



W.D. MORRIS
EXECUTIVE DIRECTOR

January 2021

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**2021 Orange County Housing Finance Authority
OPEN CYCLE TAX-EXEMPT BOND APPLICATION**

Dear Applicant:

The Orange County Housing Finance Authority (“the Authority”) is now accepting Applications for the **2021 Open Cycle Allocation**. Applications may be submitted Monday through Friday, no later than 5:00 p.m., until all of the allocation is committed or the deadline for use of the allocation expires. All applications must be complete and all applicable fees paid at the time of submission to the Authority. Questions relating to this application and the policies of the Authority should be directed to Mr. W.D. Morris, Executive Director, and no other persons unless otherwise authorized by the Executive Director.

Applications for Regions 6 (Lake & Seminole Counties) and Region 14 (Orange County) will be reviewed on a first-come, first-served basis. All applications that meet the threshold requirements of the Authority, as set forth below, will be submitted to the Board of Directors’ for consideration, in the order of their receipt by the Authority, and if approved, will be submitted to the State Division of Bond Finance to be placed on the waiting list for Private Activity Bond Allocation.

All proposed projects that involve acquisition and rehabilitation of existing properties must include; a current Comprehensive Property Assessment/Condition Report (with estimated costs) as part of the application. The report must be prepared by a third-party firm, experienced in preparing such reports.

Application to the Authority only commits OCHFA to consider the applicable proposed development and financing; and does not create any rights in favor of the applicant. The Authority has concerns that market conditions, in some of the sub-market areas in the Orlando MSA, are saturated/ over-built and will not support new affordable multi-family housing units; due to population, income and occupancy characteristics.

As such applicants for new construction must, **provide a market study demonstrating the need for affordable multi-family housing units in the sub-market area** where the development is proposed; and such study must show that the additional housing will not “compete” for tenants with other existing and/or planned affordable multi-family housing in the immediate market area.

CONTROL OF THE PROPERTY

The Authority will only consider a request for inducement when the Applicant can demonstrate control of the real estate. Control of the real estate can be evidenced by proof of ownership or by an executed Purchase Contract, Deed or Option Agreement. Such instrument should clearly state the time period for which the instrument is effective, the purchase price to be paid and the cost of any extensions in the contract period, if applicable.

PROPER ZONING FOR USE INTENDED AND CONCURRENCE

For new construction, the subject site, at the time the application is submitted, must be zoned for multi-family use with the appropriate number of units per acre and must meet concurrency requirements. Letters from the counties or municipalities confirming the multi-family zoning and concurrence requirements or other official documentation are required to accompany an application for it to be considered complete.

AUTHORITY POLICIES RELATING TO TAX EXEMPT BONDS

1. **Financing Plan** – The Authority must approve the financing plan for each development for which it adopts an Inducement Resolution. Elements of a financing plan include identification of a credit enhancement provider (if credit enhancement is part of the financing plan) and the basic structure of the proposed transaction. If a third party credit enhancement is not proposed, then the method of obtaining an investment grade credit rating, if applicable, must be identified. If the applicant proposes to have the Authority issue bonds without benefit of a credit rating, the Applicant must comply with the Authority’s policy relating to unrated bonds. Authority staff will analyze the financing plan submitted by an Applicant to determine the degree to which the financing plan is feasible and likely to be completed within the timeframe proposed. The Authority reserves the right to utilize its Financial Advisor and a third party real estate underwriter to evaluate the financial feasibility and risk characteristics of each proposed financing.
2. **Unrated & Unenhanced Bonds** – The Authority will consider issuing bonds without an investment grade rating on a “private placement” basis to a “Qualified Institutional Buyer” (as that term is defined by Rule 144A promulgated by the Securities and Exchange Commission (the “SEC”) or via an underwritten “limited public offering” to one or more “Accredited Investors” (as that term is defined in Regulation D promulgated by the SEC) (collectively referred to as “Sophisticated Investors” herein) under policies approved by the Authority and attached hereto as Exhibit A.
3. **Bond Counsel** – The Authority has retained Greenberg Traurig, P.A. as Bond Counsel in connection with its single-family and multi-family housing bonds. Greenberg Traurig, P.A. is a nationally recognized firm and has significant experience serving as Bond Counsel in matters pertaining to tax-exempt housing revenue bonds.
4. **Issuer’s Counsel and Disclosure Counsel** – The Authority has retained Greenberg Traurig, P.A. as Issuer’s Counsel and Disclosure Counsel. In the role of Disclosure Counsel Greenberg Traurig, P.A. prepares and authorizes the release of all offering documents, including Preliminary and Final Official Statements, Disclosure Agreements and any Limited Offering Statements or other Authority offering documents.
5. **Financial Advisor** – The Authority has retained CSG Advisors Incorporated as its Financial Advisor. CSG Advisors Incorporated represents the interests of the Authority and serves in an oversight capacity for multi-family bond transactions. The applicant may also engage its own financial advisor to assist in obtaining and negotiating the terms of any credit enhancement, structuring the bonds, obtaining an investment grade rating on the bonds, obtaining market pricing on the bonds, and managing the transaction to assure an orderly and timely closing.



6. **Investment Banker/Underwriter** – For bonds sold via public offering, the Applicant is required to provide the name of a qualified banking firm to underwrite and sell the bonds. The Authority maintains a list of qualified banking firms approved to underwrite and sell its bonds in the public markets, attached hereto as Exhibit B. Underwriters not presently approved by the Authority may be considered, provided a summary of the underwriter's firm experience underwriting housing bonds is submitted to the Authority. The Authority reserves the right to approve or disapprove, for any reason, any Underwriter(s) nominated by an applicant.
7. **Bond Related Fees** – In connection with an application for inducement and the subsequent issuance of housing revenue bonds, the Authority, and its professionals will charge the following fees:

A. Orange County Housing Finance Authority Fees:

1. **Application Fee**: At the time an Application is submitted, the Applicant must include a check in the amount of ten basis points (0.10%) of the total tax-exempt and taxable bond principal requested. **Under NO circumstances will the Authority's Application Fee be refunded.**
2. **Initial Bond Financing Fee**: An initial Bond Financing Fee equivalent to 30 basis points (0.30%) of the total bond amount requested will be due upon the adoption of an Inducement Resolution by the Authority. The Applicant must submit this payment before professionals engaged by the Authority will commence working on a bond transaction. This portion of the Initial Bond Financing Fee is a good faith deposit and, in the event an induced transaction does not close for any reason, the payment received will be applied against any fees and expenses incurred by the Authority's Issuer/Disclosure Counsel, Bond Counsel and Financial Advisor.
3. **Remaining Bond Financing Fee**: On or prior to the date of closing, the Applicant (or Borrower) shall pay the balance of the Remaining Bond Financing Fee due (net of the ten basis points (0.10%) Application Fee and thirty basis points (**0.30%**) Initial Bond Financing Fee. The total Bond Financing Fee for a development is based on:
 - 0.75% of the amount of tax-exempt and taxable bonds issued.
4. **Annual Administration Fee**: The Authority charges an Administration Fee in an amount equal to thirty basis points (**0.30%**) per annum of the total bonds outstanding payable in arrears in semi-annual installments, subject to a minimum fee of Ten Thousand Dollars (\$10,000) per annum.
5. **Optional Fee Structures**: In an effort to provide flexibility, and compliment a variety of financial structures, an applicant can choose from one of the following fee options for their proposed development.
 - a. **Long-Term Tax-Exempt Financing**: For transactions where the tax-exempt bonds remain outstanding after conversion to permanent (long-term tax-exempt financing), an Applicant can elect to pay Upfront Issuer Fees and ongoing Annual Administrative Fees under Options "1" or "2" as listed below. Note that under Option-2, the Annual Administration Fee will be reduced from 30-basis points (0.30%) annually to 15-basis points (0.15%) annually in exchange for higher Upfront Issuer Fees paid at closing. The Applicant must elect either Option 1 or Option 2 in its Application.
 - b. **Short-Term Tax-Exempt Financing**: For transactions where the tax-exempt bonds are redeemed in full after conversion to permanent (short-term, tax-exempt financing), an Applicant must pay Upfront Issuer Fees under Option-3 as listed below (subject to maximum fees permitted under IRS Section 148 of the Tax Code). In such a financing, the Applicant must elect Option-3 in its Application.



OPTION 1 - LONG TERM FEES

<i>Fee Description</i>	Bond Amount(s)				
	<\$10MM	\$10 < \$15MM	\$15 < \$20MM	\$20 < \$25MM	\$25MM – up
<i>Application Fee</i>	0.10%	0.10%	0.10%	0.10%	0.10%
<i>Initial Bond Financing Fee</i>	0.30%	0.30%	0.30%	0.30%	0.30%
<i>Remaining Bond Financing Fee</i>	0.35%	0.35%	0.35%	0.35%	0.35%
Total Fees	0.75%	0.75%	0.75%	0.75%	0.75%
<i>Annual Administration Fee</i>	0.30%	0.30%	0.30%	0.30%	0.30%

OPTION 2 - LONG TERM FEES/REDUCED ANNUAL ADMINISTRATION FEES

<i>Fee Description</i>	Bond Amount(s)				
	<\$10MM	\$10 < \$15MM	\$15 < \$20MM	\$20 < \$25MM	\$25MM – up
<i>Application Fee</i>	0.10%	0.10%	0.10%	0.10%	0.10%
<i>Initial Bond Financing Fee</i>	0.30%	0.30%	0.30%	0.30%	0.30%
<i>Upfront Issuer Fee</i>	2.00%	1.75%	1.50%	1.35%	1.25%
Total Fees	2.40%	2.15%	1.90%	1.75%	1.65%
<i>Annual Administration Fee</i>	0.15%	0.15%	0.15%	0.15%	0.15%

OPTION 3 - SHORT TERM FEES

<i>Fee Description</i>	Bond Amount(s)				
	<\$10MM	\$10 < \$15MM	\$15 < \$20MM	\$20 < \$25MM	\$25MM - up
<i>Application Fee</i>	0.10%	0.10%	0.10%	0.10%	0.10%
<i>Initial Bond Financing Fee</i>	0.30%	0.30%	0.30%	0.30%	0.30%
<i>Upfront Issuer Fee</i>	2.00%	1.75%	1.50%	1.35%	1.25%
Total Fees	2.40%	2.15%	1.90%	1.75%	1.65%

B. Professional Fees:

1. **Third-Party Underwriter Fee:** A third-party mortgage underwriting of the development will be required by the Authority, a payment in the amount of Fourteen Thousand Four Hundred and Ninety-Two Dollars (\$14,492) or such applicable fee in effect at the time must be paid to the independent firm designated by the Authority to provide mortgage underwriting services. **All third-party reports will be performed by independent third-party firms that are to be engaged on behalf of the Authority as approved by the Authority's staff.**
2. **Rehabilitation Construction Loan Servicing:** A third-party construction loan servicing firm will be required to provide construction administration for all acquisition and rehabilitation projects that are not credit enhanced. Where credit enhancement is involved, the Authority will rely upon the Credit Enhancer to provide construction loan servicing. Fees and expenses of the third-party construction loan servicer will be the responsibility of the developer; however, the selection of such entity in un-enhanced transactions shall be made by the Authority. All reports produced by the third-party construction loan servicer will be delivered to the Authority, and copied to the trustee, the developer, and any holder of bonds who desires such reports. The third-party construction loan servicer's obligations, in un-enhanced transactions, will run to the Authority, the trustee and the bondholders and not the developer.



3. **Issuer/Disclosure Counsel Fee:** Greenberg Traurig, P.A. charges a fee payable at closing of Seven Thousand Five Hundred dollars (\$7,500) for preparing all documents on behalf of the Authority, reviewing all documents prepared by Bond Counsel and other parties to the transaction, and providing legal opinions on matters relating to the Authority. Greenberg Traurig, P.A. also prepares and oversees printing and distribution of any Preliminary and Final Disclosure documents relating to bonds issued by the Authority, for which a fee in the amount twenty five basis points (0.25%) of the tax-exempt and taxable bonds issued, subject to a minimum fee of Fifteen Thousand Dollars (\$15,000), plus actual expenses incurred and payable at closing.
4. **Bond Counsel Fee:** Bond Counsel charges a fee payable at closing in an amount equal to Forty Two Thousand Dollars (\$42,000) for up to Twelve Million Dollars (\$12,000,000) in tax-exempt bonds issued plus ten basis points (**0.10%**) of the amount of bonds issued over Twelve Million Dollars (\$12,000,000), payable at closing for its services as Bond Counsel. If more than one (1) Series of bonds are issued (e.g. taxable bonds, mezzanine bonds, etc.), Bond Counsel charges an additional Five Thousand Dollars (\$5,000).
5. **Issuer Financial Advisor Fee:** CSG Advisors Incorporated charges a fee payable, at closing, in an amount equal to fifteen basis points (**0.15%**) of the first Five Million Dollars (\$5,000,000) in bonds issued and ten basis points (**0.10%**) of the principal amount of bonds issued in excess of Five Million Dollars (\$5,000,000), subject to a minimum fee of Seven Thousand Five Hundred Dollars (\$7,500), for its services as Financial Advisor to the Authority.

The applicant is responsible for paying all professional fees and expenses of professionals engaged on behalf of the issuer for services provided in connection with the financing, including actual fees and costs incurred should an approved financing fail to close for any reason.

COMPLIANCE WITH FEDERAL AND STATE LAWS RELATING TO TAX EXEMPT BONDS

The proposed project must comply with all federal and state laws relating to the use of tax-exempt bonds, including, but not limited to, the following:

1. **Ninety-Five Percent Test** – 95% or more of the net proceeds of the bonds must be used to provide tax exempt facilities such as a residential rental property;
2. **Residential Rental Property** – To qualify, the project must be classified as a residential rental property (i.e., a multi-family housing development) consisting of one or more similarly constructed units which (i) must be used for other than on a transient basis; (ii) made available for rental to the general public; and (iii) satisfy the continuous rental and very low or low income occupancy requirements. Hotels, motels, dormitories, fraternity and sorority houses, rooming houses, hospitals, nursing homes, retirement homes, sanitariums, or rest homes are not residential rental properties. Each rental unit must contain separate and complete facilities for living, sleeping, eating, cooking and sanitation.
3. **Low or Very Low Income Leasing** – The project must be continuously subject to Very Low or Low Income leasing requirements. The Borrower elects to set aside either (i) twenty percent (20%) of the units for rental to persons and families with household incomes of fifty percent (50%) or less of Area Median Income; or (ii) forty percent (40%) of the units for rental to persons and families with household incomes of sixty percent (60%) or less of Area Median Income. In either case, household income limits are adjusted for family size.



4. **Private Activity Bond Allocation** – If the Applicant is a private person (not a governmental unit or a 501(c)(3) not-for-profit corporation), the issuance will be a “private activity bond” and, as such, will require an allocation of Private Activity Bond Volume Cap from the Florida State Board of Administration. Pursuant to state law, local housing finance authorities may apply for allocations of Bond Volume Cap on the first business day of each calendar year. If approved, the local authority has 155 days from the date of approval to issue tax-exempt bonds for the intended purpose, or the allocation must be returned to the State for reallocation to other projects or requests.
5. **Rehabilitation** – If the Applicant intends to acquire an existing housing development, at a minimum, all deferred maintenance items and structural deficiencies identified in the Property Assessment/Condition Report must be corrected and all improvements must meet current code requirements after rehabilitation is completed. At a minimum, at least fifteen percent (15%) of the net tax-exempt bonds issued must be used for rehabilitation expenditures that have been or are completed within a two-year period of the date of issuance. Rehabilitation expenditures generally mean any actual amount properly chargeable to a capital account and incurred in connection with the rehabilitation of the Project.

APPLICATION INFORMATION AND FORMAT REQUIRED FOR INDUCEMENT REQUEST

To be considered, the Applicant must prepare and submit one (1) original, six (6) hard copies, and two (2) CDs of a clear, brief and concise proposal that is bound, organized with tabs/dividers and fully responds to the following questions:

1. Name, address, telephone number and form of organization (limited partnership, L.L.C., etc.) of the Applicant (the “Borrower” as it will appear in all bond documents).
2. Name, address, financial statements and résumé for each of the key principals of the Applicant. The résumés should specifically address principal’s experience, as it is relevant to the proposed housing development. (Printed brochures on the parent Development Company should not be included in the body of the proposal but may be submitted apart from the bound proposal).
3. Detailed and accurate description of the proposed housing development, including property address, acreage, present zoning status, type of construction, number of units, unit bedroom mix, current rental rates (if appropriate), expected stabilized rental rates (specify any charges for premiums), and any amenities to be provided (include any charges for amenities). Include a location map of the proposed site (**paying special attention to the accuracy of its boundaries**) and, if available, preliminary site plan drawings, elevation renderings, unit layout drawings, etc.
4. Description of the various levels of services and care to be provided and evidence of the need for such services within the area. This section must specifically address whether the project will compete with other existing or planned affordable housing in the immediate market. Include a recently prepared local market or feasibility study or recently completed “as-completed” real estate appraisal prepared by independent professionals relating to the development.
5. Provide Evidence of Site Control and status of any site plan approvals.
6. Provide Evidence of Zoning. Describe any code or ordinance variances that must be approved before Permitting will be authorized by the jurisdiction. If the proposed financing is for rehabilitation, describe the proposed rehabilitation, and indicate the extent to which the proposed scope of work is expected to meet local building ordinances and code. Describe the status of any preliminary site plan approvals (if required) or building permits applied for, prior to the date the application has been submitted.



7. Describe how the proposed development is in concurrence with the jurisdiction's Comprehensive Plan (including the extent to which existing roads, utilities (i.e., water and sewer), fire, police, schools, transportation, and other public services presently exist to service the project). Describe the proximity of employment centers to the project.
8. Provide evidence related to the project been located within a particular City limit or County. Also, provide documentation of specific County Commissioners' and/or City Councilman's' District; example: Property Appraisers' map.
9. Provide documentation to indicate if the site is located in an IRS designated Targeted Area for tax-exempt bond financing. Target Areas boundaries are attached hereto as Exhibit C. Please indicate whether or not the project is located in a "Difficult to Develop Area" for Tax Credits.
10. Provide the name and experience of the Architect and General Contractor.
11. Provide the name and experience of the Management Company and/or Property Manager. The proposed company/individual must be familiar with the rules, regulations, and requirements as related to compliance with federal and state provisions for Multi-Family Tax-Exempt Bond Program and/or the Low Income Housing Tax Credits Program.
12. Provide the name of the proposed Investment Banker/Underwriter(s) selected by the Applicant. If the proposed financing involves bonds that will be remarketed, provide the name of the proposed Remarketing Agent.
13. Provide the name of the Trustee (registrar, payee) and, if the bonds require a Tender Agent, provide the name of the proposed firm that will accept the duties of Tender Agent.
14. Provide a description of the proposed financing plan, including the provider name and status of any anticipated credit enhancement (if credit enhancement is part of the Financing Plan) at the time the application is submitted.
 - Include copies of any written confirmations relating to the proposed credit enhancement from lenders, mortgage underwriters, banks, or other institution expected to be a party to the credit enhancement structure. Such written confirmations will be reviewed by the Authority to determine the likelihood the proposed financing is feasible and can be completed in the timeframe proposed.
 - Indicate the anticipated investment grade rating expected on the bonds, and the rating Agency (or Agencies) expected to be used.
 - In the event the bonds are proposed to be placed or sold without an investment grade rating, provide the name and experience of the proposed Sophisticated Investor, if the bonds are to be privately placed. If non-investment grade bonds are to be underwritten and sold through a limited public offering, describe the preliminary proposed terms of the loan and bond structure, including any requirements for reserves and working capital to be funded at the time bonds are issued.
 - Indicate if any other sources of federal, state or local monies are expected to be approved for the project (include estimated equity funding expected to be raised through the sale of Low Income Housing Tax Credits), and the current status of any pending requests for such funding.



15. If the proposed development involves acquisition and rehabilitation of an existing property, provide a description of the scope of extraordinary repairs and replacement that will be implemented during the rehabilitation period and the expected timing of such improvements. Include an Architectural and Engineering Property Condition Report, assessing the current condition of the project and describing the recommended scope of improvements. Also provide the name and a brief statement of the qualifications of the firm preparing the report and indicate if the firm is an independent third-party or a related party to the Applicant.
16. Provide a detailed Development Budget for the project, including a cost breakout for any consultants and other professionals expected to be engaged by the applicant. Include preliminary Cost of Issuance Budgets for the Authority and Borrower and Sources and Uses of funds (for the time bonds are issued and upon completion of the development, if additional sources are anticipated after the issuance of bonds).
17. Provide detailed pro forma operating statements, including estimated rental rates for each type of unit. The pro forma should be based on the highest “all in” bond interest rate that would allow the project to be feasible and should include estimated operating expenses from the time the bonds are closed through the estimated stabilized rent/expense period. The pro forma budgets must include both aggregate and per unit amounts by line item. Line items should be sufficiently detailed to allow the Authority and its consultants to evaluate the reasonableness of the assumptions used (budgets without detail for normal and customary income and expense items are not acceptable). Extraordinary income from other operations (e.g., cable TV, laundry, etc.) may not exceed five percent (5%) of gross rents. Multi-year projections beyond the “stabilization period” are required and should reflect the Applicants “pessimistic” scenario (e.g., assuming rents inflate at a rate that is less than expense inflation).
18. Quantify all estimated fees to be paid at closing and/or over the life of the project, including the estimated amount and timing of any developer fee, consultant’s fees, construction management fees and other fees expected to be realized by the Applicant. Also include fees for related parties where the principals are the same persons as those working with, or on behalf of, the Applicant in connection with the proposed housing development.
19. Provide an explanation of why tax-exempt bond financing is needed for the project. Also, if appropriate, indicate why other sources of federal or local housing subsidies, including Low Income Housing Tax Credits, SAIL, SHIP, HOME, CDBG, etc. are needed to complete the proposed housing development.
20. Describe how the project will comply with federal and state laws regulating the use of tax exempt bonds, Low Income Housing Tax Credits, and all other federal, state or local monies expected to be awarded in connection with the proposed development. Include all unit rent restrictions that will apply and indicate the current maximum rents that would be allowed, if applicable. Provide an explanation of how the marketing plan will address the need to meet very low or low and moderate income leasing requirements. Also, if applicable, indicate the extent to which any existing tenants will be affected by the proposed financing and the Applicants plans for addressing this issue.

TIMETABLE & KEY DATES RELATING TO THE COMPETITIVE CYCLE FOR INDUCEMENTS

- **Applications Due** – Applications for the 2021 Open Cycle can be submitted to the Authority’s offices on Monday through Friday, **no later than 5:00 p.m., until all the allocation is committed or the deadline for use of the allocation expires.**
- **Review by Staff** – Authority staff, board committee and advisors, if required, will review and evaluate the applications before submitting recommendations to the Authority’s full Board.



- **Consideration by Authority’s Board** – The Board may decide to adopt a resolution or resolutions to induce one or more projects for bond financing at its meetings or reject all applications for any reason, including but not limited to changing market conditions or financial assumptions that render the proposed development financial infeasible.
- **Advertisement for Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing** – if one or more projects are induced, Bond Counsel will prepare TEFRA notice and the Authority staff will place the notice in the local newspaper advertising the date and location of the TEFRA hearing.
- **Conduct TEFRA Hearing** – Authority staff will conduct the TEFRA hearing. The Applicant is encouraged to attend and be prepared to participate in the TEFRA hearing.
- **Consideration by Appropriate Board of County Commissioners** – The matter will be brought before the pertaining County Commission at a regularly scheduled meeting following the TEFRA hearing.
- **Interim Period** – The Authority has no control over the allocation of Private Activity Bond Volume Cap and, therefore, accepts no liability for the final determination rendered regarding the availability of Bond Cap by the Florida State Board of Administration.
- **Application to Division of Bond Finance (“DBF”)** – Authority staff, with the assistance of Bond Counsel, will deliver applications for Bond Volume Cap upon completion of the TEFRA process. A determination by the state agency generally takes one to two days after the application is received. Applicants will be notified immediately of the determination made by the SBA.
- **Commence Bond Financing** – The transaction manager may commence the bond financing process, pending approval of the proposed timetable by the Authority staff.
- **Deadline for Closing** – Private activity bonds must be issued by the Authority within one hundred fifty five (155) days of receiving notice from the Florida State Board of Administration.

CONCLUSION

The Authority appreciates your interest in submitting an application for multi-family bond financing. For your convenience, this application is also available on our website: www.ochfa.com.

If you have any questions regarding this information or the Authority’s policies relating to multi-family financing using private activity tax-exempt bonds, please do not hesitate to contact me at 407-894-0014.

Sincerely yours,

ORANGE COUNTY HOUSING FINANCE AUTHORITY


W.D. Morris
Executive Director



EXHIBIT A

OCHFA PRIVATE PLACEMENT/UNRATED & UNENHANCED BOND POLICY

Bonds Without Long-Term or Permanent Credit Enhancement and Without a Rating in One of the Three Highest Rating Categories. Unless held by the borrower or a credit enhancer, or an affiliate of either of them, bonds without credit enhancement and without a rating in one of the three highest rating categories by a nationally recognized rating service (i) shall not be held in a book-entry only system; (ii) shall only be sold and subsequently transferred to a Sophisticated Investor or Investors; and (iii) shall comply with the conditions set forth in paragraph (a) or (b), as determined prior to the issuance of the bonds:

(a) (i) The bonds shall be sold in minimum denominations of One Hundred Thousand Dollars (\$100,000); and

(ii) The bonds shall be sold only to Sophisticated Investors who have executed and delivered an “investor’s letter”, in form and substance satisfactory to the Authority including, among other things: (1) stating that the purchase of the bonds will be solely for its own account; (2) stating that such Sophisticated Investor can bear the economic risk of its investment in the bonds; (3) stating that such Sophisticated Investor has such knowledge and experience in financial business matters in general and tax-exempt obligations, in particular, and that it is capable of evaluating the merits and risks of purchasing the bonds; (4) stating that such Sophisticated Investor has made the decision to purchase the bonds based on its own independent investigation regarding the bonds, the borrower and the project and, if a disclosure document has been prepared, it has reviewed such disclosure document and has received the information it considers necessary to make an informed decision to invest in the bonds; and; (5) acknowledging that the Authority, its counsel and its advisors bear no responsibility for the accuracy or completeness of information with respect to the borrower and the project contained in any disclosure document related to the Sophisticated Investor’s purchase of the bonds; and

(iii) The bonds shall bear a legend restricting subsequent transfers to other Sophisticated Investors who have executed and delivered an “investor’s letter” complying with the preceding paragraph (ii). Or

(b) (i) The bonds shall be sold in minimum denominations of Two Hundred Fifty Thousand Dollars (\$250,000); and

(ii) The bonds shall be sold initially only to Sophisticated Investors who have executed and delivered an “investor’s letter”, in form and substance satisfactory to the Authority including, among other things: (1) stating that the purchase of the bonds will be solely for its own account; (2) such Sophisticated Investor can bear the economic risk of its investment in the bonds; (3) stating that such Sophisticated Investor has such knowledge and experience in financial business matters in general and tax-exempt obligations in particular, that it is capable of evaluating the merits and risks of purchasing the bonds; (4) stating that such Sophisticated Investor has made the decision to purchase the bonds based on its own independent investigation regarding the bonds, the borrower and the project and if a disclosure document has been prepared, it has reviewed such disclosure document and has received the information it considers necessary to make an informed decision to invest in the bonds; and (5) acknowledging that the Authority, its counsel and its advisors bear no responsibility for the accuracy or completeness of information with respect to the borrower and the project contained in any disclosure document related to the Sophisticated Investor’s purchase of the bonds; and

(iii) The bonds shall bear a legend restricting subsequent transfers to investors who by their purchase of the bonds represent that they: (1) are purchasing the bonds solely for their own account; (2) can bear the economic risk of their investment in the bonds; (3) have such knowledge and experience in financial business matters that they are capable of evaluating the merits and risks of purchasing the bonds; and (4) have made the decision to purchase the bonds based on their own independent investigation regarding the bonds and have received the information they consider necessary to make an informed decision to invest in the bonds.

(c) The indenture related to such bonds shall provide that the trustee and the paying agent shall not authenticate or register a bond unless the conditions of this policy have been satisfied.



Bonds Without Long-Term or Permanent Credit Enhancement but With a Rating in One of the Three Highest Rating Categories. Unless held by the borrower, or an affiliate of the borrower, bonds without credit enhancement but with a rating in one of the three highest rating categories by a nationally recognized rating service

(i) shall not be held in a book-entry only system;

(ii) shall be sold in minimum denominations of One Hundred Thousand Dollars (\$100,000);

(iii) in the event that the initial rating on the bonds is withdrawn or is downgraded to a rating lower than one of the three highest rating categories by a nationally recognized rating agency, transfers of the bonds shall be restricted to Sophisticated Investors; and

(iv) the bonds at issuance and, thereafter, shall bear a legend stating that in the event the initial rating on the bonds is withdrawn or is downgraded to a rating lower than one of the three highest rating categories by a nationally recognized rating agency, transfers of the bonds shall be restricted to investors who by their purchase of the bonds represent that they: (1) are purchasing the bonds solely for their own account, (2) can bear the economic risk of their investment in the bonds, (3) have such knowledge and experience in financial business matters that they are capable of evaluating the merits and risks of purchasing the bonds, and (4) have made the decision to purchase the bonds based on their own independent investigation regarding the bonds and have received the information they consider necessary to make an informed decision to invest in the bonds.

“Sophisticated Investor” as used herein means a “qualified institutional buyer” as that term is defined under Rule 144A of the Securities and Exchange Commission or an “accredited investor” as that term is defined in Regulation D of the Securities and Exchange Commission.



EXHIBIT B**OCHFA APPROVED LIST OF PROFESSIONALS**

The following group of professionals has previously worked with the Authority and requires no additional information in order to be presented to the Board for consideration for inclusion in any financing. Any other professional must present qualifications and such other criteria as may be deemed appropriate by the Executive Director. The Authority reserves the right to designate any and all professionals that will work on any transaction and fees to be paid to such professionals.

APPROVED LIST OF PROFESSIONALS**UNDERWRITERS**

Bank of America /Merrill Lynch
 Banc One Capital Corporation
 Dougherty & Company, LLC
 First Southwest Company
 George K. Baum & Co.
 Hanifen, Imhoss, Inc.
 John Nuveen & Co., Inc.
 Key Bank/Key Capital Markets, Inc.
 OREE Securities, LLC
 Prudential Securities
 RBC Capital
 Raymond James / Morgan Keegan
 Samuel A. Ramirez & Co., Inc.
 Stern Brothers & Co.

LAW FIRMS

Adorno & Yoss, L.L.P.
 Akerman, Senterfitt
 Broad and Cassell
 Bryant, Miler & Ollive, P.A.
 Chapman & Cutler
 Eckert, Seamans, Chevin & Mellot
 Foley & Lardner
 Gray, Robinson, P.A.
 Greenberg, Traurig, P.A.
 Holland & Knight
 Jones, Day, Reavis & Pogue
 Kutak Rock & Campbell
 Miller, Canfield, Paddock
 Nabors, Giblin & Nickerson, P.A.
 Nixon, Hargrave, Devans & Doyle
 Orrick, Herrington & Sutcliffe
 Powell, Goldstein, Frazer & Murphy
 Ruden, McCloskey, Smith P.A.
 Squire, Sanders & Dempsey
 Windstead Sechrest & Minick

TRUSTEES

Bank of New York/Mellon
 Chase Manhattan Trust Company, N.A.
 Deutsche Bank
 First Trust, N.A.
 PNC Bank
 Reliance Trust Company/South Bank
 U.S. Bank, N.A.



EXHIBIT C

QUALIFIED CENSUS TRACTS FOR ORANGE, SEMINOLE, LAKE AND OSCEOLA COUNTIES:

Qualified Census Tract (QCT), Difficult Development Areas (DDA), designated by the Federal Government (HUD.GOV) Metropolitan Statistical Area (MSA): Orlando – Kissimmee – Sanford, FL.

Follow the link to view an outlined map of a particular QCT number: [HUD User GIS Service -- Low-Income Housing Tax Credit 2019/2020 Qualified Census Tract \(QCT\) Locator](#). The 2019 designations use data from the 2010 Decennial census and three releases of 5-year tabulations from the American Community Survey (ACS): 2010-2014; 2011-2015; and 2012-2016. The designation methodology is explained in the Federal Register notice published September 24, 2020. (Source: https://www.huduser.gov/portal/sadda/sadda_qct.html.)

The Multi-Family mapping application provides mapping layers, showing the location of the 2019 and 2020 DDAs and QCTs. These are HUD designations, which are updated annually. Up to date information can be found on the HUD website. Users/Developers should confirm location of QCTs and DDAs.

The 2021 Qualified Census tracts and Difficult Development Areas were published on September 24, 2020.

