counsel, Mike Watkins to provide the Board with an update regarding Southwick Commons Apartments. Mr. Watkins addressed the Board by apprising them of litigation findings regarding City of Apopka and Wendover Housing Partners (Developer for Southwick Commons Apartments).

**HUMAN RESOURCES**

Chair McCall asked staff about the Human Resources issue related to the Authority's FY'22/'23 Operating Budget. Mr. Morris stated that he was working with a human resources firm, generating the information necessary to implement the Board's directive.

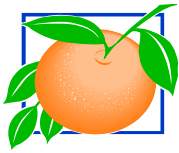
**ADJOURNMENT**

There being no further business, Mercedes McCall – Chair, adjourned the meeting at 8:51 a.m.

**ATTEST:**

\_\_\_\_\_  
**W.D. MORRIS**  
EXECUTIVE DIRECTOR

\_\_\_\_\_  
**MERCEDES F. McCALL**  
CHAIR



**ORANGE COUNTY**  
**HOUSING FINANCE AUTHORITY**

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**D. MORRIS**  
*EXECUTIVE DIRECTOR*

**CONSENT**

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**BOARD OF DIRECTORS**

**MERCEDES MCCALL**  
*CHAIR*

**VERNICE ATKINS-BRADLEY**  
*VICE CHAIR*

**SASCHA RIZZO**  
*BOARD MEMBER*

**CURTIS HUNTER**  
*BOARD MEMBER*

**KENNETH HUGHES**  
*BOARD MEMBER*

**MEMORANDUM**

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	October 25, 2022
RE:	<b>OPPORTUNITY ZONES STATUS</b> NOVMEBER 2, 2022 REGULAR BOARD OF DIRECTORS' MEETING

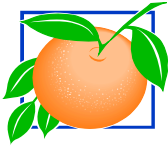
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**CURRENT**

- No Activity -

**ACTION REQUESTED**

**-information only-**



**W.D. MORRIS**  
EXECUTIVE DIRECTOR

**CONSENT ITEM**

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**BOARD OF DIRECTORS**

**MERCEDES MCCALL**  
CHAIR

**VERNICE ATKINS-BRADLEY**  
VICE CHAIR

**SASCHA RIZZO**  
BOARD MEMBER

**CURTIS HUNTER**  
BOARD MEMBER

**KENNETH HUGHES**  
BOARD MEMBER

## MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	October 21, 2022
RE:	<b>OCHFA CONSOLIDATED BALANCE SHEET FOR THE OPERATING FUND FOR THE PERIOD ENDING SEPTEMBER 30, 2022.</b> NOVEMBER 2, 2022 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 2.204% interest income on all investments.



# Orange County Housing Finance Authority

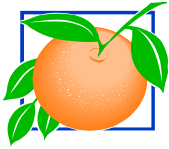
## Operating Fund Balance Sheet

As of September 30, 2022

	GENERAL FUND	LOW INCOME HOUSING FUND	HOMEOWNERSHIP ASSISTANCE FUND	COMBINED TOTALS
Assets				
Cash	8,266,583.94	1,300,103.21	3,058,614.85	12,625,302.00
***** Investments	6,836,531.25	0.00	240,705.79	7,077,237.04
GNMA/FNMA Securities	14,084,345.22	0.00	0.00	14,084,345.22
Accounts Receivable	330,868.32	0.00	41,633.65	372,501.97
Loan Receivable	110,229.86	0.00	0.00	110,229.86
Notes Receivable	666,493.71	24,200.00	0.00	690,693.71
S/F 2014 A GNMA Collateral / Rcvbl	4,060,955.67	0.00	0.00	4,060,955.67
GF - FHLB GNMA Collateral / Rcvbl	836,526.77	0.00	0.00	836,526.77
Mortgage Receivable	0.00	323,569.84	4,205,678.90	4,529,248.74
**** Allowance for Doubtful Accounts	0.00	(313,526.89)	(1,324,413.79)	(1,637,940.68)
Mortgage & GNMA/FNMA Income Receivable	3,352,607.63	0.00	0.00	3,352,607.63
Deferred FRS Pension Contributions	249,278.00	0.00	0.00	249,278.00
Interfund Receivable/Payable	16,464,345.64	4,775,793.63	(8,200,578.35)	13,039,560.92
Prepaid Expenses	45,339.95	0.00	0.00	45,339.95
Fixed Assets	262,778.55	0.00	0.00	262,778.55
<b>Total Assets</b>	<b>55,566,884.51</b>	<b>6,110,139.79</b>	<b>(1,978,358.95)</b>	<b>59,698,665.35</b>
Current liabilities:				
Other Payables	216,652.90	0.00	0.00	216,652.90
FRS Net Pension Liability	955,951.00	0.00	0.00	955,951.00
Accounts Payables	302,478.20	0.00	0.00	302,478.20
<b>Total liabilities</b>	<b>1,475,082.10</b>	<b>0.00</b>	<b>0.00</b>	<b>1,475,082.10</b>
Retained Earnings Previous Period	51,599,534.57	6,097,486.50	(1,983,161.08)	55,713,859.99
Net Income (Loss)	2,492,267.84	12,653.29	4,802.13	2,509,723.26
<b>Total Liabilities &amp; Retained Earnings</b>	<b>55,566,884.51</b>	<b>6,110,139.79</b>	<b>(1,978,358.95)</b>	<b>59,698,665.35</b>

\*\*\*\* 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 \$1,052,917.14 difference between the GNMA'S book value and market value recorded at 9/30/2021 (GASB 31).



**W.D. MORRIS**  
*EXECUTIVE DIRECTOR*

**CONSENT ITEM**

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**BOARD OF DIRECTORS**

**MERCEDES MCCALL**  
*CHAIR*

**VERNICE ATKINS-BRADLEY**  
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**KENNETH HUGHES**  
*BOARD MEMBER*

## MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	October 21, 2022
RE:	<b>OCHFA COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS FOR THE PERIOD ENDING SEPTEMBER 30, 2022.</b> NOVEMBER 2, 2022 REGULAR BOARD OF DIRECTORS' MEETING.

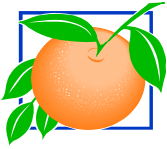
Attached for your review are the OCHFA's Operating Fund Statement of Revenues, Expenses, and Changes in Retained Earnings. The Operating Fund includes all funds namely: the General Fund, the Low Income Housing Fund, and the Homeownership Assistance Program Fund.

Attachments

**Orange County Housing Finance Authority**  
**Combined Statement of Revenues, Expenses, and Changes in Retained Earnings**  
For The Year Ending September 30, 2022

**Operating Fund**

	General Fund	Low Income Hsg Fund	Homeownership Assistance Fund	Current YTD
Revenue:				
Administrative Fees	1,418,142.68	0.00	0.00	1,418,142.68
Bond Financing Fees	1,792,850.00	0.00	0.00	1,792,850.00
Intra Fund Revenue	57,324.05	0.00	0.00	57,324.05
Gain on the Sale of GNMA's	11,020.24	0.00	0.00	11,020.24
Other Revenue	45,359.64	12,653.29	3,000.00	61,012.93
Other Fees and Residual Income	57,832.37	0.00	0.00	57,832.37
Investment Income	8,718.24	0.00	376.49	9,094.73
Income from Loans, GNMA's	839,687.94	0.00	9,520.43	849,208.37
<b>Total Revenues</b>	<b>4,230,935.16</b>	<b>12,653.29</b>	<b>12,896.92</b>	<b>4,256,485.37</b>
Expenses				
General and Administrative	1,699,471.16	0.00	8,094.79	1,707,565.95
Rebate Expense	900.00	0.00	0.00	900.00
Other Expenses	38,296.16	0.00	0.00	38,296.16
<b>Total Expenses</b>	<b>1,738,667.32</b>	<b>0.00</b>	<b>8,094.79</b>	<b>1,746,762.11</b>
<b>Net Income (Loss)</b>	<b>2,492,267.84</b>	<b>12,653.29</b>	<b>4,802.13</b>	<b>2,509,723.26</b>
Retained Earnings Beginning of Year	51,599,534.57	6,097,486.50	-1,983,161.08	55,713,859.99
<b>Retained Earnings End of Year</b>	<b>54,091,802.41</b>	<b>6,110,139.79</b>	<b>(1,978,358.95)</b>	<b>58,223,583.25</b>



**W.D. MORRIS**  
*EXECUTIVE DIRECTOR*

**CONSENT ITEM**

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**BOARD OF DIRECTORS**

**MERCEDES MCCALL**  
*CHAIR*

**VERNICE ATKINS-BRADLEY**  
*VICE CHAIR*

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## MEMORANDUM

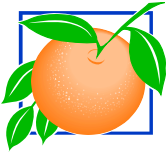
TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	October 21, 2022
RE:	<b>OCHFA FISCAL YEAR 2022 OPERATING FUND – COMPARISON OF BUDGET VS. ACTUAL AS OF SEPTEMBER 30, 2022.</b> NOVEMBER 2, 2022 REGULAR BOARD OF DIRECTORS' MEETING

Attached for your attention is the comparison of the Budgeted Revenues and Expenses for Fiscal Year 2022 vs. the Actual Revenues and Expenses for the period ending September 30, 2022.

Attachments

<b>Orange County Housing Finance</b>				
<b>Statement of Earnings</b>				
For The Year Ending September 30, 2022				
	<b>Fiscal Year 2022</b>	<b>Year To Date</b>	<b>Budget</b>	<b>%age</b>
	<b>Budget</b>	<b>Revenue</b>	<b>Remaining</b>	<b>Budget</b>
		<b>Received</b>	<b>YTD</b>	<b>Remaining YTD</b>
Revenue:				
2014 SERIES A	\$7,751	\$6,810	\$941	12%
2017 SERIES A	\$14,887	\$10,015	\$4,872	33%
2018 SERIES A	\$18,016	\$11,064	\$6,952	39%
2020 SERIES A	\$5,893	\$6,084	(\$191)	-3%
2020 SERIES B	\$285,644	\$494,241	(\$208,597)	-73%
CHARLESTON CLUB APTS	\$17,100	\$0	\$17,100	100%
HANDS 2001 F	\$8,120	\$9,185	(\$1,065)	-13%
THE LANDINGS ON MILLENIA	\$22,220	\$21,270	\$950	4%
LEE VISTA APARTMENTS	\$33,900	\$32,850	\$1,050	3%
COVE AT LADY LAKE	\$22,455	\$21,705	\$750	3%
LAKESIDE POINTE APARTMENTS	\$16,890	\$16,440	\$450	3%
LAKE HARRIS COVE APTS	\$15,582	\$0	\$15,582	100%
MARBELLA COVE	\$12,555	\$28,833	(\$16,278)	-130%
MARBELLA POINTE	\$22,950	\$44,425	(\$21,475)	-94%
OVIEDO TOWN CENTER PHASE I	\$15,390	\$14,933	\$458	3%
OVIEDO TOWN CENTER PHASE II	\$10,000	\$10,000	\$0	0%
OVIEDO TOWN CENTER PHASE III	\$10,000	\$10,000	\$0	0%
OVIEDO TOWN CENTER PHASE IV	\$10,000	\$10,000	\$0	0%
LAUREL OAKS I	\$22,710	\$22,380	\$330	1%
LAUREL OAKS II	\$20,970	\$20,670	\$300	1%
ROLLING ACRES I	\$10,038	\$10,000	\$38	0%
ROLLING ACRES II	\$10,000	\$10,000	\$0	0%
FOUNTAINS @ MILLENIA II	\$10,000	\$10,000	\$0	0%
FOUNTAINS @ MILLENIA III	\$9,800	\$10,000	(\$200)	-2%
FOUNTAINS @ MILLENIA IV	\$11,125	\$10,988	\$138	1%
SOUTHWINDS	\$15,375	\$15,000	\$375	2%
POST VISTA POST FOUNTAINS	\$16,305	\$18,370	(\$2,065)	-13%
SPRING LAKE COVE I	\$9,975	\$10,000	(\$25)	0%
SPRING LAKE COVE II	\$10,000	\$10,000	\$0	0%
CHATHAM HARBOR APTS	\$68,040	\$68,040	\$0	0%
CRESTWOOD APARTMENTS	\$18,270	\$18,000	\$270	1%
LAKE SHERWOOD APARTMENTS	\$15,450	\$15,210	\$240	2%
OAK HARBOR APARTMENTS	\$21,210	\$21,105	\$105	0%
RIVER RIDGE APARTMENTS	\$27,720	\$27,300	\$420	2%
SEVILLE PLACE APARTMENTS	\$18,930	\$18,630	\$300	2%
NASSAU BAY APARTMENTS	\$106,108	\$105,694	\$414	0%
BUCHANAN BAY	\$38,719	\$38,336	\$382	1%
WESTWOOD PARK APTS	\$49,440	\$49,404	\$36	0%
VISTA PINES APTS	\$65,949	\$65,909	\$41	0%
LAKE WESTON POINT APTS	\$51,469	\$51,060	\$409	1%
CHAPEL TRACE APARTMENTS	\$38,415	\$38,178	\$237	1%
HANDS	\$4,420	\$3,995	\$425	10%
ALHAMBRA TRACE APTS	\$2,140	\$2,020	\$120	6%
BOND FINANCING FEES	\$187,500	\$1,792,850	(\$1,605,350)	-856%
TRANSFER IN	\$0	\$57,324	(\$57,324)	
GAIN ON SALE OF GNMA'S	\$50,000	\$11,020	\$38,980	78%
OTHER REVENUES	\$125,700	\$15,653	\$110,046	88%
OTHER REVENUE TBA	\$0	\$45,360	(\$45,360)	
DEFERRED REVENUE AMORTIZATION	\$0	\$57,832	(\$57,832)	
INV INCOME	\$4,194	\$9,095	(\$4,901)	-117%
FHLB HELD SECURITIES GNMA/FNMA INCOME	\$0	\$59,359	(\$59,359)	
MORTGAGE INCOME HFA OF WINTER PARK	\$9,000	\$3,137	\$5,863	65%
INTEREST INCOME ON WESTLAKES PHASE I	\$7,500	\$6,785	\$715	10%
MORTGAGE INCOME CITY VIEW LOAN PARTICIPATION	\$4,000	\$10,483	(\$6,483)	-162%
GNMA/FNMA INCOME	\$839,494	\$376,320	\$463,174	55%
MASTER ACC FUND GNMA/FNMA INCOME	\$0	\$383,605	(\$383,605)	
2006 A DPA MORTGAGE INTEREST	\$600	\$170	\$430	72%
2006 A 1 DPA MORTGAGE INTEREST	\$2,100	\$88	\$2,012	96%
2007 A DPA MORTGAGE INTEREST	\$10,300	\$5,598	\$4,702	46%

2007 B DPA MORTGAGE INTEREST	\$10,300	\$3,551	\$6,749	66%
2009 A NIBP DPA MORTGAGE INTEREST	\$500	\$112	\$388	78%
	\$2,473,117	\$4,256,485	(\$1,783,369)	-72%
	<b>Fiscal Year 2022</b>	<b>Year To Date</b>	<b>Budget</b>	<b>%age</b>
	<b>Budget</b>	<b>Expenses</b>	<b>Remaining</b>	<b>Budget</b>
		<b>Incurred</b>	<b>YTD</b>	<b>Remaining YTD</b>
Costs and expenses:				
SALARIES AND WAGES	\$946,932	\$931,546	\$15,386	2%
SHIPPING	\$2,500	\$1,819	\$681	27%
TRAVEL/CONFERENCE/ TRAINING	\$36,000	\$34,399	\$1,601	4%
CASUAL LABOR/STUDENT ASST.	\$3,000	\$0	\$3,000	100%
OFFICE MAINTENANCE	\$19,000	\$23,400	(\$4,400)	-23%
BUILDING MAINTENANCE	\$16,000	\$9,945	\$6,055	38%
TELEPHONE	\$28,000	\$19,146	\$8,854	32%
POSTAGE	\$3,000	\$1,324	\$1,676	56%
OFFICE SUPPLIES	\$5,000	\$4,147	\$853	17%
OFFICE FURNITURE	\$1,000	\$0	\$1,000	100%
PUBLICATIONS	\$2,000	\$1,486	\$514	26%
PRINTING/ANNUAL REPORT	\$6,500	\$4,708	\$1,792	28%
EQUIPMENT / COMPUTER / PRINTER	\$9,000	\$15,794	(\$6,794)	-75%
MARKETING	\$20,000	\$20,350	(\$350)	-2%
WEB SITE DESIGN & DEV/MAINT	\$0	\$819	(\$819)	
CONTRACTOR SERVICES	\$22,000	\$11,619	\$10,381	47%
SEMINARS/EDUCATION	\$15,000	\$0	\$15,000	100%
EMPLOYEE BENEFITS HEALTH/LIFE	\$142,000	\$148,031	(\$6,031)	-4%
UNEMPLOYMENT COMPENSATION	\$2,000	\$0	\$2,000	100%
OTHER INSURANCE & TAXES	\$1,200	\$0	\$1,200	100%
ANNUAL AUDIT	\$53,000	\$49,500	\$3,500	7%
LEGAL ADVERTISING	\$4,000	\$2,774	\$1,226	31%
LEGAL FEES	\$10,000	\$4,887	\$5,113	51%
MEMBERSHIP	\$7,500	\$6,275	\$1,225	16%
PAYROLL TAXES	\$72,440	\$68,095	\$4,345	6%
MISCELLANEOUS EXPENSE	\$12,000	\$6,925	\$5,075	42%
LOSS ON DPA FORECLOSURES	\$30,000	\$0	\$30,000	100%
FLORIDA RETIREMENT SYSTEM	\$102,458	\$108,885	(\$6,427)	-6%
457 DEFERRED COMP EMPLOYER CONTRIBUTION EXP	\$47,347	\$46,170	\$1,177	2%
LIMITED HRA	\$10,500	\$9,300	\$1,200	11%
TERM LEAVE	\$15,000	\$0	\$15,000	100%
FILE STORAGE	\$2,400	\$2,130	\$270	11%
LOCAL MILEAGE REIMBURSEMENT	\$2,000	\$439	\$1,561	78%
EQUIPMENT MAINTENANCE	\$5,000	\$2,726	\$2,274	45%
INSURANCE COVERAGES	\$70,000	\$52,580	\$17,420	25%
RESERVE FOR REPLACEMENT BLDG	\$5,000	\$0	\$5,000	100%
FHLB LOAN INTEREST COLLATERAL EXP	\$0	\$360	(\$360)	
FINANCIAL ADVISORY SERVICES	\$12,000	\$2,234	\$9,766	81%
PERFORMANCE AWARD PROGRAM	\$96,753	\$110,395	(\$13,642)	-14%
ADMINISTRATIVE EXP. TRUSTEE	\$0	\$5,360	(\$5,360)	
CUSTODY FEE	\$5,500	\$0	\$5,500	100%
ADMIN EXPENSE BANK/TRUSTEE	\$1,000	\$0	\$1,000	100%
REBATE FEE EXPENSE	\$6,000	\$900	\$5,100	85%
OPERATING CONTINGENCY RESERVE	\$20,000	\$0	\$20,000	100%
1994 EXCESS GNMA INTEREST EXP	\$0	\$326	(\$326)	
1995 EXCESS GNMA INTEREST EXP	\$0	\$173	(\$173)	
LOSS ON SALE	\$0	\$37,797	(\$37,797)	
	\$1,870,030	\$1,746,762	\$123,268	7%



CONSENT ITEM

**W.D. MORRIS**  
EXECUTIVE DIRECTOR

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## MEMORANDUM

### BOARD OF DIRECTORS

**MERCEDES MCCALL**  
CHAIR

**VERNICE ATKINS-BRADLEY**  
VICE CHAIR

**SASCHA RIZZO**  
BOARD MEMBER

**CURTIS HUNTER**  
BOARD MEMBER

**KENNETH HUGHES**  
BOARD MEMBER

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	October 21, 2022
RE:	<b>OCHFA FISCAL YEAR 2022, OPERATING FUND – COMPARISON OF ACTUAL REVENUES AND EXPENSES FOR THE PERIODS ENDING SEPTEMBER 30, 2021 AND SEPTEMBER 30, 2022.</b> NOVEMBER 2, 2022 REGULAR BOARD OF DIRECTORS' MEETING

Attached for your review is the comparison of the Actual Revenues and Expenses for the periods ending September 30, 2021 and September 30, 2022.

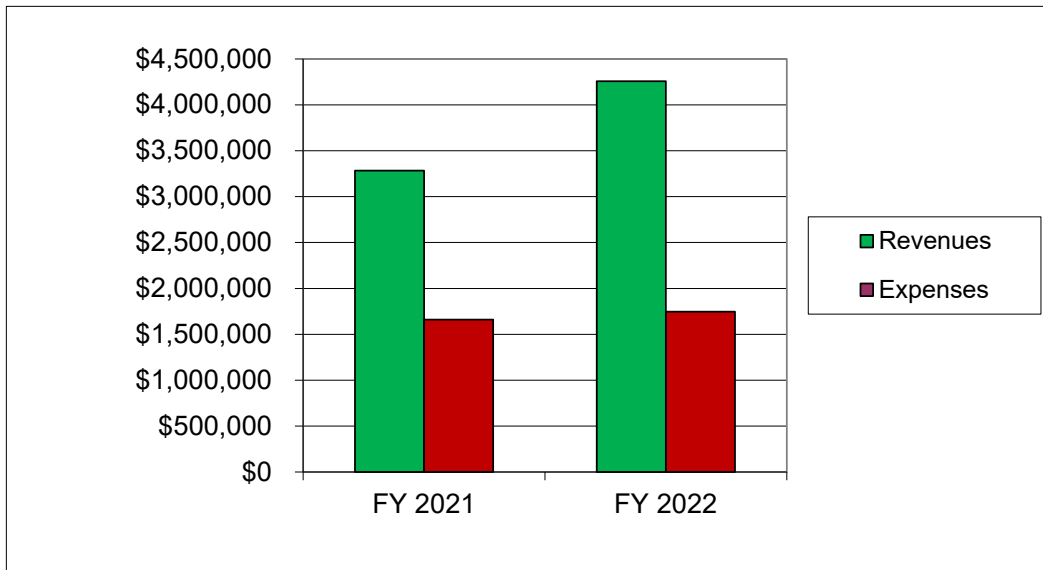
Attachments

Actual Revenues and Expenses Comparison  
For the Period Ending September 30, 2022

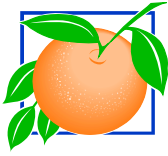
	FY 2021	FY 2022	% Δ
Revenues	\$3,283,038	\$4,256,485	30%
Expenses	\$1,660,276	\$1,746,762	5%

Revenues increased this year compared with last year. This is due to the receipt of financing fees for three multifamily projects and issuer fees for the S/F 2020 B bond program, which were not present in the prior year. The overall change in revenues is 30%.

Overall, general operating expenses increased this year compared to last year due to a slight increase in operating expenses related to technology upgrades. The overall change in expenses is 5%.







CONSENT ITEM

**W.D. MORRIS**  
EXECUTIVE DIRECTOR

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## MEMORANDUM

### BOARD OF DIRECTORS

**MERCEDES MCCALL**  
CHAIR

**VERNICE ATKINS-BRADLEY**  
VICE CHAIR

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BOARD MEMBER

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BOARD MEMBER

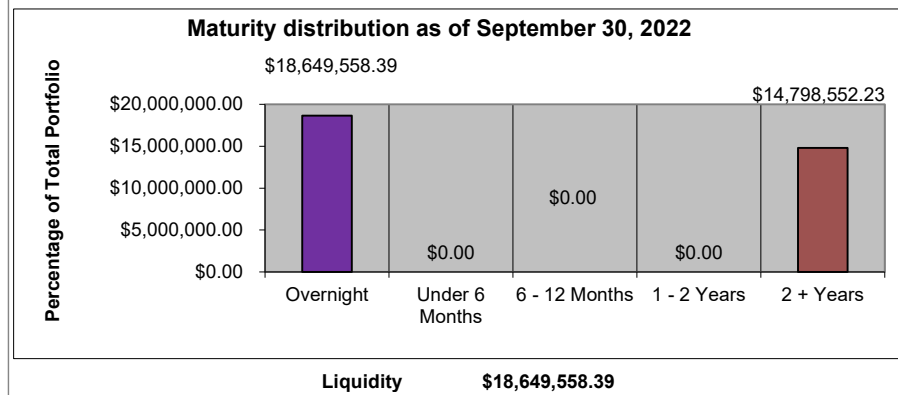
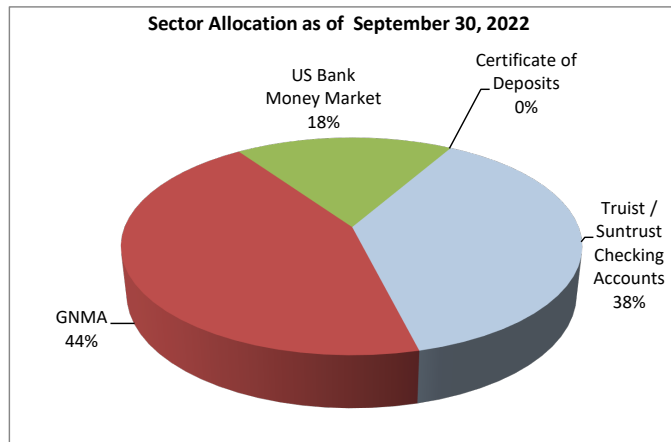
TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	October 21, 2022
RE:	<b>SUMMARY OF OCHFA'S OPERATING FUND INVESTMENTS.</b> NOVEMBER 2, 2022 REGULAR BOARD OF DIRECTORS' MEETING

As of September 30, 2022 the total investments in the Operating Fund of the Orange County Housing Finance Authority was \$33,448,110.62 producing an average yield of 2.204% 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 September 30, 2022**

Account	Account #	Institution	Ending Balance <sup>1</sup>	Net Interest Earned <sup>1</sup>	Average Yield (Annualized) <sup>1</sup>
Operating Fund	215252054184-000	Truist / Suntrust Bank	\$8,266,520.43	\$6,951.05	1.5000%
Low Income Housing Fund	215252054192-000	Truist / Suntrust Bank	\$1,300,103.21	\$1,535.64	1.5000%
Homeownership Assistance Fund	1000042656834	Truist / Suntrust Bank	\$3,058,614.85	\$3,298.64	1.5000%
Custody Account	129142000	US Bank Money Market	\$5,246,995.51	\$7,721.85	2.0000%
Custody Account	129142000	GNMA - OCHFA Investment	\$14,084,345.23	\$37,976.92	5.0700%
Custody Account	141763000	US Bank Money Market /NIBP	\$240,705.79	\$359.05	2.0000%
Custody Account	261060000	US Bank Money Market /Turnkey	\$536,618.60	\$667.57	2.0000%
FHLB Collateral	38786	FHLBank Atlanta	\$714,207.00	\$2,908.40	4.5800%
<b>Total</b>			<b>\$33,448,110.62</b>	<b>\$61,419.12</b>	<b>2.204%</b>



Note:

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



**ORANGE COUNTY**  
**HOUSING FINANCE AUTHORITY**

**W.D. MORRIS**  
EXECUTIVE DIRECTOR

**CONSENT ITEM**

**MEMORANDUM**

**BOARD OF DIRECTORS**

**MERCEDES MCCALL**  
CHAIR

**VERNICE ATKINS-BRADLEY**  
VICE CHAIR

**SASCHA RIZZO**  
BOARD MEMBER

**CURTIS HUNTER**  
BOARD MEMBER

**KENNETH HUGHES**  
BOARD MEMBER

TO:	OCHFHA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Frantz Dutes, Director Program Operations
DATE:	October 21, 2022
RE:	<b>STATUS REPORT: 2020-A HOMEOWNER REVENUE BOND PROGRAM; TBA "TURNKEY" MORTGAGE LOAN PROGRAM</b> NOVEMBER 2, 2022 REGULAR BOARD OF DIRECTORS' MEETING.

**2020-A HOMEOWNER REVENUE BOND PROGRAM**

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 \$10,000, and is a 30-year deferred loan at 0% interest.

<u>PRODUCTS</u>	<u>INTEREST RATES</u>	<u>ORIGINATION FEE</u>
Zero Point	5.625%	1%

Commencing from the initial reservation date there is an aggregate total of Fifteen Million Eight Hundred Forty Nine Thousand Six Hundred Sixteen Dollars (**\$15,849,616**) 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 October 21, 2022:**

- Eighty Two (**82**) loans originated: **82--FHA; 0-VA; 0-USDA-RD.**
- The Authority's 2020A DPA program has financed or committed an aggregate total of: Six Hundred Eighty Thousand Dollars (**\$680,000**).
- 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 Seventeen Million Nine Hundred Sixty Five Thousand Five Hundred Seventeen Dollars (**\$17,965,517**).

The Reservation Period start date was **September 24, 2020**, and Final Delivery end date is December 15, **2022**.

## TBA “TURNKEY” MORTGAGE LOAN PROGRAM

Effective June 5, 2022 the Authority’s TBA “Turnkey” Mortgage Loan program was temporarily suspended pending favorable market conditions.

**ACTION REQUESTED:** For information only.

**Orange County HFA  
Demographic Analysis Report  
Orange 2020A SF Program**

**ORIGINATION SUMMARY REPORT**

<b>ORIGINATOR SUMMARY</b>	<b>LOANS</b>	<b>AMOUNT</b>	<b>% OF TOTAL</b>
Centennial Bank	11	\$2,679,728.00	13.41%
Christensen Financial, Inc.	5	\$996,386.00	6.10%
Envoy Mortgage, Ltd	1	\$265,109.00	1.22%
Equity Prime Mortgage, LLC	1	\$266,081.00	1.22%
Fairway Independent Mortgage Corporation	17	\$3,730,924.00	20.73%
FBC Mortgage, LLC	1	\$176,739.00	1.22%
Guaranteed Rate, Inc.	1	\$240,562.00	1.22%
Hamilton Group Funding, Inc.	2	\$354,460.00	2.44%
Land Home Financial Services, Inc.	3	\$633,804.00	3.66%
Paramount Residential Mortgage Group, Inc.	1	\$188,034.00	1.22%
Synovus Bank	1	\$201,515.00	1.22%
Waterstone Mortgage Corporation	38	\$8,232,175.00	46.34%
<b>TOTAL</b>	<b>82</b>	<b>\$17,965,517.00</b>	<b>100.00%</b>

**CITY SUMMARY**

<b>CITY</b>	<b>LOANS</b>	<b>AMOUNT</b>	<b>% OF TOTAL</b>
Altamonte Springs	4	\$814,341.00	4.88%
Apopka	2	\$471,305.00	2.44%
Casselberry	4	\$773,724.00	4.88%
Clermont	1	\$246,355.00	1.22%
Grand Island	2	\$512,544.00	2.44%
Groveland	1	\$147,184.00	1.22%
Kissimmee	9	\$1,850,010.00	10.98%
Leesburg	2	\$336,237.00	2.44%
Longwood	3	\$762,925.00	3.66%
Maitland	1	\$188,034.00	1.22%
Mascotte	1	\$245,471.00	1.22%
Oakland	1	\$250,381.00	1.22%
Orlando	29	\$6,640,406.00	35.37%
Saint Cloud	5	\$1,150,661.00	6.10%
Sanford	9	\$1,799,588.00	10.98%
Tavares	1	\$270,019.00	1.22%
Winter Garden	2	\$452,540.00	2.44%
Winter Park	1	\$240,562.00	1.22%
Winter Springs	4	\$813,230.00	4.88%
<b>TOTAL</b>	<b>82</b>	<b>\$17,965,517.00</b>	<b>100.00%</b>

**COUNTY SUMMARY**

<b>COUNTY</b>	<b>LOANS</b>	<b>AMOUNT</b>	<b>% OF TOTAL</b>
Lake	8	\$1,757,810.00	9.76%
Orange	37	\$8,377,710.00	45.12%
Osceola	14	\$3,000,671.00	17.07%
Seminole	23	\$4,829,326.00	28.05%
<b>TOTAL</b>	<b>82</b>	<b>\$17,965,517.00</b>	<b>100.00%</b>

**HOUSEHOLD ANNUAL INCOME REPORT**

<b>ANNUAL INCOME</b>	<b>LOANS</b>	<b>% OF TOTAL</b>
\$15,000-\$29,999	1	1.22%
\$30,000-\$44,999	16	19.51%
\$45,000-\$59,999	33	40.24%
\$60,000-\$74,999	19	23.17%
\$75,000-\$89,999	12	14.63%
\$90,000-\$104,999	1	1.22%
<b>TOTAL</b>	<b>82</b>	<b>100.00%</b>

**HOUSEHOLD SIZE REPORT**

<b>HOUSEHOLD SIZE</b>	<b>LOANS</b>	<b>% OF TOTAL</b>
1 - One person	23	28.05%
2 - Two persons	24	29.27%
3 - Three persons	21	25.61%
4 - Four persons	8	9.76%
5 - Five persons	5	6.10%
6 - Six persons	1	1.22%
<b>TOTAL</b>	<b>82</b>	<b>100.00%</b>

**LOAN AMOUNT REPORT**

<b>LOAN AMOUNT</b>	<b>LOANS</b>	<b>% OF TOTAL</b>
\$125,000-\$150,000	4	4.88%
\$150,000-\$175,000	9	10.98%
\$175,000-\$200,000	19	23.17%
\$200,000-\$225,000	15	18.29%
\$225,000-\$250,000	13	15.85%
\$250,000-\$275,000	13	15.85%
\$275,000-\$300,000	8	9.76%
\$325,000-\$350,000	1	1.22%
<b>TOTAL</b>	<b>82</b>	<b>100.00%</b>

#### PURCHASE PRICE REPORT

PURCHASE PRICE	LOANS	% OF TOTAL
\$125,000-\$150,000	4	4.88%
\$150,000-\$175,000	5	6.10%
\$175,000-\$200,000	20	24.39%
\$200,000-\$225,000	7	8.54%
\$225,000-\$250,000	17	20.73%
\$250,000-\$275,000	17	20.73%
\$275,000-\$300,000	8	9.76%
\$300,000-\$325,000	2	2.44%
\$325,000-\$350,000	2	2.44%
<b>TOTAL</b>	<b>82</b>	<b>100.00%</b>

#### LOAN TYPE REPORT

LOAN TYPE	LOANS	% OF TOTAL
FHA	82	100.00%
<b>TOTAL</b>	<b>82</b>	<b>100.00%</b>

#### PROPERTY TYPE REPORT

PROPERTY TYPE	LOANS	% OF TOTAL
1 Unit Single Family Detached	73	89.02%
Townhouse	9	10.98%
<b>TOTAL</b>	<b>82</b>	<b>100.00%</b>

#### CATEGORY TYPE REPORT

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

#### TARGET/NON TARGET REPORT

TYPE	LOANS	AMOUNT	% OF TOTAL
TARGET	2	\$333,841.00	2.44%
NON	80	\$17,631,676.00	97.56%
<b>TOTAL</b>	<b>82</b>	<b>\$17,965,517.00</b>	<b>100.00%</b>

#### INTEREST RATE LISTING REPORT

RATE	COUNT	AMOUNT	% OF TOTAL
3.2500%	25	\$5,524,986.00	30.49%
3.3750%	18	\$3,813,174.00	21.95%
3.5000%	2	\$488,979.00	2.44%
3.6250%	6	\$1,189,829.00	7.32%
3.8750%	11	\$2,194,149.00	13.41%
4.0000%	1	\$157,102.00	1.22%
4.5000%	2	\$467,342.00	2.44%
4.8750%	6	\$1,359,723.00	7.32%
5.0000%	8	\$2,029,951.00	9.76%
5.3750%	1	\$245,471.00	1.22%
5.6250%	2	\$494,811.00	2.44%
<b>TOTAL</b>	<b>82</b>	<b>\$17,965,517.00</b>	<b>100.00%</b>

#### INTEREST RATE RANGES REPORT

RATE	LOANS	% OF TOTAL
3.2500% - 3.4900%	43	52.44%
3.5000% - 3.7400%	8	9.76%
3.7500% - 3.9900%	11	13.41%
4.0000% - 4.2400%	1	1.22%
4.5000% - 4.7400%	2	2.44%
4.7500% - 4.9900%	6	7.32%
5.0000% - 5.2400%	8	9.76%
5.2500% - 5.4900%	1	1.22%
5.5000% - 5.7400%	2	2.44%
<b>TOTAL</b>	<b>82</b>	<b>100.00%</b>

#### FIRST TIME HOMEBUYER REPORT

FIRST TIME HOMEBUYER	LOANS	% OF TOTAL
No	0	0.00%
Yes	82	100.00%
<b>TOTAL</b>	<b>82</b>	<b>100.00%</b>

# ADDITIONAL MORTGAGE REPORT

ADDTL MTG PROGRAM \ PRIMARY MTG PROGRAM  
Orange DPA \ Orange 2020A SF Program

LOANS 82 AMOUNT \$680,000.00 AVERAGE LOAN \$8,292.68

## GENDER REPORT

GENDER	LOANS	% OF TOTAL
MALE	36	43.90%
FEMALE	45	54.88%
NONBINARY	0	0.00%
UNDISCLOSE	1	1.22%
<b>TOTAL</b>	<b>82</b>	<b>100.00%</b>

## RACE REPORT

DESCRIPTION	LOANS	% OF TOTAL
Undisclosed	1	1.22%
American Indian/ Alaskan Native & Black/	1	1.22%
Black/ African American	18	21.95%
Black/African American & White	1	1.22%
Other	7	8.54%
Tenant Declined to Respond	1	1.22%
White	53	64.63%
<b>TOTAL</b>	<b>82</b>	<b>100.00%</b>

## ETHNICITY REPORT

ETHNICITY	LOANS	AMOUNT	% OF TOTAL
HISPANIC	37	\$8,160,058.00	45.68%
NON	40	\$8,802,071.00	49.38%
OTHER	4	\$856,204.00	4.94%
<b>TOTAL</b>	<b>81</b>	<b>\$17,818,333.00</b>	<b>100.00%</b>

## RACE BY ETHNICITY REPORT

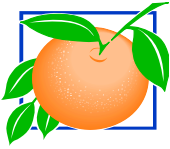
RACE	HISPANIC	NONHISPANIC	OTHER	LOANS	% OF TOTAL
Undisclosed	0	0	0	0	0.00%
American Indian/ Alaskan Native & Black/ African Am	0	1	0	1	1.23%
Black/ African American	1	16	1	18	22.22%
Black/African American & White	1	0	0	1	1.23%
Other	5	1	1	7	8.64%
Tenant Declined to Respond	0	0	1	1	1.23%
White	30	22	1	53	65.43%
<b>TOTAL</b>	<b>37</b>	<b>40</b>	<b>4</b>	<b>81</b>	<b>100.00%</b>

## PIPELINE REPORT

PROGRAM PIPELINE	LOANS	AMOUNT	% OF TOTAL
Reservation	2	\$494,811.00	2.44%
UW Certification	4	\$999,070.00	4.88%
Purchased/Service	1	\$260,200.00	1.22%
Investor/Trustee	75	\$16,211,436.00	91.46%
<b>TOTAL</b>	<b>82</b>	<b>\$17,965,517.00</b>	<b>100.00%</b>

## PROGRAM SUMMARY

AVERAGE PRINCIPAL MORTGAGE:	\$219,091.67
AVERAGE PURCHASE PRICE:	\$227,032.85
AVERAGE DPA AMOUNT:	\$8,292.68
AVERAGE AGE OF PRIMARY BORROWER:	39
AVERAGE HOUSEHOLD SIZE:	2
AVERAGE EMPLOYED IN HOUSEHOLD:	1
AVERAGE HOUSEHOLD ANNUAL	\$57,543.13



W.D. MORRIS  
EXECUTIVE DIRECTOR

CONSENT ITEM

BOARD OF DIRECTORS

MERCEDES MCCALL  
CHAIR

VERNICE ATKINS-BRADLEY  
VICE CHAIR

SASCHA RIZZO  
BOARD MEMBER

CURTIS HUNTER  
BOARD MEMBER

KENNETH HUGHES  
BOARD MEMBER

## MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Mildred Guzman, Program Operations Administrator
DATE:	October 25, 2022
RE:	<b>MULTI-FAMILY OCCUPANCY/ INSPECTION REPORT</b> NOVEMBER 2, 2022 - REGULAR BOARD OF DIRECTORS' MEETING

### OCCUPANCY REPORT

The Occupancy Report rate for the period of September 23, to October 20, 2022, was 99% for all units, and 96% 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: **9 /23/2022**

EndReportingPeriod: **10/20/2022**

Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Low Income:				Flag%	Comments
					Occupied Unit	Occup. %	Prior Month Occup. %			
<b>Anderson Oaks, Active</b> 708 Anderson St, Orlando	12	12	100%	100%	12	100%	100%		100%	
<b>Baptist Terrace Apartment, Active</b> 414 Eastt Pine Street, Orlando	197	196	99%	99%	145	74%	74%		40%	
<b>Boca Vista (Chantham Harbor Refu</b> 545 Nantucket Court, Altamonte Springs	324	324	100%	94%	303	94%	20%		20%	
<b>Chapel Trace Apartments, Active</b> 556 N. Goldenrod Road, Orlando	312	309	99%	155%	309	99%	155%		40%	
<b>Citrus Square Apartments, Active</b> 5625 Hickey Dr, Orlando	87	87	100%	100%	87	100%	100%		40%	
<b>Cove at Lady Lake, Active</b> 735 S. Hwy 27/441, Lady Lake	176	169	96%	99%	169	96%	99%		40%	
<b>Crestwood Apartments, Active</b> 3121 Crestwood Circle, St. Cloud	216	215	100%	99%	215	100%	98%		40%	
<b>Dean Woods Place, Active</b> 9808 Dean Woods Place, Orlando	48	48	100%	100%	48	100%	100%		100%	
<b>Delaney Apartments, Active</b> 507 Delaney Avenue, Orlando	8	8	100%	100%	8	100%	100%		100%	
<b>Dunwoodie Apartments, Active</b> 4213 Dunwoodie Blvd, Orlando	172	171	99%	99%	170	99%	99%		40%	
<b>Emerald Villas (Seville Place), Acti</b> 5450 Cholla Way, Orlando	264	264	100%	97%	266	101%	97%		40%	
<b>Fountains at Lee Vista, Active</b> 5743 Bent Pine Dr, Orlando	508	476	94%	95%	288	57%	58%		31%	
<b>Fountains at Millenia Phase II, Acti</b> 5316 Millenia Blvd., Orlando	32	32	100%	100%	32	100%	100%		40%	

Tuesday, October 25, 2022

Page 1 of 4

Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Low Income:				Flag%	Comments
					Occupied Unit	Occup. %	Prior Month Occup. %			
<b>Fountains at Millenia Phase III, Acti</b> 5316 Millenia Blvd., Orlando	82	81	99%	98%	81	99%	98%		40%	
<b>Fountains at Millenia Phase IV, Act</b> 5316 Millenia Blvd, Orlando	100	99	99%	98%	99	99%	98%		40%	
<b>Goldenrod Pointe Apartments, Acti</b> 3500 N Goldenrod Road, Orlando	70	70	100%	100%	70	100%	100%		60%	
<b>Governors Manor, Active</b> 2861 LB McLeod Rd, Orlando	120	120	100%	98%	118	98%	98%		75%	
<b>Green Gables (Alhambra Trace), A</b> 5201 Via Alizar Dr, Orlando	95	95	100%	100%	95	100%	100%		100%	
<b>Kensington Oaks, Active</b> 440 S. Mellonville Ave, Sanford	20	20	100%	100%	20	100%	100%		75%	
<b>Lake Davis Apartments, Active</b> 1301 Catherine Street, Orlando	36	36	100%	100%	36	100%	100%		75%	
<b>Lake Jennie Phase I, Active</b> 1301 Santa Barbara Dr, Sanford	25	25	100%	88%	22	88%	88%		75%	
<b>Lake Jennie Phase II, Active</b> 1312 Santa Barbara Dr, Sanford	40	40	100%	93%	37	93%	93%		75%	
<b>Lake Sherwood Apartments, Activ</b> 1826 London Crest Drive, Orlando	90	88	98%	98%	88	98%	98%		40%	
<b>Lake Weston Pointe Apartments, A</b> 2201 Weston Point Dr, Orlando	240	240	100%	99%	237	99%	99%		100%	
<b>Lakeside Retreat at 27, Active</b> 1403 Old Harbor Blvd., Leesburg	128	121	95%	98%	121	95%	98%		40%	
<b>Lancaster Villas, Active</b> 800 W. Lancaster Rd, Orlando	145	136	94%	94%	136	94%	94%		100%	
<b>Landings at Carver Park, Active</b> 1150 Conley Street, Orlando	56	54	96%	100%	54	96%	100%		40%	
<b>Landings on Millenia, Active</b> 5150 Millenia Boulevard, Orlando	336	326	97%	99%	246	73%	74%		40%	

Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Low Income:				Flag%	Comments
					Occupied Unit	Occup. %	Prior Month Occup. %			
<b>Landon Pointe Apartments, Active</b> 1705 Grande Pointe Avenue, Orlando	276	276	100%	99%	273	99%	99%		40%	
<b>Landon Trace Townhomes (Bucha</b> 1813 Buchanan Bay Circle, Orlando	228	227	100%	99%	226	99%	99%		100%	
<b>Landstar Park Apartments, Active</b> 1001 Landstar Drive, Orlando	156	154	99%	99%	154	99%	99%		40%	
<b>Laurel Oaks Phase I (Sleepy Hollo</b> 2700 Laurel Hollow Dr., Leesburg	144	144	100%	96%	138	96%	96%		40%	
<b>Laurel Oaks Phase II (Sleepy Hollo</b> 2700 Laurel Hollow Dr., Leesburg	108	108	100%	91%	98	91%	91%		40%	
<b>Lee Vista Club Apartments, Active</b> 5903 Lee Vista Blvd, Orlando	312	310	99%	100%	310	99%	100%		40%	
<b>Marbella Cove, Active</b> 7528 Marbella Pt. Drive, Orlando	104	104	100%	100%	104	100%	100%		0%	
<b>Marbella Pointe, Active</b> 7528 Marbella Pt. Drive, Orlando	120	120	100%		120	100%			40%	
<b>Nassau Bay Apartments, Active</b> 5200 North Orange Blossom Trail, Orlando	492	486	99%	99%	486	99%	99%		100%	
<b>Oak Harbor Apartments, Active</b> 5770 Harbor Chase Circle, Orlando,	176	174	99%	99%	174	99%	99%		20%	
<b>Oviedo Town Center Phase I, Activ</b> 450 Fontana Circle #105, Oviedo	106	104	98%	100%	104	98%	100%		40%	
<b>Oviedo Town Center Phase II, Activ</b> 450 Fontana circle #105, Oviedo	34	34	100%	100%	34	100%	100%		40%	
<b>Oviedo Town Center Phase III, Acti</b> 450 Fontana circle #105, Oviedo	72	72	100%	100%	72	100%	100%		40%	
<b>Oviedo Town Center Phase IV, Acti</b> 450 Fontana Circle #105, Oviedo	24	24	100%	100%	24	100%	100%		40%	
<b>Palm Grove Gardens, Active</b> 3944 W.D. Judge Drive, Orlando	142	142	100%		142	100%			75%	

Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Low Income:				Flag%	Comments
					Occupied Unit	Occup. %	Prior Month Occup. %			
<b>Pebble Creek, Active</b> 1317 Boulder Dr, Kissimmee	72	72	100%	100%	72	100%	100%		100%	
<b>River Ridge Apartment Homes, Act</b> 9957 Hidden River Drive #106, Orlando	160	160	100%	100%	160	100%	100%		40%	
<b>Rolling Acres Phase I, Active</b> 824 CrR 466, Lady Lake	104	101	97%	97%	101	97%	97%		40%	
<b>Rolling Acres Phase II, Active</b> 824 CR 466, Lady Lake	35	34	97%	100%	34	97%	100%		40%	
<b>SouthWinds Cove, Active</b> 3400 Southwinds Cove Way, Leesburg	112	112	100%	96%	90	80%	79%		40%	
<b>Spring Lake Cove Phase I, Active</b> 1508 Spring Lake Cove Lane, Fruitland Park	96	96	100%	98%	76	79%	79%		40%	
<b>Spring Lake Cove Phase II, Active</b> 1508 Spring Lake Cove Lane, Fruitland Park	48	47	98%	98%	47	98%	98%		40%	
<b>Stratford Point, Active</b> 1700 Old England Loop, Sanford	384	383	100%	98%	363	95%	93%		60%	
<b>Vista Pines Apartments, Active</b> 401 N Chickasaw Trail, Orlando	238	236	99%	100%	236	99%	100%		40%	
<b>Westwood Park Apartments, Activ</b> 11037 Laguna Bay Dr, Orlando	178	178	100%	99%	178	100%	99%		40%	
<b>Willow Key Apartments, Active</b> 5590 Arnold Palmer Dr, Orlando	384	384	100%	100%	384	100%	100%		40%	
<b>Total Units:</b>	<b>8,244</b>									
<b>Current Period Summary:</b>		<b>8,144</b>	<b>99%</b>		<b>7,712</b>	<b>96%</b>				
<b>Prior Period Summary:</b>		<b>8,012</b>	<b>99%</b>		<b>7,395</b>	<b>95%</b>				

**Total Number of Properties: 54**



**ORANGE COUNTY**  
**HOUSING FINANCE AUTHORITY**

**W.D. MORRIS**  
EXECUTIVE DIRECTOR

**DISCUSSION ITEM**

**BOARD OF DIRECTORS**

**MERCEDES MCCALL**  
CHAIR

**VERNICE ATKINS-BRADLEY**  
VICE CHAIR

**SASCHA RIZZO**  
BOARD MEMBER

**CURTIS HUNTER**  
BOARD MEMBER

**KENNETH HUGHES**  
BOARD MEMBER

**MEMORANDUM**

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	October 13, 2022
RE:	<b>CONSIDER APPROVAL OF BOND RESOLUTION AND ASSOCIATED DOCUMENTS, TERMS AND FINANCING OF MULTI-FAMILY HOUSING REVENUE (TAX-EXEMPT BONDS) – FOR THE PROPOSED SOMERSET LANDINGS APARTMENTS, NOT EXCEEDING \$13,400,000.</b> NOVEMBER 2, 2022 REGULAR BOARD OF DIRECTORS' MEETING

**BACKGROUND**

On October 6, 2021, the Board approved a Reimbursement Resolution for the proposed acquisition/rehabilitation of the Somerset Landings Apartments transaction, in an amount of \$13,400,000, Multi-Family Housing Revenue Bonds (Tax-Exempt); in addition, a Taxable Tail, in an amount, not exceeding \$2,400,000, will be provided by JPMorgan Chase. The Developer for the proposed project is Somerset Landings LTD. The proposed multi-family development is a community consisting of 84-units, located at 1410 Halstead Lane, Sanford, FL, 32777 (Seminole County – Region-6). The community will offer one, two and three bedrooms units, with rents ranging from \$200 to \$1,603 per month. The Set-aside will be 77% at 60% or below Area Median Income (AMI) and by utilizing Income Averaging (IA), the proposed development will be supported by Project Based Section-8 Program, with an Average Median Income (AMI) of 80%.

**CURRENT**

The enclosed Bond Resolution, in the amount not-to-exceed \$13.4MM, of Tax-Exempt, Multi-Family Mortgage Revenue Bonds (MMRB); as well as, \$2.4MM of Taxable Tail (MMRB), during the construction period. The structure is a Direct Purchase with the construction/ permanent loan funded via the purchase of up to \$13.4MM in MMRB; to include a taxable subordinate loan in the amount of \$2.4MM for a total of \$15.8MM. The loan is structured with an initial term of 24-months, on a floating rate based upon the one-month adjusted term, Secured Overnight Financing Rate ("SOFR") plus 215-basis points (bps). The current one-month SOFR rate is 2.25%, which yields a base note of 4.40%. AmeriNat added 0.30% for the Authority's Bond Administrative Fee and has included an underwriting cushion of 1.50% for an all-in rate of 6.20%.

The structure includes a second mortgage – SAIL loan of \$2.8MM – Florida Housing Finance Corporation (FHFC), as a construction/permanent loan with a term of 18-years with a 36-month construction/stabilization period and will be coterminous with the first mortgage. It will be non-amortizing, at 1.00% interest rate over the life of the loan with annual payments based upon available cash flow – at maturity of the SAIL loan, all principal and accrued interest will be due.

The third mortgage is an Extremely Low Income (ELI) loan of \$600K – FHFC, which will be non-amortizing with a 0% interest rate over the life of the loan with principal forgivable at maturity, provided the units are targeted to ELI households for the first 15-years of the 50-year compliance period. The ELI loan term will be 18-years including a 36-month construction/stabilization period and will be coterminous with the first mortgage.

The structure also includes a fourth mortgage of \$668,662, provided by the National Housing Trust Fund (NHTF) administered by the FHFC for construction/permanent finance. This loan is also non-amortizing with an interest rate of 0.00% for a term of 30-years, with a 50-year compliance period. The financing target households at 22% or lower of the AMI.

This proposed development receives \$10,764,240 of Housing Tax Credit Equity – FHFC, plus Deferred Developer fee of \$3,754,441, during the construction phase. The construction/ permanent sources are as follows:

<b><u>CONSTRUCTION AND PERMANENT SOURCES</u></b>				
<b><u>SOURCE</u></b>	<b><u>LENDER</u></b>	<b><u>CONSTRUCTION</u></b>	<b><u>PERMANENT</u></b>	<b><u>PERM LOAN/UNIT</u></b>
<i>Regulated Mortgage Lender</i>	Chase / OCHFA	\$ 13,400,000	\$ 10,600,000	\$ 126,190
<i>Regulated Mortgage Lender</i>	JPMorgan Chase Bank, N.A.	\$ 2,400,000	\$ 0	\$ 0
<i>FHFC – SAIL</i>	FHFC	\$ 2,800,000	\$ 2,800,000	\$ 33,333
<i>FHFC – SAIL ELI</i>	FHFC	\$ 600,000	\$ 600,000	\$ 7,143
<i>FHFC – NHTF</i>	FHFC	\$ 668,662	\$ 668,662	\$ 7,960
<i>Deferred Costs – Other</i>	Developer	\$ 1,014,188	\$ 0	\$ 0
<i>HC Equity</i>	Developer	\$ 1,458,788	\$ 9,363,953	\$ 111,476
<i>Deferred Developer Fee</i>	Developer	\$ 3,754,441	\$ 2,063,394	\$ 24,564
<b>Total Development Cost is projected to be:</b>		<b>\$26,096,079.00</b>	<b>\$26,096,009.00</b>	<b>\$310,666.00</b>

In order to balance the sources and uses of funds during the construction period, the developer must defer \$3,754,441 or 95.7% of total allowable developer fee of \$3,924,725 during construction. The sources of financing, during construction and permanent periods, are listed in the above chart. The Debt Service Coverage (DSC) ratio(s) for the mortgages are as follows: 1.30-first mtg; 1.23-second mtg; 1.22-third mtg; and 1.21 for the fourth mtg. AmeriNat recommends that the Authority approve the issuance of \$13.4MM of tax-exempt bonds and \$2.4MM taxable tail for financing of the proposed development.

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 in its capacities as General and Disclosure Counsel's. The Staff, General Counsel, Financial Advisor will be available at the Boards' meeting of November 2, 2022, 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 (#2022-04), Underwriting Report, Terms and financing in an amount, not exceeding \$13,400,000, of a Multi-Family Housing Revenue Bonds, for the proposed Acquisition and Rehabilitation of Multi-Family Development Somerset Landings Apartments; and authorization for the Chair, Board Member and Executive Director to execute all associated documents subject to General Counsel's review.**

## **RESOLUTION NO. 2022-04**

**A RESOLUTION OF THE ORANGE COUNTY HOUSING FINANCE AUTHORITY (THE "AUTHORITY") AUTHORIZING THE ISSUANCE BY THE AUTHORITY OF NOT EXCEEDING \$13,400,000 AGGREGATE PRINCIPAL AMOUNT OF ITS MULTIFAMILY HOUSING REVENUE BONDS, 2022 SERIES C (SOMERSET LANDINGS APARTMENTS) (THE "BONDS"); ESTABLISHING PARAMETERS FOR THE AWARD OF THE SALE THEREOF TO JPMORGAN CHASE BANK, N.A., 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; FINANCING 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 JPMORGAN CHASE BANK, N.A.; AUTHORIZING THE APPOINTMENT OF A TRUSTEE AND REBATE ANALYST; AUTHORIZING THE EXECUTIVE DIRECTOR AND CHAIRMAN OR VICE CHAIRMAN OR ANY AUTHORITY MEMBER TO TAKE ANY OTHER ACTIONS NECESSARY TO ISSUE THE BONDS AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.**

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

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

**WHEREAS**, pursuant to the Act and the Ordinance, the Orange County Housing Finance Authority (the "Authority") has determined to authorize the issuance of not exceeding \$13,400,000 aggregate principal amount of its Multifamily Housing Revenue Bonds, 2022 Series C (Somerset Landings Apartments) (the "Bonds") for the purpose of financing the construction, installation and equipping 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 Financing 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 intends to negotiate the sale of the Bonds as hereinafter provided with JPMorgan Chase Bank, N.A. (the "Purchaser"); and

**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 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, 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 Financing Agreement, among the Authority, the Trustee and Somerset Landings, 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 "Financing 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 Financing 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 Trustee 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 Purchaser, 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 Purchaser, 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 Purchaser 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 Purchaser (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.

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 Financing 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.

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**APPROVED AND ADOPTED** this 2<sup>nd</sup> day of November 2022.

**ORANGE COUNTY HOUSING FINANCE  
AUTHORITY**

[S E A L]

By: \_\_\_\_\_  
Chair / Vice Chair

ATTEST:

By: \_\_\_\_\_  
W.D. Morris, Secretary

APPROVED AS TO LEGAL SUFFICIENCY:

By: \_\_\_\_\_  
Greenberg Traurig, P.A.  
General Counsel

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# **Orange County Housing Finance Authority**

*Credit Underwriting Report ("CUR")*

## **Somerset Landings**

### **2021 Open Cycle Tax-Exempt Bond Program**

#### **Multifamily Mortgage Revenue Bonds**

**Section A: Report Summary**

**Section B: Special and General Conditions**

**Section C: Supporting Information and Schedules**

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**Prepared by**

**AmeriNat®**

*Final Report*

**October 21, 2022**

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## Somerset Landings

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**Section A**  
**Report Summary**

## Recommendation

AmeriNat® (“AmeriNat”) recommends Orange County Housing Finance Authority (“OCHFA”) issue Multifamily Mortgage Revenue Bonds (“MMRB”) in the amount of \$13,400,000 for the construction and permanent phase financing of Somerset Landings (the proposed “Development”).

DEVELOPMENT & SET-ASIDES														
Development Name:		<u>Somerset Landings</u>												
Address:		<u>Olive Avenue; Approximately 150 feet SW of the intersection of Olive Avenue and W 3rd Street</u>												
City:	<u>Sanford</u>	Zip Code:	<u>32771</u>	County:	<u>Seminole</u>	County Size:	<u>Medium</u>							
Development Category:		<u>Redevelopment</u>				Development Type: <u>Garden Apts (1-3 Stories)</u>								
Construction Type:		<u>Masonry</u>												
Demographic Commitment:														
Primary:		<u>Family</u>								for <u>100%</u> of the Units				
Unit Composition:														
# of ELI Units:		<u>13</u>		ELI Units Are Restricted to <u>30%</u> AMI, or less.					Total # of units with PBRA?					<u>63</u>
# of Link Units:		<u>7</u>		Are the Link Units Demographically Restricted?					<u>Yes</u>		# of NHTF Units:			<u>3</u>

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
1	1.0	1	690	22%			\$342	\$109	\$233	\$1,237	\$1,128	\$1,128	\$1,128	\$13,536
2	2.0	1	908	22%			\$410	\$152	\$258	\$1,422	\$1,270	\$1,270	\$1,270	\$15,240
3	2.0	1	1,041	22%			\$474	\$197	\$277	\$1,827	\$1,630	\$1,630	\$1,630	\$19,560
1	1.0	5	690	30%			\$466	\$109	\$357	\$1,237	\$1,125	\$1,128	\$1,128	\$67,680
2	2.0	6	908	30%			\$560	\$152	\$408	\$1,422	\$1,270	\$1,270	\$1,270	\$91,440
3	2.0	2	1,041	30%			\$646	\$197	\$449	\$1,827	\$1,630	\$1,630	\$1,630	\$39,120
1	1.0	1	690	60%			\$933	\$109	\$824		\$824	\$824	\$824	\$9,888
1	1.0	9	690	60%			\$933	\$109	\$824	\$1,237	\$1,128	\$1,128	\$1,128	\$121,824
2	2.0	24	908	60%			\$1,120	\$152	\$968	\$1,422	\$1,270	\$1,270	\$1,270	\$365,760
3	2.0	1	1,041	60%			\$1,293	\$197	\$1,096		\$1,096	\$1,096	\$1,096	\$13,152
3	2.0	14	1,041	60%			\$1,293	\$197	\$1,096	\$1,827	\$1,630	\$1,630	\$1,630	\$273,840
1	1.0	6	690	80%			\$1,245	\$109	\$1,136		\$1,136	\$1,136	\$1,136	\$81,792
2	2.0	9	908	80%			\$1,494	\$152	\$1,342		\$1,342	\$1,342	\$1,342	\$144,936
3	2.0	4	1,041	80%			\$1,725	\$197	\$1,528		\$1,528	\$1,528	\$1,528	\$73,344
		84	74,402											\$1,331,112

Please note that the unit sizes shown represent the average square footage for each bedroom size. The actual total square footage for the units is 74,365.9 as noted in the Plan and Cost Review.

The Applicant selected the Average Income Test; therefore, as required by FHFC RFA 2020-205, the Applicant must set-aside 15% of the total units (13 units) as ELI Set-Aside units. Persons with Special Needs Set-Aside Commitment: The proposed Development must set aside fifty percent (50%) of the ELI Set-Aside units (7 units) as Link units for Persons with Special Needs. In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Link Memorandum of Understanding (“MOU”) with at least one designated Special Needs Household Referral Agency (“Referral Agency”) serving the county and intended population where the Development will be located (Seminole County) and rent units to households referred by the Referral Agency with which the MOU is executed. FHFC approved the MOU as of March 24, 2022.



NHTF Units Set-Aside Commitment: The proposed Development must set-aside three (3) units as NHTF Link units targeted for Persons with Special Needs. These units are required to be set aside for residents earning at or below 22% of AMI and are in addition to the fifty percent (50%) requirement for ELI set-aside units. Therefore, the Development will have a total of ten (10) units targeted for Persons with Special Needs (ELI-7 units, NHTF-3 units). After 30 years, all of the NHTF Link units may convert to serve residents at or below 60% of AMI; however, the Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period. A Tenant Selection Plan ("TSP"), as required by RFA 2020-205, was approved by FHFC on August 9, 2022.

Buildings: Residential - 4 Non-Residential - 1  
 Parking: Parking Spaces - 149 Accessible Spaces - 6

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRB	40%	34	60%	30
SAIL / ELI / HC	15.476%	13	30%	50
SAIL / HC	61.905%	52	60%	50
SAIL / HC	22.619%	19	80%	50
NHTF	3.571%	3	22%	50

Absorption Rate: 25 units per month for 3.5 months.

Occupancy Rate at Stabilization: Physical Occupancy 96.00% Economic Occupancy 95.00%  
 Occupancy Comments Occupancy per the market study is 98.7% for restricted properties

DDA: No QCT: Yes Multi-Phase Boost: No QAP Boost: No  
 Site Acreage: 11.06 Density: 7.59 Flood Zone Designation: X  
 Zoning: MR-3 (Multiple-Family Residential) Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	Somerset Landings, Ltd.	% Ownership
General Partner	Somerset Landings GP, LLC	0.0090%
General Partner	SHA Somerset Landings, LLC	0.0010%
Limited Partner	National Equity Fund, Inc. or an affiliate thereof	99.99%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Somerset Landings, Ltd.	
CC Guarantor 2:	Somerset Landings GP, LLC	
CC Guarantor 3:	SHA Somerset Landings, LLC	
CC Guarantor 4:	Jonathan L. Wolf	
CC Guarantor 5:	Somerset Landings Developer, LLC	
CC Guarantor 6:	SHA Development, LLC	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Somerset Landings, Ltd.	
OD Guarantor 2:	Somerset Landings GP, LLC	
OD Guarantor 3:	SHA Somerset Landings, LLC	
OD Guarantor 4:	Jonathan L. Wolf	
OD Guarantor 5:	Somerset Landings Developer, LLC	
OD Guarantor 6:	SHA Development, LLC	
Bond Purchaser	JPMorgan Chase Bank, N.A.	
Developer:	Somerset Landings Developer, LLC	
Principal 1	Jonathan L. Wolf	
Co-Developer:	SHA Development, LLC	
General Contractor 1:	RBK3, LLC d/b/a Roger B. Kennedy Construction	
Management Company:	Wendover Management, LLC	
Syndicator:	National Equity Fund, Inc. or an affiliate thereof	
Bond Issuer:	Orange County Housing Finance Authority	
Architect:	Slocum Platts Architects	
Market Study Provider:	Novogradac Consulting LLP	
Appraiser:	Novogradac Consulting LLP	

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lien Position	1	2	3	4		
Lender/Grantor	Chase / OCHFA	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF		
Amount	\$10,600,000	\$2,800,000	\$600,000	\$668,662		
Underwritten Interest Rate	4.40%	1.00%	0.00%	0.00%		
All In Interest Rate	4.40%	1.00%	0.00%	0.00%		
Loan Term	15	15	15	30		
Amortization	35	n/a	n/a	n/a		
Market Rate/Market Financing LTV	53.8%	68.0%	71.1%	74.5%		
Restricted Market Financing LTV	58.2%	73.6%	76.9%	80.6%		
Loan to Cost - Cumulative	40.6%	51.3%	53.6%	56.2%		
Loan to Cost - SAIL Only		10.7%				
Debt Service Coverage	1.30	1.23	1.22	1.21		
Operating Deficit & Debt Service Reserves	\$266,000					
# of Months covered by the Reserves	3					

Deferred Developer Fee	\$2,063,394
As-Is Land Value	\$1,700,000
Market Rent/Market Financing Stabilized Value	\$19,700,000
Rent Restricted Market Financing Stabilized Value	\$18,200,000
Projected Net Operating Income (NOI) - Year 1	\$818,830
Projected Net Operating Income (NOI) - 15 Year	\$1,012,540
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Bond Structure	Direct Purchase
Housing Credit (HC) Syndication Price	\$0.87
HC Annual Allocation - Qualified in CUR	\$1,205,248
HC Annual Allocation - Equity Letter of Interest	\$1,076,424

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Regulated Mortgage Lender	Chase / OCHFA	\$13,400,000	\$10,600,000	\$126,190
Regulated Mortgage Lender	JPMorgan Chase Bank, N.A.	\$2,400,000	\$0	\$0
FHFC - SAIL	FHFC	\$2,800,000	\$2,800,000	\$33,333
FHFC - SAIL ELI	FHFC	\$600,000	\$600,000	\$7,143
FHFC - NHTF	FHFC	\$668,662	\$668,662	\$7,960
Deferred Costs - Other	Developer	\$1,014,118	\$0	\$0
HC Equity	Developer	\$1,458,788	\$9,363,953	\$111,476
Deferred Developer Fee	Developer	\$3,754,441	\$2,063,394	\$24,564
<b>TOTAL</b>		<b>\$26,096,009</b>	<b>\$26,096,009</b>	<b>\$310,667</b>

**Changes from the Application:**

COMPARISON CRITERIA	YES	NO
Does the level of experience of the current team equal or exceed that of the team described in the Application?	X	
Are all funding sources the same as shown in the Application?		1
Are all local government recommendations/contributions still in place at the level described in the Application?	X	
Is the Development feasible with all amenities/features listed in the Application?	X	
Do the site plans/architectural drawings account for all amenities/features listed in the Application?	X	
Does the Applicant have site control at or above the level indicated in the Application?	X	
Does the Applicant have adequate zoning as indicated in the Application?	X	
Has the Development been evaluated for feasibility using the total length of set-aside committed to in the Application?	X	
Have the Development costs remained equal to or less than those listed in the Application?		2
Is the Development feasible using the set-asides committed to in the Application?	X	
If the Development has committed to serve a special target group (e.g. elderly, large family, etc.), do the development and operating plans contain specific provisions for implementation?	X	
HOME ONLY: If points were given for match funds, is the match percentage the same as or greater than that indicated in the Application?	N/A	
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?		1
Is the Development in all other material respects the same as presented in the Application?		3, 4, 5, 6, 7

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

1. National Equity Fund, Inc. ("NEF") is providing the equity in the transaction at \$0.87/credit; the application indicated a price of \$0.94/credit. This results in a total equity amount of \$9,363,953, which is \$319,382 less in equity proceeds. The reduction in proceeds does not negatively affect the transaction.

Per the Invitation to Credit Underwriting issued by FHFC on June 23, 2021, the Applicant was awarded \$668,662 in National Housing Trust Fund ("NHTF") funds.

The Applicant included a \$50,000 local contribution from Seminole County. These funds are no longer available and do not appear as a source for the transaction.

The Applicant has included various deferred fees/costs as a source of funds during construction, comprised of an operating deficit reserve, post-construction loan interest, and FHFC compliance fees. This source was not included as part of the Application.

JPMorgan Chase Bank, N.A. ("Chase"), was to provide \$13,400,000 in construction and \$8,400,000 in permanent financing. Chase will provide the \$13,400,000 in construction period funding along with a \$2,400,000 taxable tail loan during construction and up to \$10,600,000 in permanent financing.

2. Total Development Costs have increased from \$21,871,790 to \$26,096,009 for a difference of \$4,224,219 since the Application due to increases in construction costs, financial costs, Developer Fee, and reserve accounts.
3. The Applicant increased the number of the Development's residential buildings from two to four via a letter to FHFC dated August 8, 2022.
4. The Applicant requested approval of an alternative for non-ADA units (where the toilet is not located adjacent to a side wall) to provide reinforced walls for future installation of fold down grab bars in place around each toilet via a letter to FHFC dated August 17, 2022.
5. The Applicant made the following modification to the unit mix of the Development via a letter to FHFC dated August 8, 2022:

Application

25 one bedroom/one bathroom  
47 two bedroom/two bathroom  
17 three bedroom/two bathroom  
84 total units

Current

22 one bedroom/one bathroom  
40 two bedroom/ two bathroom  
22 three bedroom/two bathroom  
84 total units

6. At the June 17, 2022 FHFC Board meeting, an extension of the firm loan commitment issuance date deadline from June 29, 2022 to December 29, 2022 was approved.
7. On July 12, 2021, the Applicant notified FHFC staff that the application mistakenly indicated that it was the first phase of a multiphase development; this is an error and is not correct. Somerset Landings is not the first phase of a multiphase development.

These changes have no substantial material impact to MMRB recommendation for the Development. FHFC has previously approved the changes noted above.

Strengths:

1. The Development Team has demonstrated the ability to successfully develop and operate affordable multifamily rental communities using a variety of different subsidies.
2. A Market Study performed by Novogradac Consulting LLP ("Novogradac") dated July 22, 2022 concludes that the Development should benefit from the rental rate advantage it will have over market rents. Based on the proposed rents, the Development will have between a 16% and 85% rental rate advantage compared to the average achievable market rents for the area.
3. Novogradac identified 10 properties with a total of 3,129 units as comparable to the Development that are located in the Comparable Market Area ("CMA"). The comparable properties have a weighted average occupancy rate of 98.7%.

Other Considerations:

1. Based upon the estimates of the Operating Pro Forma, the amount of Deferred Developer Fee may not be paid back in 15 years. To the extent the Deferred Developer Fee is not paid by the end of year 12, the Guarantors shall be obligated to contribute to the Applicant an amount equal to the unpaid Deferred Developer Fee. As such, any risk associated with any tax credit recapture resulting from the nonpayment of any Developer Fee is assumed by the Guarantors. The Guarantors have sufficient financial capacity to make a loan to the partnership, if needed. Language documenting this payment should be present in the Limited Partnership Agreement, once drafted.
2. The Applicant provided a draft Agreement to Enter Into a Housing Assistance Payments Contract ("AHAP") wherein the Development will receive housing assistance payments for 63 of the 84 proposed units. The Applicant is applying for a 20-year assistance contract, and receipt of an executed HUD HAP agreement confirming the length of the contract, the rents underwritten herein, and number of units receiving assistance is a condition precedent to loan closing.
3. Per the appraisal completed by Novogradac, the Applicant anticipates that, post-completion, the Development will receive a full tax exemption under Florida Statute 196.1975, which is tied to the number of income-qualified tenants residing at the property. This is listed as an extraordinary assumption in the appraisal and the transaction has been underwritten accordingly.
4. To the underwriter's knowledge, no construction cost exceeding 20% is subcontracted to any one entity.
5. To the underwriter's knowledge, no construction cost shall be subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor or Developer.

Issues and Concerns:

1. None

Waiver Requests:

1. According to the FHFC RFA, the Corporation will review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. If the limited partnership agreement or limited liability company operating agreement does not specifically state that the parties will comply with the Corporation's RFA requirements, the Corporation will require an amendment of the agreement and will not issue IRS form(s) 8609 until the amendment is executed and provided to the Corporation. The RFA includes language restricting the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. The RFA also requires the Corporation to review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. While Florida Housing will continue to require the Applicant to adhere to all requirements in the RFA including the restrictions on the disposition of any funds in an operating deficit reserve account, Florida Housing will not monitor the limited partnership agreement or limited liability company operating agreement language for compliance with these requirements, as this would require analysis of a legal contract. This deviation in process was included as an Information Item in the April 29, 2022 FHFC Board Meeting.

Special Conditions:

1. Receipt of liquidity statements from RBK3, LLC d/b/a Robert B. Kennedy Construction, the General Contractor in the transaction, is a condition precedent to loan closing.
2. Receipt of an executed Management Agreement is a condition precedent to loan closing.
3. Receipt of an executed HUD HAP contract consistent with the number of units, rents, and contract length as has been underwritten herein is a condition precedent to loan closing.
4. Completion of the HUD Section 3 pre-construction conference is a condition precedent to loan closing.
5. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 135).

Additional Information:

1. The United States is currently under a national emergency due to the spread of the virus known as COVID-19. The extent of the virus' impact to the overall economy is unknown. More specifically, it is unknown as to the magnitude and timeframe the residential rental market (e.g. absorption rates, vacancy rates, collection losses, appraised value, etc.) and the construction industry (e.g. construction schedules, construction costs, subcontractors, insurance, etc.) will be impacted. Recommendations made by AmeriNat in this report, in part, rely upon assumptions made by third-party reports that are unable to predict the impacts of the virus.
2. As part of the plan and cost review ("PCR") required for underwriting and dated September 14, 2022, GLE Associates, Inc. ("GLE"), the construction consultant engaged by AmeriNat, GLE noted that Exhibit AA of the Construction Contract, Contractor's Qualifications and & Clarifications Article 18, indicates that the Contract amount is based on current prices, laws and codes as of April 29, 2022. All costs may be open to change if the project does not start within 45 days and continue without stoppage. Delay(s)

in the start of construction may cause increases beyond the Contractor's control. GLE opines that the actual project costs may be modified if construction has not started by June 14, 2022. The expected method of addressing any possible cost escalations to the Guaranteed Maximum Price ("GMP") Contract during the construction of the Development would be via the standard change order process.

Recommendation:

AmeriNat recommends OCHFA issue \$13,400,000 in MMRB to the Applicant for the construction and permanent phase financing of the Development.

These recommendations are based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, these recommendations are subject to the MMRB Special and General Closing Conditions and HC Allocation Recommendation and Contingencies (Section B). This recommendation is only valid for six months from the date of the report. The reader is cautioned to refer to these sections for complete information.

Prepared by:



George J. Repity  
Senior Credit Underwriter

Reviewed by:



Tom Louloudes  
Multifamily Credit Underwriting Manager



## Overview

### Construction Financing Sources:

Source	Lender	Applicant's Total	Applicant's Revised Total	Underwriter's Total	Interest Rate	Debt Service During Construction
Regulated Mortgage Lender	Chase / OCHFA	\$13,000,000	\$13,400,000	\$13,400,000	6.20%	\$830,800
Regulated Mortgage Lender	JPMorgan Chase Bank, N.A.	\$0	\$2,500,000	\$2,400,000	6.20%	\$148,800
FHFC - SAIL	FHFC	\$2,800,000	\$2,800,000	\$2,800,000	0.00%	\$0
FHFC - SAIL ELI	FHFC	\$600,000	\$600,000	\$600,000	0.00%	\$0
FHFC - NHTF	FHFC	\$0	\$668,662	\$668,662	0.00%	\$0
Local Government Subsidy	Seminole County	\$50,000	\$0	\$0		
Deferred Costs - Other	Developer	\$0	\$1,157,490	\$1,014,118		
HC Equity	NEF, Inc.	\$2,420,834	\$1,657,860	\$1,458,788		
Deferred Developer Fee	Developer	\$3,321,120	\$3,006,734	\$3,754,441		
<b>Total :</b>		<b>\$22,191,954</b>	<b>\$25,790,746</b>	<b>\$26,096,009</b>		<b>\$979,600</b>

### Proposed Construction Mortgage Loan:

An executed term sheet (the "Term Sheet") issued by JPMorgan Chase Bank, N.A. ("Chase") dated May 27, 2022, illustrates the proposed terms of a construction/permanent loan funded through the purchase of up to \$13,400,000 in MMRB from OCHFA. The Term Sheet also indicates a taxable subordinate loan in the amount of \$2,400,000 for a total loan of \$15,800,000. The loan will have an initial term of 24-months and a floating rate based upon the one-month adjusted term Secured Overnight Financing Rate ("SOFR") plus 215 basis points ("bps"). The current one-month SOFR rate is 2.25% which yields a base rate of 4.40%. AmeriNat added 0.30% for the County Bond Administrative Fee and has included an underwriting cushion of 1.50% for an all-in rate of 6.20%. Two six-month extensions are available at a charge of 0.125% of the loan balance and the amount remaining on the original commitments.

### Proposed Second Mortgage Loan - SAIL:

The Applicant applied to Florida Housing for a \$2,800,000 SAIL Program loan under RFA 2020-205 for the construction/permanent financing of the Development. The SAIL loan will have a total term of 18 years including a 36-month construction/stabilization period and will be coterminous with the First Mortgage as permitted by Rule. The SAIL loan shall be non-amortizing with a 1.00% interest rate over the life of the loan with annual payments based upon available cash flow as determined by Florida Housing. Any unpaid interest will be deferred until cash flow is available. However, at maturity of the SAIL loan, all principal and accrued interest will be due. Annual payments of all applicable fees will be required. SAIL loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the SAIL loan to Total Development Costs, unless approved by the credit underwriter.

Proposed Third Mortgage: FHFC – ELI

The Applicant requested an ELI loan of \$600,000 for the construction/permanent financing of the Development. The ELI loan shall be non-amortizing with a 0% interest rate over the life of the loan with principal forgivable at maturity provided the units are targeted to ELI Households for the first 15 years of the 50-year Compliance Period. The Persons with Special Needs set-aside requirement must be maintained through the entire 50-year Compliance Period. The ELI loan total term will be 18 years including a 36-month construction/stabilization period and will be coterminous with the First Mortgage. ELI loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the ELI loan to Total Development Costs, unless approved by the credit underwriter.

Proposed Fourth Mortgage: FHFC – NHTF

Per an Invitation to Enter Credit Underwriting from FHFC dated June 23, 2021, the Applicant received a preliminary commitment for an NHTF loan of \$668,662 for the construction/permanent financing of the Development. The NHTF loan shall be a non-amortizing loan with an interest rate of 0.00% per annum for a total term of 30 years. The principal of the loan will be forgiven at maturity provided the units for which the NHTF loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period. The NHTF loan funding will subsidize additional deep targeted units for Persons with Special Needs (NHTF Link units) at 22% of AMI. The NHTF Link units will be in addition to the requirement to set aside 50% of the total units as ELI set-aside units and the required number of Link Units for Persons with Special Needs. As such, the Development will be required to set aside three (3) units as NHTF Link units, in addition to the ELI Set-Aside units. After 30 years, all of the NHTF Link units may convert to serve residents at or below 60% of AMI; however, the Persons with Special Needs set-aside commitments must be maintained throughout the entire 50-year Compliance Period. NHTF loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the NHTF loan to Total Development Costs, unless approved by the credit underwriter.

Deferred Costs – Other

This source is comprised of post-construction costs associated with the Development, such as the funding of the Operating Deficit Reserve (\$266,000), post-construction loan interest (\$525,077), and the HC compliance fee due to FHFC upon issuance of IRS Form(s) 8609 (\$223,041).

Additional Construction Sources of Funds:

The Applicant provided an LOI dated February 9, 2022 from National Equity Fund, Inc. (“NEF”) that outlines the terms and conditions of the purchase of the HC. NEF will provide a net equity investment of \$9,363,953 in exchange for a 99.99% limited partnership ownership interest and a proportionate share of the total HC allocation estimated by NEF to be \$10,764,240. The HC allocation will be syndicated at a rate of approximately \$0.87 per \$1.00 of delivered tax credits. An initial HC equity installment of \$1,458,788 will be available at construction loan closing, which satisfies the 15% RFA requirement. No other installments are payable during the construction period.

Deferred Developer Fee:

The Applicant will be required to defer \$3,754,441 or 95.7%, of the total developer fee during the construction phase subject to the terms outlined in Section B of this report.

**Permanent Financing Sources:**

Source	Lender	Applicant's Total	Applicant's Revised Total	Underwriter's Total	Interest Rate	Amortization Years	Term Years	Annual Debt Service
Regulated Mortgage Lender	Chase / OCHFA	\$7,500,000	\$10,600,000	\$10,600,000	4.40%	35	15	\$594,129
FHFC - SAIL	FHFC	\$2,800,000	\$2,800,000	\$2,800,000	1.00%	n/a	15	\$28,000
FHFC - SAIL ELI	FHFC	\$600,000	\$600,000	\$600,000	0.00%	n/a	15	\$0
FHFC - NHTF	FHFC	\$0	\$668,662	\$668,662	0.00%	n/a	30	\$0
Local Government Subsidy	Seminole County	\$50,000	\$0	\$0				
HC Equity	Developer	\$9,683,335	\$10,627,310	\$9,363,953				
Deferred Developer Fee	NEF, Inc.	\$3,321,120	\$494,774	\$2,063,394				
<b>Total :</b>		<b>\$23,954,455</b>	<b>\$25,790,746</b>	<b>\$26,096,009</b>				<b>\$622,129</b>

**Proposed First Mortgage Loan:**

The \$13,400,000 construction loan is expected to be paid down to \$10,600,000 with equity, SAIL, ELI, and NHTF proceeds. Per the Term Sheet dated May 27, 2022, after the initial 24-month construction period, Chase will purchase the remaining principal balance of the tax-exempt loan in an amount not to exceed \$10,600,000 ("Permanent Loan") based upon the conversion requirements illustrated in the Term Sheet. Terms and conditions of the Permanent Loan include a 15-year term and a 35-year amortization period. The Term Sheet indicates monthly principal and interest payments will be based upon an interest rate that will be locked at Construction Loan closing and will be based on the current indicative Bond rate, which as of the date of the LOI was 4.40%. The following conditions must be met in order to convert to permanent financing: a 1.20x debt service coverage ratio ("DSC") with a 1.15x all-in DSC including all loans requiring debt service payment; a 90% economic and physical occupancy; a pro forma forecast showing, in the first ten years following conversion, an annual DSC (based on annual revenue growth of 2% and annual expense growth of 3%) of not less than 1.00x. An annual Trustee Fee of \$5,000 and a 0.30% administrative fee due on the outstanding bond amount are included as part of the Development's pro forma.

**Proposed Second Mortgage Loan - SAIL:**

The Applicant applied to Florida Housing for a \$2,800,000 SAIL Program loan under RFA 2020-205 for the construction/permanent financing of the Development. The SAIL loan will have a total term of 18 years including a 36-month construction/stabilization period and will be conterminous with the First Mortgage as permitted per Rule 67-48. The SAIL loan shall be non-amortizing with a 1.00% interest rate over the life of the loan with annual payments based upon available cash flow as determined by Florida Housing. Any unpaid interest will be deferred until cash flow is available. However, at maturity of the SAIL loan, all principal and accrued interest will be due. Annual payments of all applicable fees will be required. Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$909 per month, subject to a minimum of \$229 per month and an annual Compliance Monitoring Multiple Program Fee of \$993.

**Proposed Third Mortgage Loan – ELI:**

The Applicant requested an ELI loan of \$600,000 for the construction/permanent financing of the Development. The ELI loan shall be non-amortizing with a 0.00% interest rate over the life of the loan with

principal forgivable at maturity provided the units are targeted to ELI Households for the first 15 years of the 50-year Compliance Period. The Persons with Special Needs set-aside requirement must be maintained throughout the entire 50-year Compliance Period. The ELI loan total term will be 18 years including a 36-month construction/stabilization period and will be coterminous with the First Mortgage. Annual payments of all applicable fees will be required. Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$909 per month, subject to a minimum of \$229 per month and an annual Compliance Monitoring Multiple Program Fee of \$993.

Proposed Fourth Mortgage Loan – NHTF:

Per an Invitation to Enter Credit Underwriting from FHFC dated June 23, 2021, the Applicant received a preliminary commitment for an NHTF loan of \$668,662 for the construction/permanent financing of the Development. The NHTF loan shall be a non-amortizing loan with an interest rate of 0.00% per annum for a total term of 30 years. The principal of the loan will be forgiven at maturity provided the units for which the NHTF loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period. The NHTF loan funding will subsidize additional deep targeted units for Persons with Special Needs (NHTF Link units) at 22% of AMI. The NHTF Link units will be in addition to the requirement to set aside 50% of the total units as ELI set-aside units and the required number of Link Units for Persons with Special Needs. As such, the Development will be required to set aside three (3) units as NHTF Link units, in addition to the ELI Set-Aside units. After 30 years, all of the NHTF Link units may convert to serve residents at or below 60% of AMI; however, the Persons with Special Needs set-aside commitments must be maintained throughout the entire 50-year Compliance Period. Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$909 per month, subject to a minimum of \$229 per month and an annual Compliance Monitoring Multiple Program Fee of \$993.

Additional Permanent Sources of Funds:

According to the LOI, NEF will purchase a 99.99% interest in the limited partnership at loan closing at a syndication rate of \$0.87 per dollar of HC for a total net HC equity investment of \$9,363,953 to be paid as follows:

Capital Contributions	Amount	Percent of Total	Due upon
1st Installment	\$1,458,788	15.58%	Admission of NEF to the Limited Partnership and commencement of construction and receipt of HAP contract for a term of at least 20 years
2nd Installment	\$1,458,788	15.58%	Substantial completion of 100% of Project construction; (ii) Temporary (or, if available, Final) Certificates of Occupancy; (iii) Architect's certification indicating that all the work has been completed substantially in accordance with plans and specifications; (iv) Owner's title insurance policy in final form; (v) Company Prepared Draft Cost Certification verifying the Tax Credit basis and 50% test; (vi) No-earlier-than payment date of 7/1/23
3rd Installment	\$6,317,759	67.47%	100% Qualified Occupancy of all Project Tax Credit Units; (ii) Funding of the Project's permanent loan and receipt of executed permanent loan documents in approved form; (iii) Payment of any amounts required by the General Partner's Development Completion Guaranty; (iv) Achievement of Stabilized Occupancy (generally defined as at least 90% occupancy with a Debt Coverage Ratio of 1.15x or better for a three consecutive month period after construction completion); (v) Completion of any outstanding punch list items; (vi) Updated title search as standard in Florida; (vii) "As-Built" ALTA survey; (viii) Final lien waivers from the General Contractor; (ix) If applicable, receipt (or evidence of filing) of real estate tax abatement; (x) Final Certificates of Occupancy, if not previously provided; (xi) Final Cost Certification verifying the Tax Credit basis; (xii) Funding of Project reserves (or funding with the proceeds of this installment) at the required levels; (xiii) If applicable, satisfaction of radon testing requirements; (xiv) Recorded Extended Use Agreement; and (xv) No-earlier-than payment date of: 4/1/24
4th Installment	\$128,618	1.37%	The first year's tax return and K-1; (ii) Fully executed Form 8609 for all Project buildings; and (iii) Occurrence of the following no-earlier-than payment date: 4/1/24
<b>Total:</b>	<b>\$9,363,953</b>	<b>100%</b>	

Annual Credits Per Syndication Agreement \$1,076,424

Total Credits Per Syndication Agreement \$10,764,240

Calculated HC Rate: \$0.87

Limited Partner Ownership Percentage 99.99%

Proceeds During Construction \$1,458,788

#### Deferred Developer Fee:

The Applicant will be required to permanently defer \$2,063,394, or 52.6%, of the total developer fee after stabilization subject to the terms outlined in Section B of this report. The FHFC RFA indicates FHFC will allow up to 100 percent of the eligible Developer fee to be deferred and used as a source on the Development Cost Pro Forma without the requirement to show evidence of ability to fund.

## Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$9,726,000	\$13,571,983	\$12,760,146	\$151,907	
Site Work	\$1,500,000	\$1,000,000	\$1,890,757	\$22,509	\$250,000
Constr. Contr. Costs subject to GC Fee	\$11,226,000	\$14,571,983	\$14,650,903	\$174,416	\$250,000
General Conditions	\$0	\$874,319	\$840,493	\$10,006	
Overhead	\$1,550,640	\$291,440	\$280,162	\$3,335	
Profit	\$0	\$874,319	\$840,493	\$10,006	
Payment and Performance Bonds	\$0	\$96,292	\$96,301	\$1,146	
Total Construction Contract/Costs	\$12,776,640	\$16,708,353	\$16,708,352	\$198,909	\$250,000
Hard Cost Contingency	\$631,332	\$830,603	\$835,417	\$9,945	
FF&E paid outside Constr. Contr.	\$500,000	\$175,000	\$175,000	\$2,083	\$175,000
Other: <a href="#">Shared Amenities</a>	\$0	\$230,143	\$230,143	\$2,740	\$230,143
<b>Total Construction Costs:</b>	<b>\$13,907,972</b>	<b>\$17,944,099</b>	<b>\$17,948,912</b>	<b>\$213,678</b>	<b>\$655,143</b>

### Notes to Actual Construction Costs:

1. A Standard Form of Agreement Between the Owner and Contractor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price in the amount \$16,708,352 (the "Construction Contract") has been provided. The Construction Contract was entered into as of April 29, 2022 and is executed by the Applicant and RBK3, LLC d/b/a Roger B. Kennedy Construction (the "General Contractor"). It indicates construction completion within 491 days from the date of commencement. The Construction Contract indicates retainage of ten percent (10%) will be withheld until 50% of the work is complete based on the Schedule of Values, at which point no additional retainage shall be withheld.
2. GLE Associates, Inc. ("GLE") provided a Plan & Cost Review ("PCR"), dated September 14, 2022, for the Development. The PCR stated the overall cost to construct the Development is \$16,708,352 or \$198,908.95 per unit. It is GLE's opinion that the cost per unit is appropriate for the scope of work indicated as comparables range between \$191,532 and \$204,501 per unit. The construction progress schedule submitted for GLE's review shows a 491-day duration for substantial completion; the construction contract indicates 491 days to completion. GLE stated this time is adequate for the construction of the Development.
3. GLE identified the following allowances listed in the Construction Contract:
  - \$10,000 – Monument Sign Structure
  - \$18,000 – Playground Equipment/Fencing/Ground Cover
  - \$10,000 – Community Garden
  - \$25,000 – DAS System Conduit and Vertical Rated Shafts
  - \$35,000 – Power Company's Primary Conduit
  - \$98,000 Total

GLE opined that the allowances are within an acceptable range for the scope of work indicated.

GLE noted that Exhibit AA of the Construction Contract, Contractor's Qualifications and Clarifications Article 18, indicates that the Contract amount is based on current prices, laws and codes

as of April 29, 2022. All costs may be open to change if the project does not start within 45 days and continue without stoppage. Delay(s) in the start of construction may cause increases beyond the Contractor's control. GLE opines that the actual project costs may be modified if construction has not started by June 14, 2022. The expected method of addressing any possible cost escalations to the GMP Contract during the construction of the Development would be via the standard change order process.

4. A 5% hard cost contingency was utilized by AmeriNat and is the maximum permitted by the RFA and Rule Chapters 67-48 and 67-21.
5. General Contractor's Fee (consisting of general requirements, overhead, and profit) is based upon the schedule of values attached to the Construction Contract and does not exceed 14.00% of allowable hard costs as per the RFA and Rule Chapters 67-21 and 67-48. The GC fee stated herein is for credit underwriting purposes only, and the final GC fee will be determined pursuant to the final cost certification process as per Rule Chapter 67-21.
6. The General Contractor will secure a Payment and Performance Bond to secure the Construction Contract and an estimate of its cost is shown outside of the Construction Contract. Receipt of an executed P&P bond is a condition precedent to loan closing.
7. FF&E Paid outside of the Construction Contract consists of common area furniture, outdoor furniture/equipment/playground equipment, and certain security fixtures and equipment not already included in the Construction Contract.
8. Shared Amenities represents the reimbursement to Phase One (Monroe Landings) for the construction of the clubhouse, pool and other amenities that the Development will have shared access to as part of a larger planned community of the Developer. The total cost for this line item was documented during the construction of Phase One and sourced at the time via a loan from the project's General Partner. The amount shown is the incremental construction costs the Applicant attributes to building larger facilities to handle the capacity of the proposed Development and not the total cost to construct the amenities. AmeriNat received and reviewed a change order that summarizes the associated costs for the additional construction.



GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$25,000	\$25,000	\$25,000	\$298	\$12,500
Appraisal	\$10,000	\$10,000	\$10,000	\$119	
Architect's Fee - Landscape	\$0	\$35,000	\$25,000	\$298	
Architect's Fee - Site/Building Design	\$300,000	\$200,000	\$201,500	\$2,399	
Architect's Fee - Supervision	\$25,000	\$10,000	\$10,000	\$119	
Building Permits	\$84,000	\$168,000	\$168,000	\$2,000	
Builder's Risk Insurance	\$33,600	\$100,000	\$100,000	\$1,190	
Engineering Fees	\$250,000	\$100,000	\$73,400	\$874	
Environmental Report	\$25,000	\$15,000	\$15,000	\$179	
FHFC Administrative Fees	\$92,722	\$109,949	\$108,472	\$1,291	\$108,472
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$36	\$3,000
FHFC Credit Underwriting Fee	\$23,891	\$27,329	\$24,479	\$291	\$24,479
FHFC Compliance Fee	\$220,904	\$220,904	\$223,041	\$2,655	\$223,041
Impact Fee	\$766,252	\$299,208	\$299,208	\$3,562	
Lender Inspection Fees / Const Admin	\$30,000	\$75,000	\$124,148	\$1,478	
Green Building Cert. (LEED, FGBC, NAHB)	\$40,000	\$35,400	\$35,400	\$421	
Insurance	\$100,000	\$0	\$0	\$0	
Legal Fees - Organizational Costs	\$350,000	\$300,000	\$300,000	\$3,571	\$250,000
Market Study	\$15,000	\$10,000	\$6,250	\$74	\$6,250
Marketing and Advertising	\$125,000	\$100,000	\$100,000	\$1,190	\$100,000
Plan and Cost Review Analysis	\$0	\$0	\$3,150	\$38	
Property Taxes	\$50,000	\$0	\$0	\$0	
Survey	\$12,000	\$20,000	\$20,000	\$238	
Title Insurance and Recording Fees	\$150,000	\$75,000	\$75,000	\$893	
Utility Connection Fees	\$293,748	\$0	\$0	\$0	
Soft Cost Contingency	\$101,230	\$70,170	\$97,502	\$1,161	
<b>Total General Development Costs:</b>	<b>\$3,126,347</b>	<b>\$2,008,960</b>	<b>\$2,047,550</b>	<b>\$24,376</b>	<b>\$727,742</b>

*Notes to the General Development Costs:*

1. AmeriNat reflects actual costs for the appraisal, market study, and plan and cost review analysis.
2. AmeriNat reflects the costs associated with the Architect's and Engineer's fees as stated in agreements between the Applicant and the professionals which were reviewed by AmeriNat.
3. FHFC Administrative Fee is based upon a fee of 9% of the annual HC allocation recommendation made herein.
4. FHFC Credit Underwriting Fee includes the SAIL & ELI Credit Underwriting Fee (\$14,479), multiple program fees for NHTF and 4% HC (\$4,850 each), and a \$300 credit reporting fee.
5. Impact Fees are based on the schedule provided by the Applicant.
6. The Applicant provided an executed agreement for Florida Green Building Coalition ("FBGC") Certification between the Applicant and Trifecta Construction Solutions.
7. Lender Inspection Fees / Construction Admin costs are based on an estimate provided by the Applicant for construction period monitoring, as well as 17 site inspections by GLE (\$1,075/each), and

construction loan administration for draw processing (17 total draws at the contracted rate of \$192/hour, 12 hours for the closing and final construction draws, eight hours for the remaining 15 draws).

8. A soft cost contingency of 5% has been underwritten, which is consistent with underwriting standards and may be utilized by the Applicant in the event soft costs exceed these estimates as permitted by the RFA and Rule Chapters 67-21 and 67-48.
9. Impact Fees are based on a schedule and estimates provided by the Applicant.
10. The remaining general development costs appear reasonable.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Origination Fee	\$34,500	\$119,500	\$119,250	\$1,420	
Construction Loan Closing Costs	\$0	\$50,000	\$50,000	\$595	\$50,000
Construction Loan Interest	\$753,753	\$948,327	\$1,045,176	\$12,443	\$525,077
Permanent Loan Origination Fee	\$75,000	\$79,500	\$79,500	\$946	\$79,500
Permanent Loan Closing Costs	\$50,000	\$50,000	\$50,000	\$595	\$50,000
Local HFA Bond Underwriting Fee	\$0	\$0	\$16,009	\$191	\$16,009
Local HFA Bond Cost of Issuance	\$353,098	\$257,009	\$257,009	\$3,060	\$257,009
SAIL Commitment Fee	\$0	\$28,000	\$28,000	\$333	\$28,000
SAIL Closing Costs	\$0	\$0	\$12,500	\$149	\$12,500
SAIL-ELI Commitment Fee	\$0	\$6,000	\$6,000	\$71	\$6,000
SAIL-ELI Closing Costs	\$0	\$0	\$6,500	\$77	\$6,500
Misc Loan Closing Costs	\$100,000	\$0	\$0	\$0	
NHTF Closing Costs	\$0	\$0	\$12,500	\$149	\$12,500
Placement Agent/Underwriter Fee	\$0	\$0	\$27,500	\$327	\$27,500
Initial TEFRA Fee	\$0	\$0	\$3,000	\$36	\$3,000
Other: Syndicator Closing Costs	\$50,000	\$55,000	\$55,000	\$655	\$55,000
Other: FHFC Firm Commitment Extension Fee	\$0	\$0	\$40,687	\$484	\$40,687
<b>Total Financial Costs:</b>	<b>\$1,416,351</b>	<b>\$1,593,336</b>	<b>\$1,808,631</b>	<b>\$21,531</b>	<b>\$1,169,282</b>
<b>Dev. Costs before Acq., Dev. Fee &amp; Reserves</b>	<b>\$18,450,670</b>	<b>\$21,546,395</b>	<b>\$21,805,093</b>	<b>\$259,584</b>	<b>\$2,552,167</b>

#### Notes to the Financial Costs

1. Financial costs were derived from the representations illustrated in the LOI's for equity and construction and permanent financing and appear reasonable to AmeriNat.
2. An interest reserve for the Construction Loan is supported by the Construction Loan terms illustrated in the LOI provided by Chase, the duration of construction referenced in the Construction Contract and the resultant calculation completed by AmeriNat through the use of a construction draw schedule provided by the Applicant.
3. The SAIL and ELI Commitment Fees represent 1.00% of each respective loan amount as illustrated in the RFA. The FHFC Firm Loan Commitment Extension Fee is 1.00% of the SAIL/ELI/NHTF loan amounts, respectively.
4. The SAIL, ELI, & NHTF Closing Costs are an estimate of the FHFC legal fees.

- For the Local HFA Cost of Issuance, applicable costs and the appropriate line items were included in this section based on the representations contained in the development budget.
- The remaining Financial Costs appear reasonable.

DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	\$3,321,120	\$3,878,351	\$3,924,916	\$46,725	
<b>Total Other Development Costs:</b>	<b>\$3,321,120</b>	<b>\$3,878,351</b>	<b>\$3,924,916</b>	<b>\$46,725</b>	<b>\$0</b>

*Notes to the Other Development Costs:*

- The total Developer Fee does not exceed 18.00% of the Total Development Costs exclusive of Land Costs and Reserves, which is permitted by the RFA and Rule Chapters 67-48 and 67-21.
- Construction Period Developer Fee shall be the lesser of i) 50% of the Total Developer Fee or ii) the Total Developer Fee less the Deferred Developer Fee listed in the Sources and Uses for the construction period, as calculated by the Servicer. At closing, a maximum of 35% of the Construction Period Developer Fee may be funded. Remaining Construction Period Developer Fee will be disbursed during construction/rehabilitation on a pro rata basis, based on the percentage of completion of the development, as approved and reviewed by FHFC and Servicer.

AmeriNat estimates payable Developer Fee at closing to be \$59,666, the Developer's Overhead is estimated to be \$110,809, and the Developer's Profit is estimated to be \$1,691,047, which will be funded following 100% lien free completion. The remaining \$2,063,394 will be permanently deferred and will be paid from the Development's cash flow from operations.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$100,000	\$100,000	\$100,000	\$1,190	\$100,000
<b>Total Acquisition Costs:</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$1,190</b>	<b>\$100,000</b>

*Notes to Land Acquisition Costs:*

- AmeriNat received and reviewed an Amended and Restated Ground Lease ("ARGL") and a draft Second Amended and Restated Ground Lease between the Applicant and the Housing Authority of the City of Sanford, Florida ("Landlord"). The Second ARGL indicates that the lease has a term expiring on December 31, 2076. There is no annual land rent payable to the Landlord. The Applicant is to make a capitalized lease payment of \$100,000 to the Landlord upon the commencement date of the lease, which occurs at loan closing.
- An Appraisal performed by Novogradac dated August 30, 2022 identifies an "as is" market value of the real estate as of June 6, 2022 to be \$1,700,000. The lesser of the land lease payment or appraised value was used for underwriting purposes.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Syndicator)	\$0	\$266,000	\$266,000	\$3,167	\$266,000
<b>Total Reserve Accounts:</b>	<b>\$0</b>	<b>\$266,000</b>	<b>\$266,000</b>	<b>\$3,167</b>	<b>\$266,000</b>

*Notes to Reserve Accounts*

1. Operating Deficit Reserve ("ODR") is based on the requirements stated in the letter of intent from NEF and equates to approximately three months of debt service. The reserve is to be funded by Capital Contribution #3. At the end of the compliance period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC loan debt; if there is no FHFC loan debt on the proposed Development at the end of the compliance period, any remaining balance shall be used to pay any outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in Rule Chapters 67-48 and 67-21. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its Servicer and its Legal Counsel.

In exchange for receiving funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer Fee), the Development's capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant's obligation to periodically fund the replacement reserve account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant's organizational agreement (i.e., operating or limited partnership agreement). The actual direction of the disposition is at the Applicant's discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
<b>TOTAL DEVELOPMENT COSTS:</b>	\$21,871,790	\$25,790,746	\$26,096,009	\$310,667	\$2,918,167

*Notes to Total Development Costs:*

1. Total Development Costs have increased from \$21,871,790 to \$26,096,009 for a difference of \$4,224,219 since the Application due to increases in construction costs, general development costs, financial costs, Developer Fee, and reserve accounts.

## OPERATING PRO FORMA

FINANCIAL COSTS:		Year 1	Year 1 Per Unit
<b>OPERATING PRO FORMA</b>			
<b>INCOME:</b>	Gross Potential Rental Income	\$1,331,112	\$15,847
	Other Income		\$0
	Ancillary Income	\$16,800	\$200
	Gross Potential Income	\$1,347,912	\$16,047
	Less:		
	Economic Loss Percentage: 5.00%	\$67,396	\$802
<b>Total Effective Gross Income</b>		<b>\$1,280,516</b>	<b>\$15,244</b>
<b>EXPENSES:</b>	Fixed:		
	Real Estate Taxes	\$0	\$0
	Insurance	\$42,000	\$500
	Variable:		
	Management Fee Percentage: 5.00%	\$64,026	\$762
	General and Administrative	\$39,900	\$475
	Payroll Expenses	\$127,600	\$1,519
	Utilities	\$78,960	\$940
	Maintenance and Repairs/Pest Control	\$84,000	\$1,000
	Reserve for Replacements	\$25,200	\$300
<b>Total Expenses</b>		<b>\$461,686</b>	<b>\$5,496</b>
<b>Net Operating Income</b>		<b>\$818,830</b>	<b>\$9,748</b>
<b>Debt Service Payments</b>			
	First Mortgage - Chase / OCHFA	\$594,129	\$7,073
	Second Mortgage - SAIL	\$28,000	\$333
	Third Mortgage - SAIL / ELI	\$0	\$0
	Fourth Mortgage - NHTF	\$0	\$0
	First Mortgage Fees - HFA Admin and Trustee Fees	\$36,800	\$438
	Second Mortgage Fees - SAIL PLS & CM	\$7,993	\$95
	Third Mortgage Fees - ELI PLS & CM	\$3,741	\$45
	Fourth Mortgage Fees - NHTF PLS & CM	\$3,741	\$45
Total Debt Service Payments		\$674,404	\$8,029
Cash Flow after Debt Service		\$144,426	\$1,719
<b>Debt Service Coverage Ratios</b>			
	DSC - First Mortgage plus Fees	1.30x	
	DSC - Second Mortgage plus Fees	1.23x	
	DSC - Third Mortgage plus Fees	1.22x	
	DSC - Fourth Mortgage plus Fee	1.21x	
	DSC - All Mortgages and Fees	1.21x	
<b>Financial Ratios</b>			
Operating Expense Ratio		36.05%	
Break-even Economic Occupancy Ratio (all debt)		84.54%	

*Notes to the Operating Pro forma and Ratios:*

1. The Development will be utilizing Housing Credits in conjunction with MMRB, SAIL, ELI, & NHTF which will impose rent restrictions. Under the MMRB program, 40% of the units (34 units) will be set aside at or below 60% of AMI. Under the SAIL and HC programs, the Development will set aside 15.476% of its total units (13 units) at or below 30% of AMI. Additional restrictions imposed by SAIL and HC programs consist of 61.905% of the total units (52 units) at or below 60% of AMI and 22.619% of the total units (19 units) at or below 80% of AMI. For the NHTF program, the Development will set aside 3.571% of the total units (3 units) at or below 22% of AMI. Overall, the maximum Housing Credit rents for 2022 published on FHFC's website for the Development are achievable as confirmed by the appraiser. Based on representations of the Applicant, sixty-three (63) units will be receiving HUD HAP subsidy and will pay 30% or less of their income towards rent. Receipt of an executed HAP contract confirming the rental rates, length of the contract, and number of units receiving assistance is a condition precedent to loan closing. The remaining 21 units will be set-aside for tenants whose income is 80% or less of AMI. Utility allowances were derived from the most recent utility allowance schedule published by the Seminole County Housing Authority, effective as of November 2020. A rent roll for the Development property 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
1	1.0	1	690	22%			\$342	\$109	\$233	\$1,237	\$1,128	\$1,128	\$1,128	\$13,536
2	2.0	1	908	22%			\$410	\$152	\$258	\$1,422	\$1,270	\$1,270	\$1,270	\$15,240
3	2.0	1	1,041	22%			\$474	\$197	\$277	\$1,827	\$1,630	\$1,630	\$1,630	\$19,560
1	1.0	5	690	30%			\$466	\$109	\$357	\$1,237	\$1,125	\$1,128	\$1,128	\$67,680
2	2.0	6	908	30%			\$560	\$152	\$408	\$1,422	\$1,270	\$1,270	\$1,270	\$91,440
3	2.0	2	1,041	30%			\$646	\$197	\$449	\$1,827	\$1,630	\$1,630	\$1,630	\$39,120
1	1.0	1	690	60%			\$933	\$109	\$824		\$824	\$824	\$824	\$9,888
1	1.0	9	690	60%			\$933	\$109	\$824	\$1,237	\$1,128	\$1,128	\$1,128	\$121,824
2	2.0	24	908	60%			\$1,120	\$152	\$968	\$1,422	\$1,270	\$1,270	\$1,270	\$365,760
3	2.0	1	1,041	60%			\$1,293	\$197	\$1,096		\$1,096	\$1,096	\$1,096	\$13,152
3	2.0	14	1,041	60%			\$1,293	\$197	\$1,096	\$1,827	\$1,630	\$1,630	\$1,630	\$273,840
1	1.0	6	690	80%			\$1,245	\$109	\$1,136		\$1,136	\$1,136	\$1,136	\$81,792
2	2.0	9	908	80%			\$1,494	\$152	\$1,342		\$1,342	\$1,342	\$1,342	\$144,936
3	2.0	4	1,041	80%			\$1,725	\$197	\$1,528		\$1,528	\$1,528	\$1,528	\$73,344
		84	74,402											\$1,331,112

2. A 5.00% total economic vacancy rate was concluded by the appraisal and was relied upon by AmeriNat for underwriting purposes.
3. Ancillary Income is comprised of income related to multifamily operations in the form of vending income, late charges, pet deposits, forfeited security deposits, etc.
4. AmeriNat utilized a real estate tax expense of \$0 per unit based upon the conclusions of the appraisal. Following completion, it is anticipated that the Development will receive a full tax exemption under Florida Statute 196.1975, which is tied to the number of income-qualified tenants residing at the property. Please note that It is an extraordinary assumption of the appraisal that the Development receives a full tax abatement following completion.

5. AmeriNat utilized an estimate of \$500 per unit for insurance, which is consistent with the appraisal. The figure is consistent with insurance expenses for restricted rent comparables presented by the appraiser, which ranged from \$283 to \$553 per unit. The Development will be located in flood zone "X". Zone "X" is an area outside of the 100-year flood plain which does not require flood insurance.
6. A draft management agreement (the "Agreement") between Wendover Management, LLC and the Applicant illustrates a management fee payable on the first day of each month equal to \$2,500 or five percent (5.00%) of gross income, whichever is greater. Management is to begin 90 days prior to first certificate of occupancy. The term of the agreement begins upon execution and continues for one year with automatic one-year renewals unless the agreement is terminated by either party. The appraisal concluded a management fee of 5.00%. The greater of the actual and concluded management agreement fee has been applied for the purposes of this analysis. Receipt of an executed Agreement is a condition precedent to loan closing.
7. Replacement Reserves are budgeted at \$300 per unit per year, which is consistent with the RFA and Rules 67-48 and 67-21 minimum requirement.
8. The MMRB Loan includes a 0.30% Administrative fee due to the Housing Authority of the City of Sanford, FL ("HACS") on the outstanding Bonds and a \$5,000 annual Trustee Fee.
9. The SAIL Loan has an annual Permanent Loan Servicing Fee based on 25 basis points of the outstanding loan amount, with a minimum monthly fee of \$229 and a maximum monthly fee of \$909, and an hourly fee of \$192 for extraordinary services. The annual Multiple Program Compliance Monitoring Fee is \$993.
10. The ELI Loan has an annual Permanent Loan Servicing Fee based on 25 basis points of the outstanding loan amount, with a minimum monthly fee of \$229 and a maximum monthly fee of \$909, and an hourly fee of \$192 for extraordinary services. The annual Multiple Program Compliance Monitoring Fee is \$993.
11. The NHTF Loan has an annual Permanent Loan Servicing Fee based on 25 basis points of the outstanding loan amount, with a minimum monthly fee of \$229 and a maximum monthly fee of \$909, and an hourly fee of \$192 for extraordinary services. The annual Multiple Program Monitoring Fee is \$993.
12. Based upon an estimated Net Operating Income ("NOI") of \$818,830 for the proposed Development's initial year of stabilized operations; the first mortgage loan can be supported by operations at a 1.30x to 1.00 Debt Service Coverage ("DSC"). The combined amount of the first mortgage loan and SAIL Loan can be supported by operations at a 1.23x to 1.00 DSC, and all debt and fees can be supported by operations at 1.21x to 1.00 DSC.
13. A 15-year Operating Pro forma attached hereto as Exhibit 1 reflects rental income increasing at an annual rate of 2% and expenses increasing at an annual rate of 3%.

**Section B**

**MMRB Special and General Loan Closing Conditions and Contingencies**



**Special Conditions**

This recommendation is contingent upon the review and approval of the following items by OFHFA and the Servicer, at least two weeks prior to MMRB closing. Failure to submit and to receive approval of these items within this time frame may result in postponement of the loan closing date.

1. Receipt of liquidity statements from RBK3, LLC d/b/a Robert B. Kennedy Construction, the General Contractor in the transaction.
2. Receipt of an executed Management Agreement.
3. Receipt of an executed HUD HAP contract consistent with the number of units, rents, and contract length as has been underwritten herein.
4. Completion of the HUD Section 3 pre-construction conference.
5. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 135).

**General Conditions**

This recommendation is contingent upon the review and approval of the following items by OFHFA and the Servicer, at least two weeks prior to MMRB closing. Failure to submit and to receive approval of these items within this time frame may result in postponement of the loan closing date.

1. Any other reasonable requirements of the Servicer, OCHFA, or its Legal Counsel.

**Section C**

**Supporting Information & Schedules**

## Additional Development & Third Party Supplemental Information

**Appraised Value:** AmeriNat received and reviewed a satisfactory appraisal dated August 30, 2022 performed by Novogradac Consulting LLP. ("Novogradac"). The report was certified by H. Blair Kincer, a state certified general real estate appraiser (RZ 4162).

The report indicates a value of \$19,700,000 for the Development as completed and stabilized based on market rents (Market Rents/Market Financing) resulting in a 53.8% first mortgage loan to value. The loan to value for the combined permanent first mortgage and the SAIL loan equates to 68.0%. The valuation assuming market financing upon completion and stabilization and restricted rents (Rent Restricted/Market Financing) based on Local Tax-Exempt Bonds, SAIL, ELI, NHTF, Housing Credits, and PBRA rents is \$18,200,000 resulting in a 58.2% first mortgage loan to value. The loan to value for the combined permanent first mortgage and the SAIL loan equates to 73.6%.

According to the appraisal, the "As Is" market value of the vacant land is \$1,700,000. The Development is subject to a ground lease with the Housing Authority of the City of Sanford, Florida which includes a capitalized lease payment of \$100,000 and is thus supported by the appraisal's valuation. The lesser of the two values was utilized for underwriting purposes.

**Market Study:** AmeriNat received and reviewed a satisfactory market study of the Development prepared by Novogradac dated July 22, 2022. The conclusions and findings from the market study are presented as follows:

The Development site is located at West 5th Street and Olive Avenue in Sanford, Seminole County, FL. Novogradac determined the Primary Market Area ("PMA") based on their conversations with local market participants including property managers, as well as a physical inspection of the market. The PMA is generally defined as the city of Sanford along with surrounding portions of the northern Orlando suburbs. The PMA boundaries are Lake Monroe to the north; East Lake Mary Boulevard to the east; East Lake Mary Boulevard, Lake Jessup, East State Road 434 and West State Road 434 and to the south; and Interstate 4 and the Black Bear Wilderness Area to the west. The PMA encompasses approximately 86 square miles. Novogradac believes that additional support will originate from areas outside of the established PMA. They estimate a leakage of 10 percent. Novogradac indicates the Competitive Market Area ("CMA") is the same as the PMA. And to provide a broader economic context for the Development, they also include a Secondary Market Area ("MSA"). The secondary market area for the Development is Orlando-Kissimmee-Sanford, FL MSA, which consists of the following counties: Lake, Orange, Osceola, and Seminole. The MSA is 3,870 square miles.

The population in the PMA increased by 47.7 percent between 2000 and 2021, compared to the 61.4 percent increase in the regional MSA and 19.1 percent

increase across the overall nation. The percentage of senior renter households in the PMA increased stable between 2010 and 2021 and is estimated to be 26.6 percent as of 2021. According to ESRI demographic projections, the percentage of senior renter households in the PMA is expected to increase as a percentage and overall total through 2026. As of 2021, the median income in the PMA is slightly above the surrounding MSA. Historical median household income growth in the PMA trailed the MSA between 2000 and 2021. Both geographic areas experienced population growth below the overall nation during this time period. Of note, PMA income levels declined from 118 percent of the national median income in 2000 to 107 percent in 2021. Overall, the combination of rising population and household income levels bodes well for future demand for multifamily housing.

There are approximately 9,509 units of demand in the first year of the Development's operation as proposed (6,881 units absent subsidy) based on the annual demand analysis. The Subject will need to accommodate 80 units of demand in order to stabilize at 95 percent occupancy. The demand analysis illustrates adequate demand for the Development's units. Additionally, both penetration rates are considered low and indicative of demand for additional affordable housing supply such as the Development.

There are no FHFC Guarantee Fund Developments within the Subject's PMA or within a five-mile radius. Novogradac estimates a lease up period of three to four months, with an average absorption rate of 25 units per month to achieve stabilized occupancy.

Environmental Report: A Phase I Environmental Site Assessment ("ESA") was performed by Universal Engineering Sciences ("UES") and their assessment was compiled in a report dated May 9, 2022. The ESA was conducted in accordance with ASTM Practice E1528-13. The purpose of the ESA was to identify any associated recognized environmental conditions ("RECs").

Based on the conclusions of the ESA, UES indicated that no RECs, historical RECs, controlled RECs, de minimis conditions or Business Environmental Risks were identified in connection with the Development or surrounding properties and no further assessment was recommended.

Soils Test Report: UES completed a geotechnical exploration of the Development's site and compiled their findings in a report dated June 3, 2021. The report summarizes UES's field exploration and presents their findings, conclusions, and geotechnical engineering recommendations.

UES conducted the following exploration on the site: eight (8) Standard Penetration Test ("SPT") borings (B-01 through B-08) within the four proposed apartment buildings footprints to a depth on the order of 20 feet below existing land surface ("bls") and four (4) SPT borings (R-01 through R-04) within the proposed pavement areas to a depth on the order of 10 feet bls.

The SPT borings were performed in general accordance with the procedures of ASTM D 1586 "Standard Method for Penetration Test and Split-Barrel Sampling of Soils". SPT sampling was performed continuously within the top 10 feet to detect variations in the near subsurface soil profile and on approximate 5 feet centers thereafter. UES recommend performing a boring location survey by a professional surveyor to extend the usefulness of the information gathered in the report.

UES noted that during the exploration program they encountered the presence of shallow hydraulically restrictive soils (silty or clayey fine SAND) ranging approximately from two feet to the maximum termination depth of borings (20 feet) below grades at several of our boring locations. In general, these shallow subsurface soils may act as aquicludes (i.e., base of surficial aquifer) with low infiltration rates. These soils exhibited "N" values ranging from seven to 27 blows per foot ("bpf") indicating they would have no significant adverse effect on building foundations. However, these soils will cause water to perch. Thus, in order to mitigate this condition, the site design will have to incorporate excavation of silty/clayey material and replacement with free draining sand.

In addition to the borings, UES measured the water levels in the boreholes during drilling operations. The groundwater table was encountered at depths approximately ranging from 3 to 5 feet below existing grades within the boring locations at the time of our exploration. Please refer to the attached boring logs for boring location specific groundwater levels. Fluctuations in groundwater levels should be anticipated throughout the year, primarily due to seasonal variations in rainfall, surface runoff, and other factors that may vary from the time the borings were conducted.

The report provides recommendations based on the testing and analysis performed for site preparation and related construction. The detailed recommendations outlined by UES should be incorporated into the Construction Contract.

**Plan & Cost Review:**

GLE provided a PCR dated September 14, 2022 for the Development. The PCR indicates the cost to construct the Development is \$16,708,352 or \$198,908.95 per unit. It is GLE's opinion that the cost per unit is appropriate for the scope of work indicated as comparables range between \$191,532 and \$204,501 per unit. The estimated value of the projected hard construction costs for the site work is \$2,313,955, or approximately \$11.49 per square foot. It is GLE's opinion that this cost per square foot is appropriate for the scope of work indicated. Individual line-item costs generally appear appropriate. The estimated value of the projected hard construction costs for the vertical construction is \$14,136,898 or approximately \$137.09 per square foot. It is GLE's opinion that this cost per square foot is appropriate for the scope of work indicated. Individual line-item costs generally appear appropriate. The construction progress schedule submitted for GLE's review shows 491 days for project completion, with the construction contract indicating substantial completion in 491 days after the date of commencement of work; GLE stated this time is

adequate for the construction of the Development. GLE noted the Development as proposed meets the Enhanced Structural System (“ESS”) requirement.

GLE identified the following allowances listed in the Construction Contract:

- \$10,000 – Monument Sign Structure
- \$18,000 – Playground Equipment/Fencing/Ground Cover
- \$10,000 – Community Garden
- \$25,000 – DAS System Conduit and Vertical Rated Shafts
- \$35,000 – Power Company’s Primary Conduit
- \$98,000 Total

GLE noted the allowances are within an acceptable range for the scope of work indicated.

GLE noted that Exhibit AA of the Construction Contract, Contractor’s Qualifications and & Clarifications Article 18, indicates that the Contract amount is based on current prices, laws and codes as of April 29, 2022. All costs may be open to change if the project does not start within 45 days and continue without stoppage. Delay(s) in the start of construction may cause increases beyond the Contractor’s control. GLE opines that the actual project costs may be modified if construction has not started by June 14, 2022. The expected method of addressing any possible cost escalations to the GMP Contract during the construction of the Development would be via the standard change order process.

Overall, GLE finds the drawings and specifications for the entire project to be satisfactory and generally define all aspects of construction details required for successful completion of the improvements.

**Features & Amenities:** The Applicant committed to provide certain Features and Amenities in accordance with the Application under RFA 2020-205. These commitments are set forth in the attached Exhibit 2. The PCR confirms the features and amenities committed to by the Applicant are in accordance with the representations made in the Application.

**ADA Accessibility Review:**

An ADA Accessibility Review was performed by GLE as part of the PCR engagement with AmeriNat. Executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128 certifying that the plans for the Development comply with these requirements have been received.

**Site Inspection:**

A site inspection of the Development was performed on April 8, 2022. The immediate neighborhood consists of multifamily uses, single family homes, commercial uses, retail uses, and houses of worship. Land uses directly to the north consist of single-family homes and commercial uses. Land uses to the east

consist of vacant, undeveloped land. Land uses to the south consist of vacant, undeveloped land and Seminole Gardens, a general tenancy Section 8 property. Land uses to the west consist of the Monroe Landing development site, George Starke Park and single-family homes and Sanford Train Station.

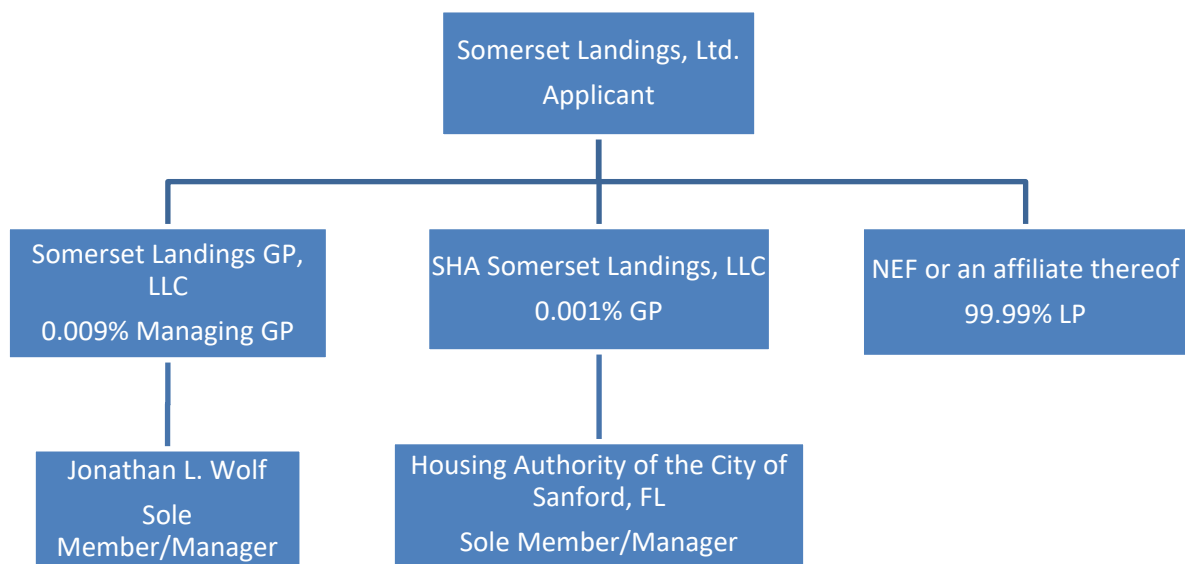
## Borrower Information

Borrower Name: Somerset Landings, Ltd.

Borrower Type: A Florida limited partnership

Ownership Structure: The Borrower is a Florida limited partnership formed July 28, 2015 to construct and operate the Development. Somerset Landings GP, LLC ("Managing General Partner" or "MGP") is the 0.009% managing GP of the Borrower. SHA Somerset Landings, LLC ("co-GP") is the co-GP of the Applicant with a 0.001% ownership interest. Jonathan L. Wolf is the sole member/manager of the MGP. The Housing Authority of the City of Sanford, FL ("HACS") is the sole member/manager of the co-GP. NEF or an affiliate thereof will be the 99.99% Limited Partner of the Applicant.

The organizational structure of the Borrower is as follows:



Copies of the Articles of Incorporation and/or Organization and Operating Agreements have been provided on each of the pertinent ownership structures entities listed above. Certificates of Status for the pertinent involved parties have also been provided.

Contact Person(s): Jonathan L. Wolf  
Wendover Housing Partners, LLC  
Telephone: (407) 333-3233, ext. 202  
[jwolf@wendovergroup.com](mailto:jwolf@wendovergroup.com)

Applicant Address: 1105 Kensington Park Dr., Suite 200



Altamonte Springs, FL 32714

Federal Employer ID: 47-4851148

Experience: Somerset Landings, Ltd. ("Applicant"): A single-asset entity created for the sole purpose of constructing and operating the Development.

Somerset Landings GP, LLC ("MGP"): A single asset entity ("SAE") created to serve as the Managing General Partner of the Applicant.

SHA Somerset Landings, LLC ("co-GP"): An SAE created to serve as the co-General Partner of the Applicant.

The Housing Authority of the City of Sanford, FL ("HACS"): HACS was organized under Chapter 421 of the Florida Statutes (Housing Authorities) to develop, acquire and operate safe, decent, sanitary and affordable housing for low-income families in Sanford, Florida in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development and other Federal Agencies. It is governed by a five-person Board of Commissioners.

Jonathan L. Wolf: Mr. Wolf is the founder and CEO of Wendover Housing Partners LLC, a Florida based, privately held real estate development, investment and management company. He oversees the strategic direction of both Wendover Housing Partners – which consists of a portfolio of affordable and market-rate multi-family communities, senior housing, transit-oriented communities, and student housing – and Wendover Management, LLC, which provides full-service property management.

Somerset Landings Developer, LLC ("Majority co-Developer"): An SAE created to act as the 75% co-developer in the transaction. Ownership of the entity consist of Jonathan L. Wolf (95% member and manager), Glen F. Bamberger (2.5% member) and Ryan S. von Weller (2.5% member). The experience and financial strength of the Developer is provided via Mr. Wolf.

SHA Development, LLC ("co-Developer"): An SAE created to act as the 25% co-developer in the transaction. HACS is the sole member/manager of the entity.

Credit Evaluation: Dun & Bradstreet Business and Information Reports ("DNBi") were requested for the following entities: the MGP, co-GP, Majority co-Developer, and co-Developer. The composite credit appraisals reflected acceptable credit backgrounds, with nothing adverse in the Public Records.

Applicant: A DNBi dated June 28, 2022 was obtained. The composite credit appraisal reflected an acceptable credit background, with nothing adverse in the Public Records.

HACS: A DNBi dated June 28, 2022 was obtained. The composite credit appraisal reflected an acceptable credit background, with nothing adverse in the Public Records.

Jonathan L. Wolf: An Experian Credit Profile Report was performed on June 28, 2022. No negative trades were noted, and all other accounts are current and in good standing.

Banking & Trade  
References:

The Applicant, MGP, co-GP, Majority co-Developer, and co-Developer are single-purpose entities that report little to no liquid assets; therefore, no banking or trade references were verified.

HACS: AmeriNat reviewed bank statements through May 31, 2022 confirming cash and equivalents in the approximate amount of \$2.4MM.

Jonathan L. Wolf: AmeriNat reviewed bank statements through December 31, 2021 confirming cash and cash equivalents in the approximate amount of \$4.9MM.

Trade references were received for HACS and Mr. Wolf and were found to be acceptable.

Financial Statements:

The Applicant, MGP, co-GP, Majority co-Developer, and co-Developer claim no assets and no tax return filings per letters received from a representative of the Applicant.

**HACS**

<u>June 30, 2020</u>		<u>(Audited)</u>
Cash and Cash Equivalents:	\$	3,804,899
Total Assets:	\$	4,347,099
Total Liabilities:	\$	661,322
Net Position:	\$	3,685,777

AmeriNat received an audit for the entity performed by Rubino & Company for the period ending June 30, 2020. AmeriNat was advised that this was the most recent information available. Assets consist primarily of cash and cash equivalents. Liabilities are primarily comprised of accounts payable/liabilities (\$209K) and long-term debt (\$452K).

HACS was organized under Florida Statue 421 and biennially submits a complete and full financial accounting and audit in accordance with federal audit standards of public housing agencies by a certified public accountant to the Federal Government in lieu of income tax returns.

A Schedule of Real Estate Owned received as of May 3, 2022 indicates ownership in six public housing properties which were demolished prior to December 2014. Two properties have been redeveloped; however, no specific

operating information was provided. The remaining four vacant land parcels are slated for future development.

**Jonathan L. Wolf**

<u>December 31, 2021</u>	<u>(Unaudited)</u>
Cash and Cash Equivalents:	\$ 15,597,755
Total Assets:	\$ 79,098,439
Total Liabilities:	\$ 16,455,535
Net Worth:	\$ 62,642,903

Mr. Wolf submitted an unaudited financial statement dated December 31, 2021. AmeriNat was advised this is the most recent statement available. Mr. Wolf's other assets include investments in operating affordable housing (\$32MM), developer fees receivable (\$15.6MM), pre-development costs receivable (\$2.26MM), personal residences (\$5.15MM) and investments in other real estate partnerships and closely held operating companies (\$4.13MM). Liabilities include lines of credit payable (\$8.26MM) and estimated income taxes (\$8.2MM).

AmeriNat received Mr. Wolf's 2019 and 2020 U.S. Income Tax Returns which were considered acceptable. Evidence of Mr. Wolf's 2021 extension was also received.

A Schedule of Real Estate Owned dated March 31, 2022 reflects fractional ownership in 30 affordable properties (18 stabilized, three in lease-up, three under construction, and six in pre-development) with a total of 3,828 units and an overall occupancy rate of 95% for the stabilized properties.

**Contingent Liabilities:** AmeriNat reviewed a Statement of Financial and Credit Affairs for the Applicant, MGP, co-GP, Majority co-Developer, and co-Developer which stated they have no pending legal actions, bankruptcies, foreclosures, or unsatisfied judgments. There were no reported contingent liabilities for these entities.

HACS: AmeriNat reviewed a Statement of Financial and Credit Affairs for the entity dated May 11, 2022 that states there are no pending legal actions, bankruptcies, foreclosures, or unsatisfied judgments. No contingent liabilities were disclosed.

Jonathan L. Wolf: AmeriNat reviewed a Statement of Financial and Credit Affairs for Mr. Wolf dated June 21, 2022 that states there are no pending legal actions, bankruptcies, foreclosures, or unsatisfied judgments. Mr. Wolf indicates he has approximately \$89.7MM in contingent liabilities relating to his real estate portfolio.

**Summary:** The information provided indicates the principals have considerable relevant experience and the financial capacity to successfully construct, own, and operate the Development.

## Guarantor Information

Guarantor Names:	Somerset Landings, Ltd.; Somerset Landings GP, LLC; SHA Somerset Landings, LLC; Somerset Landings Developer, LLC; SHA Development, LLC; and Jonathan L. Wolf, individually (collectively the "Guarantors").
Contact Person(s):	Jonathan L. Wolf Wendover Housing Partners, LLC Telephone: (407) 333-3233, ext. 202 <a href="mailto:jwolf@wendovergroup.com">jwolf@wendovergroup.com</a>
Applicant Address:	1105 Kensington Park Dr., Suite 200 Altamonte Springs, FL 32714
Nature of Guarantee:	<p>The Guarantors will sign Standard FHFC Construction Completion, Environmental Indemnity, Recourse Obligation and Operating Deficit Guaranties. The Construction Completion Guaranty will be released upon 100% lien-free completion as approved by the Servicer.</p> <p>For the SAIL, Guarantors are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by Applicant, the Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met, including achievement of a 1.15x Debt Service Coverage ("DSC") Ratio on the combined permanent First Mortgage and SAIL loan, as determined by the FHFC or Servicer, and 90% occupancy and 90% of the Gross Potential Rental Income, net of Utility Allowances, if applicable, for a period of 12 consecutive months, all certified by an independent Certified Public Accountant ("CPA"), and verified by the Servicer. The calculation of the DSC Ratio shall be made by FHFC or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three (3) years following the final Certificate of Occupancy ("C/O").</p>
Credit Evaluation:	The credit evaluations for the Guarantors were summarized in the "Borrower Information" section of this report.
Banking References:	The banking references for the Guarantors were summarized in the "Borrower Information" section of this report.
Financial Statements:	The Guarantors were summarized in the "Borrower Information" section of this report.
Contingent Liabilities:	The Guarantors were summarized in the "Borrower Information" section of this report.
Summary:	Collectively, the person(s) and entities identified provide a financial position sufficient to serve as Guarantors to the proposed development.

## Syndicator Information

Syndicator Name: National Equity Fund, Inc. ("NEF")

Type: NEF will have a controlling interest in the 99.99% investor limited partner

Contact Person: Jason Aldridge  
National Equity Fund, Inc.  
Vice President of Originations  
Telephone: (972) 741-5150.  
[jaldridge@nefinc.org](mailto:jaldridge@nefinc.org)

Address: 10 South Riverside Plaza, 17<sup>th</sup> Floor  
Chicago, IL 60606

Experience: NEF is a nonprofit Chicago-based affiliate of the Local Initiatives Support Corporation ("LISC") and a leading syndicator of Low-Income Housing Tax Credits. Since its inception in 1987, NEF has played an integral role in creating affordable housing options, revitalizing communities and strengthening local economies. NEF's investments total more than \$16.75 billion in 2,795 LIHTC developments, which created over 187,000 affordable homes for low-income families and individuals.

Financial Statements: The most recent audited financial statement for NEF is summarized as follows:

**Local Initiatives Support Corporation and Affiliates**

<u>December 31, 2020</u>	<u>(Audited)</u>
Cash and Cash Equivalents:	\$ 255,110,700
Total Assets:	\$ 1,455,521,963
Total Liabilities:	\$ 954,943,826
Total Shareholder Equity	\$ 500,578,137

The financial information presented above is from LISC, the parent company of NEF, and based upon the most recent consolidated audited financial statements for the period ending December 31, 2020. CohnReznick LLP completed the audit on June 29, 2021. Information for 2021 was not yet available at the time of this report.

Summary: With the support of its parent company, LISC, NEF has the prerequisite financial capacity and experience to successfully serve as the HC syndicator and limited partner of the Applicant.

## General Contractor Information

General Contractor:	RBK3, LLC d/b/a Roger B. Kennedy Construction ("RBK3")
Type:	A Florida limited liability company
Contact Person:	Ron Whalen Vice President Office: (407) 478-4500 Fax: (407) 478-4501 <a href="mailto:rwhalen@rbkennedy.com">rwhalen@rbkennedy.com</a>
Address:	1105 Kensington Park Dr. Altamonte Springs, FL 32714
Experience:	Roger B. Kennedy Construction specializes in hospitality, multifamily, commercial and healthcare projects. The Kennedy organization spans five generations and has been in continuous operation for over 145 years. Based in the Orlando suburb of Altamonte Springs, Florida, the company is led by Roger B. Kennedy, Jr., President, who provides hands-on principal involvement from pre-construction through close-out. As a top general contracting and construction management firm, Roger B. Kennedy Construction excels in hotel/resort construction and renovations as well as apartments, condominiums and healthcare facilities. Mr. Robert B. Kennedy, Jr., President, is a Certified General Contractor whose license is CGC1523379, which expires as of August 31, 2024.
Credit Evaluation:	A DNBi dated June 28, 2022 was obtained. The composite credit appraisal reflected an acceptable credit background, with nothing adverse in the Public Records.
Banking and Trade References:	RBK3 declined to provide liquidity statements. Receipt of liquidity statements is a condition precedent to loan closing.  Banking and trade references for RBK3 were received and found to be satisfactory.
Financial Statements:	Per Rule Chapter 67-48.0072(14)(c), audited or compiled statements may be waived if a payment and performance bond equal to 100 percent of the total construction cost whose terms do not adversely affect the Corporation's interest, and is issued in the name of the General Contractor by a company rated at least "A-" by AMBest & Co. A draft P&P Bond that meets these requirements has been received and will be executed prior to closing.
Payment & Performance Bond:	The General Contractor will obtain a P&P Bond for 100% of the Construction Contracts value which will meet the requirements of the Rule. Receipt of an executed P&P bond is a condition precedent to loan closing.

Summary: AmeriNat recommends RBK3 be accepted as the General Contractor and the construction contract be approved Development to the recommendations of the PCR and evidence of an executed payment and performance bond between the Applicant and RBK3 for 100% of the Construction Contract amount.

**Property Management Information**

Name:	Wendover Management, LLC ("WM")
Type:	A Florida limited liability company
Contact Person:	Ricardo Alicea Office: (407) 333-3233 Ext. 209 Fax: (407) 333-3919 <a href="mailto:ralicea@wendovergroup.com">ralicea@wendovergroup.com</a>
Address:	1105 Kensington Park Drive Suite 200 Altamonte Springs, FL 32714
Experience:	WM was formed in July of 2008 and provides full property management services for multifamily affordable and market-rate housing, including maintenance, administration, accounting, customer service, marketing and leasing. WM is currently actively managing over 1,600 units.
Management Agreement:	A draft management agreement (the "Agreement") between WM and the Applicant illustrates a management fee payable on the first day of each month equal to \$2,500 or five percent (5.00%) of gross income, whichever is greater. Management is to begin 90 days prior to first certificate of occupancy. A one-time set up fee of 1/2 of one-month management fee will be due at time of takeover. During lease-up, \$150 per lease will be due and payable. The term of the agreement begins upon execution and continues for one year with automatic one-year renewals unless the agreement is terminated by either party. Receipt of an executed Agreement is a condition precedent to loan closing.
Management Plan:	According to the Management Plan reviewed by AmeriNat, WM will provide staffing, leasing, record keeping/compliance, physical plant, resident relations and budgeting for the Development.
Summary:	WM demonstrates sufficient experience in the management of affordable multifamily housing to serve as the Property Manager for the Development. However, the selection of WM to manage the Development must be approved by FHFC's Asset Management Department prior to lease-up activity pursuant to Rule Chapter 67-53 F.A.C. As the Development is proposed to be constructed, said approval is not required at closing. Continued approval is subject to ongoing satisfactory performance.



**Exhibit 1**  
**Somerset Landings**  
**30 Year Operating Pro forma**

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
<b>OPERATING PRO FORMA</b>																
<b>INCOME:</b>	Gross Potential Rental Income	\$1,331,112	\$1,357,734	\$1,384,889	\$1,412,587	\$1,440,838	\$1,469,655	\$1,499,048	\$1,529,029	\$1,559,610	\$1,590,802	\$1,622,618	\$1,655,070	\$1,688,172	\$1,721,935	\$1,756,374
	Other Income															
	Ancillary 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
	Gross Potential Income	\$1,347,912	\$1,374,870	\$1,402,368	\$1,430,415	\$1,459,023	\$1,488,204	\$1,517,968	\$1,548,327	\$1,579,294	\$1,610,880	\$1,643,097	\$1,675,959	\$1,709,478	\$1,743,668	\$1,778,541
	Less:															
	Economic Loss Percentage: 5.00%	\$67,396	\$68,744	\$70,119	\$71,521	\$72,952	\$74,411	\$75,899	\$77,417	\$78,965	\$80,544	\$82,155	\$83,798	\$85,474	\$87,184	\$88,928
<b>Total Effective Gross Income</b>		<b>\$1,280,516</b>	<b>\$1,306,126</b>	<b>\$1,332,249</b>	<b>\$1,358,894</b>	<b>\$1,386,072</b>	<b>\$1,413,793</b>	<b>\$1,442,069</b>	<b>\$1,470,910</b>	<b>\$1,500,329</b>	<b>\$1,530,335</b>	<b>\$1,560,942</b>	<b>\$1,592,161</b>	<b>\$1,624,004</b>	<b>\$1,656,484</b>	<b>\$1,689,614</b>
<b>EXPENSES:</b>	Fixed:															
	Real Estate Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Insurance	\$42,000	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800	\$56,444	\$58,138	\$59,882	\$61,678	\$63,529
	Variable:															
	Management Fee Percentage: 5.00%	\$64,026	\$65,307	\$66,613	\$67,945	\$69,304	\$70,690	\$72,104	\$73,546	\$75,017	\$76,517	\$78,047	\$79,608	\$81,200	\$82,824	\$84,481
	General and Administrative	\$39,900	\$41,097	\$42,330	\$43,600	\$44,908	\$46,255	\$47,643	\$49,072	\$50,544	\$52,060	\$53,622	\$55,231	\$56,888	\$58,594	\$60,352
	Payroll Expenses	\$127,600	\$131,428	\$135,371	\$139,432	\$143,615	\$147,923	\$152,361	\$156,932	\$161,640	\$166,489	\$171,484	\$176,628	\$181,927	\$187,385	\$193,006
	Utilities	\$78,960	\$81,329	\$83,769	\$86,282	\$88,870	\$91,536	\$94,282	\$97,111	\$100,024	\$103,025	\$106,116	\$109,299	\$112,578	\$115,955	\$119,434
	Maintenance and Repairs/Pest Control	\$84,000	\$86,520	\$89,116	\$91,789	\$94,543	\$97,379	\$100,300	\$103,309	\$106,409	\$109,601	\$112,889	\$116,276	\$119,764	\$123,357	\$127,058
	Reserve for Replacements	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,200	\$25,956	\$26,735	\$27,537	\$28,363	\$29,214
<b>Total Expenses</b>		<b>\$461,686</b>	<b>\$474,140</b>	<b>\$486,955</b>	<b>\$500,142</b>	<b>\$513,711</b>	<b>\$527,673</b>	<b>\$542,040</b>	<b>\$556,825</b>	<b>\$572,038</b>	<b>\$587,693</b>	<b>\$604,558</b>	<b>\$621,915</b>	<b>\$639,776</b>	<b>\$658,157</b>	<b>\$677,074</b>
<b>Net Operating Income</b>		<b>\$818,830</b>	<b>\$831,986</b>	<b>\$845,293</b>	<b>\$858,752</b>	<b>\$872,361</b>	<b>\$886,120</b>	<b>\$900,029</b>	<b>\$914,086</b>	<b>\$928,291</b>	<b>\$942,642</b>	<b>\$956,383</b>	<b>\$970,246</b>	<b>\$984,228</b>	<b>\$998,327</b>	<b>\$1,012,540</b>
<b>Debt Service Payments</b>																
	First Mortgage - Chase / OCHFA	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129
	Second Mortgage - 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
	Third Mortgage - SAIL / ELI	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Fourth Mortgage - NHTF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	First Mortgage Fees - HFA Admin and Trustee Fees	\$36,800	\$36,409	\$36,000	\$35,574	\$35,127	\$34,661	\$34,174	\$33,665	\$33,134	\$32,578	\$31,997	\$31,391	\$30,757	\$30,095	\$29,403
	Second Mortgage Fees - SAIL PLS & CM	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993
	Third Mortgage Fees - ELI PLS & CM	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741
	Fourth Mortgage Fees - NHTF PLS & CM	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741
<b>Total Debt Service Payments</b>		<b>\$674,404</b>	<b>\$674,013</b>	<b>\$673,605</b>	<b>\$673,178</b>	<b>\$672,732</b>	<b>\$672,266</b>	<b>\$671,779</b>	<b>\$671,270</b>	<b>\$670,738</b>	<b>\$670,182</b>	<b>\$669,602</b>	<b>\$668,995</b>	<b>\$668,361</b>	<b>\$667,699</b>	<b>\$667,007</b>
<b>Cash Flow after Debt Service</b>		<b>\$144,426</b>	<b>\$157,973</b>	<b>\$171,689</b>	<b>\$185,574</b>	<b>\$199,629</b>	<b>\$213,854</b>	<b>\$228,250</b>	<b>\$242,816</b>	<b>\$257,553</b>	<b>\$272,460</b>	<b>\$286,782</b>	<b>\$301,251</b>	<b>\$315,867</b>	<b>\$330,628</b>	<b>\$345,533</b>
<b>Debt Service Coverage Ratios</b>																
	DSC - First Mortgage plus Fees	1.30x	1.32x	1.34x	1.36x	1.39x	1.41x	1.43x	1.46x	1.48x	1.50x	1.53x	1.55x	1.58x	1.60x	1.62x
	DSC - Second Mortgage plus Fees	1.23x	1.25x	1.27x	1.29x	1.31x	1.33x	1.35x	1.38x	1.40x	1.42x	1.44x	1.47x	1.49x	1.51x	1.54x
	DSC - Third Mortgage plus Fees	1.22x	1.24x	1.26x	1.28x	1.30x	1.33x	1.35x	1.37x	1.39x	1.41x	1.44x	1.46x	1.48x	1.50x	1.53x
	DSC - Fourth Mortgage plus Fee	1.21x	1.23x	1.25x	1.28x	1.30x	1.32x	1.34x	1.36x	1.38x	1.41x	1.43x	1.45x	1.47x	1.50x	1.52x
	DSC - All Mortgages and Fees	1.21x	1.23x	1.25x	1.28x	1.30x	1.32x	1.34x	1.36x	1.38x	1.41x	1.43x	1.45x	1.47x	1.50x	1.52x
<b>Financial Ratios</b>																
	Operating Expense Ratio	36.05%	36.30%	36.55%	36.81%	37.06%	37.32%	37.59%	37.86%	38.13%	38.40%	38.73%	39.06%	39.39%	39.73%	40.07%
	Break-even Economic Occupancy Ratio (all debt)	84.54%	83.76%	83.01%	82.28%	81.57%	80.88%	80.21%	79.57%	78.94%	78.34%	77.80%	77.28%	76.77%	76.29%	75.82%

Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
\$1,791,501	\$1,827,332	\$1,863,878	\$1,901,156	\$1,939,179	\$1,977,962	\$2,017,522	\$2,057,872	\$2,099,030	\$2,141,010	\$2,183,830	\$2,227,507	\$2,272,057	\$2,317,498	\$2,363,848
\$22,611	\$23,063	\$23,524	\$23,995	\$24,474	\$24,964	\$25,463	\$25,972	\$26,492	\$27,022	\$27,562	\$28,113	\$28,676	\$29,249	\$29,834
\$1,814,112	\$1,850,394	\$1,887,402	\$1,925,150	\$1,963,653	\$2,002,926	\$2,042,985	\$2,083,845	\$2,125,521	\$2,168,032	\$2,211,393	\$2,255,620	\$2,300,733	\$2,346,747	\$2,393,682
\$90,706	\$92,520	\$94,371	\$96,258	\$98,183	\$100,147	\$102,150	\$104,193	\$106,277	\$108,402	\$110,570	\$112,782	\$115,037	\$117,338	\$119,685
\$1,723,406	\$1,757,874	\$1,793,032	\$1,828,892	\$1,865,470	\$1,902,779	\$1,940,835	\$1,979,652	\$2,019,245	\$2,059,630	\$2,100,822	\$2,142,839	\$2,185,695	\$2,229,409	\$2,273,998
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$65,435	\$67,398	\$69,420	\$71,502	\$73,647	\$75,857	\$78,132	\$80,476	\$82,891	\$85,377	\$87,939	\$90,577	\$93,294	\$96,093	\$98,976
\$86,171	\$87,894	\$89,652	\$91,445	\$93,274	\$95,139	\$97,042	\$98,983	\$100,963	\$102,982	\$105,041	\$107,142	\$109,285	\$111,471	\$113,700
\$62,163	\$64,028	\$65,949	\$67,927	\$69,965	\$72,064	\$74,226	\$76,453	\$78,746	\$81,108	\$83,542	\$86,048	\$88,629	\$91,288	\$94,027
\$198,797	\$204,761	\$210,903	\$217,230	\$223,747	\$230,460	\$237,374	\$244,495	\$251,830	\$259,385	\$267,166	\$275,181	\$283,436	\$291,940	\$300,698
\$123,017	\$126,708	\$130,509	\$134,424	\$138,457	\$142,611	\$146,889	\$151,296	\$155,834	\$160,509	\$165,325	\$170,284	\$175,393	\$180,655	\$186,074
\$130,869	\$134,795	\$138,839	\$143,004	\$147,295	\$151,713	\$156,265	\$160,953	\$165,781	\$170,755	\$175,877	\$181,154	\$186,588	\$192,186	\$197,952
\$30,090	\$30,993	\$31,923	\$32,880	\$33,867	\$34,883	\$35,929	\$37,007	\$38,117	\$39,261	\$40,439	\$41,652	\$42,901	\$44,188	\$45,514
\$696,541	\$716,576	\$737,194	\$758,413	\$780,251	\$802,726	\$825,857	\$849,662	\$874,162	\$899,377	\$925,329	\$952,038	\$979,528	\$1,007,821	\$1,036,941
\$1,026,865	\$1,041,298	\$1,055,837	\$1,070,479	\$1,085,219	\$1,100,053	\$1,114,978	\$1,129,990	\$1,145,083	\$1,160,253	\$1,175,494	\$1,190,801	\$1,206,168	\$1,221,589	\$1,237,057
\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129	\$594,129
\$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
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993	\$7,993
\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741
\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741	\$3,741
\$637,604	\$637,604	\$637,604	\$637,604	\$637,604	\$637,604	\$637,604	\$637,604	\$637,604	\$637,604	\$637,604	\$637,604	\$637,604	\$637,604	\$637,604
\$389,260	\$403,694	\$418,233	\$432,874	\$447,614	\$462,449	\$477,374	\$492,386	\$507,479	\$522,648	\$537,889	\$553,196	\$568,563	\$583,984	\$599,453
1.73x	1.75x	1.78x	1.80x	1.83x	1.85x	1.88x	1.90x	1.93x	1.95x	1.98x	2.00x	2.03x	2.06x	2.08x
1.63x	1.65x	1.68x	1.70x	1.72x	1.75x	1.77x	1.79x	1.82x	1.84x	1.87x	1.89x	1.91x	1.94x	1.96x
1.62x	1.64x	1.67x	1.69x	1.71x	1.74x	1.76x	1.78x	1.81x	1.83x	1.85x	1.88x	1.90x	1.93x	1.95x
1.61x	1.63x	1.66x	1.68x	1.70x	1.73x	1.75x	1.77x	1.80x	1.82x	1.84x	1.87x	1.89x	1.92x	1.94x
1.61x	1.63x	1.66x	1.68x	1.70x	1.73x	1.75x	1.77x	1.80x	1.82x	1.84x	1.87x	1.89x	1.92x	1.94x
40.42%	40.76%	41.11%	41.47%	41.83%	42.19%	42.55%	42.92%	43.29%	43.67%	44.05%	44.43%	44.82%	45.21%	45.60%
73.79%	73.43%	73.09%	72.76%	72.45%	72.16%	71.88%	71.62%	71.37%	71.14%	70.93%	70.72%	70.54%	70.37%	70.21%

**Somerset Landings**  
**Orange County Housing Finance Authority**  
**DESCRIPTION OF FEATURES AND AMENITIES**

- In unit washers & dryers
- Pool & BBQ area
- Fitness center
- Community gathering room
- Mail room
- Computer room
- Outdoor children's playground/Tot Lot
- Adult literacy classes
- Family support coordinators made available from local partner organizations
- Financial Management Programs made available via local partnership organizations

**Florida Housing Finance Corporation**  
**RFA 2020-205 (2021-255SN / 2020-546C)**  
**DESCRIPTION OF FEATURES AND AMENITIES**

**A.** The Development will consist of:

84 Garden Apartments located in 4 residential buildings

Unit Mix:

Twenty-two (22) one bedroom/one bath units;

Forty (40) two bedrooms/two bath units;

Twenty-two (22) three bedrooms/two bath units;

84 Total Units

**B.** All units are expected to meet all requirements as outlined below. The quality of the construction features committed to by the Applicant is subject to approval of the Board of Directors.

The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Federal Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act ("ADA") of 1990 as implemented by 28 CFR 35.

All Developments must meet accessibility standards of Section 504. Section 504 accessibility standards require a minimum of 5 percent of the total dwelling units, but not fewer than one unit, to be accessible for individuals with mobility impairments. An additional 2 percent of the total

units, but not fewer than one unit, must be accessible for persons with hearing or vision impairments.

**C.** All Developments must provide the following General Features:

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in accessibility in each unit;
2. Termite prevention;
3. Pest control;
4. Window covering for each window and glass door inside each unit;
5. Cable or satellite TV hook-up in each unit and, if the Development offers cable or satellite TV service to the residents, the price cannot exceed the market rate for service of similar quality available to the Development's residents from a primary provider of cable or satellite TV;
6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
  - There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Developments' units by 15, and then round the equation's total up to the nearest whole number;
  - At least one washing machine and one dryer shall be front loading that meets the accessibility standards of Section 504;
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.
7. At least two full bathrooms in all 3 bedroom or larger new construction units;
8. Bathtub with shower in at least one bathroom in at least 90% of the new construction non-Elderly units;
9. All Family Demographic Developments must provide a full-size range and oven in all units.

**D.** Required Accessibility Features, regardless of the age of the Development:

Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. Florida Housing requires that the design, construction, or alteration of its financed Developments be in compliance with federal and state accessibility requirements. When more than one law and accessibility standard applies, the Applicant shall comply with the standard (2010 ADA Standards, Section 504, Fair Housing Act, or Florida Building Code, Accessibility) which affords the greater level of accessibility

for the residents and visitors. Areas required to be made accessible to mobility-impaired residents and their visitors, including those in wheelchairs, shall include, but not be limited to, accessible routes and entrances, paths of travel, primary function areas, parking, trash bins, mail and package receiving areas for residents, pool and other amenities, including paths of travel to amenities and laundry rooms, including washers and dryers.

**E.** The Development must provide the following Accessibility Features in all units:

1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
2. All door handles on primary entrance door and interior doors must have lever handles;
3. Lever handles on all bathroom faucets and kitchen sink faucets;
4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

**F.** All Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design. Corporation-approved alternative for non-ADA units (where the toilet is not located adjacent to a side wall) is as follows: Provide reinforced walls for future installation of fold down grab bars in place around each toilet.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

**G.** Green Building Features required in all Developments:

All new construction units and, as applicable, all common areas must have the features listed below:

- a. Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat; 150 grams per liter or less for non-flat paint);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
  - i. Toilets: 1.28 gallons/flush or less

- ii. Urinals: 0.5 gallons/flush,
  - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;
- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
  - Residential Electric:
    - i. Up to 55 gallons = .95 EF or .92 UEF; or
    - ii. More than 55 gallons = Energy Star certified; or
    - iii. Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a 77° rise or 0.87 UEF and GPM of  $\geq 2.9$  over a 67° rise;
  - Residential Gas (storage or tankless/instantaneous): Energy Star certified
  - Commercial Gas Water Heater: Energy Star certified;
- g. Energy Star certified ceiling fans with lighting fixtures in bedrooms;
- h. Air Conditioning (in-unit or commercial):
  - i. Air-Source Heat Pumps – Energy Star certified:
    - a.  $\geq 8.5$  HSPF/  $\geq 15$  SEER/  $\geq 12.5$  EER for split systems
    - b.  $\geq 8.2$  HSPF/  $\geq 15$  SEER/  $\geq 12$  EER for single package equipment including gas/electric package units
  - ii. Central Air Conditioners – Energy Star certified:
    - a.  $\geq 15$  SEER/  $\geq 12.5$  EER\* for split systems
    - b.  $\geq 15$  SEER/  $\geq 12$  EER\* for single package equipment including gas/electric package units.

NOTE: Window air conditioners and portable air conditioners are not allowed. Package Terminal Air Conditioners (PTACs) / Package Terminal Heat Pumps (PTHPs) are allowed in studio and 1 bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments with a Development Category of New Construction or Redevelopment, with or without acquisition, must commit to achieve one of the following Green Building Certification programs:

\_\_\_\_\_ Leadership in Energy and Environmental Design (LEED); or

\_\_\_X\_\_\_ Florida Green Building Coalition (FGBC); or

\_\_\_\_\_ ICC 700 National Green Building Standard (NGBS); or

\_\_\_\_\_ Enterprise Building Communities.

**H.** The Applicant must provide the following Resident Programs:

The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

1. Family Support Coordinator

A Family Support Coordinator must be provided at no cost to the resident. The Family Support Coordinator shall assist residents in assessing needs and obtaining services, with the goal of promoting successful tenancies and helping residents achieve and maintain maximum independence and self-sufficiency. Responsibilities shall include linking residents with public and private resources in the community to provide needed assistance, develop and oversee on-site programs and activities based on the needs and interests of residents, and support residents in organizing group activities to build community and to address and solve problems such as crime and drug activity. The duties of the Family Support Coordinator shall not be performed by property management staff. The Coordinator shall be on-site and available to residents at least 20 hours per week, within the hours of 9 a.m. and 8 p.m. The Coordinator may be an employee of the Development or, through an agreement, an employee of a third-party agency or organization that provides these services.

2. Financial Management Program

The Applicant or its Management Company shall provide a series of classes to provide residents training in various aspects of personal financial management. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. If the Development consists of Scattered Sites, the Resident Program must be held on the Scattered Site with the most units. Residents residing at the other sites of a Scattered Site Development must be offered transportation, at no cost to them, to the classes. The topic areas must include, but not be limited to:

- Financial budgeting and bill-paying including training in the use of technologies and web-based applications;
- Tax preparation including do's and don'ts, common tips, and how and where to file, including electronically;
- Fraud prevention including how to prevent credit card and banking fraud, identity theft, computer hacking and avoiding common consumer scams;
- Retirement planning & savings options including preparing a will and estate planning; and
- Homebuyer education including how to prepare to buy a home, and how to access to first-time homebuyer programs in the county in which the development is located.

Different topic areas must be selected for each session, and no topic area may be repeated consecutively.

3. Adult Literacy

The Applicant or its Management Company must make available, at no cost to the resident, literacy tutor(s) who will provide weekly literacy lessons to residents in private space on-site.

Various literacy programming can be offered that strengthens participants' reading, writing skills, and comprehension, but at a minimum, these must include English proficiency and basic reading education.

Training must be held between the hours of 8:00 a.m. and 7:00 p.m. and electronic media, if used, must be used in conjunction with live instruction. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.



# COMPLETENESS AND ISSUES CHECKLIST

**DEVELOPMENT NAME:** Somerset Landings

**DATE:** October 21, 2022

In accordance with the applicable Program Rule(s), the Applicant 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 FHFC. The following items must be satisfactorily addressed. "Satisfactorily" means that the Credit Underwriter has received assurances from third parties unrelated to the Applicant that the transaction can close within the allowed timeframe. Unsatisfactory items, if any, are noted below and in the "Issues and Concerns" section of the Executive Summary.

FINAL REVIEW	STATUS	NOTE
REQUIRED ITEMS:	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 the 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 Rule for credit enhancers, applicant, general partner, principals, guarantors, and general contractor.	Satis.	
11. Resumes and experience of applicant, general contractor, and management agent.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Unsatis.	2
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.	

## COMPLETENESS AND ISSUES CHECKLIST

FINAL REVIEW	STATUS	NOTE
REQUIRED ITEMS:	Satis. / Unsatis.	
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.	Unsatis.	3, 4, 5

### NOTES AND DEVELOPER RESPONSES:

1. Receipt of an executed Management Agreement is a condition precedent to loan closing.
2. Receipt of liquidity statements from RBK3, LLC d/b/a Robert B. Kennedy Construction, the General Contractor in the transaction, is a condition precedent to loan closing.
3. Receipt of an executed HUD HAP contract consistent with the number of units, rents, and contract length as has been underwritten herein is a condition precedent to loan closing.
4. Completion of the HUD Section 3 pre-construction conference is a condition precedent to loan closing.
5. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 135).



**ORANGE COUNTY**  
**HOUSING FINANCE AUTHORITY**

**W.D. MORRIS**  
EXECUTIVE DIRECTOR

**DISCUSSION ITEM**

**BOARD OF DIRECTORS**

**MERCEDES MCCALL**  
CHAIR

**VERNICE ATKINS-BRADLEY**  
VICE CHAIR

**SASCHA RIZZO**  
BOARD MEMBER

**CURTIS HUNTER**  
BOARD MEMBER

**KENNETH HUGHES**  
BOARD MEMBER

**MEMORANDUM**

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	October 25, 2022
RE:	<b>CONSIDER APPROVAL OF THE REMARKETING RESOLUTION OF LAUREL OAKS APARTMENTS; MULTI-FAMILY HOUSING REVENUE BONDS – 2007 SERIES “G” AND 2007 SERIES “H”, AUTHORIZING REMARKETING OF THE BONDS.</b> NOVEMBER 2, 2022 REGULAR BOARD OF DIRECTORS’ MEETING

**BACKGROUND**

On or about September 20, 2007, the Orange County Housing Finance Authority (OCHFA) issued (i) Multi-Family Housing Revenue Bonds (MHRB) 2007 SERIES G (Laurel Oaks Apartments), in an aggregate principal amount of \$10.780MM; and 2007 SERIES H (Laurel Oaks Apartments II), in an aggregate amount of \$8.660MM – collectively, the “Bonds”. Each series of the bonds (G & H) was issued with Credit Enhancement in the form of a Letter of Credit (LOC) by SunTrust Bank. At the time of issuance of the Bonds, SunTrust Bank was rated “Aa-2/VMIG-1” by Moody’s Investors Services, Inc. (Moody’s). In November of 2009, as a result of the losses suffered (or the potential for losses) in the sub-prime market, SunTrust Bank’s rating was downgraded and the Federal Home Loan Bank of Atlanta issued an irrevocable Standby LOC (collectively, the “Confirming Letters of Credit” C-LOC) for each series of the bonds, in favor of the Trustee for the Bonds, for the benefit of the respective owners of the bonds. Moody’s then re-rated the Bonds as “Aaa/VMIG-1, based on the C-LOC. Each of the C-LOC are scheduled to expire on November 15, 2022.

The developer of the projects, has decided to proceed without renewing the C-LOC so that the only credit enhancement on the Bonds will be the LOC from Truist Bank, the successor to SunTrust Bank, such that the ratings on the Bonds will be A-1/VMIG-1 rated by Moody’s.

Enclosed for your review is an email dated October 18, 2022, from Helen Feinberg of RBC, the Remarketing Agent representing the developer, is requesting that the Board approve the updated Remarketing Supplement clarifying that the confirming Letters of Credit will expire on November 15, 2022 and that the Sole Credit Enhancement for the Bonds will be Letters of Credit issued by Truist Bank.

Also enclosed for your review and consideration are the Remarketing Resolution (#2022-05) and a memorandum from GTLaw – Bond/ Disclosure Counsel.

**ACTION REQUESTED**

**Board approval of the Remarketing Resolution (#2022-05), and all associated documents necessary to effectuate the Confirming Letters of Credit; and authorization for the Chair, Board Member and Executive Director to execute the documents.**

## Memorandum

**TO:** Orange County Housing Finance Authority Board Members  
W.D. Morris, Executive Director

**FROM:** Warren S. Bloom  
Michael L. Watkins

**DATE:** October 24, 2022

**RE:** Laurel Oaks Remarketing

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On or about September 20, 2007, the Orange County Housing Finance Authority issued (i) \$10,780,000 in aggregate principal amount of its Multifamily Housing Revenue Bonds, 2007 Series G (Laurel Oaks Apartments) and (ii) \$8,660,000 in aggregate principal amount of its Multifamily Housing Revenue Bonds, 2007 Series H (Laurel Oaks Apartments II) (collectively, the "Bonds"). Each series of the Bonds was issued with credit enhancement in the form of a letter of credit issued by SunTrust Bank. At the time of issuance of the Bonds, SunTrust Bank was rated "Aa2/VMIG-1" by Moody's Investors Services, Inc. ("Moody's"). In November of 2009, as a result of losses suffered (or the potential for losses) in the sub-prime market, SunTrust Bank's rating was downgraded and the Federal Home Loan Bank of Atlanta issued irrevocable standby letters of credit (collectively, the "Confirming Letters of Credit") for each series of Bonds in favor of the trustee for the Bonds for the benefit of the respective owners of the Bonds. Moody's then rerated the Bonds as "Aaa/VMIG-1" based on the Confirming Letters of Credit. Each of the Confirming Letters of Credit are scheduled to expire on November 15, 2022. The developer of the projects financed with the Bonds, has decided to proceed without renewing the Confirming Letters of Credit so that the only credit enhancement on the Bonds will be letters of credit from Truist Bank, the successor to SunTrust Bank, such that the ratings on the Bonds will be "A1/VMIG-1" by Moody's.

The developer of the projects financed with the Bonds, has requested that the Board authorize the updated remarketing supplement clarifying that the Confirming Letters of Credit will expire on November 15, 2022, and that the sole credit enhancement for the Bonds will be letters of credit issued by Truist Bank.

As always, we are available to answer any questions you may have.

## **RESOLUTION NO. 2022-05**

**A RESOLUTION OF THE ORANGE COUNTY HOUSING FINANCE AUTHORITY AUTHORIZING THE REMARKETING OF ITS ORANGE COUNTY HOUSING FINANCE AUTHORITY MULTIFAMILY HOUSING REVENUES BONDS, 2007 SERIES G (LAUREL OAKS APARTMENTS) AND ORANGE COUNTY HOUSING FINANCE AUTHORITY MULTIFAMILY HOUSING REVENUES BONDS, 2007 SERIES H (LAUREL OAKS APARTMENTS II); APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A REMARKETING MEMORANDUM BY THE REMARKETING AGENT; 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, 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.

**BE IT RESOLVED BY THE ORANGE COUNTY HOUSING FINANCE AUTHORITY, THAT:**

1. The Orange County Housing Finance Authority (the "Authority") previously issued its (i) \$10,780,000 Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, 2007 Series G (Laurel Oaks Apartments) (the "Phase I Bonds") pursuant to a Trust Indenture dated as of September 1, 2007 (the "Original Phase I Indenture"), by and between the Authority and Wells Fargo Bank, National Association, as trustee (now Computershare Trust Company, N.A.) (the "Trustee"), and (ii) \$8,660,000 Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, 2007 Series H (Laurel Oaks Apartments II) (the "Phase II Bonds" and together with the Phase I Bonds, the "Bonds") pursuant to a Trust Indenture dated as of September 1, 2007 (the "Original Phase II Indenture"), by and between the Authority and the Trustee.

2. The proceeds of the Phase I Bonds were loaned to Sleepy Hollow Apartments, Ltd., a Florida limited partnership (the "Phase I Borrower") pursuant to a Loan Agreement dated as of September 1, 2007 (the "Original Phase I Loan Agreement"), by and between the Phase I Borrower, the Authority and the Trustee and the Phase II Bonds were loaned to Sleepy Hollow Apartments II, Ltd., a Florida limited partnership (the "Phase II Borrower" and, together with the Phase I Borrower, the "Borrowers") pursuant to a Loan Agreement dated as of September 1, 2007 (the "Original Phase II Loan Agreement"), by and between the Phase II Borrower, the Authority

and the Trustee, which proceeds were used to finance the acquisition, construction, and equipping of two multifamily rental housing developments located in Lake County, Florida, known as Laurel Oak Apartments and Laurel Oaks Apartments II, respectively.

3. Concurrently with the issuance of the Bonds, SunTrust Bank ("SunTrust") issued two separate irrevocable direct pay letters of credit, one for each series of Bonds (each, a "Letter of Credit") pursuant to two Reimbursement Agreements between SunTrust and the Phase I Borrower and Phase II Borrower, respectively, each dated as of September 1, 2007, to provide for security and liquidity for the Bonds.

4. As a result of losses suffered (or the potential for losses) in the sub-prime mortgage market, Moody's Investors Services, Inc., the rating agency for the Bonds, downgraded SunTrust's long-term rating and the rating on the Bonds, which resulted in a significant increase in the interest rate on the Bonds.

5. In order to obtain a higher rating and lower the interest rate on the Bonds, the Bonds were remarketed in connection with the Federal Home Loan Bank of Atlanta issuing irrevocable standby letters of credit for each series of Bonds (the "Confirming Letters of Credit") to stand behind each existing Letter of Credit in favor of the Trustee for the benefit of the respective owners of the (i) Phase I Bonds pursuant to the (a) First Supplemental Trust Indenture dated as of November 1, 2009, by and between the Authority and the Trustee (together with the Original Phase I Indenture, the "Phase I Indenture") and (b) the Amendment No. 1 to Loan Agreement dated as of November 1, 2009, by and among the Phase I Borrower, the Authority, and the Trustee (together with the Original Phase I Loan Agreement, the "Phase I Loan Agreement") and (ii) Phase II Bonds pursuant to the (a) First Supplemental Trust Indenture dated as of November 1, 2009, by and between the Authority and the Trustee (together with the Original Phase II Indenture, the "Phase II Indenture") and (b) the Amendment No. 1 to Loan Agreement dated as of November 1, 2009, by and among the Phase II Borrower, the Authority, and the Trustee (together with the Original Phase II Loan Agreement, the "Phase II Loan Agreement").

6. Subsequent to the delivery of the Letters of Credit, SunTrust merged into Branch Banking and Trust Company, which then changed its name to Truist Bank (the "Bank").

7. On November 15, 2022, the Confirming Letters of Credit will expire, causing the Bonds to be remarketed no later than November 10, 2022.

8. The Bonds are expected to be remarketed by RBC Capital Markets, LLC (the "Remarketing Agent"), the remarketing agent, with a new rating on the Bonds supported by the Bank as the sole credit provider.

9. The remarketing of the Bonds by the assumed credit facilities of the Bank in accordance with the (i) Phase I Indenture and Phase I Loan Agreement and (ii) Phase II Indenture and Phase II Loan Agreement, respectively, is hereby approved.

10. The form of the Remarketing Memorandum attached hereto as Exhibit "A" is hereby approved, subject to such changes, modifications, insertions, and omissions and filling of blanks therein as may be made in such form and approved by the Borrowers, the Bank, and the

Authority. The Authority hereby approves the use and distribution of the Remarketing Memorandum.

11. The Chair or the Vice Chair of the Authority and, to the extent provided therein, the Secretary or any Assistant Secretary of the Authority are hereby authorized and empowered on behalf of the Authority to execute and deliver or accept the Bonds and the Remarketing Memorandum and all other documents contemplated by the foregoing, in each case subject to final approval by the Chair or Vice Chair upon the advice of the Authority's Executive Director and legal counsel, such execution or acceptance by the Chair or Vice Chair to be conclusive evidence of any such approval, and to affix thereto or impress thereon the seal of the Authority.

12. The officers, employees, and agents of the Authority are hereby authorized and directed to do all acts and things required by the provisions of this Resolution and by the provisions of the Phase I Indenture, the Phase II Indenture, the Phase I Loan Agreement, and the Phase II Loan Agreement, the Bonds, and the Remarketing Memorandum, as may be necessary in connection with the mandatory tender and remarketing of the Bonds and for the full, punctual, and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution.

13. In case any one or more of the provisions of this Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Resolution and such documents shall be construed and enforced as if such illegal or invalid provision had not been contained therein. This Resolution is adopted with the intent that the laws of the State of Florida shall govern their construction.

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

[SIGNATURES FOLLOW]

**PASSED AND ADOPTED** by the Orange County Housing Finance Authority, Florida  
this 2nd day of November, 2022.

**ORANGE COUNTY HOUSING FINANCE  
AUTHORITY**

(SEAL)

By: \_\_\_\_\_  
Chair / Vice Chair

ATTEST:

\_\_\_\_\_  
Secretary

APPROVED AS TO LEGAL  
SUFFICIENCY:

By \_\_\_\_\_  
General Counsel



## REMARKETING MEMORANDUM DATED NOVEMBER \_\_, 2022

On the date of issuance of the Bonds (as defined herein), Greenberg Traurig, P.A., Bond Counsel, delivered an opinion that under then-existing laws, interest on the Bonds was exempt from income taxation by the State of Florida, and, excludable from gross income for federal income tax purposes except for interest on any Bond when held by a "substantial user" of the facilities financed by the Bonds or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"); however, such interest was an item of tax preference for purposes of the federal alternative minimum income tax imposed on individuals and corporations. The opinion stated that such exclusion is conditioned upon continuing compliance by the Authority and the Borrowers with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. See "TAX MATTERS" herein.

### REMARKETING - NOT A NEW ISSUE BOOK-ENTRY ONLY

**RATING: SEE "RATING" herein**

**\$10,780,000**  
**ORANGE COUNTY HOUSING FINANCE**  
**AUTHORITY MULTIFAMILY HOUSING REVENUE**  
**BONDS,**  
**2007 SERIES G**  
**(LAUREL OAKS APARTMENTS)**  
**CUSIP: 684906 FM7<sup>1</sup>**

**\$8,660,000**  
**ORANGE COUNTY HOUSING FINANCE**  
**AUTHORITY MULTIFAMILY HOUSING REVENUE**  
**BONDS,**  
**2007 SERIES H**  
**(LAUREL OAKS APARTMENTS II)**  
**CUSIP: 684906 FN5<sup>1</sup>**

**Original Issue Date: September 14, 2007**  
**Remarketing Date: November \_\_, 2022**

**Maturity Date: August 15, 2042**

The purpose of this Remarketing Memorandum is to provide information in connection with the expiration of the Confirming Letters of Credit (as herein defined) in connection with the (i) \$10,780,000 in aggregate principal amount of Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, 2007 Series G (Laurel Oaks Apartments) (the "Phase I Bonds") and (ii) \$8,660,000 in aggregate principal amount of Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, 2007 Series H (Laurel Oaks Apartments II) (the "Phase II Bonds" and together with the Phase I Bonds, the "Bonds") and the remarketing of such Bonds upon mandatory tender in connection therewith. This Remarketing Memorandum contains certain updated information to that provided in the Official Statement dated September 14, 2007 (the "Original Official Statement"), as supplemented by the Supplement dated November 10, 2009, and as further supplemented by the Supplement dated November 12, 2009 (together the "Supplement to Original Official Statement" and together with the Original Official Statement, the "Official Statement") relating to the Bonds. This Remarketing Memorandum should be read together with, and as a supplement to, the Original Official Statement and the Supplement to Official Statement, copies of which are attached hereto as APPENDIX A and APPENDIX B, respectively.

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<sup>1</sup>The Authority shall not be responsible for the use of the CUSIP numbers, nor is any representation made as to their correctness. They are included solely for the convenience of the readers of this Official Statement.

Unless otherwise defined in this Remarketing Memorandum, all terms used herein shall have the same meanings as provided in the Official Statement.

The Phase I Bonds were issued by the Orange County Housing Finance Authority (the "Authority") pursuant to a Trust Indenture dated as of September 1, 2007 (the "Original Phase I Indenture"), as amended by the First Supplemental Trust Indenture dated as of November 1, 2009 (the "Phase I Supplemental Indenture" and together with the Original Phase I Indenture, the "Phase I Indenture"), each by and between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"). The Phase II Bonds were issued by the Authority pursuant to a Trust Indenture dated as of September 1, 2007 (the "Original Phase II Indenture"), as amended by the First Supplemental Trust Indenture dated as of November 1, 2009 (the "Phase II Supplemental Indenture" and together with the Original Phase II Indenture, the "Phase II Indenture"). A summary of certain provisions of the Original Phase I Indenture and the Original Phase II Indenture is attached as Appendix C to the Original Official Statement attached hereto as APPENDIX A and a summary of certain provisions of the Phase I Supplemental Indenture and the Phase II Supplemental Indenture is attached as Appendix C to the Supplement to Original Official Statement attached hereto as APPENDIX B.

[TRUIST BANK LOGO]

Payment of the principal of and interest on the Bonds will be secured, to the extent described in the Official Statement, by the Loan and by certain other resources and assets constituting the Trust Estate under the Indenture, all as described in the Official Statement and herein. Credit enhancement and liquidity for the Bonds will be provided solely by Truist Bank (the "Bank"), formerly SunTrust Bank ("SunTrust"), pursuant to two separate Letters of Credit issued for each series of Bonds and delivered by SunTrust in connection with the issuance of the Bonds (the "Original Letters of Credit"), as described in the Official Statement, as such the Original Letters of Credit have been amended each by an Amendment No. 1 to Irrevocable Letter of Credit (together with the Original Letters of Credit, the "Letters of Credit"), each dated November 16, 2009. SunTrust merged into Branch Banking and Trust Company, which then changed its name to Truist Bank as described herein under "THE BANK." Copies of the Letters of Credit are attached hereto as APPENDIX C. Each of the Letters of Credit expires on August 15, 2025.

The Bonds were originally issued on September 20, 2007. In 2008, the rating on the Bonds was downgraded as a result of a downgrade of the long-term rating of SunTrust. At that time, the Federal Home Loan Bank of Atlanta (the "Confirming Credit Bank") issued separate, irrevocable standby letters of credit for the Bonds (the "Confirming Letters of Credit") in favor of the Trustee, as standby liquidity for the Bonds. **The Confirming Letters of Credit expires on November 15, 2022, and will not be replaced or renewed.** In connection with the expiration of the Confirming Letters of Credit, the Bonds are subject to mandatory tender on November [10], 2022, at which time the Bonds will be remarketed (the "Remarketing Date") for a remarketing period which will begin on November [10], 2022 and end on August 15, 2042 (the "Maturity Date"). Upon remarketing, the Bonds will continue to bear interest at the Weekly Variable Rate. The Weekly Variable Rate will be determined and interest will be payable in accordance with the Indenture as described in the Official Statement. Credit enhancement and liquidity support for the Bonds will continue to be provided by the Bank under the Letters of Credit.

*See "LEGAL MATTERS" herein for a description of opinions delivered in connection with the original issuance of the Bonds. It is expected that upon remarketing, the Bonds will be available for delivery through the facilities of The Depository Trust Company on November 15, 2022, against payment therefor.*

**RBC Capital Markets, LLC**  
***as Remarketing Agent***

Date: November \_\_, 2022

This Remarketing Memorandum, including the cover page hereof, is provided for the purpose of setting forth information in connection with the remarketing of the Bonds. No dealer, broker, salesperson, or other person has been authorized by the Authority, the Borrowers, or the Remarketing Agent to give any information or to make any representations with respect to the Bonds other than those contained in this Remarketing Memorandum, and, if given or made, such information or representation must not be relied upon as having been authorized by any of the foregoing. This Remarketing Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the bonds offered herein, nor shall there be any sale of the Bonds by any person in any jurisdiction in which such offer, solicitation, or sale is not authorized or in which the person making such offer, solicitation, or sale is not qualified to do so or to any person to whom it is unlawful to make such offer, solicitation, or sale.

The information set forth herein has been furnished by the Borrowers, the Bank, and other sources which are believed to be reliable, but has not been independently verified, and such information is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Authority, the Borrowers, or the Remarketing Agent. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Remarketing Memorandum nor any sale hereunder shall create any implication that there has been no change in the financial condition or operations of the Authority, the Borrowers, the Bank, or any other parties described herein since the date hereof. This Remarketing Memorandum contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized.

OTHER THAN THE INFORMATION CONTAINED UNDER THE CAPTIONS "THE AUTHORITY" AND "LITIGATION" (WITH RESPECT TO THE AUTHORITY ONLY) OF THIS REMARKETING MEMORANDUM, THE AUTHORITY HAS NOT PARTICIPATED IN THE PREPARATION OF THIS REMARKETING MEMORANDUM AND TAKES NO RESPONSIBILITY FOR THE OTHER INFORMATION CONTAINED HEREIN OR IN THE OFFICIAL STATEMENT.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THE OFFICIAL STATEMENT OR THIS REMARKETING MEMORANDUM. ANY REPRESENTATIONS TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

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**REMARKETING MEMORANDUM  
RELATING TO**

**\$10,780,000**  
**ORANGE COUNTY HOUSING**  
**FINANCE AUTHORITY**  
**MULTIFAMILY HOUSING REVENUE**  
**BONDS,**  
**2007 SERIES G**  
**(LAUREL OAKS APARTMENTS)**  
**CUSIP: 684906 FM7<sup>⊥</sup>**

**\$8,660,000**  
**ORANGE COUNTY HOUSING**  
**FINANCE AUTHORITY**  
**MULTIFAMILY HOUSING REVENUE**  
**BONDS,**  
**2007 SERIES H**  
**(LAUREL OAKS APARTMENTS II)**  
**CUSIP: 684906 FN5<sup>⊥</sup>**

**INTRODUCTION**

This Remarketing Memorandum (this "Remarketing Memorandum") contains certain updated information to that provided in the Official Statement dated September 14, 2007 (the "Original Official Statement"), as supplemented by the Supplement dated November 10, 2009, and as further supplemented by the Supplement dated November 12, 2009 (together, the "Supplement to Original Official Statement" and together with the Original Official Statement, the "Official Statement"), relating to the above-captioned bonds (the "Bonds") and the remarketing of the Bonds upon mandatory tender in connection therewith. The Original Official Statement and the Supplement to Official Statement are attached hereto as APPENDIX A and APPENDIX B, respectively. This Remarketing Memorandum presents certain information concerning the liquidity support for the Bonds and other updated information and should be read together with, and as a supplement to, the Official Statement. Unless otherwise defined in this Remarketing Memorandum, all defined terms used herein shall have the same meanings as provided in the Official Statement.

The Phase I Bonds were issued by the Orange County Housing Finance Authority (the "Authority") pursuant to a Trust Indenture dated as of September 1, 2007 (the "Original Phase I Indenture"), as amended by the First Supplemental Trust Indenture dated as of November 1, 2009 (the "Phase I Supplemental Indenture" and together with the Original Phase I Indenture, the "Phase I Indenture"), each by and between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"). The Phase II Bonds were issued by the Authority pursuant to a Trust Indenture dated as of September 1, 2007 (the "Original Phase II Indenture"), as amended by the First Supplemental Trust Indenture dated as of November 1, 2009 (the "Phase II Supplemental Indenture" and together with the Original Phase II Indenture, the "Phase II Indenture" and together with the Phase I Indenture, the "Indentures"). A summary of certain provisions of the Original Phase I Indenture and the Original Phase II Indenture is attached as Appendix C to the Original

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<sup>⊥</sup>The Authority shall not be responsible for the use of the CUSIP numbers, nor is any representation made as to their correctness. They are included solely for the convenience of the readers of this Reoffering Memorandum.

Official Statement attached hereto as APPENDIX A and a summary of certain provisions of the Phase I Supplemental Indenture and the Phase II Supplemental Indenture is described in the Supplement to Official Statement attached hereto as APPENDIX B.

Payment of the principal of and interest on the Bonds will be secured, to the extent described in the Official Statement, by the related loans (the "Loan") made by the Authority to the Borrowers pursuant to the applicable Loan Agreements (as defined herein) for the purpose of financing the Development (as defined herein) and by certain other resources and assets constituting the trust estates under the Indentures, all as described in the Official Statement and herein. Credit enhancement and liquidity for the Bonds will be provided solely by Truist Bank (the "Bank"), formerly SunTrust Bank ("SunTrust"), pursuant to two separate Letters of Credit issued for each series of Bonds and delivered by SunTrust in connection with the original issuance of the Bonds (together, the "Original Letters of Credit"), as described in the Official Statement, as such the Original Letters of Credit have each been amended by an Amendment No. 1 to Irrevocable Letter of Credit (together with the Original Letters of Credit, the "Letters of Credit"), each dated November 16, 2009. SunTrust merged into Branch Banking and Trust Company, which then changed its name to Truist Bank. Copies of the Letters of Credit are attached hereto as APPENDIX C. Each of the Letters of Credit expires on August 15, 2025.

The Bonds were originally issued on September 20, 2007. In 2008, the rating on the Bonds was downgraded as a result of a downgrade of the long-term rating of SunTrust. At that time, the Federal Home Loan Bank of Atlanta (the "Confirming Credit Bank") issued separate, irrevocable standby letters of credit for each series of the Bonds (together, the "Confirming Letters of Credit") in favor of the Trustee, as standby liquidity for the Bonds. **The Confirming Letters of Credit expire on November 15, 2022, and will not be replaced or renewed.** In connection with the expiration of the Confirming Letters of Credit, the Bonds are subject to mandatory tender on November 10, 2022, at which time the Bonds will be remarketed (the "Remarketing Date") for a remarketing period which will begin on [November 10, 2022 and end on August 15, 2042] (the "Maturity Date"). **[Upon remarketing, the Bonds will continue to bear interest at the Weekly Variable Rate. The Weekly Variable Rate will be determined and interest will be payable in accordance with the Indentures as described in the Official Statement. Credit enhancement and liquidity support for the Bonds will continue to be provided by the Bank under the Letters of Credit.]**

Summaries of the Loan Agreement dated as of September 1, 2007, by and between the Phase I Borrower, the Authority and the Trustee, the Loan Agreement dated as of September 1, 2007 (the "Original Phase II Loan Agreement"), by and between the Phase II Borrower, the Authority and the Trustee, the Land Use Restriction Agreements, each dated as of September 1, 2007, among the Authority, the Trustee, and the respective Borrower, and the Reimbursement Agreements, each dated as of September 1, 2007, between the respective Borrower and SunTrust, are attached as Appendices D, E, and F respectively, to the Original Official Statement attached hereto as APPENDIX A.

Summaries of the Amendment No. 1 to Loan Agreement dated as of November 1, 2009, by and among the Phase I Borrower, the Authority, and the Trustee, the Amendment No. 1 to Loan Agreement dated as of November 1, 2009, by and among the Phase II Borrower, the Authority, and the Trustee, and Amendment No. 1 to Irrevocable Letter of Credit regarding the Phase I Bonds



and Amendment No. 1 to Irrevocable Letter of Credit regarding the Phase II Bonds, each dated November 16, 2009, from SunTrust in favor of the Trustee are attached as Appendices C and D to the Supplement to Original Official Statement attached hereto as APPENDIX B.

## **THE AUTHORITY**

**OTHER THAN THE INFORMATION CONTAINED UNDER THIS CAPTION OF THIS REMARKETING MEMORANDUM, THE AUTHORITY HAS NOT PARTICIPATED IN THE PREPARATION OF THIS REMARKETING MEMORANDUM AND TAKES NO RESPONSIBILITY FOR THE OTHER INFORMATION CONTAINED HEREIN.**

### **General**

The Authority is a public body corporate and politic created under the laws of the State of Florida. It was created by Ordinance No. 78-18 enacted by the Board of County Commissioners of Orange County, Florida (the "County") 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, pursuant to the provisions of the Act. The Board of County Commissioners is the principal legislative and governing body of the County, as provided by the Florida Constitution and Chapter 125 of the Florida Statutes. The Authority was created for the purpose of addressing a housing shortage in the County by stimulating the construction and rehabilitation of housing through the use of public financing. Pursuant to the Act, the Authority has the power to issue revenue bonds for the purposes described in the Act including, but not limited to, the purchasing of or making of commitments to purchase mortgage loans to stimulate the construction and rehabilitation of housing in the Authority's area of operation. Pursuant to an Interlocal Agreement dated March 16, 1982, between the Authority and Lake County, Florida ("Lake County") which among other things, permits the Authority to operate within the territorial boundaries of Lake County to provide financing for qualifying housing developments within Lake County

The Authority is authorized to finance and refinance multifamily rental housing projects and has issued approximately \$[ ] aggregate principal amount of revenue bonds for such purpose. Such bonds do not share in the security for the Bonds, and the Bonds will not be secured by the revenues relating to the projects so financed or the security for the bonds in connection with such projects.

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## Organization and Membership

The members of the Authority and their terms of office are as follows:

Member	Position	Term
Mercedes F. McCall	Chair	December 31, 2023
Vernice Atkins-Bradley	Vice Chair	December 31, 2024
Sascha Rizzo	Board Member	December 31, 2022
Curtis Hunter	Board Member	December 31, 2025*
Kenneth Hughes	Board Member	December 31, 2022

W.D. Morris is the Executive Director of the Authority. He was appointed to the position in March 1997, after serving as Interim Executive Director since April 1996. Mr. Morris has more than 30 years of experience in the fields of executive management, housing finance, municipal finance, housing development, urban planning, economic development, neighborhood revitalization and community development and redevelopment. Mr. Morris serves on the Board of Directors of the National Association of Local Housing Finance Agencies (NALHFA) and the Florida Association of Local Housing Finance Authorities (Florida ALHFA). He is a past Chairman and board member of The Orlando Neighborhood Improvement Corporation (ONIC), a board member of The National Association of County Community and Economic Development Association (Sub Committee Chairman) (NACCED) and past President of The Florida Community Development Association (FCDA). Mr. Morris has a Bachelor of Science Degree in Urban Studies/Public Administration.

THE AUTHORITY HAS NO TAXING POWER. THE BONDS SHALL NOT CONSTITUTE AN OBLIGATION, EITHER GENERAL OR SPECIAL, OF THE STATE OF FLORIDA (THE "STATE") OR ANY LOCAL GOVERNMENT THEREOF; AND NEITHER THE STATE NOR ANY LOCAL GOVERNMENT THEREOF SHALL BE LIABLE THEREON. NEITHER THE FAITH, REVENUES, CREDIT NOR TAXING POWER OF THE STATE OR ANY LOCAL GOVERNMENT THEREOF SHALL BE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY), OR INTEREST ON THE BONDS. THE BONDS ARE PAYABLE, AS TO PRINCIPAL, PREMIUM (IF ANY), AND INTEREST, SOLELY OUT OF THE TRUST ESTATE WHICH IS THE SOLE ASSET OF THE AUTHORITY PLEDGED THEREFOR.

The Authority's offices are located at 2211 East Hillcrest Street, Orlando, Florida 32803 (telephone (407) 894-0014). CSG Advisors Incorporated serves as financial advisor to the Authority.

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\* Board members continue to serve until reappointed or a successor has been appointed.

## **THE BONDS**

### **Terms of Bonds Generally**

The terms of the Bonds, including optional and mandatory redemption provisions and optional and mandatory tender provisions, are as provided in the Indentures, as described in the Official Statement. See "APPENDIX A - ORIGINAL OFFICIAL STATEMENT" and "APPENDIX B - SUPPLEMENT TO ORIGINAL OFFICIAL STATEMENT" hereto.

### **Book-Entry Only System**

The information under the caption "BOOK-ENTRY ONLY SYSTEM" in the Official Statement is replaced with the following:

THE INFORMATION IN THIS SECTION CONCERNING THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK ("DTC"), AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE AUTHORITY BELIEVES TO BE RELIABLE, BUT THE AUTHORITY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC rules

applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (the "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. The Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. The Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to the Beneficial Owners will be governed by arrangements made among them, subject to any statutory or regulatory requirements as may be in effect from time to time. The Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as prepayments, defaults, and proposed amendments to the Bond documents. For example, the Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to the Beneficial Owners. In the alternative, the Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Bonds to be prepaid.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and other payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to the Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any statutory and regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority and/or the Trustee for the Bonds. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Tender Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to Tender Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Authority. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

The Authority may decide to discontinue use of the book-entry transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCE HEREIN TO THE HOLDER OF THE BONDS OR REGISTERED OWNERS OF THE BONDS SHALL MEAN DTC AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

With regard to the Bonds registered in the name of Cede & Co., as nominee of DTC, the Authority, the Borrowers, and the Trustee will have no responsibility or obligation to any Direct Participant or to any Indirect Participant. Without limiting the preceding sentence, the Authority, the Borrowers, and the Trustee will have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any Direct Participant or Indirect Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Direct Participant or Indirect Participant or any other person, other than Cede & Co., as nominee of DTC, of any notice with respect to the Bonds, including any notice of redemption, (iii) the payment to any Direct Participant or Indirect Participant or any person, other than Cede & Co., as nominee of DTC, of any amount

with respect to principal of, premium, if any, or interest on, the Bonds, or (iv) any consent given by Cede & Co., as nominee of DTC, as registered owner of the Bonds.

## **SECURITY FOR THE BONDS**

See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" in the Official Statement for a description of the security for the Bonds. See the sub-heading immediately below "- Letters of Credit" and "THE BANK" herein for updated information regarding the Bank, which Bank has assumed SunTrust's obligations under the Letters of Credit in effect for the Bonds.

### **Letters of Credit**

The liquidity for the Bonds is the Letters of Credit issued by SunTrust and assumed by the Bank. See "THE BANK" and "RATING" herein. The Letters of Credit for the Bonds are attached hereto as APPENDIX C.

### **Expiration of Confirming Letters of Credit**

**The Confirming Letters of Credit described in the Supplement to Original Official Statement terminates on November 15, 2022, and will not be in effect after the remarketing of the Bonds. Any information in the Supplement to Original Official Statement regarding the Confirming Letters of Credit or the Confirming Credit Bank should not be considered in making an investment decision.**

## **THE BANK**

As described in the Official Statement, the Letters of Credit were originally issued by SunTrust. On December 7, 2019, SunTrust merged into Branch Banking and Trust Company, which then changed its name to Truist Bank. The references in the Official Statement to the Bank, as provider in the Letters of Credit, will be deemed to refer to Truist Bank or any successor thereto.

The information contained in this section has been obtained from Truist Bank, formerly known as Branch Banking and Trust Company, and is not to be construed as a representation by the Authority, the Borrowers, or the Remarketing Agent.

The Bank is a wholly-owned subsidiary of Truist Financial Corporation (the "Corporation"), a North Carolina financial holding company. The Bank is chartered under the laws of the State of North Carolina to engage in a general banking business.

The Bank provides a full range of commercial banking, consumer banking and trust and investment services primarily through its branch network located in North Carolina, Virginia, Florida, Georgia, Maryland, South Carolina, Alabama, West Virginia, Kentucky, Tennessee, Texas, Indiana, Pennsylvania, New Jersey, Ohio, and Washington D.C. As of September 30, 2022, the Bank had total assets of approximately \$548.44 billion, and total deposits of approximately \$415.99 billion. On December 7, 2019, SunTrust Bank merged into Branch Banking and Trust Company which, which then changed its name to Truist Bank.

The Bank submits quarterly to the Federal Deposit Insurance Corporation, its primary federal regulator, certain information regarding its financial condition entitled "Consolidated Reports of Conditions and Income for a Bank with Domestic and Foreign Offices" ("Call Reports"). All Call Reports may be obtained by calling the FDIC at (800) 688-3342 or (877) 275 3342.

Additionally, the Corporation is subject to the informational requirements of the Securities and Exchange Act of 1934, as amended, and in accordance therewith files reports and other information with the Securities and Exchange Commission (the "SEC"). The Bank will provide copies of the Corporation's most recent Form 10-K, in each case as filed with the SEC, free of charge to any recipient of this document, upon written request of such person delivered in writing to: Truist Financial Corporation, 214 North Tryon Street, Charlotte, North Carolina 28202, Attention: External Reporting.

The information concerning the Corporation and the Bank contained herein is furnished solely to provide limited introductory information, is not intended to be comprehensive, and is qualified in its entirety by the detailed information appearing in the documents and filings (including all financial statements) referenced above.

THE TRUIST CREDIT FACILITY IS AN OBLIGATION OF THE BANK AND NOT AN OBLIGATION OF THE CORPORATION.

#### **THE BORROWERS, THE MANAGER, THE DEVELOPER, AND THE DEVELOPMENT**

THE FOLLOWING INFORMATION HAS BEEN PROVIDED BY A REPRESENTATIVE OF THE BORROWERS AND HAS NOT BEEN INDEPENDENTLY CONFIRMED OR VERIFIED BY THE REMARKETING AGENT, THE AUTHORITY, OR ANY OTHER PARTY. NO REPRESENTATION IS MADE HEREIN BY THE REMARKETING AGENT, THE AUTHORITY, OR ANY OTHER PARTY AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION OR TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF. NEITHER THE AUTHORITY, THE REMARKETING AGENT, NOR ANY OTHER PARTY HAS INDEPENDENTLY REVIEWED THE FINANCIAL FEASIBILITY OF THE DEVELOPMENT.

*The Borrowers and the partners of the Borrowers will not be personally liable for payments on the Loan, the payments on which are to be applied to pay the principal of, premium, if any, and interest on, or, if applicable, the purchase price of the Bonds. Accordingly, the financial statements of the Borrowers and the partners of the Borrowers are not included in the Official Statement. No representation is made that the Borrowers will have substantial funds available for the Development.*

#### **The Borrowers**

*Borrower for the Phase I Bonds*



The borrower for the Phase I Bonds is Sleepy Hollow Apartments, Ltd., a Florida limited partnership (the "Phase I Borrower"). Such Phase I Borrower's general partner with a 1% interest is Sleepy Hollow Apartments GP, LLC, a Florida limited liability company, whose sole member is TRG Member, LLC, a Florida limited liability company. The current 99% limited partner of Sleepy Hollow Apartments, Ltd., is The Richman Group of Florida, Inc. At time of issuance of the Phase I Bonds, TRGHT, Inc., an affiliate of The Richman Group Affordable Housing Corporation, itself an affiliate of the Borrower (or an affiliate) purchased a 99.99% limited partner interest in such Phase I Borrower, and Sleepy Hollow Apartments GP, LLC, remains as the general partner with a 0.01% interest. The equity funding levels and the timing of the equity funding are subject to numerous adjustments and conditions which could result in the amounts of equity funded and/or the timing or even occurrence of the equity funding varying significantly from such Phase I Borrower's current projections and neither the Authority nor the Remarketing Agent make any representation as to the availability of such funds. **[Such Phase I Borrower, as required by the Bank, will purchase at or prior to conversion, an interest rate cap with a minimum 5 year term.]**

*Borrower for the Phase II Bonds*

The borrower for the Phase II Bonds is Sleepy Hollow Apartments II, Ltd., a Florida limited partnership (the "Phase II Borrower" and, together with the Phase I Borrower, the "Borrowers"). Such Phase II Borrower's general partner with a 1% interest is Sleepy Hollow Apartments II GP, LLC, a Florida limited liability company, whose sole member is TRG Member, LLC, a Florida limited liability company. The current 99% limited partner of Sleepy Hollow Apartments II, Ltd., is The Richman Group of Florida, Inc. At Closing, TRGHT, Inc., an affiliate of The Richman Group Affordable Housing Corporation, itself an affiliate of the Phase II Borrower (or an affiliate) purchased a 99.99% limited partner interest in such Phase II Borrower, and Sleepy Hollow Apartments II GP, LLC, remains as the general partner with a 0.01% interest. The equity funding levels and the timing of the equity funding are subject to numerous adjustments and conditions which could result in the amounts of equity funded and/or the timing or even occurrence of the equity funding varying significantly from such Phase II Borrower's current projections and neither the Authority nor the Remarketing Agent make any representation as to the availability of such funds. **[Such Phase II Borrower, as required by the Bank, will purchase at or prior to conversion, an interest rate cap with a minimum 5 year term.]**

**Except to the extent expressly set forth herein, no representation is made that the Borrowers have substantial funds available for the Development. Accordingly, the Borrowers' financial statements nor those of its partners are included in this Remarketing Memorandum. No assurance can be given that the Development will be operated in accordance with the plans anticipated as of the date of this Remarketing Memorandum.**

**The Manager**

WRMC, Inc., a Connecticut corporation, serves as the manager of the Development (the "Manager"). The Manager specializes in the management of tax credit, affordable and market rate multifamily housing, and **[currently manages 80 multifamily housing communities (11,000 units total) in 11 states]**. The Manager receives customary management fees in connection with

its activities related to the Development. The Manager is an affiliate of the TRG Member, LLC. Any previous experience of the Manager is no assurance that the Development will be successful.

## **The Developer**

Each Borrower entered into a Development Agreement prior to the issuance of the Bonds with The Richman Group of Florida, Inc., a Florida corporation (the "Developer"), pursuant to which the Developer was responsible for the development of the related Development. The Developer is an affiliate of TRG Member, LLC, the sole member of the general partner of each of the Borrowers.

The previous experience of the principals of each of the Borrowers, the Developer, the Manager, and the remainder of their development and management team is no assurance that the Development will be successful. The foregoing is not intended to be a complete description of all material information regarding the development team. Investors should evaluate each Development for the determining the risks associated with repayment of the related series of Bonds and should evaluate and rely on the strength of the credit enhancement.

The following is a list of multifamily properties in the County and the surrounding area, which have been developed or are being developed by affiliates of The Richman Group Development Corporation ("TRGDC"), including the Developer. The following list is not intended to be a comprehensive list of all properties under development by affiliates of TRGDC.

<b>Name of Community</b>	<b>Location</b>	<b># of Units</b>
Royal Palm Key Apartments	Tampa, FL	240
Spring Haven Apartments	Hernando County, FL	176
Claymore Crossing Apartments	Hillsborough County, FL	260
Meridian Pointe Apartments	Hillsborough County, FL	360
Spring Haven II Apartments	Hernando County, FL	88
Brook Haven Apartments	Hernando County, FL	160
Grande Oaks Apartments	Hillsborough County, FL	168
Lake Kathy Apartments	Hillsborough County, FL	360

## **The Development**

### *Laurel Oaks Apartments*

Construction of the Laurel Oaks Apartments (the "Phase I Development") was completed in [\_\_\_\_], and is located on 9.53 acres in Lake County comprised of a total of 144 units located in 6 garden-style buildings. The buildings in the Phase I Development are three story frame construction, with stucco finish. The foundation is concrete slab over termite treated and compacted soil with a visqueen barrier. Roofs are comprised of asphalt composite shingle. Interior floor coverings consist of vinyl flooring in the kitchen, laundry and bath areas. All remaining living areas have wall-to-wall carpeting.

The units consist of the following:



<b>No. of Bedroom/Baths</b>	<b>Approximate Square Footage</b>	<b>Number of Units</b>
2/2	974	88
3/2	1,240	48
4/2	1,364	8

On site amenities include a clubhouse with a clubroom, break room with kitchenette, computer room, fitness room, central laundry facilities, library, cable supply room, business center activity room, janitor's closet, a swimming pool, sundeck and a tot lot. There are [approximately] 289 parking spaces, including 7 handicapped spaces. Landscaping, outdoor lighting and sidewalks are provided consistent with local codes.

Unit features include a range, refrigerator, microwave, dishwasher, garbage disposal, double compartment kitchen sink, marble window sills and mini blinds. In addition, each unit has washer/dryer connections.

The foregoing is not intended to be a complete description of all material information regarding the Phase I Development.

#### *Laurel Oaks II Apartments*

Construction of the Laurel Oaks II Apartments (the "Phase II Development" and together with the Phase I Development, the "Development") was completed in [\_\_\_\_\_] and is located on 6.48 acres in Lake County comprised of a total of 108 units located in 5 garden-style buildings. The buildings in the Phase II Development are three story frame construction, with stucco finish. The foundation is concrete slab over termite treated and compacted soil with a visqueen barrier. Roofs are asphalt composite shingle. Interior floor coverings consist of vinyl flooring in the kitchen, laundry and bath areas. All remaining living areas are wall-to-wall carpeting.

The units consist of the following:

<b>No. of Bedroom/Baths</b>	<b>Approximate Square Footage</b>	<b>Number of Units</b>
2/2	974	56
3/2	1,240	36
4/2	1,364	16

On site amenities include a clubhouse with a clubroom, break room with kitchenette, computer room, fitness room, central laundry facilities, library, cable supply room, business center activity room, janitor's closet, a swimming pool, sundeck and a tot lot. There are [approximately] 218 parking spaces, including 6 handicapped spaces. Landscaping, outdoor lighting and sidewalks are provided consistent with local codes.

Unit features include a range, refrigerator, microwave, dishwasher, garbage disposal, double compartment kitchen sink, marble window sills and mini blinds. In addition, each unit has washer/dryer connections.

The foregoing is not intended to be a complete description of all material information regarding the Phase II Development.

## **Additional Loans and Restrictions**

As described in the Original Official Statement under the caption "THE BORROWERS, THE MANAGER, THE DEVELOPER AND THE DEVELOPMENT – SAIL Loan," the Development is subject to additional restrictions on rents and tenant incomes under a State Apartment Incentive Loan (the "SAIL Loan"). The SAIL Loan closed on [September 20, 2007], in the principal amount of [\$\_\_\_\_\_]. The SAIL LURA (as defined in the Original Official Statement), requires the Borrowers to set aside up to 100% of the units rented to households with income less than or equal to 60% of the Area Median Income. The SAIL Loan is subordinate to the Loan.

As described in the Original Official Statement under the caption "THE BORROWER, THE MANAGER, THE DEVELOPER AND THE DEVELOPMENT – Affordability Restrictions," the Development is subject to additional restrictions on rents and tenant incomes under an Extended Low-Income Housing Agreement.

## **REGARDING EXISTING INFORMATION IN THE OFFICIAL STATEMENT**

This Remarketing Memorandum provides certain information regarding the Bonds upon successful remarketing of the Bonds on the Remarketing Date. To the extent that information in this Remarketing Memorandum conflicts with information in the Official Statement, this Remarketing Memorandum shall govern. This Remarketing Memorandum is not intended to indicate that all information in the Official Statement has been updated or is current as of the date hereof.

## **RATING**

In connection with the expiration of the Confirming Letter of Credit, Moody's Investor Service, Inc. (the "Rating Agency") is expected to downgrade the long-term rating on the Bonds to "[A1]" and affirm the short-term rating on the Bonds of "[VMIG-1]" based on the long-term and short-term counterparty risk assessments of the Bank of "[A1]" and "[P-1]," respectively.

An explanation of the significance of such rating may be obtained from the Rating Agency at 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. There is no assurance that the rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the Rating Agency if in the judgment of the Rating Agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

Any desired explanation of the significance of the rating should be obtained from the Rating Agency. Certain information and materials not included in this Remarketing Memorandum were furnished to the Rating Agency. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies, and assumptions by the Rating Agency.

The rating is not a recommendation to buy, sell, or hold the Bonds. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered, suspended, or withdrawn entirely if, in the judgment of the Rating Agency, circumstances so warrant. The Authority has not assumed any responsibility either to notify the owners of any proposed change in, suspension or withdrawal of such rating subsequent to the date of the Remarketing Memorandum, and the Borrowers have such responsibility only in connection with the reporting of events as provided in the Continuing Disclosure Agreement entered into in connection with the original issuance of the Bonds. Neither of them has any responsibility to contest any such revision, suspension, or withdrawal. Any such change in, suspension or withdrawal of such rating could have an adverse effect on the market price of the Bonds if a registered owner attempts to sell the same.

## **REMARKETING AGENT**

### **Remarketing Agent**

RBC Capital Markets, LLC has been appointed as the Remarketing Agent (the "Remarketing Agent") pursuant to the terms of the Remarketing Agreement, dated as of September 1, 2007, by and between the Borrowers and the Remarketing Agent (the "Remarketing Agreement"). The obligation of the Remarketing Agent to remarket the Bonds is subject to certain terms and conditions set forth in the Remarketing Agreement. For its services relating to the remarketing on the Remarketing Date, the Remarketing Agent will receive a fee of \$[ ] with respect to the Bonds, plus expenses.

The Remarketing Agent has provided the following information for inclusion in this Remarketing Memorandum: The Remarketing Agent and its affiliates are full-service financial institutions engaged in various activities, that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Remarketing Agent and its affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Remarketing Agent and its affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Authority and/or the Borrowers. The Remarketing Agent and its affiliates may also communicate independent investment recommendations, market color or trading ideas, and publish independent research views in respect of this securities offering or other offerings of the Authority and/or the Borrowers. The Remarketing Agent and its affiliates may make a market in credit default swaps with respect to municipal securities in the future.

### **The Remarketing Agent is Paid by the Borrowers**

The Remarketing Agent's responsibilities include determining the interest rate from time to time and using best efforts to remarket the Bonds that are optionally or mandatorily tendered by the owners thereof (subject, in each case, to the terms of the Remarketing Agreement), as further described in the Official Statement. The Remarketing Agent is appointed by the Borrowers and the Authority and is paid by the Borrowers for its services. As a result, the interests of the

Remarketing Agent may differ from those of existing holders and potential purchasers of the Bonds.

### **The Remarketing Agent May Purchase Bonds for its Own Account**

The Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations and, in its sole discretion, may purchase such obligations for its own account. The Remarketing Agent is permitted, but not obligated to purchase tendered Bonds for its own account and, in its sole discretion, routinely acquires such tendered Bonds in order to achieve a successful remarketing of the Bonds (*i.e.*, because there otherwise are not enough buyers to purchase the Bonds) or for other reasons. However, the Remarketing Agent is not obligated to purchase Bonds, and may cease doing so at any time without notice. The Remarketing Agent may also make a market in the Bonds by routinely purchasing and selling Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at or below par. However, the Remarketing Agent is not required to make a market in the Bonds. The Remarketing Agent may also sell any Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the Bonds. The purchase of Bonds by the Remarketing Agent may create the appearance that there is greater third party demand for the Bonds in the market than is actually the case. The practices described above also may result in fewer Bonds being tendered in a remarketing.

### **Bonds May Be Offered at Different Prices on Any Date Including a Rate Determination Date**

Pursuant to the Remarketing Agreement, the Remarketing Agent is required to determine the applicable rate of interest that, in its judgement, is the lowest rate that would permit the sale of the Bonds bearing interest at the applicable interest rate at par plus accrued interest, if any, on and as of the applicable Rate Determination Date. The interest rate will reflect, among other factors, the level of market demand for the Bonds (including whether the Remarketing Agent is willing to purchase Bonds for its own account). There may not be Bonds tendered and remarketed on the Rate Determination Date, the Remarketing Agent may or may not be able to remarket any Bonds tendered for purchase on such date at par and the Remarketing Agent may sell Bonds at varying prices to different investors on such date or any other date. The Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for all of the Bonds at the remarketing price. In the event the Remarketing Agent owns any Bonds for its own account, it may, in its sole discretion in a secondary market transaction outside the tender process, offer such Bonds on any date, including the Rate Determination Date, at a discount to par to some investors.

### **The Ability to Sell the Bonds Other Than through Tender Process May Be Limited**

The Remarketing Agent may buy and sell Bonds other than through the tender process. However, it is not obligated to do so and may cease doing so at any time without notice and may require holders that wish to tender their Bonds to do so through the Tender Agent with appropriate notice. Thus, investors who purchase the Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Bonds other than by tendering the Bonds in accordance with the tender process.

## **Removal or Resignation of the Remarketing Agent without a Successor Being Named**

Under certain circumstances the Remarketing Agent may be removed or have the ability to resign or cease its remarketing efforts. While the documents require that a successor be named prior to the effectiveness of such removal or resignation, in the event the Remarketing Agent fails or refuses to determine the Weekly Variable Rate, the rate shall be the latest SIFMA Index Rate published on or immediately before the Rate Determination Date or, in the event the SIFMA Index Rate is no longer published, the last Weekly Variable Rate determined by the Remarketing Agent.

## **TAX MATTERS**

On September 20, 2007, Greenberg Traurig P.A., Bond Counsel for the Bonds, delivered its approving opinion relating to the Bonds in substantially the form attached to the Original Official Statement as Appendix A (the "Approving Opinion") and attached hereto as APPENDIX A. Bond Counsel has not supplemented or updated its Approving Opinion since the original date of issue of the Bonds and the Approving Opinion speaks only as of its date. Bond Counsel has not been requested, nor has it undertaken, to make an independent investigation regarding compliance with the certifications and representations in the various certificates or documents entered into in connection with the Bonds, or to review any other events which may have occurred since the Bonds were issued that might affect the tax status of interest on the Bonds.

## **LEGAL MATTERS**

Certain legal matters were passed upon for the Authority by Greenberg Traurig, P.A., Orlando, Florida; for the Bank by [Holland & Knight LLP, Atlanta, Georgia]; and for the Borrowers by [Nelson Mullins, Orlando, Florida].

## **NO LITIGATION**

There is no pending litigation against the Authority of which the Authority has actual notice, nor, to the knowledge of the Authority, is there any threatened litigation against the Authority, which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to their issuance, sale, or delivery.

There is no pending litigation against the Borrowers of which the Borrowers have actual notice, nor, to the knowledge of the Borrowers, is there any threatened litigation against the Borrowers, which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to their issuance, sale, or delivery.

## **MISCELLANEOUS**

This Remarketing Memorandum has been prepared and is being distributed in connection with the remarketing of the Bonds. This Remarketing Memorandum may not be reproduced or

used, as a whole or in part, for any other purpose. Any statements in the Remarketing Memorandum involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Remarketing Memorandum should not be separated from or used otherwise than together with, the Official Statement.

[Remainder of page intentionally left blank]

The execution and delivery of this Remarketing Memorandum and the incorporation of the APPENDICES hereto have been duly authorized by the Borrowers for distribution to potential purchasers of the Bonds.

**SLEEPY HOLLOW APARTMENTS II, LTD.**, a  
Florida limited partnership

By: Sleepy Hollow Apartments II GP, LLC, a  
Florida limited liability company, its general  
partner

By: TRG Member, LLC, a Florida limited  
liability company, its sole member

By: \_\_\_\_\_  
Kristin M. Miller  
President



**W.D. MORRIS**  
EXECUTIVE DIRECTOR

**DISCUSSION ITEM**

**BOARD OF DIRECTORS**

**MERCEDES MCCALL**  
CHAIR

**VERNICE ATKINS-BRADLEY**  
VICE CHAIR

**SASCHA RIZZO**  
BOARD MEMBER

**CURTIS HUNTER**  
BOARD MEMBER

**KENNETH HUGHES**  
BOARD MEMBER

**MEMORANDUM**

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	October 13, 2022
RE:	<b>CONSIDER APPROVAL OF THE REIMBURSEMENT RESOLUTION FOR MULTI-FAMILY TAX-EXEMPT BONDS APPLICATION, FOR LITTLE TURTLE, TURTLE OAKS AND OAKWOOD APARTMENTS, IN A COLLECTIVE AMOUNT NOT-TO-EXCEED \$37,390,000.</b> NOVEMBER 2, 2022 REGULAR BOARD OF DIRECTORS' MEETING

**BACKGROUND**

On August 25, 2022, the Authority received an application for Multi-Family Tax-Exempt Bonds, from Millennia Housing Development for the acquisition and rehabilitation of three existing, multi-family developments in Lake County, FL. The application was submitted by Lake FL TC, LP; Turtle Oaks FL, LLC and Oakwood FL, LLC, for the proposed developments, Little Turtle (t.b.k.a. Wildflower Oaks) Apartments; Turtle Oaks (t.b.k.a. Oakley Terrace) Apartments and Oakwood (t.b.k.a Plateau) Apartments; in an amount not-to-exceed \$37.390MM. The proposed projects are as follows:

- Little Turtle Apartments consists of 38-units, located at 1350 Pamela St, Leesburg, FL
- Turtle Oaks Apartments consists of 101-units, located at 2311 Griffin Rd, Leesburg, FL
- Oakwood Apartments consists of 72-units, located at 550 Lincoln Ave, Mount Dora, FL.

These proposed developments were part of Global Ministries Foundation portfolio of 38-properties; consisting of over 4,600 units of distress housing. The proposed development will have Housing Assistance Payment Contracts with gross rents established by HUD Fair Market Rents. The household portion of rent will be determined by Section-8 Regulations and is typically limited to 30% of household, monthly adjusted income. The proposed financing structure will consist of \$37.390MM of Tax-Exempt Mortgage Revenue Bonds; of which \$8.130MM are expected to be paid off during the construction period. The bonds will be a Private Placement purchase by Red Stone, with an Interest Only period, at a fixed rate of interest for 36-months, with an amortization period of 40-years. The Debt Service Coverage Ratio for the proposed developments is 1.22, which exceeds the Authority's minimum Threshold Criteria of 1.10. The three proposed developments are to be issued under a combined Trust Indenture.



<b><u>CONSTRUCTION SOURCES</u></b>	
<i>Tax-Exempt Bonds</i>	\$ 37,390,000
<i>Federal Tax Credit Equity</i>	\$ 13,861,325
<i>Co-Second Mtg/ Seller Note</i>	\$ 7,200,000
<i>Deferred Developer Fee</i>	\$ 5,292,780
<i>Dev Fee Paid After Rehab Completion</i>	\$ 2,054,867
<i>Construction Period Income (Cash)</i>	\$ 3,625,060
<i>Construction Period Income (Exp)</i>	\$ 504,203
<i>Interest on Seller Note</i>	\$ 650,000
<b>TOTAL CONSTRUCTION SOURCES</b>	<b>\$70,578,235.00</b>

Enclosed for your review are copies of the combined proforma analysis and Reimbursement (Inducement) Resolution (#2022-06) and supporting information.

#### **ACTION REQUESTED**

Board approval of the Reimbursement (Inducement) Resolution (#2022-06), for Multi-Family Tax-Exempt Bonds, for the proposed developments of Little Turtle (t.b.k.a. Wildflower Oaks) Apartments; Turtle Oaks (t.b.k.a. Oakley Terrace) Apartments and Oakwood (t.b.k.a. Plateau) Apartments; not-to-exceed amount of \$37,390,000; authorization for staff and Bond Counsel to take the required steps to proceed with the process and with subsequent submission to the Florida Division of Bond Financing.

PROFORMA ANALYSIS

LAKE COUNTY PORTFOLIO: LITTLE TURTLE;OAKWOOD;TURTLE OAKS

14-Oct-2022

SOURCES:

CONSTRUCTION	PERMANENT	
\$37,390,000.00	\$29,260,000.00	First Mortgage/Bonds
\$5,292,780.00	\$5,389,478.00	Deferred Dev. Fee
\$504,203.00	\$504,203.00	Const. Period Inc. (Exp)
\$7,200,000.00	\$7,200,000.00	Seller Note
\$13,861,325.00	\$23,102,210.00	LIHTC Equity
	\$2,675,000.00	Capital Contribution
\$650,000.00	\$650,000.00	Seller Note Interest
\$2,054,867.00		Dev. Fee Paid at Comp.
\$3,625,060.00	\$3,625,061.00	Const. Period Inc. (Cash)
<b>\$70,578,235.00</b>	<b>\$72,405,952.00</b>	<b>TOTAL SOURCES</b>

USES: (TOTAL DEVELOPMENT COSTS)

\$ 28,650,000.00	\$ 28,650,000.00	Acquisition Cost
\$ 18,945,609.00	\$ 18,945,609.00	Construction
\$ 1,495,920.00	\$ 1,495,920.00	Architectural & Eng.
\$ 6,299,968.00	\$ 6,299,970.00	Financing Costs
\$ 714,443.00	\$ 714,443.00	Legal Fees
\$ 921,353.00	\$ 921,353.00	Closing Costs
\$ 314,504.00	\$ 673,632.00	Tax Credit Fees
\$11,000,000.00	\$ 8,325,000.00	Developers Fee
\$ 2,236,438.00	\$ 6,380,025.00	Total Owner Cost
<b>\$ 70,578,235.00</b>	<b>\$ 72,405,952.00</b>	<b>TOTAL USES</b>

VARIANCE:

Income Analysis:

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

Unit/Type: Bd/ Ba	Number of Units	Net Rent	Monthly Income	Annual Income
1/1	12	\$1,290.00	\$15,480.00	\$185,760.00
2/1	16	\$1,443.00	\$23,088.00	\$277,056.00
3/2	6	\$1,836.00	\$11,016.00	\$132,192.00
4/2.5	4	\$2,040.00	\$8,160.00	\$97,920.00
1/1	24	\$1,275.00	\$30,600.00	\$367,200.00
2/1	53	\$1,418.00	\$75,154.00	\$901,848.00
3/1	24	\$1,632.00	\$39,168.00	\$470,016.00
1/1	18	\$1,229.00	\$22,122.00	\$265,464.00
2/1	36	\$1,464.00	\$52,704.00	\$632,448.00
3/1	18	\$1,677.00	\$30,186.00	\$362,232.00
<b>TOTAL</b>	<b>211</b>	<b>\$15,304.00</b>	<b>\$307,678.00</b>	<b>\$3,692,136.00</b>

GROSS INCOME \$3,692,136.00

OTHER INCOME \$28,990.00

\$3,721,126.00

Less 5% Vacancy+0% COLLECTION LOSS \$184,606.80

EFFECTIVE GROSS INCOME \$3,536,519.20

<b>TOTAL EXPENSES</b>	<b>\$1,473,558.00</b>
<b>NET OPERATING INCOME</b>	<b>\$2,062,961.20</b>
<b>ANNUAL DEBT SVC PYMTS</b>	<b>\$1,693,089.00</b>
<b>DEBT COVERAGE RATIO</b>	<b>1.22</b>

(A)

(B)

(A)/(B)

**RESOLUTION NO. 2022-06**

**A RESOLUTION DECLARING THE OFFICIAL INTENT OF ORANGE COUNTY HOUSING FINANCE AUTHORITY TO REIMBURSE ITSELF AND/OR LAKE FL TC, LP, AND/OR LITTLE TURTLE FL, LLC, AND/OR TURTLE OAKS FL, LLC, AND/OR OAKWOOD FL, LLC AND/OR THEIR RESPECTIVE AFFILIATES FROM THE PROCEEDS OF DEBT FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO CERTAIN MULTIFAMILY HOUSING PROJECTS; AND AUTHORIZING CERTAIN INCIDENTAL ACTIONS.**

**WHEREAS**, in connection with the acquisition and rehabilitation of certain multifamily housing residential rental facilities described herein Lake FL TC, LP and/or Little Turtle FL, LLC and/or Turtle Oaks FL, LLC and/or Oakwood FL, LLC and/or their respective affiliates (collectively, the "Owner") through a loan from Orange County Housing Finance Authority (the "Issuer"), 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 has entered into an interlocal agreement with the Board of County Commissioners of Lake County, Florida wherein the Issuer has been provided full authority and responsibility to finance qualifying housing developments in Lake County, Florida; 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 Lake County, Florida;

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

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

(d)     The acquisition and rehabilitation of the following multifamily housing projects (collectively, the "Development") will assist in alleviating the shortage of rental housing for low, middle and moderate income residents of Lake County.

(1)     Little Turtle (to be known as Wildflower Oaks): The project will consist of the rehabilitation of the apartment complex located at 1350 Pamela Street in Leesburg,

Florida. The existing complex has 38 units comprised in six buildings with on-site management and a playground on approximately 3.56 acres of land.

(2) Turtle Oaks (to be known as Oakley Terrace): This project includes rehabilitation of the apartment complex at 2311 Griffin Road, Leesburg, Florida. The existing complex has 101 units comprised in 11 2-story buildings with administrative offices, a maintenance shed, and laundry facility on approximately 7.70 acres of land.

(3) Oakwood Apartments (to be known as Plateau Village): This project includes the rehabilitation of the apartment complex located at 550 Lincoln Avenue, Mount Dora, Florida. This existing complex has 72 units comprised in 19 buildings with a management office on approximately 7.71 acres of land.

(e) The Owner has requested the Issuer to issue revenue bonds (the "Bonds"), in one or more series, 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 \$37,390,000, and the amount reimbursed will not exceed \$37,390,000.

**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 \$37,390,000 in tax-exempt financing, in one or more years, for the Development in order to maintain rental units for low, middle, or moderate income persons and families 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 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.

**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.

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

Passed this 2<sup>nd</sup> day of November, 2022.

[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



# Little Turtle Apartments



May 4, 2020

pointLayer



Override 1

polygonLayer



Override 1



Surrounding Counties



Voting Poll Locations

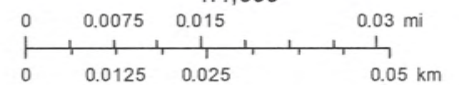


Voting Precincts



Commissioner Districts

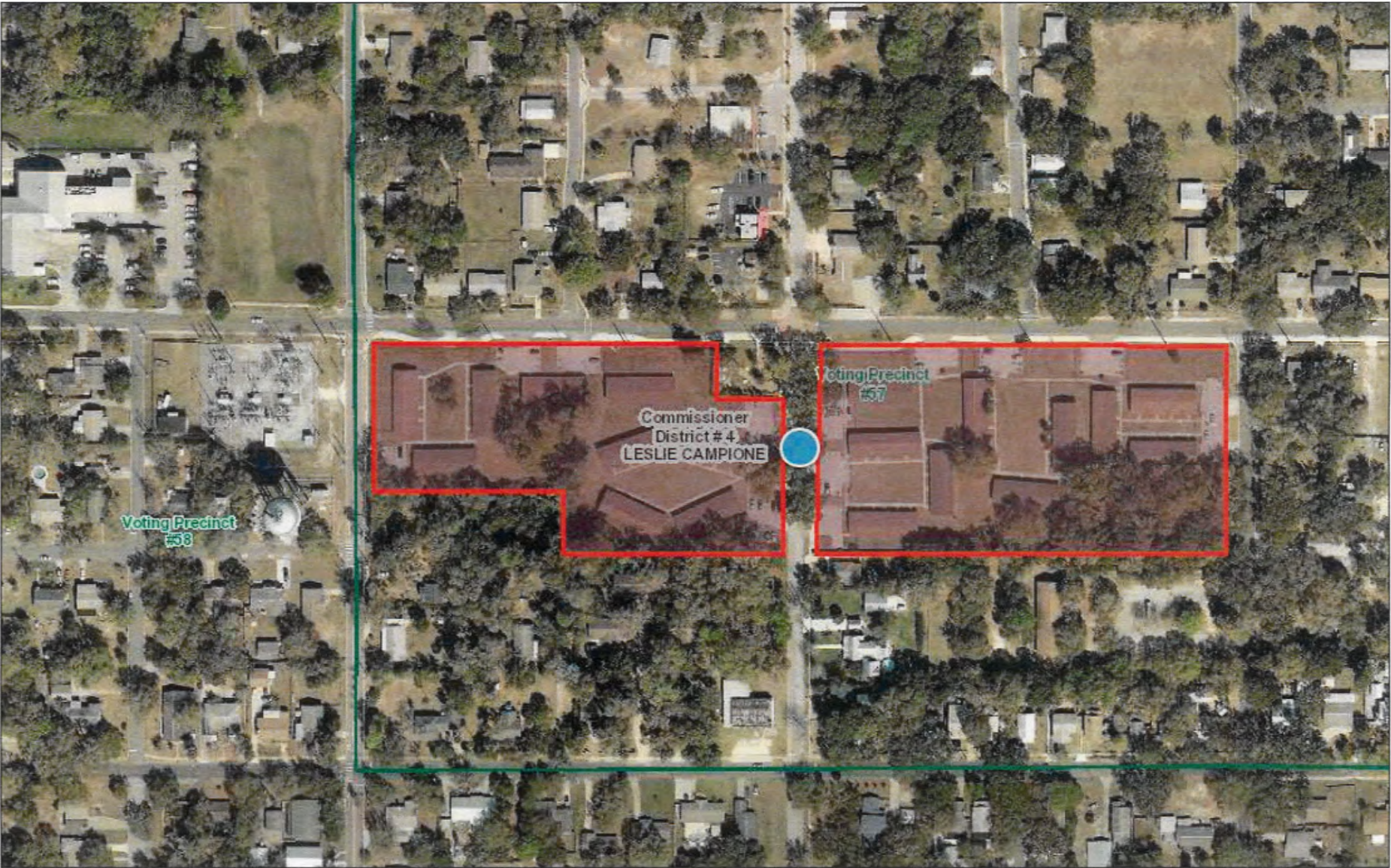
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Lake BCC



# Oakwood Apartments



May 4, 2020

pointLayer

Override 1

polygonLayer

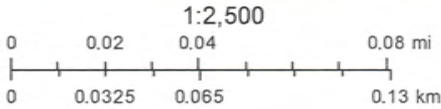
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Surrounding Counties

★ Voting Poll Locations

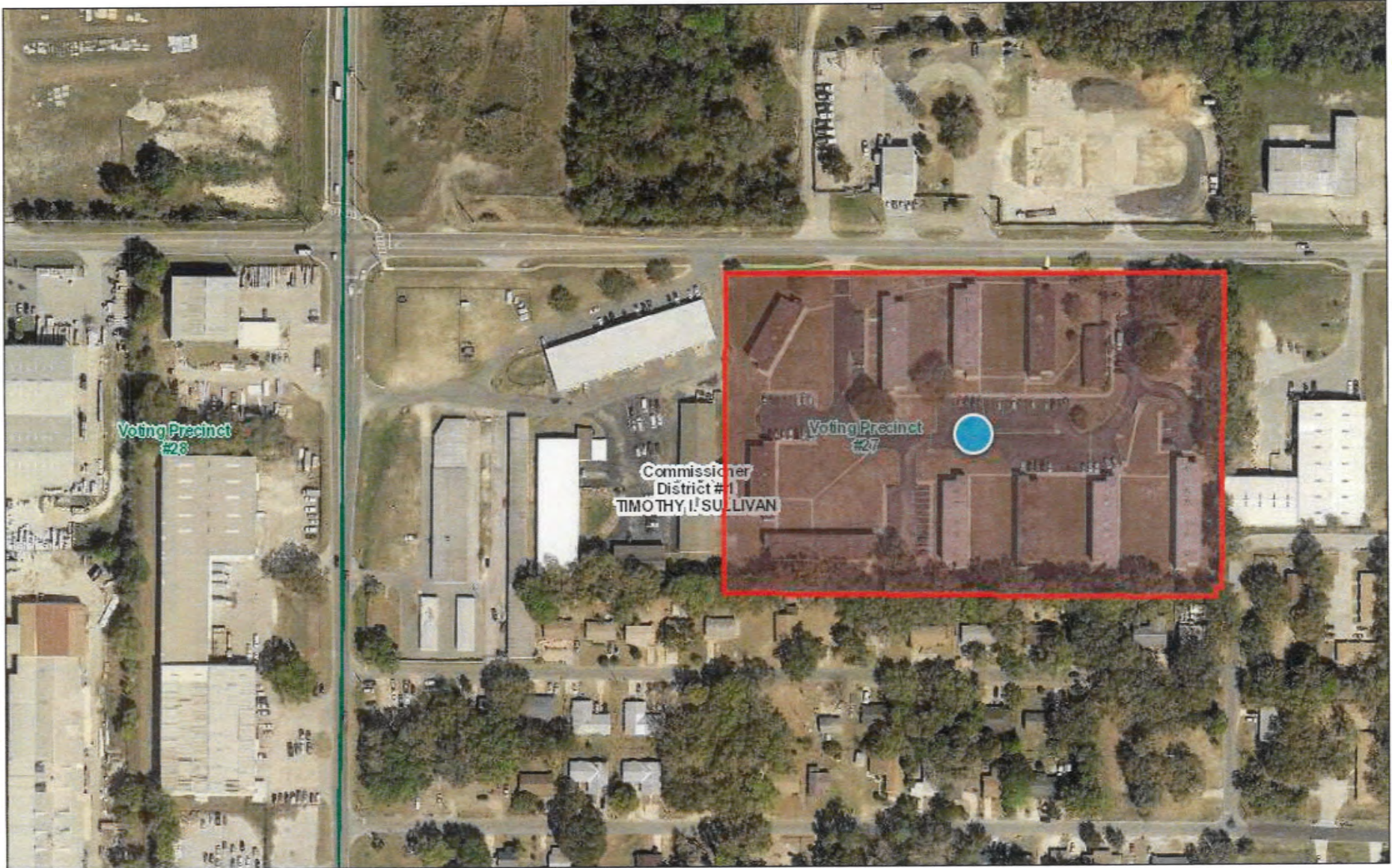
□ Voting Precincts

□ Commissioner Districts





# Turtle Oaks



May 4, 2020

pointLayer



Override 1

polygonLayer



Override 1



Surrounding Counties



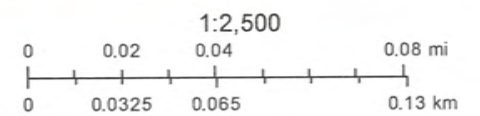
Voting Poll Locations



Voting Precincts



Commissioner Districts



Lake BCC



*via e-mail*

*August 18, 2022*

Mr. Jim Wells  
Millennia Housing Development Ltd.  
4000 Key Tower  
127 Public Square  
Cleveland, OH 44114-1309

Re: Wildflower Oaks  
Fka Little Turtle  
1350 Pamela Street  
Leesburg, FL  
38 Units

Plateau Village  
Fka Oakwood  
550 Lincoln Avenue  
Mount Dora, FL  
72 Units

Oakley Terrace  
Fka Turtle Oaks  
2311 Griffin Road  
Leesburg, FL  
101 Units

Dear Mr. Wells,

Red Stone A7 III LLC (“Red Stone”) is pleased to present Millenia Housing Development Ltd. or its affiliates (the “Sponsor”) with the following proposal to purchase up to **\$37,390,000** of tax-exempt bonds part of which shall be temporary construction bonds and part of which shall be permanent bonds as outlined below, issued by [ISSUER] (the “Issuer”) for the benefit of the above referenced properties (the “Properties or Portfolio”). The bond purchase shall hereinafter be defined as the facility (the “Facility”).

This letter sets forth the basic business terms and conditions of Red Stone’s proposed financing, as well as summarizes key assumptions that Red Stone used in preparation of this proposal that were provided to us by the Sponsor or its representatives.

## **Structure**

Red Stone will provide the financing Facility by purchasing up to \$37,390,000 of fixed rate tax-exempt bonds (the “Bonds”) directly or through its designee. The Bonds shall mature 40 years after the closing, subject to redemption prior to maturity as described below.

At or prior to the completion of the Rehabilitation Period, as defined below, \$8,130,000 of Bonds shall be redeemed at par and the permanent bond amount shall be \$29,260,000 (the “Permanent Loan Amount”).

Red Stone will purchase the Bonds at issuance and the proceeds will be lent to the Borrower pursuant to a loan agreement (the “Loan Agreement”) to be used to pay a portion of the costs incurred by the Borrower for the acquisition and rehabilitation of the Properties.

The documents evidencing the Facility shall contain covenants, representations and warranties customarily provided in financing documents for bond financings of this size and nature.

## **Borrower**

A to-be-formed limited partnership or limited liability company] (the “Borrower”). The Borrower and [its GENERAL PARTNER(S) (the “General Partner”)] shall each be a single-purpose, bankruptcy-remote entity.

**Guarantors /  
Key Principals**

Frank T. Sinito (the “Guarantors,”) shall provide guarantees of certain specific obligations of the Borrower, as detailed herein. The Guarantors shall be jointly and severally obligated for certain recourse provisions as detailed herein. The Guarantors shall be jointly and severally obligated for certain non-recourse carve-outs as described herein.

**Portfolio**

The Portfolio consists of three properties. The first, known as Wildflower Oaks, is a multifamily apartment complex, located in Leesburg, Florida consisting of 38 units. All revenue producing units at the Property covered by a Project Based Section 8 HAP Contract.

The second, known as Plateau Village, is a multifamily apartment complex, located in Mount Dora, Florida consisting of 72 units. All revenue producing units at the Property covered by a Project Based Section 8 HAP Contract.

The third, known as Oakley Terrace, is a multifamily apartment complex, located in Leesburg, Florida consisting of 101 units. All revenue producing units at the Property covered by a Project Based Section 8 HAP Contract.

**HAP/Preservation**

The Portfolio operates subject to three separate long term Section 8 HAP Contracts (“HAP”) covering 255 of the units. Prior to closing, the Borrower will provide evidence of an extension of the existing HAP Contracts for the Portfolio for 20 years. The Borrower shall be obligated to maintain the HAP Contracts through the term of Red Stone’s facility.

**Capital Expenditures**

Funds necessary to complete the rehabilitation will be deposited into an escrow account (the “Project Fund”) to fund capital expenditures on a schedule and with terms approved by Red Stone prior to the Closing Date.

The rehabilitation of the Portfolio will be for a period no longer than 24 months from the Closing (the “Rehabilitation Period”). During the Rehabilitation Period, amounts in the Project Fund shall be disbursed to the Borrower from time to time, not more often than monthly, as the rehabilitation progresses upon submission of a proper requisition with proof of completion of work and approval of such requisition by Red Stone and its consulting engineer.

The Borrower will spend a minimum of approximately 19,095,609 (\$90,501 per unit) in hard costs for the rehabilitation of the Portfolio during the Rehabilitation Period. Any monies remaining in the Project Fund at the end of the Rehabilitation Period which are not needed for capital items approved by Red Stone prior to the Closing Date shall be used to redeem Bonds.

**NOI**

Red Stone’s proposal is based on the pro-forma NOI of \$2,058,000 (subject to Red Stone confirmation). This figure assumes a 3.0% vacancy rate, a 4.00% must-pay management fee, and \$350/unit/year in replacement reserves (subject to confirmation by Red Stone’s underwriter and engineer).

<b>Debt Sizing</b>	Red Stone is sizing the Facility based on a minimum 1.15x Debt Service Coverage Ratio and a maximum 90% Loan to Value Ratio. Upon completion of the Rehabilitation, the Loan Documents shall contain a stabilization requirement (“Stabilization”) as defined below.
<b>Stabilization</b>	<p>Stabilization shall mean the point at which the ratio of net operating income of the Portfolio for the prior three months to a maximum principal and interest payable in any three month period equals or exceeds 1.15 to 1.0 and the average monthly occupancy in each of the three consecutive months equals at least 90%. For purposes of the foregoing, net operating income shall be (a) the lesser of (i) actual Portfolio income or (ii) actual Portfolio income adjusted to reflect 3.0% economic vacancy over (b) the greater of (i) actual Portfolio expenses or (ii) projected expenses determined in Red Stone’s underwriting (except for expense line items relating to property taxes, insurance and utilities which shall in all cases be actual).</p> <p>Notwithstanding the above, Stabilization of the Portfolio will occur no later than 36 months from the Closing Date (the “Stabilization Period”).</p>
<b>Bond Interest / Ongoing Fees</b>	<p>Beginning on the date of delivery of the Bonds (the “Closing”), interest will be paid monthly at a fixed rate of 5.00% per annum on the Bonds. This rate is set to equal approximately the sum of (i) 80% of SOFR (“SOFR”) Swap used by Red Stone at Closing and (ii) a spread of 2.95%.</p> <p>In addition to the above stated interest rate, the Borrower will pay all trustee and issuer fees associated with the transaction.</p>
<b>Rate Floor</b>	The Bond Rate will have a minimum floor of 4.25% regardless of the calculation described in the Bond Interest section.
<b>Termination</b>	Optional prepayment of the Facility shall be prohibited until 16 years after the Closing Date. Thereafter, the Facility may be prepaid at par.
<b>Interest Only Period</b>	36 Months
<b>Amortization</b>	After the Interest Only Period, an amount of the Facility equal to the original amount of the Permanent Loan Amount shall be subject to mandatory redemption in part in monthly installments sufficient to amortize such Bonds fully over 40 years.
<b>Origination Fee</b>	1.00% of the Facility amount (\$373,900) payable to Red Stone at Closing.
<b>Construction Loan Administration Fee</b>	0.75% of the Facility amount (\$280,425) payable to Red Stone at Closing.
<b>Completion &amp; Stabilization Guarantees</b>	The Guarantors shall jointly and severally guarantee the lien-free completion of the construction prior to the end of the Rehabilitation/Construction Period, payment of all costs associated with the rehabilitation/construction, and any payment required to achieve Stabilization.

**LIHTC Equity**

In addition to the Bonds, the acquisition and rehabilitation of the Properties will be funded through the sale of Federal Low Income Housing Tax Credits (together the "LIHTCs"). The Sponsor estimates that the proceeds from the sale of the LIHTCs will generate approximately \$23,102,210 of proceeds for investment in the Portfolio. The terms and pay-in commitments of the LIHTC proceeds is subject to Red Stone review.

**MORTGAGE AND NOTE TERMS:****Security / Collateral**

The Facility shall be secured at all times by the following: (a) first priority mortgage lien on the Properties; (b) first priority assignment of leases and rents; (c) a collateral assignment of the management agreement and all project documents; (d) a general partner/managing member pledge; (e) a developer fee pledge; (f) the aforementioned guaranties; (g) assignment of capital contributions in respect of the tax credits; (h) an environmental indemnity from the Borrower and the Guarantors; and (i) a collateral assignment of the HAP Contracts.

**Non-Recourse**

Except as otherwise outlined in this letter, the loan and reimbursement documents will provide specifically that they are non-recourse to the Borrower and its partners except for standard agency non-recourse carve-outs including, but not limited to fraud, misapplication of funds, and other bad acts.

**Other Costs**

Borrower shall be responsible for all closing costs and expenses of compliance with this proposal including, but not limited to costs of issuer, bond counsel, issuer's counsel, trustee's counsel, and Red Stone's counsel. During the Rehabilitation Period, the Borrower shall be responsible for third-party inspection draw fees in an amount not to exceed \$1,500 per month per property. The Borrower shall also be responsible for any title and transfer costs associated with the transaction. In the event that the proposed transaction does not close for any reason other than the failure of Red Stone to comply with its obligations hereunder, Borrower shall be responsible for all third-party costs and out-of-pocket costs incurred by Red Stone not satisfied by the Application Deposit.

**Property Management**

The property management company and the management contract shall be subject to approval by Red Stone. It is expected that an affiliate of the Sponsor will serve as property manager. The property management fee shall be 4.0% of Effective Gross Income and any amount in excess of 4.0% shall be subordinate to payment of interest on the Bonds, third-party fees, and mandatory redemption/sinking fund payments.

**Application  
& Legal Deposit**

\$25,000. To be applied to the cost of preparing the third-party appraisal, engineering, and environmental reports, and Red Stone's out-of-pocket underwriting costs. Any unused portion of the deposit shall be returned to the Borrower. Said deposit is payable upon the execution of this financing proposal by Borrower.

<b>Reserves &amp; Escrows</b>	Monthly payments to escrow accounts held in the partnership name by the Bond Trustee will be required for taxes, insurance premiums, and replacement reserves. Any draws from the escrow accounts shall require Red Stone's consent. The initial replacement reserves will be set at \$300 per unit per year (subject to confirmation by Red Stone's underwriter and engineer).
<b>Operating Reserve</b>	Upon Stabilization, the Borrower has budgeted the funding an Operating Reserve of approximately \$1,383,000. The Borrower shall deposit this amount into an escrow account held by the Trustee (the "Operating Reserve") to be used for debt service payments and/or operating deficits during the Term. The Operating Reserve shall be held in an interest-bearing account and the interest shall be paid to the Borrower annually.
<b>Exclusivity</b>	Upon execution of this financing proposal, the Sponsor agrees (i) to cease its efforts to obtain financing from other sources, (ii) to terminate any other financing proposals currently in process and (iii) to not sell, lease, or transfer the Properties (or any interest therein). This exclusive arrangement shall terminate should Red Stone notify the Sponsor in writing that it does not intend to proceed with this transaction. Breach of this exclusivity clause shall cause the Origination Fee, the Construction Loan Administration Fee, and any out-of-pocket due diligence costs and legal fees incurred by Red Stone, to be immediately due and payable to Red Stone.
<b>Due Diligence / Conditions to Closing</b>	Red Stone and its agents shall have 45 days to perform due diligence from the later of the date on which Red Stone receives an executed copy of (i) this proposal and the Application Deposit and (ii) necessary preliminary due diligence information as requested by Red Stone. During the due diligence period, Red Stone's due diligence shall include, but not be limited to, engineering and environmental investigations, bond document review, title and survey review, market analysis, satisfactory review of borrower/sponsor financial statements, and other investigations deemed appropriate by Red Stone. At its sole discretion, Red Stone has the right, at any time during the due diligence period, to decline to proceed with this proposal and shall not be under any obligation to the Borrower. In the event Red Stone declines to proceed with this proposal, the Application Deposit (less actual out-of-pocket costs incurred by Red Stone and authorized hereby) will be returned to the Borrower.
<b>Budgets / Reporting</b>	<p>The Borrower shall provide Red Stone or its designee with an annual budget for operations and capital expenditures to be approved by Red Stone within 30 days of submission. Periodic reporting requirements shall include delivery of operating statements, occupancy reports, rent rolls, and other reports reasonably requested by Red Stone.</p> <p>Borrower shall provide to Red Stone an annual audit report of each Properties' financial statements from a firm approved by Red Stone not more than 120 days after the end of each fiscal year.</p>
<b>Other</b>	At closing, Red Stone will purchase the Bonds directly or indirectly with a designee through a placement agent or underwriter at no cost to the Borrower.



The designee (usually a large financial institution) will abide by all the terms included in this term sheet. To the extent permitted by the Issuer, the Bonds will be issued in book-entry-only form and purchased through a DTC participant selected by Red Stone.

Red Stone reserves the right to sell, assign, or participate all or part of their interests in the Facility in a form they find satisfactory, provided the sale does not adversely affect the Borrower or increase the costs, expenses, or obligations of Borrower.

The Borrower shall cooperate fully with Red Stone in this matter and shall take all actions reasonably requested by Red Stone and the new participant, but will not be required to enter into any documents which are materially adverse to the Borrower. The Borrower shall not incur any costs or additional liability from any such transfer or securitization.

Except as otherwise outlined in this letter, the loan and reimbursement documents will provide specifically that they are non-recourse to the Borrower and its partners except in the event of fraud, misapplication of funds, and other bad acts as outlined above in the Non-Recourse section.

#### **Offer Expiration**

If the terms set forth in this letter are satisfactory, please indicate your acceptance by executing and returning to Red Stone a copy of this letter and the Application Deposit before September 30, 2022. If you have not done so by such date, this proposal shall expire and be of no further effect.

This letter is a proposal for the purchase of up to \$37,390,000 of tax-exempt bonds. This letter does not constitute a commitment or approval to lend or purchase in any manner. Any commitment by Red Stone to lend or purchase the Bonds is contingent upon the completion and ratification by Red Stone's Board of Directors of our due diligence review.

Very truly yours,

**Red Stone A7 III LLC**



Brian Renzi  
Managing Director

*Agreed and Accepted:*

**Millenia Housing Development Ltd.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





**Lake FL TC, LP**  
**Multi-family bond application**

Exhibit M: Sources & Uses

## Lake FL TC, LP

Little Turtle (TBK Wildflower Oaks) | Turtle Oaks (TBK Oakley Terrace) | Oakwood (TBK Plateau Village)

Source Analysis	
First Mortgage	\$ 29,260,000
Limited Partner Equity	23,102,210
Seller note	7,200,000
Seller Note Interest	650,000
Construction period income (exp)	504,203
Construction period income (cash)	3,625,061
Capital Contribution	2,675,000
	-
Deferred Developer Fee	5,539,478
<b>Total Sources</b>	<b>\$ 72,555,952</b>

Use Analysis		Cost Per Unit
Total Acquisition	\$ 28,650,000	\$ 135,782
Total Construction	19,095,609	90,501
Total Architectural and Engineering	1,495,920	7,090
Total Legal	714,443	3,386
Total Closing Cost	921,353	4,367
Total Financing Fees	6,299,970	29,858
Total Tax Credit Agency Fees	673,631	3,193
Total Owner Cost	6,380,025	30,237
Total Developer Fee	8,325,000	39,455
<b>Total Project Cost</b>	<b>\$ 72,555,952</b>	<b>\$ 343,867</b>

\*Source and Use analyses as of August 12<sup>th</sup>, 2022. Amounts subject to change

## Lake FL TC, LP

### Little Turtle (TBK Wildflower Oaks)

Source Analysis	
First Mortgage	\$ 5,390,000
Limited Partner Equity	4,332,409
Seller note	1,400,000
Seller note interest	70,000
Construction period income (exp)	65,137
Construction period income (cash)	636,064
Capital Contribution	725,000
Deferred Developer Fee	1,195,098
<b>Total Sources</b>	<b>\$ 13,813,709</b>

Use Analysis		Cost Per Unit
Total Acquisition	\$ 5,250,000	\$ 138,158
Total Construction	3,528,355	92,851
Total Architectural and Engineering	355,248	9,349
Total Legal	184,143	4,846
Total Closing Cost	158,287	4,165
Total Financing Fees	1,337,935	35,209
Total Tax Credit Agency Fees	135,029	3,553
Total Owner Cost	1,539,712	40,519
Total Developer Fee	1,325,000	34,868
<b>Total Project Cost</b>	<b>\$ 13,813,709</b>	<b>\$ 363,519</b>

\*Source and Use analyses as of August 12th, 2022. Amounts subject to change

**Lake FL TC, LP**  
**Oakwood (TBK Plateau Village)**

<b>Source Analysis</b>	
First Mortgage	\$ 9,650,000
Limited Partner Equity	7,873,627
Seller note	3,300,000
Seller note Interest	330,000
Construction period income (exp)	114,126
Construction period income (cash)	1,129,495
Capital Contribution	800,000
Deferred Developer Fee	1,628,967
<b>Total Sources</b>	<b>\$ 24,826,216</b>

<b>Use Analysis</b>		<b>Cost Per Unit</b>
Total Acquisition	\$ 9,900,000	\$ 137,500
Total Construction	6,441,607	89,467
Total Architectural and Engineering	535,596	7,439
Total Legal	303,000	4,208
Total Closing Cost	251,126	3,488
Total Financing Fees	2,151,978	29,889
Total Tax Credit Agency Fees	229,150	3,183
Total Owner Cost	2,013,758	27,969
Total Developer Fee	3,000,000	41,667
<b>Total Project Cost</b>	<b>\$ 24,826,216</b>	<b>\$ 344,809</b>

\*Source and Use analyses as of August 12th, 2022. Amounts subject to change

**Lake FL TC, LP**  
**Turtle Oaks (TBK Oakley Terrace)**

<b>Source Analysis</b>	
First Mortgage	\$ 14,220,000
Limited Partner Equity	10,896,174
Seller note	2,500,000
Seller Note Interest	250,000
Construction period income (exp)	324,940
Construction period income (cash)	1,859,501
Capital Contribution	1,150,000
	-
Deferred Developer Fee	2,565,412
<b>Total Sources</b>	<b>\$ 33,766,027</b>

<b>Use Analysis</b>		<b>Cost Per Unit</b>
Total Acquisition	\$ 13,500,000	\$ 133,663
Total Construction	8,975,647	88,868
Total Architectural and Engineering	605,076	5,991
Total Legal	227,300	2,250
Total Closing Cost	511,940	5,069
Total Financing Fees	2,810,057	27,822
Total Tax Credit Agency Fees	309,452	3,064
Total Owner Cost	2,826,556	27,986
Total Developer Fee	4,000,000	39,604
<b>Total Project Cost</b>	<b>\$ 33,766,027</b>	<b>\$ 334,317</b>

\*Source and Use analyses as of August 12th, 2022. Amounts subject to change





**Lake FL TC, LP**  
**Multi-family bond application**

Exhibit N: Pro forma

### Wildflower Oaks (Little Turtle) 15 year Projections

Description	2025 Year 1	2026 Year 2	2027 Year 3	2028 Year 4	2029 Year 5	2030 Year 6	2031 Year 7	2032 Year 8	2033 Year 9	2034 Year 10	2035 Year 11	2036 Year 12	2037 Year 13	2038 Year 14	2039 Year 15
Rental Income - Residential	693,029	706,889	721,027	735,448	750,157	765,160	780,463	796,072	811,993	828,233	844,798	861,694	878,928	896,507	914,437
Coin-to-lease	8,085	12,960	13,219	13,483	13,753	14,028	14,308	14,595	14,887	15,184	15,488	15,798	16,114	16,436	16,765
(Less) Vacancies - Residential	(21,057)	(21,478)	(21,908)	(22,346)	(22,793)	(23,249)	(23,714)	(24,188)	(24,672)	(25,165)	(25,668)	(26,182)	(26,705)	(27,239)	(27,784)
	680,057	698,370	712,338	726,585	741,117	755,939	771,058	786,479	802,208	818,252	834,618	851,310	868,336	885,704	903,417
<b>Financial and Other Revenues</b>															
Laundry Income	1,127	1,150	1,173	1,196	1,220	1,244	1,269	1,294	1,320	1,346	1,373	1,400	1,428	1,457	1,486
Commercial Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income	7,745	7,900	8,058	8,219	8,383	8,551	8,722	8,896	9,074	9,255	9,440	9,629	9,822	10,018	10,218
	8,872	9,050	9,231	9,415	9,603	9,795	9,991	10,190	10,394	10,601	10,813	11,029	11,250	11,475	11,704
	688,929	707,420	721,569	736,000	750,720	765,734	781,049	796,669	812,602	828,853	845,431	862,339	879,586	897,179	915,121
Administrative Expenses	52,740	54,322	55,952	57,631	59,360	61,140	62,975	64,864	66,810	68,814	70,879	73,005	75,195	77,451	79,774
Management fee (4%)	27,202	28,297	28,863	29,440	30,029	30,629	31,242	31,867	32,504	33,154	33,817	34,494	35,183	35,887	36,605
Utilities Expense	31,167	32,102	33,065	34,057	35,079	36,132	37,215	38,332	39,482	40,666	41,886	43,143	44,437	45,770	47,143
Operating/Maint. Expenses	73,800	76,014	78,294	80,643	83,062	85,554	88,121	90,765	93,488	96,292	99,181	102,156	105,221	108,378	111,629
Real Estate Taxes (2%)	46,672	47,606	48,558	49,529	50,519	51,530	52,560	53,612	54,684	55,778	56,893	58,031	59,192	60,375	61,583
Taxes & Insurance	42,406	43,679	44,989	46,339	47,729	49,161	50,635	52,155	53,719	55,331	56,991	58,700	60,461	62,275	64,144
Total operating expenses	273,989	282,020	289,721	297,639	305,778	314,146	322,749	331,593	340,686	350,035	359,647	369,529	379,690	390,137	400,878
Net Operating Income	414,940	425,401	431,848	438,361	444,942	451,588	458,300	465,075	471,915	478,818	485,784	492,810	499,897	507,042	514,243
(Less) RR Deposits	(13,300)	(13,699)	(14,110)	(14,533)	(14,969)	(15,418)	(15,881)	(16,357)	(16,848)	(17,353)	(17,874)	(18,410)	(18,963)	(19,531)	(20,117)
(Less) Debt Services:	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)	(325,621)
Debt Service Coverage Ratio *	1.23	1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.42	1.44	1.46	1.48	1.50	1.52
Initial Cash Flow **	76,020	86,081	92,117	98,207	104,352	110,549	116,798	123,097	129,447	135,844	142,289	148,779	155,313	161,889	168,505
Less Investor services fee	(10,000)	(10,300)	(10,609)	(10,927)	(11,255)	(11,593)	(11,941)	(12,299)	(12,668)	(13,048)	(13,439)	(13,842)	(14,258)	(14,685)	(15,126)
Distributable cashflow	66,020	75,781	81,508	87,280	93,097	98,956	104,858	110,799	116,779	122,796	128,850	134,936	141,056	147,204	153,379
Less Def. developer fee	(1,195,098)	(1,119,079)	(1,032,998)	(940,881)	(842,674)	(738,322)	(627,773)	(510,975)	(387,878)	(258,431)	(122,587)	-	-	-	-
	(1,119,079)	(1,032,998)	(940,881)	(842,674)	(738,322)	(627,773)	(510,975)	(387,878)	(258,431)	(122,587)	-	-	-	-	-
<b>Total Owner Cash flow</b>	-	-	-	-	-	-	-	-	-	-	6,263	134,936	141,056	147,204	153,379
														\$	582,837.72

### Oakley Terrace (fka Turtle Oaks) 15 year Projections

Description	2025 Year 1	2026 Year 2	2027 Year 3	2028 Year 4	2029 Year 5	2030 Year 6	2031 Year 7	2032 Year 8	2033 Year 9	2034 Year 10	2035 Year 11	2036 Year 12	2037 Year 13	2038 Year 14	2039 Year 15
Rental Income - Residential	1,738,937	1,773,716	1,809,190	1,845,374	1,882,281	1,919,927	1,958,326	1,997,493	2,037,443	2,078,192	2,119,756	2,162,151	2,205,394	2,249,502	2,294,492
Gain-to-lease	20,288	32,518	33,168	33,832	34,508	35,199	35,903	36,621	37,353	38,100	38,862	39,639	40,432	41,241	42,066
(Less) Vacancies - Residential	(52,481)	(53,531)	(54,601)	(55,693)	(56,807)	(57,943)	(59,102)	(60,284)	(61,490)	(62,720)	(63,974)	(65,253)	(66,559)	(67,890)	(69,248)
	1,706,744	1,752,704	1,787,757	1,823,513	1,859,982	1,897,182	1,935,127	1,973,830	2,013,306	2,053,573	2,094,644	2,136,537	2,179,268	2,222,853	2,267,310
<b>Financial and Other Revenues</b>															
Laundry Income	3,277	3,343	3,410	3,478	3,548	3,619	3,691	3,765	3,840	3,917	3,995	4,075	4,157	4,240	4,325
Commercial Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income	7,148	7,291	7,437	7,586	7,738	7,893	8,051	8,212	8,376	8,544	8,715	8,889	9,067	9,248	9,433
	10,425	10,634	10,847	11,064	11,286	11,512	11,742	11,977	12,216	12,461	12,710	12,964	13,224	13,488	13,758
	<b>1,717,169</b>	<b>1,763,338</b>	<b>1,798,604</b>	<b>1,834,577</b>	<b>1,871,268</b>	<b>1,908,694</b>	<b>1,946,869</b>	<b>1,985,807</b>	<b>2,025,522</b>	<b>2,066,034</b>	<b>2,107,354</b>	<b>2,149,501</b>	<b>2,192,492</b>	<b>2,236,341</b>	<b>2,281,068</b>
Administrative Expenses	114,830	118,275	121,823	125,478	129,243	133,120	137,113	141,227	145,464	149,828	154,322	158,952	163,721	168,632	173,691
Management fee (4%)	68,270	70,534	71,944	73,383	74,851	76,348	77,875	79,432	81,021	82,641	84,294	85,980	87,700	89,454	91,243
Utilities Expense	38,490	39,645	40,834	42,059	43,321	44,620	45,959	47,338	48,758	50,220	51,727	53,279	54,877	56,524	58,219
Operating/Maint. Expenses	177,947	183,285	188,784	194,447	200,280	206,289	212,478	218,852	225,417	232,180	239,145	246,320	253,709	261,321	269,160
Real Estate Taxes (2%)	145,340	148,246	151,211	154,235	157,320	160,467	163,676	166,949	170,288	173,694	177,168	180,711	184,326	188,012	191,772
Taxes & Insurance	78,154	80,499	82,914	85,401	87,963	90,602	93,320	96,120	99,004	101,974	105,033	108,184	111,429	114,772	118,215
Total operating expenses	623,030	640,484	657,510	675,004	692,978	711,446	730,421	749,918	769,952	790,537	811,690	833,426	855,762	878,714	902,301
Net Operating Income	1,094,138	1,122,854	1,141,094	1,159,573	1,178,291	1,197,249	1,216,448	1,235,889	1,255,571	1,275,496	1,295,664	1,316,075	1,336,730	1,357,627	1,378,767
(Less) RR Deposits	(35,350)	(36,411)	(37,503)	(38,628)	(39,787)	(40,980)	(42,210)	(43,476)	(44,780)	(46,124)	(47,507)	(48,933)	(50,401)	(51,913)	(53,470)
(Less) Debt Services	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)	(859,059)
Debt Service Coverage Ratio *	1.23	1.26	1.28	1.30	1.33	1.35	1.37	1.39	1.41	1.43	1.45	1.48	1.50	1.52	1.54
Initial Cash Flow **	199,730	227,385	244,532	261,886	279,445	297,210	315,179	333,354	351,732	370,314	389,098	408,083	427,270	446,655	466,238
Less Investor services fee	(10,000)	(10,300)	(10,609)	(10,927)	(11,255)	(11,593)	(11,941)	(12,299)	(12,668)	(13,048)	(13,439)	(13,842)	(14,258)	(14,685)	(15,126)
Distributable cashflow	189,730	217,085	233,923	250,959	268,190	285,617	303,239	321,055	339,064	357,266	375,659	394,241	413,013	431,970	451,112
Less Def. developer fee	(2,565,412)	(2,365,682)	(2,138,298)	(1,893,765)	(1,631,879)	(1,352,434)	(1,055,224)	(740,045)	(406,691)	(54,960)	-	-	-	-	-
	(2,365,682)	(2,138,298)	(1,893,765)	(1,631,879)	(1,352,434)	(1,055,224)	(740,045)	(406,691)	(54,960)	-	-	-	-	-	-
<b>Total Owner Cash flow</b>	-	-	-	-	-	-	-	-	-	302,306	375,659	394,241	413,013	431,970	451,112
													<b>\$</b>	<b>2,368,300.95</b>	



**Plateau Village (fka Oakwood Apartments) 15 year Projections**

Description	2025 Year 1	2026 Year 2	2027 Year 3	2028 Year 4	2029 Year 5	2030 Year 6	2031 Year 7	2032 Year 8	2033 Year 9	2034 Year 10	2035 Year 11	2036 Year 12	2037 Year 13	2038 Year 14	2039 Year 15
Rental Income - Residential	1,260,230	1,285,435	1,311,144	1,337,367	1,364,114	1,391,396	1,419,224	1,447,608	1,476,560	1,506,091	1,536,213	1,566,937	1,598,276	1,630,242	1,662,847
Gain-to-lease	14,703	23,566	24,038	24,518	25,009	25,509	26,019	26,539	27,070	27,612	28,164	28,727	29,302	29,888	30,486
(Less) Vacancies - Residential	(38,098)	(38,860)	(39,637)	(40,430)	(41,238)	(42,063)	(42,904)	(43,762)	(44,637)	(45,530)	(46,441)	(47,370)	(48,317)	(49,283)	(50,269)
	1,236,835	1,270,142	1,295,545	1,321,456	1,347,885	1,374,842	1,402,339	1,430,385	1,458,993	1,488,172	1,517,936	1,548,295	1,579,261	1,610,846	1,643,063
<b>Financial and Other Revenues</b>															
Laundry Income	4,678	4,771	4,866	4,963	5,062	5,163	5,266	5,371	5,478	5,588	5,700	5,814	5,930	6,049	6,170
Commercial Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income	5,016	5,116	5,218	5,322	5,428	5,537	5,648	5,761	5,876	5,994	6,114	6,236	6,361	6,488	6,618
	9,693	9,887	10,084	10,285	10,490	10,700	10,914	11,132	11,354	11,582	11,814	12,050	12,291	12,537	12,788
	<b>1,246,529</b>	<b>1,280,029</b>	<b>1,305,629</b>	<b>1,331,741</b>	<b>1,358,375</b>	<b>1,385,542</b>	<b>1,413,253</b>	<b>1,441,517</b>	<b>1,470,347</b>	<b>1,499,754</b>	<b>1,529,750</b>	<b>1,560,345</b>	<b>1,591,552</b>	<b>1,623,383</b>	<b>1,655,851</b>
Administrative Expenses	88,696	91,357	94,098	96,921	99,829	102,823	105,908	109,085	112,358	115,729	119,201	122,777	126,460	130,254	134,161
Management fee (4%)	49,473	51,201	52,225	53,270	54,335	55,422	56,530	57,661	58,814	59,990	61,190	62,414	63,662	64,935	66,234
Utilities Expense	66,297	68,286	70,335	72,445	74,618	76,857	79,162	81,537	83,983	86,503	89,098	91,771	94,524	97,360	100,281
Operating/Maint. Expenses	141,904	146,161	150,546	155,062	159,714	164,505	169,441	174,524	179,760	185,152	190,707	196,428	202,321	208,391	214,642
Real Estate Taxes (2%)	77,406	78,954	80,533	82,144	83,787	85,462	87,172	88,915	90,693	92,507	94,357	96,245	98,169	100,133	102,136
Taxes & Insurance	64,983	66,932	68,940	71,008	73,139	75,333	77,593	79,921	82,318	84,788	87,331	89,951	92,650	95,429	98,292
Total operating expenses	488,760	502,892	516,677	530,850	545,421	560,402	575,806	591,643	607,926	624,669	641,884	659,585	677,786	696,501	715,746
Net Operating Income	757,769	777,137	788,952	800,891	812,954	825,140	837,447	849,875	862,421	875,085	887,866	900,759	913,766	926,882	940,106
(Less) RR Deposits	(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)
(Less) Debt Services:	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)	(592,642)
Debt Service Coverage Ratio *	1.24	1.27	1.29	1.30	1.32	1.34	1.36	1.38	1.40	1.42	1.44	1.46	1.48	1.50	1.52
Initial Cash Flow **	139,927	158,539	169,575	180,713	191,949	203,284	214,715	226,240	237,856	249,563	261,357	273,235	285,195	297,233	309,347
Less Investor services fee	(10,000)	(10,300)	(10,609)	(10,927)	(11,255)	(11,593)	(11,941)	(12,299)	(12,668)	(13,048)	(13,439)	(13,842)	(14,258)	(14,685)	(15,126)
Distributable cashflow	129,927	148,239	158,966	169,785	180,694	191,691	202,775	213,941	225,188	236,516	247,918	259,393	270,937	282,548	294,221
Less Def. developer fee	(2,565,412)	(2,425,485)	(2,266,946)	(2,097,370)	(1,916,658)	(1,724,709)	(1,521,425)	(1,306,709)	(1,080,470)	(842,613)	(593,050)	(331,693)	(58,458)	-	-
	(2,425,485)	(2,266,946)	(2,097,370)	(1,916,658)	(1,724,709)	(1,521,425)	(1,306,709)	(1,080,470)	(842,613)	(593,050)	(331,693)	(58,458)	-	-	-
<b>Total Owner Cash flow</b>	-	-	-	-	-	-	-	-	-	-	-	-	212,479	282,548	294,221
													\$		789,247.53