



BOARD PACKAGE

**Regular Board Meeting
September 21, 2022**

REGULAR MEETING

A regular meeting of the Housing Finance Authority of Broward County (the "HFA"), Florida, will be held on Wednesday, September 21, 2022, at 5:30 p.m., in the 2nd Floor Conference Room, located at 110 N.E. 3rd Street, Fort Lauderdale, Florida. Participants are encouraged to dial-in by phone. Details of the meeting are published in the [Broward County Sunshine Meeting Notices](#) and [Housing Finance Authority of Broward County](#) websites. The call-in information listed below for members of the public.

Call-in number: 1-408-418-9388

Meeting number (access code): 2633 162 2154

Meeting Password #: 58737292

CALLING OF THE ROLL

CONSENT AGENDA (Items 1 through 3)

1. Approval of August 17, 2022, Regular Meeting Minutes

MOTION TO APPROVE the Housing Finance Authority Regular Meeting Minutes on August 17, 2022.

2. Executive Director's (August Operational Report)

MOTION TO APPROVE the Housing Finance Authority Operational Report for August 31, 2022.



3. 2023 Budget Amendments

MOTION TO APPROVE the Proposed Amended Budget for FY2023 in the amount of \$76,478 to account for salary increase for personnel and training for HFA Manager.

MOTION TO APPROVE the Consent Agenda Items 1 through 3.

REGULAR AGENDA

4. St. Joseph Manor II

MOTION TO ADOPT Resolution of the Housing Finance Authority of Broward County, Florida (the "Housing Finance Authority") declaring its official intent to issue Multifamily Housing Revenue Bonds and/or Notes (the "Bonds") of the Housing Finance Authority to finance all or a portion of the costs of the acquisition, construction and equipping of certain multifamily housing facilities (St. Joseph Manor II) located within Broward County, Florida, and other related purposes; authorizing the Housing Finance Authority to publish notice of and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA); and providing an effective date.

5. Financial Reports Monthly Overview – Ms. Linda Dufresne

MOTION TO APPROVE the Housing Finance Authority monthly financial reports for the month of August 31, 2022.

INFORMATION ITEM

6. The Gallery at FATVillage - Credit Underwriting Report

7. **MATTERS OF HFA MEMBERS**

8. **MATTERS FROM THE FLOOR**

9. **NEXT BOARD MEETING**

October 19, 2022

10. **ADJOURNMENT**

ITEM 1

MINUTES
REGULAR BOARD MEETING
Wednesday, August 17, 2022

A regular Board Meeting of the Housing Finance Authority (“HFA”) of Broward County was held on Wednesday, August 17, 2022, at 5:30 p.m., in the 2nd Floor Conference Room, located at 110 Northeast 3rd Street, Fort Lauderdale, Florida.

CALLING OF THE ROLL

A Roll Call was taken by Sonia Isme. The meeting was conducted with a total of six (6) board members onsite. Other participants listed present participated in the meeting via phone conference.

Board Member(s) Present

Daniel D. Reynolds, Chair – John G. Primeau, Vice Chair – Scott Ehrlich, Secretary
Colleen LaPlant, Assistant Secretary – Milette Manos, Member – Donna Jarrett-Mays, Member

Board Member(s) Absent

Ruth T. Cyrus, Member – Jose Lopez, Member

HFA Staff Present

Ralph Stone, Executive Director
Norman Howard, Manager
Christine Barzey, Compliance Officer
Sonia Isme, Administration

County Attorney

Annika Ashton, Deputy County Attorney
Christina Blythe, Asst. County Attorney

Teleconference Participants Present

Deborah Zomermaand, Financial Advisory Svc
Linda Dufresne, Dufresne CPA Services, P. A.
Junious Brown, Nabors, Giblin & Nickerson, PA
JoLinda Herring, Bryant Miller Olive, PA
Helen Feinberg, RBC Capital Markets
Cameron Hill, RBC Capital Markets
Tim Wranovix, Raymond James
Thomas Radicioni, Bank of NY Mellon
Chris Shears, McDowell Housing Partners
Zack Simmons, Related Affordable
Ahmed Martin, McDowell Housing Partners



CONSENT AGENDA ITEMS (1 through 5)

1. Approval of June 15, 2022, Regular Meeting Minutes

MOTION TO APPROVE the Housing Finance Authority Regular Meeting Minutes on June 15, 2022.

2. Executive Director's (July Operational Report)

MOTION TO APPROVE the Housing Finance Authority Operational Report for July 31, 2022.

3. Mortgage Credit Certificate 2023 Program

MOTION TO AUTHORIZE the Authority staff to publish a Mortgage Credit Certificate ("MCC") Public Notice, 2) assignment of bond counsel for the preparation of the Public Notice and 3) expenditures for such purposes not to exceed \$2,500.

4. Anthony Brunson P.A. (Agreement/Option)

MOTION TO APPROVE a one (1) year option in the Agreement between Anthony Brunson P.A. and the HFA from October 1, 2022, to September 30, 2023, for audit services to the HFA's Single-Family and Multi-family Mortgage Revenue Bonds.

A question was asked by board member Scott Ehrlich concerning audit contractual service fees paid out to Anthony Brunson, PA. Mr. Ralph Stone and Norman Howard spoke on the matter and that Mr. Ehrlich would be provided additional information concerning the fees.

5. Florida Association of Local Housing Finance Authorities

MOTION TO AUTHORIZE staff to pledge \$5,000 to the Florida Housing Coalition/Sadowski Education Effort to provide financial support during the 2023 Legislative Session

Motion was made by Milette Manos and seconded by Scott Ehrlich to approve Consent Agenda Items 1 through 5 of the August 17, 2022, meeting. The motion was carried unanimously.

6. The Gallery at FATVillage

Mr. Ralph Stone provided a brief explanation that FATVillage consisted of a 195-unit mixed-income development project located at 600 N. Andrews Avenue, Fort Lauderdale. He stated the item involved a slight increase from the previous amount approved by the board.

Ms. Deborah Zomermaand added that the resolution was a supplemental of a previous resolution adopted by the HFA which would allow for subordinate financing, updates, and necessary changes. **No further discussion on this item.**

Motion was made by John G. Primeau and seconded by Scott Ehrlich to approve Resolution of the Housing Finance Authority of Broward County, Florida (the "HFA") supplementing and amending Resolution No. 2022-009 entitled "a Resolution of the Housing Finance Authority of Broward County, Florida (the "HFA") authorizing the issuance of its Multifamily Housing Mortgage Revenue Note, Series 2022 (the Gallery at FATVillage) in a principal amount of not to exceed \$42,850,000 (the "Note") for the purpose of financing the construction and equipping of a multifamily housing project known as the Gallery at FATVillage located in Broward County, Florida; approving and authorizing the execution and delivery of a Land Use Restriction Agreement by and among the HFA, the Bank of New York Mellon Trust Company, N.A., as Fiscal Agent and Related FATVillage, LLC, as Borrower; approving and authorizing the execution and delivery of a Funding Loan Agreement among the HFA, JPMorgan Chase Bank, N.A. and the Fiscal Agent; approving and authorizing the execution and delivery of a Project Loan Agreement among the HFA, the Borrower and the Fiscal Agent; approving and authorizing the execution and delivery of a Placement Agent Agreement for the Note by and among the HFA, Raymond James & Associates, Inc. and RBC Capital Markets, LLC; approving and authorizing the execution and delivery of a Fiscal Agent Fee Agreement by and between the HFA and the Fiscal Agent; approving and authorizing the execution of the allonge to the multifamily Note (Project Note); approving and authorizing the execution of the assignment of leasehold mortgage and security documents; approving and authorizing the execution and delivery of the recognition, attornment and assent to leasehold mortgage (Senior Mortgage); approving and authorizing the execution and delivery of certain additional agreements necessary or desirable in connection with the issuance of the note; waiving the fee for services related to the HFA's annual audit of the project; authorizing the proper Officers of the HFA to do all things necessary or advisable in connection with the issuance of the Note; and providing an effective date for this Resolution"; acknowledging and consenting to subordinate financing and replacement of the term sheets; authorizing the proper Officers of the HFA to do all things necessary or advisable in connection with the issuance of the Note; and providing an effective date for this Resolution. The motion was carried unanimously.

7. The Gallery at FATVillage (Corrective Deed)

Mr. Ralph Stone explained that an error was discovered in the legal description and therefore the correction to the deed was necessary to resolve the issue. **No further discussion on this item.**

Motion was made by Colleen LaPlant and seconded by Donna Jarrett-Mays to approve Resolution of the Housing Finance Authority of Broward County, Florida (“HFA”), approving and authorizing the execution by the HFA of a corrective deed for real property located in the City of Fort Lauderdale; authorizing recordation of the corrective deed; and providing for severability, and an effective date. The motion was carried unanimously.

8. Captiva Cove III

Mr. Ralph Stone explained the item was a request to issue \$22,000,000 in bonds for a 106-unit development project located at 740 SW 11th Street, in the City of Pompano Beach. ***No further discussion on this item.***

Motion was made by Donna Jarrett-Mays and seconded by John G. Primeau to approve Resolution of the Housing Finance Authority of Broward County, Florida (the “Authority”) declaring its official intent to issue Multifamily Housing Mortgage Revenue Bonds or Notes (the “Bonds”) of the Authority to finance all or a portion of the cost of the construction and equipping of certain multifamily housing facilities (Captiva Cove III) located within Broward County, Florida, and other related purposes; approving the issuance of the bonds, subject to certain further findings and conditions; authorizing the Authority to publish notice of and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA); and providing an effective date for this Resolution. The motion was carried unanimously.

9. Pinnacle 441 Phase II

Mr. Ralph Stone explained the item was a request to issue \$22,000,000 in bonds for a 100-unit new construction development project located at 6028 Johnson Street, in the City of Hollywood. ***No further discussion on this item.***

Motion was made by John G. Primeau and seconded by Scott Ehrlich to approve Resolution of the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”) declaring its official intent to issue Multifamily Housing Revenue Bonds and/or Notes (the “Bonds”) of the Housing Finance Authority to finance all or a portion of the costs of the acquisition, construction and equipping of certain multifamily housing facilities (Pinnacle 441 Phase 2) located within Broward County, Florida, and other related purposes; approving the issuance of the bonds, subject to certain further findings and conditions; authorizing the Housing Finance Authority to publish notice of and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA); and providing an effective date. The motion was carried unanimously.

10. Douglas Gardens - Senior Health Living

Mr. Ralph Stone explained the item was a request to issue \$77,000,000 in bonds for a 410-unit new construction development project for senior health living located at 705 SW 88th Avenue, in the City of Pembroke Pines. He stated the project was first introduced as a first phase and received gap funding, and that the second phase was already caught up with its funding package. The developer requested to consolidate both projects as one bond issue. ***No further discussion on this item.***

Motion was made Scott Ehrlich and seconded by John G. Primeau to approve Resolution of the Housing Finance Authority of Broward County, Florida (the "Housing Finance Authority") declaring its official intent to issue Multifamily Housing Revenue Bonds and/or Notes (the "Bonds") of the Housing Finance Authority to finance all or a portion of the costs of the acquisition, construction and equipping of certain multifamily housing facilities (Douglas Gardens – Senior Health and Living) located within Broward County, Florida, and other related purposes; approving the issuance of the bonds, subject to certain further findings and conditions; authorizing the Housing Finance Authority to publish notice of and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA); and providing an effective date. The motion was carried unanimously.

11. Florida Housing Finance Corporation (FHFC) – 2022/2023 Tax Funding Cycles/Request for Applications

Mr. Ralph Stone stated the item was a request for \$2,000,000 in HFA reserves to support Local Government Contributions for applications to the state. He stated the HFA does it annually; then Mr. Stone explained the reasons for supporting the FHFC.

Ms. Deborah Zomermaand provided additional comments referring to the Broward Applications- Outstanding Subsidy Awards attachment.

Motion was John G. Primeau and seconded by Donna Jarrett-Mays to approve Resolution of the Housing Finance Authority of Broward County, Florida ("HFA"), approving and authorizing the use of up to two million dollars (\$2,000,000) from HFA reserves to provide the Local Government Contribution requirement for the Florida Housing Finance Corporation's 2022/2023 request for applications; authorizing HFA staff to publish appropriate notices regarding the availability of such funding; and providing for severability, and an effective date. The motion was carried unanimously.

12. Federation Plaza

Mr. Ralph Stone explained there were two motions pending approval by the board. The first motion was to accept the draft credit underwriting report and the second motion was to approve a request for tax exempt bonds for \$38,500,000 for acquisition and rehabilitation for the development project known as Federation Plaza located at 3081 Taft Street, in the City of Hollywood.

Ms. Zomermaand apologized for a typo in the write-up that incorrectly specified 90-units, which should have been specified as 124 units. She stated the motion would approve the form of the bond documents. (Exhibits A-F)

A discussion ensued amongst the Chair, Daniel D. Reynolds, Deborah Zomermaand, Bond Counsel, JoLinda Herring and Zack Simmons with Related Affordable concerning the number units listed in the credit underwriting report.

Motion was made by Donna Jarrett-Mays and seconded by Colleen LaPlant to accept the draft Credit Underwriting Report. The motion was carried unanimously.

Motion was made by John G. Primeau and seconded by Scott Ehrlich to approve Resolution of the Housing Finance Authority of Broward County, Florida (the "Authority) authorizing the issuance of Social Multifamily Housing Revenue Bonds (Social M-TEBS), Series 2022 (Federation Plaza) in a principal amount of not to exceed \$38,500,000 (the "Series 2022 Bonds") for the purpose of financing the cost of acquisition, rehabilitation and equipping of a multifamily housing project for seniors known as "Federation Plaza" located in Broward County, Florida; approving and authorizing the execution and delivery of a Land Use Restriction Agreement by and among the Authority, the Bank of New York Mellon Trust Company, N.A., as the Trustee, and Federation Plaza Preservation, L.P., as the Borrower; approving and authorizing the execution and delivery of an Indenture of Trust by and between the Authority and the Trustee; approving and authorizing the execution and delivery of a Financing Agreement by and among the Authority, the Trustee, Wells Fargo bank, National Association and the Borrower; approving and authorizing the execution and delivery of a Bond Purchase Agreement for the Series 2022 Bonds by and among the Authority, the Borrower, RBC Capital Markets, LLC, and Raymond James & Associates, Inc., as the Underwriters; authorizing the Preliminary Official Statement and the Official Statement; approving and authorizing the execution and delivery of certain additional agreements necessary or desirable in connection with the issuance of the Series 2022 Bonds; waiving the fee for services related to the Authority's annual audit of the project; appointing a Trustee, paying agent, and registrar with respect to the Series 2022 Bonds; approving and authorizing the execution and delivery of a Trustee; authorizing the proper Officers of the Authority to do all things necessary or advisable in connection with the issuance of the Series 2022 Bonds; and providing an effective date for this Resolution. The motion was carried unanimously.

13. Fiscal Year 2023 Budget of the Housing Finance Authority

Mr. Ralph Stone provided a detailed breakdown of the fiscal year 2023 budget. He pointed out areas of increases and decreases related to bonds and expenses. He discussed the budgeted items listed in the year-end budget for year 2023 and then informed the board that the HFA building is in preparation for exterior improvement.

Motion was made by Scott Ehrlich and seconded by Donna Jarrett-Mays to approve the Housing Finance Authority Budget for Fiscal Year 2023. The motion was carried unanimously.

14. Financial Reports Monthly Overview – Ms. Linda Dufresne

Ms. Linda Dufresne provided a brief overview of the financial report. She stated the trend of activities have been consistent throughout the fiscal year. She also stated organizational revenues such as bond authority fees and other fees related to bond issues continue to exceed budget. The expenses are managed and remain under budget.

A question was asked by John G. Primeau concerning ArtSpace. The board members and staff recommended Dufresne CPA Services, PA., to include additional footnote details for future review.

Motion was made by Donna Jarrett-Mays and seconded by Colleen LaPlant to approve the Housing Finance Authority monthly financial report for the months of June 30th and July 31, 2022.

15. **MATTERS OF HFA MEMBERS**

The Chair, Daniel D. Reynolds acknowledged and thanked staff and all professionals for their hard work in the preparing the board agenda documents.

7. **MATTERS FROM THE FLOOR**

Mr. Ralph Stone informed the board of an upcoming Board of County Commission budget workshop concerning a tentative \$18,000,000 in GAP financing to support additional HFA bond deals.

A discussion ensued amongst board members and staff concerning Affordable Housing crisis.

8. **NEXT BOARD MEETING**

September 21, 2022

9. **ADJOURNMENT**

The Chair, Daniel D. Reynolds hearing no further comments, questions or discussions adjourned the meeting at 6:10 p.m.

ITEM 2

MEMORANDUM

Date: September 8, 2022
To: Housing Finance Authority Board Members
Through: Ralph Stone, Executive Director
From: Norman Howard, Manager
Subject: August Operational Report

SINGLE-FAMILY

Information listed below is the foreclosure/bankruptcy report received from CitiMortgage for the months of June 30, 2022, and July 31, 2022. The report for the month of August 2022 has not been received from CitiMortgage to date.

Bankruptcy – June 2022

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
0	\$0	0	0	\$0	\$0

Foreclosure (180+ days) – June 2022

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
3	\$233,370	1	2	\$162,847	\$70,523

Bankruptcy – July 2022

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
0	\$0	0	0	\$0	\$0

Foreclosure (180+ days) – July 2022

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
2	\$70,523	0	2	\$0	\$70,523

Foreclosure (180+ days) – comparison between July 2021 to July 2022

Comparison Year	Foreclosures	1st Mortgage balance	2nd Mortgage balance	Total
July - 21	6	\$446,105	\$102,104*	\$548,209
July - 22	2	\$0	\$70,523**	\$70,523
Difference(+/-)	4	\$446,105	\$31,581	\$477,686

Note: * FY21 contain 6 foreclosures, 3 are second mortgages.

** FY22 contain 2 foreclosures, 2 are second mortgages.

MULTIFAMILY HOUSING BOND TRANSACTIONS

2022 Multifamily Housing Transactions update (*Attachment 1*).

MORTGAGE CREDIT CERTIFICATE (MCC) PROGRAM

2021/2022 MCC Program (ended date December 31, 2022)

Currently, the HFA has fifteen (15) lenders participating in the MCC Program. Program totals to date are as follows:

<i>MCC's by Lender</i>	<i>Commitments</i>	<i>Issued</i>	<i>Cancelled</i>
Academy Mortgage Corporation	0	0	0
Bank of America	4	2	0
Christensen Financial Inc	3	2	0
CMG Mortgage, Inc	0	0	0
Everett Financial, Inc (Supreme Lending)	0	0	0
Fairway Independent Mortgage	4	3	0
Florida State Mortgage Group, Inc	1	1	0
Hamilton Home Loans, Inc.	0	0	0
Home Financial Group, LLC	0	0	0
Home Mortgage Alliance Corporation	0	0	0
Loan Depot, LLC	4	1	0
My Mortgage Inc	1	0	0
Paramount Residential Mortgage Group	28	15	0

<i>MCC's by Lender</i>	<i>Commitments</i>	<i>Issued</i>	<i>Cancelled</i>
Point Mortgage Corp.	0	0	0
The Mortgage Firm	0	0	0
Totals	45	24	0
<i>Income to date (Y2021/22):</i> \$4,200			

MULTI-FAMILY COMPLIANCE MONITORING

Multifamily compliance monitoring; reporting for period June 21, 2022, through July 20, 2022.

Monthly Compliance

Review of this month's bond report shows all properties are following their respective Land Use Restriction Agreement (LURAs)

Occupancy Report

The HFA Rental Occupancy Report for period June 21, 2022, through July 20, 2022, is included (*Attachment 2*).

Annual Management Review and Inspections

There were no reviews or inspections completed during the reporting period June 21, 2022, to July 20, 2022.

ATTACHMENT 1

2022 MULTIFAMILY HOUSING BOND TRANSACTIONS – SEPTEMBER 2022 UPDATE

<u>HFA RANKING</u>	1	2	3
<u>PROJECT NAME</u>	<u>The Gallery at FATVillage</u>	<u>Griffin Gardens II</u>	<u>Douglas Gardens Senior Health & Living (Combined Douglas Gardens IV & VI)</u>
<u>PROJECT LOCATION</u>	600 N. Andrews Avenue Fort Lauderdale, FL 33311	4881 Griffin Rd., Davie, FL 33314	E. side of SW 88 th Ave., NE of the intersection of SW 88 th Ave & SW 89 th Ave., Pembroke Pines, FL
<u>DEVELOPER</u>	Related FATVillage, LLC	Building Better Communities, Inc.	Douglas Gardens IV Developer, LLC
<u>PROFESSIONAL TEAM</u>	<ul style="list-style-type: none"> • Lead Underwriter • Bond Counsel • Credit Underwriter (“CU”) 	<ul style="list-style-type: none"> • Raymond James • BMO • First Housing 	<ul style="list-style-type: none"> • TBD • TBD • TBD
<u>BOND AMOUNTS</u>	<ul style="list-style-type: none"> • Bond Amount/Original Req. • Revised Request • CU Recommendation 	<ul style="list-style-type: none"> • \$35,900,000 • \$42,850,000 • 	<ul style="list-style-type: none"> • \$21,000,000 • •
<u>TEFRA & Inducement</u>	<ul style="list-style-type: none"> • TEFRA/Inducement Amount • Date of HFA Inducement • Date of TEFRA Hearing • Date HFA Approval/Amend. • Date of BOCC App. TEFRA • BOCC Approval/Amendment 	<ul style="list-style-type: none"> • \$35,900,000 • March 24, 2021/January19, 2022 • March 22, 2022 • • • 	<ul style="list-style-type: none"> • TBD • Nabors • First Housing
<u>ALLOCATION</u>	<ul style="list-style-type: none"> • Allocation Approved by HFA 	\$35,900,000/\$42,850,000	County General Funds
<u>TRANSACTION STATUS</u>	<i>See Note #1</i>	<i>See Note #2</i>	<i>See Note #3</i>

<u>HFA RANKING</u>	4	5	6
<u>PROJECT NAME</u>	<u>Pinnacle 441 Phase 2</u>	<u>St. Joseph Manor II</u>	<u>Captiva Cove III</u>
<u>PROJECT LOCATION</u>	6028 Johnson St. Hollywood, FL 33024	On NW 6 th Ave. west of NW 3rd Ave. & NW 12 th St, to the South of St. Joseph Manor which is located at 1220 NW6th Ave., Pompano Beach FL 33060	S Dixie Highway, S Dixie Highway & SW 11 th St. Pompano Beach, FL
<u>DEVELOPER</u>	Pinnacle Communities, LLC	SHAG St. Joseph Developer, LLC & CHS St. Joseph Manor II Development, LLC	Cornerstone Group Partners, LLC
<u>PROFESSIONAL TEAM</u>	<ul style="list-style-type: none"> • Lead Underwriter • Bond Counsel • Credit Underwriter (“CU”) 	<ul style="list-style-type: none"> • RBC • Nabors Giblin • Setzler 	<ul style="list-style-type: none"> • Raymond James • Nabors Giblin • Seltzer
<u>BOND AMOUNTS</u>	<ul style="list-style-type: none"> • Bond Amount/Original Req. • Revised Request • CU Recommendation 	<ul style="list-style-type: none"> • RBC • BMO • Seltzer 	<ul style="list-style-type: none"> • \$22,000,000 • \$26,000,000 • \$27,000,000/\$30,000,000(Pending) • \$18,500,000 • \$19,000,000/\$22,000,000 •
<u>TEFRA & Inducement</u>	<ul style="list-style-type: none"> • TEFRA/Inducement Amount • Date of HFA Inducement • Date of TEFRA Hearing • Date of HFA Approval • Date of BOCC App. TEFRA • BOCC Approval 	<ul style="list-style-type: none"> • \$22,000,000 • August 17, 2022 	<ul style="list-style-type: none"> • \$27,000,000/\$30,000,000 • June 15, 2022/September 21, 2022 (Pending) • \$22,000,000 • August 17, 2022
<u>ALLOCATION</u>	<ul style="list-style-type: none"> • Allocation Approved by HFA 	HFA \$22,000,000 County General Funds	HFA \$30,000,000 (Pending); &County General Funds
<u>TRANSACTION STATUS</u>	<i>See Note #4</i>	<i>See Note #5</i>	<i>See Note #6</i>

<u>HFA RANKING</u>	7	8	9
<u>PROJECT NAME</u>	<u>Federation Plaza</u>	<u>Tallman Pines – Phase I</u>	<u>Casa Lake Village</u>
<u>PROJECT LOCATION</u>	3081 Taft Street Hollywood, FL 33021	601 NE 38 th Ct., Deerfield Beach	NW 21 st St. & NW 37 th Terrace Lauderdale Lakes, Broward 33311
<u>DEVELOPER</u>	Related Affordable, LLC	Tallman Pines Villas, Ltd.	ACRUVA Community Developers, LLC.
<u>PROFESSIONAL TEAM</u>			
<ul style="list-style-type: none"> • <i>Lead Underwriter</i> • <i>Bond Counsel</i> • <i>Credit Underwriter (“CU”)</i> 	<ul style="list-style-type: none"> • RBC • BMO • Seltzer 	<ul style="list-style-type: none"> • TBD • TBD • TBD 	<ul style="list-style-type: none"> • TBD • TBD • TBD
<u>BOND AMOUNTS</u>			
<ul style="list-style-type: none"> • <i>Bond Amount/Original Req.</i> • <i>Revised Request</i> • <i>CU Recommendation</i> 	<ul style="list-style-type: none"> • \$37,000,000 • • 	<ul style="list-style-type: none"> • \$13,200,000 • • 	<ul style="list-style-type: none"> • \$15,900,000 • •
<u>TEFRA & Inducement</u>			
<ul style="list-style-type: none"> • <i>TEFRA/Inducement Amount</i> • <i>Date of HFA Inducement</i> • <i>Date of TEFRA Hearing</i> • <i>Date of HFA Approval</i> • <i>Date of BOCC App. TEFRA</i> • <i>BOCC Approval</i> 	<ul style="list-style-type: none"> • \$37,000,000/\$38,500,000 • January 19, 2022/April 20, 2022 • May 24, 2022 	<ul style="list-style-type: none"> • • • 	<ul style="list-style-type: none"> • •
<u>ALLOCATION</u>			
<ul style="list-style-type: none"> • <i>Allocation Approved by HFA</i> 	\$37,000,000/\$38,500,000	County General Funds	
<u>TRANSACTION STATUS</u>	<i>See Note #7</i>	<i>See Note #8</i>	<i>See Note #9</i>

<u>HFA RANKING</u>	10	11	12
<u>PROJECT NAME</u>	<u>Golden Acres Senior Apartments</u>	<u>Sistrunk Apartments</u>	
<u>PROJECT LOCATION</u>	NW 18 th Dr., NE of the intersection of NW 18 th Dr. & NW 12 th Dr., Pompano Beach, FL	1204 NW 6 th Street and 1619 NW 6 th Street, Ft. Lauderdale	
<u>DEVELOPER</u>	AMBAR3, LLC& HAPB Supporting Housing Opportunities, Inc.	Sistrunk Apartments Developer, LLC	
<u>PROFESSIONAL TEAM</u>			
<ul style="list-style-type: none"> • <i>Lead Underwriter</i> • <i>Bond Counsel</i> • <i>Credit Underwriter (“CU”)</i> 	<ul style="list-style-type: none"> • TBD • TBD • TBD 	<ul style="list-style-type: none"> • TBD • TBD • Ameri National 	
<u>BOND AMOUNTS</u>			
<ul style="list-style-type: none"> • <i>Bond Amount/Original Req.</i> • <i>Revised Request</i> • <i>CU Recommendation</i> 	<ul style="list-style-type: none"> • \$14,750,000 • • 	<ul style="list-style-type: none"> • \$18,000,000 • • 	
<u>TEFRA & Inducement</u>			
<ul style="list-style-type: none"> • <i>TEFRA/Inducement Amount</i> • <i>Date of HFA Inducement</i> • <i>Date of TEFRA Hearing</i> • <i>Date of HFA Approval</i> • <i>Date of BOCC App. TEFRA</i> • <i>BOCC Approval</i> 	<ul style="list-style-type: none"> • • • 	<ul style="list-style-type: none"> • • • 	
<u>ALLOCATION</u>			
<ul style="list-style-type: none"> • <i>Allocation Approved by HFA</i> 	County General Funds		
<u>TRANSACTION STATUS</u>	<i>See Note #10</i>	<i>See Note #11</i>	

Note #1:

Application to fund The Gallery at FATVillage in the 2021 allocation cycle was submitted to the HFA in response to the HFA's MF Notice of Funding Availability. The financing is expected to fund the new construction of 195 units of housing (affordable, workforce and market) and retail space on the ground floor, in Ft. Lauderdale. The requested bond amount was originally \$35,900,000 with a revision to \$42,580,000 submitted to the HFA on November 18, 2021. The inducement and TEFRA amount was increased to \$42,850,000. The building type is apartments with elevator access. The transaction is expected to close October 2022.

Note #2:

Application to fund Griffin Gardens II in the 2021 allocation cycle was submitted to the HFA on May 28, 2021. The financing is expected to fund the new construction of 76 units of affordable senior housing in Davie. The requested bond amount is \$21,000,000. The building type is elevator. The transaction is expected to close in 2023.

Note #3:

Application to fund Douglas Gardens IV Senior Health & Living in the 2021 allocation cycle was submitted to the HFA on June 4, 2021. The financing is expected to fund the new construction of 200 units of affordable senior housing in Pembroke Pines. The requested bond amount is between \$35,000,000 - \$40,000,000. The building type is elevator. The transaction is expected to close late 2022 or first quarter 2023.

Application to fund Douglas Gardens VI Senior Health & Living in the December 2021 RFP for \$29 Million New Construction of Affordable Housing was submitted to the County on December 3, 2021. The financing is expected to fund the new construction of 200 units of affordable senior housing in Pembroke Pines. The requested bond amount is \$37,000,000. The building type is elevator. The transaction is expected to close late 2022 or first quarter 2023.

Application to combine Douglas Gardens IV Senior Health & Living and Douglas Gardens VI Senior Health & Living was submitted to the HFA on March 2, 2022. The combined application is consistent with the two initial applications.

Note #4:

Application to fund Pinnacle 441 Phase 2 in the 2021 allocation cycle was submitted to the HFA on September 22, 2021. The financing is expected to fund the new construction of 100 units of affordable housing in Hollywood. The requested bond amount is \$22,000,000. The building type is elevator. The transaction is expected to close first quarter of 2023.

Note #5:

Application to fund St. Joseph Manor II in the 2021 allocation cycle was submitted to the HFA on September 17, 2021. The financing is expected to fund the new construction of 150 units of affordable housing in Pompano Beach. The requested bond amount was originally \$26,000,000 with an initial revision to \$27,000,000 and a subsequent revision to \$30,000,000 submitted to the HFA on September 7, 2022. The building type is elevator. The transaction is expected to close fourth quarter 2022 or first quarter of 2023.

Note #6:

Application to fund Captiva Cove III in the 2021 allocation cycle was submitted to the HFA on October 15, 2021. The financing is expected to fund the new construction of 106 units of affordable housing in Pompano Beach. The requested bond amount was \$18,500,000 with an initial revision to \$19,000,000 and a subsequent revision to \$22,000,000 submitted to the HFA on June 27, 2022. The building type is elevator. The transaction is expected to close first quarter of 2023.

Note #7:

Application to fund Federation Plaza in the 2021 allocation cycle was submitted to the HFA on November 18, 2021. The financing is expected to fund the acquisition and rehabilitation of 124 units of affordable housing in Hollywood. The requested a bond amount was \$37,000,000 with a requested revision to \$38,500,000 submitted to the HFA in March 2022. The building type is elevator. The transaction is expected to close October of 2022.

Note #8:

Application to fund Tallman Pines – Phase I in the 2021 allocation cycle was submitted to the HFA on November 23, 2021. The financing is expected to fund the new construction of 80 units of affordable housing in Deerfield Beach. The requested bond amount is \$13,200,000. The building type is walk-up. The transaction is expected to close first quarter of 2023.

Note #9:

Application to fund Casa Lakes Village in the 2021 allocation cycle was submitted to the HFA on November 30, 2021. The financing is expected to fund the new construction of 80 units of affordable housing in Lauderdale Lakes. The requested bond amount is \$15,900,000. The building type is elevator. The transaction is expected to close end of 2022 or first quarter of 2023.

Note #10:

Application to fund Golden Acres Senior Apartments in the December 2021 RFP for \$29 Million New Construction of Affordable Housing was submitted to the County on December 3, 2021. The financing is expected to fund the new construction of 100 units of affordable senior housing in Pompano Beach. The requested bond amount is \$14,750,000. The building type is walk-up apartments. The transaction is expected to close late first quarter 2023.

Note #11:

Application to fund Sistrunk Apartments in the 2022 allocation cycle was submitted to the HFA on April 6, 2022. The financing is expected to fund the new construction of 72 units of affordable housing in Ft. Lauderdale. The requested bond amount is \$18,000,000. The building type is 5 story elevator apartments. The transaction is expected to close by June 2023.

ATTACHMENT 2

Housing Finance Authority of Broward County
Rental Occupancy Report

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J
Property	Total Number of Units	From Mgmt Number of Units Occupied	% of Units Occupied	Previous month % of Lower Units Occupied June	From Mgmt Low Income Units Occupied	% Occupied by Low Income	LURA Low Income Requirement	Certificate of Compliance rec'd July	Vacant Units
Banyan Bay	416	405	97.4	47%	177	43.7	20%	7/29/2022	11
Chaves Lakes	238	237	99.6	80%	189	79.7	40%	7/29/2022	1
Emerald Palms	318	317	99.7	89%	278	87.7	40%	8/8/2022	1
Federation Davie Apartments	80	77	96.3	100%	77	100.0	40%	8/15/2022	3
Federation Sunrise Apartments	123	121	98.4	100%	121	100.0	40%	8/15/2022	2
Golden Villas	120	120	100.0	99%	119	99.2	40%	8/15/2022	0
Heron Pointe	200	198	99.0	100%	198	100.0	40%	7/29/2022	2
Landings at Coconut Creek	268	260	97.0	21%	54	20.8	20%	8/10/2022	8
Lauderhill Point (fka Driftwood Terr)	176	169	96.0	100%	169	100.0	100%	8/10/2022	7
Los Prados	444	409	92.1	37%	145	35.5	20%	7/28/2022	35
Mar Lago Village	216	196	90.7	43%	85	43.4	40%	8/11/2022	20
Marquis	100	99	99.0	100%	98	99.0	40%	8/1/2022	1
Northwest Gardens V	200	192	96.0	100%	192	100.0	40%	8/15/2022	8
Palms of Deerfield	56	56	100.0	100%	56	100.0	100%	8/1/2022	0
Pembroke Park	244	243	99.6	81%	196	80.7	40%	7/29/2022	1
Pinnacle Village	148	147	99.3	99%	146	99.3	40%	8/15/2022	1
Praxis of Deerfield Beach	224	213	95.1	100%	213	100.0	100%	8/9/2022	11
Prospect Park	125	124	99.2	100%	124	100.0	40%	8/5/2022	1
Regency Gardens	94	93	98.9	100%	93	100.0	40%	7/20/2022	1
Residences at Crystal Lake	92	90	97.8	100%	90	100.0	40%	8/8/2022	2
Sailboat Bend	37	37	100.0	87%	32	86.5	100%	8/10/2022	0
Sanctuary Cove	292	290	99.3	99%	286	98.6	40%	7/26/2022	2
Stanley Terrace	96	94	97.9	100%	94	100.0	40%	8/1/2022	2
Summerlake	108	108	100.0	99%	107	99.1	40%	8/2/2022	0
Woodsdale Oaks	172	171	99.4	100%	170	99.4	70%	8/10/2022	1
Totals	4,587	4,466			3,509	78.6%			121
Total % rate of occupancy for all properties		97%							

MULTI-FAMILY BOND RENTAL OCCUPANCY REPORT KEY

The Rental Occupancy Report was prepared by staff from Certifications of Continuing Compliance reports received from Multi Family property management.

Column B represents the total number of units the property has.

Column C represents the number of units occupied during the reporting period.

Column D represents the percentage of units occupied versus the total number.

Column E represents the percentage of total units that were lower income occupied during the month of June, 2022.

Column F represents the number of lower income units occupied.

Column G represents the percentage of lower income units occupied versus the total number of units available.

Column H represents the lower income requirement per the Land Use Restriction Agreement.

Column I represents the date the Certificate of Compliance was received by Housing Finance Authority. Dates may vary from the 22nd of the previous month to the 15th of the following month since bond reports are submitted according to the time frame set in the LURA.

Column J represents the number of units vacant for each property.

Columns that are blank represent no report was received from property management.

ITEM 3

Housing Finance Authority of Broward County
September 21, 2022 - Board Meeting

FY2023 Budget Amendment

Staff is requesting approval of the Proposed Budget Amendments for FY2023.

Present Situation

The Board of County Commissioners has approved a 4% base salary increase and a \$2,000 base pay increase for employees, effective October 1, 2022.

This amendment is necessary to authorize additional expenditure consisting of increase in regular salaries and benefits. (Attachment 1)

1. 4% Personnel Salary & \$2,000 Base Pay Increase	\$ 33,024
2. Trainee for HFA Manager Position	<u>\$ 43,454</u>
TOTAL EXPENSES	\$ 76,478

Recommendation

Approve the FY2023 Budget Amendment items.

Authorize the expenditure for \$76,478 (Item numbers 1 through 2 above).

Attachment

1. Proposed Amended Budget FY2023

ATTACHMENT 1

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
PROPOSED BUDGET AMENDMENT
FOR YEAR ENDED SEPTEMBER 30, 2023**

	Original Budget	Proposed Amended Budget	Amended Budget Difference Increase (Decrease)	% Amended Budget Difference Increase (Decrease)
	FY 2023	FY 2023	FY 2022/FY 2023	FY 2022/FY 2023
Revenue:				
Authority Fees	\$ 525,000	\$ 525,000	\$ -	0%
Other bond issuance/Redemption Inc	317,876	394,354	76,478	24%
MCC & Lender Program Income	4,200	4,200	-	0%
Interest Income	300,000	300,000	-	0%
Gain/Loss Investments	-	-	-	0%
Rent Income	121,044	121,044	-	0%
TOTAL REVENUE	\$ 1,268,120	\$ 1,344,598	76,478	6%
Other Sources of Funds			-	0%
Liquidation of Investments	\$ -	\$ -	-	0%
TOTAL REVENUE AND OTHER SOURCES OF FUNDS	\$ 1,268,120	\$ 1,344,598	76,478	6%
BOCC Expenses:				
Personnel Expenses:				
Regular Salaries	472,814	525,329	52,515	11%
Benefits	181,036	204,999	23,963	13%
SUBTOTAL, PERSONNEL EXPENSES	\$ 653,850	\$ 730,328	76,478	12%
Operating Expenses:				
Auditing Fee	46,150	46,150	-	0%
Contract Svcs	-	-	-	0%
Temp Personel Svcs	5,000	5,000	-	0%
Travel	9,000	9,000	-	0%
Education	2,600	2,600	-	0%
Motor Pool	500	500	-	0%
Software Support	-	-	-	0%
Telephone	400	400	-	0%
Communication Devices	1,500	1,500	-	0%
Postage	800	800	-	0%
Rental Equipment	2,200	2,200	-	0%
Self Insurance	250	250	-	0%
Building Maintenance	16,500	16,500	-	0%
Equipment Maintenance	4,500	4,500	-	0%
Ground Maintenance	2,300	2,300	-	0%
External Printing	1,250	1,250	-	0%
Internal Printing	2,200	2,200	-	0%
Advertising	2,050	2,050	-	0%
Cost Allocation	68,990	68,990	-	0%
County Attorney	16,000	16,000	-	0%
Office Supplies	3,000	3,000	-	0%
Office Eq <1000	2,000	2,000	-	0%
Dues & Memberships	1,000	1,000	-	0%
Subscriptions	500	500	-	0%
Miscellaneous Exp.	3,680	3,680	-	0%
SUBTOTAL, OPERATING EXPENSES	\$ 192,370	\$ 192,370	-	0%
Capital Expenses:				
Machinery & Equipment	-	-	-	0%
Computer Software	2,500	2,500	-	0%
Computer Hardware	-	-	-	0%
SUBTOTAL, CAPITAL EXPENSES	\$ 2,500	\$ 2,500	-	0%
TOTAL BOCC EXPENSES	\$ 848,720	\$ 925,198	76,478	9%
Authority Expenses:				
Professional Fees, Accounting	\$ 106,000	\$ 106,000	-	0%
Professional Fees, Zomermans Assoc	90,000	90,000	-	0%
Professional Fees, Bond Counsel	25,000	25,000	-	0%
Bank/Investment Management Fees	5,600	5,600	-	0%
Advertising/Marketing/Notices	5,000	5,000	-	0%
Dues/Membership	6,500	6,500	-	0%
Continuing Education/Travel	25,000	25,000	-	0%
Postage/Fedex	200	200	-	0%
Building/Maintenance	83,000	83,000	-	0%
Utilities	23,100	23,100	-	0%
SUBTOTAL, Authority Expenses	\$ 369,400	\$ 369,400	-	0%
Capital Expense				
Building/Elevator	50,000	50,000	-	0%
SUBTOTAL, CAPITAL EXPENSES	\$ 50,000	\$ 50,000	-	0%
Total Authority Expenses	\$ 419,400	\$ 419,400	-	0%
TOTAL EXPENSES	\$ 1,268,120	\$ 1,344,598	\$ 76,478	6%

ITEM 4

**Housing Finance HFA of Broward County
September 21, 2022 – Board Meeting**

Multifamily Bonds - Action Item

MOTION TO ADOPT a Resolution declaring the Housing Finance Authority's ("HFA") official intent to issue Bonds for a maximum principal amount of \$30,000,000; authorizing the HFA to publish notice of and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA); and providing an effective date for this resolution.

Background

1. On April 27, 2022, the HFA received a multifamily bond application from SHAG St. Joseph Developer, LLC & CHS St. Joseph Manor II Development, LLC (the "Developer") pertaining to a 150-unit new construction development, known as St. Joseph Manor II (the "Development"). The Development is located on NW 6th Ave., west of the intersection of NW 3rd Ave. and NW 12th St., Pompano Beach, FL. The application requested that the HFA issue Bonds to support the Development in an amount of \$27,000,000.
2. At its June 15, 2022, meeting the Board adopted Resolution No. 2022-010 declaring its official intent to issue Bonds in an amount not to exceed \$27,000,000, (ii) authorizing the issuance of Bonds in an amount not to exceed \$27,000,000, subject to certain findings and conditions, and (iii) authorizing the publishing of a TEFRA Hearing notice and holding a TEFRA Hearing ("Inducement Resolution").
3. To date the TEFRA Hearing has not been held.

Present Situation

1. The Developer submitted correspondence requesting that the maximum Bond amount be increased to \$30,000,000 (Attachment I).
2. Staff confirmed there was sufficient private activity bond allocation ("Allocation") to accommodate the request.
3. A Resolution allowing for the increase of the Allocation to an amount not to exceed \$30,000,000, authorizing the publishing of a TEFRA Hearing notice and holding a public TEFRA Hearing, and providing an effective date is attached. (Attachment II)
4. Working group calls have commenced and closing is anticipated in December 2022.
5. As the request is administrative, the Resolution will not require Broward County Board of County Commissioners ("BOCC") action.
6. The TEFRA Hearing will require ratification by the BOCC.

Recommendation

MOTION TO ADOPT a Resolution:

- 1. Declaring the Housing Finance Authority's ("HFA") official intent to issue Bonds for a maximum principal amount of \$30,000,000,*
- 2. Authorizing the HFA to publish notice of and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA); and*
- 3. Providing an effective date for this resolution.*

Attachments

- I. Developer Correspondence – September 7, 2022
- II. HFA Resolution

ATTACHMENT 1



SMITH & HENZY

AFFORDABLE GROUP

September 7th, 2022

Mr. Ralph Stone
Executive Director
Broward County Housing Finance Authority
110 NE 3rd Street, Suite 300
Fort Lauderdale, FL 33301

Dear Mr. Stone:

On June 15, 2022 St. Joseph Manor II, LLLP received official intent from the Housing Finance Authority with respect to the issuance of Bonds in the expected maximum principal amount of \$27,000,000. Due to certain projected increases in the costs associated with the construction of the project we are requesting an increase in the maximum principal amount of bonds to \$30 million. We have submitted a bond application highlighting the development team and financing information for this 150-unit development for senior citizens.

We look forward to working with the Broward County Housing Finance Authority, and please feel free to contact me if you have any questions.

Sincerely,

Darren Smith
Authorized Representative
St. Joseph Manor II, LLLP
dsmith@smithhenzy.com
(561) 859-8520

ATTACHMENT 2

Resolution No. 2022-018

A meeting of the Housing Finance Authority of Broward County, Florida was held at 5:30 P.M. on September 21, 2022, at the offices of the Housing Finance Authority of Broward County, Florida, 110 Northeast Third Street, Suite 201, in the City of Fort Lauderdale, Florida.

Present: _____

Absent: _____

* * * * *

Thereupon, the following resolution was considered:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (THE “HOUSING FINANCE AUTHORITY”) DECLARING ITS OFFICIAL INTENT TO ISSUE MULTIFAMILY HOUSING REVENUE BONDS AND/OR NOTES (THE “BONDS”) OF THE HOUSING FINANCE AUTHORITY TO FINANCE ALL OR A PORTION OF THE COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN MULTIFAMILY HOUSING FACILITIES (ST. JOSEPH MANOR II) LOCATED WITHIN BROWARD COUNTY, FLORIDA, AND OTHER RELATED PURPOSES; AUTHORIZING THE HOUSING FINANCE AUTHORITY TO PUBLISH NOTICE OF AND HOLD A PUBLIC HEARING PURSUANT TO THE TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”), is empowered under (i) the laws of the State of Florida, including the Florida Housing Finance Authority law, Sections 159.601 through 159.623, Florida Statutes (the “Act”), and (ii) Ordinance 79-41 enacted by the Board of County Commissioners (the “Board”) of Broward County, Florida (the “County”) on June 20, 1979, as amended, to issue multifamily housing revenue bonds and/or notes;

WHEREAS, the Housing Finance Authority is authorized under the Act to issue its revenue bonds and/or notes for the purpose of paying the costs of a “qualifying housing development” within the meaning of the Act, which includes the acquisition, construction, and equipping of multifamily housing developments;

WHEREAS, the Housing Finance Authority has been requested by SHAG St. Joseph Developer, LLC, CHS St. Joseph Manor II Development, LLC and St. Joseph Manor II, LLLP, or an entity related to such limited liability companies and/or limited liability limited partnership (collectively, the “Developer”), to declare its official intent with respect to the issuance of its multifamily housing revenue bonds and/or notes in one or more series pursuant to the Act, in the expected maximum principal amount of \$30,000,000 (the “Bonds”), to finance the costs of the acquisition, construction, and equipping of a multifamily housing project known as “St. Joseph Manor II,” consisting of approximately 150 units, located in Pompano Beach, Florida, and to be owned by an entity to be determined, its assigns or a related party (collectively, the “Project”);

WHEREAS, such declaration is required pursuant to certain federal income tax regulations in order for the Developer to be able to reimburse itself from proceeds of the Bonds for capital expenditures it may make with respect to the Project prior to the issuance of the Bonds;

WHEREAS, on June 15, 2022, pursuant to Resolution No. 2022-010, the Housing Finance Authority declared its official intent with respect to the issuance of Bonds in the expected maximum principal amount of \$27,000,000, to finance the costs of the acquisition, construction, and equipping of the Project; and

WHEREAS, on August 26, 2022, due to certain projected increases in the costs associated with the construction of the Project, the Developer submitted a request to the Housing Finance Authority to increase the maximum principal amount of Bonds to \$30,000,000.

NOW, THEREFORE, BE IT RESOLVED by the Housing Finance Authority, as follows:

SECTION 1. Declaration of Findings. The Housing Finance Authority hereby finds, determines and declares the matters hereinabove set forth.

SECTION 2. Intent to Issue. The Housing Finance Authority hereby declares its official intent to issue, pursuant to the Act, multifamily housing revenue bonds and/or notes, in one or more series, of the Housing Finance Authority in the expected maximum principal amount of \$30,000,000. The Housing Finance Authority retains the right to determine, in its sole discretion, whether sufficient bond allocation is available for the purpose of the tax-exempt financing of the Project. The issuance of the Bonds is further subject to the conditions set forth in Section 3, Section 4 and Section 5 below.

SECTION 3. Prior Conditions. Prior to the issuance of the Bonds, the Developer and the Housing Finance Authority must satisfy all requirements of the Act with respect to the issuance of the Bonds, including, but not limited to, the approval of the Project as a “qualifying housing development” under the Act, and all other requirements in order for the interest on the Bonds, when and if issued, to be excluded from the gross income of the owners thereof for federal income tax purposes.

SECTION 4. Public Hearing Authorized. The staff of the Housing Finance Authority is authorized to publish the notice of the Tax Equity and Fiscal Responsibility

Act (“TEFRA”) Hearing (as defined below) in *The Sun Sentinel*, and to conduct the public hearing required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), prior to the issuance of the Bonds (the “TEFRA Hearing”).

SECTION 5. County Approval. Additionally, prior to the issuance of the Bonds, the Bonds must be approved by the Board in accordance with, and for purposes of, Section 147(f) of the Code.

SECTION 6. Declaration of Official Intent. This Resolution constitutes official intent under Treasury Regulations Section 1.150-2 and any amendments thereto, for reimbursement from bond proceeds of temporary advances made by the Developer for purposes of the Project prior to the issuance of the Bonds.

SECTION 7. Scope of Approval. It is expressly stated and agreed that the adoption of this Resolution is not a guaranty, express or implied, that the Housing Finance Authority shall approve the closing and issue the Bonds, or any portion thereof, for the Project. By the presentation of this Resolution to the members of the Housing Finance Authority for consideration, the Developer agrees to hold the Housing Finance Authority and its past, present and future members, officers, staff, attorneys, financial advisors and employees harmless from any liability or claim based upon the refusal or failure of the Housing Finance Authority to close the transaction and issue the Bonds, or any other cause of action arising from the adoption of this Resolution, the processing of the financing for the Project, or the issuance of (or decision not to issue) the Bonds.

SECTION 8. Resolution Effective. This Resolution shall take effect immediately upon its passage.

[Remainder of page intentionally left blank]

Upon motion of _____, seconded by _____, the foregoing Resolution was adopted by the following vote:

Ayes: _____

Noes: _____

Approved on September 1, 2022 as to form and legal sufficiency by:

Nabors, Giblin & Nickerson, P.A., Bond Counsel

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

I, Scott Ehrlich, Secretary of the Housing Finance Authority of Broward County, Florida, do hereby certify that the foregoing is an accurate copy of the resolution of the Housing Finance Authority adopted at a meeting held on September 21, 2022, as set forth in the official minutes of the Housing Finance Authority, relating to the multifamily housing revenue bonds and/or notes for the financing of St. Joseph Manor II.

I DO HEREBY FURTHER CERTIFY that said meeting was duly called and held in accordance with Chapter 286, Florida Statutes.

WITNESS my hand and the corporate seal of said Housing Finance Authority, this 21st day of September, 2022.

**HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA**

By: _____
Scott Ehrlich, Secretary

[SEAL]

ITEM 5

Housing Finance Authority of Broward County

Dufresne CPA Services, PA – Overview of the August 2022 Financial Reports

The following are items considered to be of note regarding the financial reports for the months of August 2022:

- Balance sheets (Attachments 1 and 2) changes relate primarily to individual cash and investment account activity, including payments to BOCC and cash received on investments. The Due from Artspace asset loan receivable and corresponding liabilities labeled Artspace – Due to BOCC were removed in fiscal 2021 from the HFA financial statements because the loan was forgiven by action of the BOCC in fiscal year 2021. During the time that the balances were reported on the HFA financial statements prior to the forgiveness of the loan by the BOCC, the transactions reported on the HFA financial statements netted to zero both on the balance sheet and the income statement.
- Balance sheet presentation reformatted to include a breakdown of the amounts on deposit in the Indemnification Fund.
- Audit adjustments posted to reverse accruals for items properly reported on audited financial statements and/or end of year closing entries for fiscal 2021
- Profit and Loss (Attachments 3, 4, and 5) – Total income is less than prior year, and as compared to budget, primarily as a result of the change in market value of investment portfolio. Income items directly related to operations such as bond authority fees and application fees exceed budget and prior year as a result of developer applications and other activities that generate fees. Expenses are less than budget.

Cash vs Accrual Basis for P&L Budget to Actual comparison (Attachment 5)

On a monthly basis the process to prepare the financial statements includes:

- a. Budgetary column – Cumulative 1/12 of the budgeted revenues and expenses are reported
- b. Actual column – Significant known revenue and expense items are accrued
 - a. Authority fees receivable are adjusted to correct accrual basis balance
 - b. Cumulative 1/12 of budgeted Personnel and Other Expenses due to BOCC are adjusted to correct accrual basis balance
 - c. Expenses for all invoices submitted to the HFA prior to month end are paid and recorded in the financial statements.
 - d. Bank and account management fees that are reported on the monthly bank statements are recorded as expense in the applicable month.

Index to Attachments

- Attachment 1, Page 2: Balance Sheet (Flux Report – August 2022 comparison to July 2022)
- Attachment 2, Page 3: Balance Sheet (Flux Report – August 2022 comparison to August 2021)
- Attachment 3, Page 4: P&L (Flux Report – August 2022 comparison to July 2022)
- Attachment 4, Page 5: P&L (Flux Report – August 2022 comparison to August 2021)
- Attachment 5, Page 6: P&L (Flux Report – Budget to Actual)
- Attachment 6, Page 7: Aged Receivables Report as of August 31, 2022
- Attachment 7, Page 8: Wells Fargo Bank Reconciliation Report – Operating at August 31, 2022
- Attachment 8, Page 9: Cumulative Net Change in Investment Value as of August 31, 2022

Attachment 1
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Balance Sheet (Flux Report)
8/31/2022

	Aug-22	Jul-22	\$ Difference	% Difference	*Explanation
Assets					
Cash-Wells Fargo	\$ 1,307,690	\$ 1,244,114	63,576	5%	
Cash-LOC	6,427	6,414	13	0.2%	
Indemnification Fund -BNY					
Good Faith Deposits	\$ 300,000				
Indemnification Deposits	500,000				
Interest	25,100				
	825,100	599,497	225,603	38%	3
Cash-BNY Mellon Custody Account	1,209,309	1,253,903	(44,594)	-4%	
Total Cash	3,348,526	3,103,928			
Investments-BNY Mellon Custody Account	10,449,795	10,670,577	(220,782)	-2%	4
Note Receivable-DPA	200,000	200,000	-	NA	
Authority Fees Receivable	42,424	47,732	(5,308)	-11%	1
Interest Receivable	75,671	81,572	(5,901)	-7%	
Notes Receivable-CDC	159,167	160,139	(972)	-1%	
Notes Receivable - Mt. Olive	146,156	146,156	-	NA	
HFA Mortgage Receivables	7,403	7,403	-	NA	
Whole Loan Mortgages Receivable	254,411	348,670	(94,259)	-27%	5
Allowance for Doubtful Whole Loan Mortgages	(102,104)	(102,104)	-	NA	
Loan Receivable - SE FL CDF	473,983	369,313	104,670	28%	2
Utility Deposit	1,925	1,925	-	NA	
HFA Land	621,704	621,704	-	NA	
HFA Buildings	1,036,000	1,036,000	-	NA	
Equipment	90,258	90,258	-	NA	
Capital Assets BOCC (Tagged)	127,474	127,474	-	NA	
Accumulated Depreciation -BOCC	(127,474)	(127,474)	-	NA	
Accumulated Depreciation, HFA	(763,659)	(763,659)	-	NA	
Total Assets	16,059,659	16,037,613			
Deferred Outflows					
Deferred outflows related to pension	251,761	251,761	-	NA	
Total Assets and Deferred outflows	\$ 16,311,421	\$ 16,289,375			
Liabilities					
Accounts Payable	\$ 6,304	\$ -	6,304	100%	6
Accrued Sick/Vacation, ST	48,000	48,000	-	NA	
Due to BOCC - Exp reimb	134,813	88,920	45,893	52%	1
Good Faith Deposits	300,000	75,000	225,000	300%	3
Net Pension Liability - Pension	314,443	314,443	-	NA	
Net Pension Liability - HIS	140,799	140,799	-	NA	
Accrued Sick/Vacation, LT	45,000	45,000	-	NA	
Total Liabilities	989,359	712,162			
Deferred Inflows					
Deferred inflows related to pension	64,637	64,637	-	NA	
Equity					
Beginning of year	16,147,268	16,147,268			
Prior Period Adjustment	(36,802)	(36,802)	-	NA	
Current Year Earnings	(853,041)	(597,890)			
Total Equity	15,257,425	15,512,576			
Total Liabilities, Deferred Inflows and Equity	\$ 16,311,421	\$ 16,289,375			

***Criteria to determine if explanations are required:**

Cash and investment fluctuation explanations are provided for >=\$100,000 variance

Remaining items explanations are provided for >=10% and >=\$5,000 variance

NA No change as compared to prior month

- 1 Timing of receipts/payments and accruals based on budget
- 2 Additional SE FL Community Development Fund loan installment paid to borrower
- 3 Receipts of good faith deposits for new bond issues
- 4 Gain/Loss related to current market conditions and changes in the composition of the investment portfolio
- 5 Changes in Whole Loan Mortgage values as reported by Cenlar during FY 2022
- 6 Deposits to be reversed

Attachment 2
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301

Balance Sheet (Flux Report)
8/31/2022

	Aug-22	Aug-21	\$ Difference	% Difference	*Explanation
Assets					
Cash-Wells Fargo	\$ 1,307,690	\$ 447,173	860,517	192%	3, 5
Cash-LOC	6,427	6,395	32	1%	
Indemnification Fund -BNY					
Good Faith Deposits	\$ 300,000				
Indemnification Deposits	500,000				
Interest	25,100				
	825,100	703,948	121,152	17%	10
Cash-BNY Mellon Custody Account	1,209,309	1,467,094	(257,785)	-18%	5
Total Cash	3,348,526	2,624,610			
Investments-BNY Mellon Custody Account	10,449,795	11,541,074	(1,091,279)	-9%	2, 8
Note Receivable-DPA	200,000	240,000	(40,000)	-17%	4
Authority Fees Receivable	42,424	-	42,424	100%	1
Audit Fees Receivable	18,000	24,000	(6,000)	-25%	1
Interest Receivable	75,671	75,017	654	1%	
Notes Receivable-CDC	159,167	170,833	(11,666)	-7%	
Notes Receivable-Mt. Olive	146,156	166,156	(20,000)	-12%	4
HFA Mortgage Receivables	7,403	7,923	(520)	-7%	
Whole Loan Mortgages Receivable	254,411	420,902	(166,491)	-40%	9, 11
Allowance for Doubtful Whole Loan Mortgages	(102,104)	(102,104)	-	NA	
Loan Receivable - SE FL CDF	473,983	837,873	(363,890)	-43%	4
Due from Artspace	-	609,682	(609,682)	-100%	7
Utility Deposit	1,925	1,925	-	NA	
HFA Land	621,704	621,704	-	NA	
HFA Buildings	1,036,000	1,036,000	-	NA	
Equipment	90,258	90,258	-	NA	
Capital Assets BOCC (Tagged)	127,474	127,474	-	NA	
Accumulated Depreciation -BOCC	(127,474)	(127,474)	-	NA	
Accumulated Depreciation, HFA	(763,659)	(763,659)	-	NA	
Total Assets	16,059,659	17,602,193			
Deferred Outflows					
Deferred outflows related to pension	251,761	251,761	-	NA	
Total Assets and Deferred outflows	\$ 16,311,421	\$ 17,853,954			
Liabilities					
Accounts Payable	\$ 6,304	\$ -	6,304	100%	12
Accrued Sick/Vacation, ST	48,000	48,000	-	NA	
Due to BOCC - Exp reimb	134,813	129,519	5,294	4%	
Due to BOCC - Artspace project	-	428,070	(428,070)	-100%	7
Due to BOCC - Artspace Interest	-	181,612	(181,612)	-100%	7
Good Faith Deposits	300,000	220,000	80,000	36%	10
Net Pension Liability	-	455,242	(455,242)	-100%	6
Net Pension Liability - Pension	314,443	-	314,443	100%	6
Net Pension Liability - HIS	140,799	-	140,799	100%	6
Accrued Sick/Vacation, LT	45,000	45,000	-	NA	
Total Liabilities	989,359	1,507,443			
Deferred Inflows					
Deferred inflows related to pension	64,637	64,637	-	NA	
Equity					
Beginning of year	16,147,268	16,310,249			
Prior Period Adjustment	(36,802)	40,070	(76,872)	-192%	9
Current Year Earnings	(853,041)	(68,445)			
Total Equity	15,257,425	16,281,874			
Total Liabilities, Deferred Inflows and Equity	\$ 16,311,421	\$ 17,853,954			

***Criteria to determine if explanations are required:**

Cash and investment fluctuation explanations are provided for >=\$100,000 variance

Remaining items explanations are provided for >=10% and >=\$5,000 variance

NA No change as compared to prior year

- 1** Timing of receipts/payments and accruals based on budget
- 2** GNMA paydowns in Investments-BNY used to buy treasury in Cash-BNY
- 3** Closing fees for new bond issues deposited to WF Checking FY 2022
- 4** Payments received on notes receivable after August 2021
- 5** Loans to SE FL Community Development Fund made in installments from BNY-Custody Cash and partially repaid to Cash-Wells Fargo
- 6** Net Pension Liability split into Pension and HIS for FY 2022
- 7** BOCC discharged the obligation to repay the Artspace advance and accrued interest after August 2021
- 8** Gain/Loss related to current market conditions and changes in the composition of the investment portfolio
- 9** Audit adjustments
- 10** Receipts of good faith deposits in FY 2022
- 11** Changes in Whole Loan Mortgage values as reported by Cenlar during FY 2022
- 12** Deposits to be reversed

Attachment 3
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Profit & Loss (Flux Report)
8/31/2022

	<u>Aug-22</u>	<u>Jul-22</u>	<u>\$ Difference</u>	<u>% Difference to Prior Month</u>	<u>*Explanation</u>
Income					
Bond Authority Fees	\$ 530,997	\$ 525,285	5,712	1%	
Inducement Fees	7,500	7,500	-	0%	
Compliance Monitoring Fees	500	500	-	0%	
Application, TEFRA and Closing Fees	245,419	245,419	-	0%	
MCC and Lender Program Income	7,954	7,954	-	0%	
Interest Income, Mortgages	477	477	-	0%	
Interest Income, BNY Mellon	202,197	267,859	(65,662)	-25%	3
Interest Income, LOC	32	19	13	68%	
Net Change in Investment Value	(967,841)	(773,239)	(194,602)	25%	2
Interest Income, SFCDF Loan	14,163	13,224	939	7%	
Rent Income	121,044	-	121,044	100%	1
Total Income	<u>\$ 162,442</u>	<u>\$ 294,998</u>			
Expenses					
Personnel Services, Broward Co	\$ 584,636	\$ 528,718	55,918	11%	1
Other Expenses, Broward County	183,264	145,412	37,852	26%	1
Professional Fees	132,340	122,740	9,600	8%	
Bank Management Fees	3,092	3,092	-	0%	
Advertising/Marketing	1,433	1,433	-	0%	
Dues and Membership Fees	3,620	3,620	-	0%	
Conference and Travel Expense	18,026	13,026	5,000	38%	1
Building/Land Maintenance	56,297	48,244	8,053	17%	1
Utilities	24,173	21,370	2,803	13%	
Capital Outlay Expense	8,602	5,233	3,369	64%	
Total Expenses	<u>\$ 1,015,483</u>	<u>\$ 892,888</u>			
Net Profit/(Loss)	\$ (853,041)	\$ (597,890)	(255,151)	43%	1

*Explanations provided for >=10% and >= \$5,000 variance

- 1** Timing of receipts/payments and accruals based on budget
- 2** Gain/Loss related to current market conditions and changes in the composition of the investment portfolio
- 3** Changes in Whole Loan Mortgage values as reported by Cenlar during FY 2022

"%Difference to Prior Month" Column Legend

100% - Actual % change or no amount reported in one of the two columns
0% - Current month amount is equal to prior month amount

Attachment 4
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Profit & Loss (Flux Report)
8/31/2022

	Aug-22	Aug-21	\$ Difference	% Difference to Prior Year	*Explanation
Income					
Bond Authority Fees	\$ 530,997	\$ 479,360	51,637	11%	2,3
Inducement Fees	7,500	4,500	3,000	67%	
Compliance Monitoring Fees	500	12,000	(11,500)	-96%	2
Application, TEFRA and Closing Fees	245,419	146,750	98,669	67%	3
MCC and Lender Program Income	7,954	35,804	(27,850)	-78%	2
Interest Income, Mortgages	477	953	(476)	-50%	
Interest Income, BNY Mellon	202,197	391,429	(189,232)	-48%	1
Net Change in Investment Value	(967,841)	(292,163)	(675,678)	231%	1,2
Interest Income, FHLB LOC	32	-	32	100%	
Interest Income, SFCDF Loan	14,163	9,760	4,403	45%	
Rent Income	121,044	121,044	-	0%	
Total Income	<u>\$ 162,442</u>	<u>\$ 909,437</u>			
Expenses					
Personnel Services, Broward Co	\$ 584,636	\$ 571,203	13,433	2%	
Other Expenses, Broward County	183,264	136,279	46,985	34%	2
Professional Fees	132,340	171,870	(39,530)	-23%	2
Bank Management Fees	3,092	3,336	(244)	-7%	
Advertising/Marketing	1,433	1,541	(108)	-7%	
Dues and Membership Fees	3,620	3,395	225	7%	
Conference and Travel Expense	18,026	10,000	8,026	80%	2
Building/Land Maintenance	56,297	52,162	4,135	8%	
Utilities	24,173	19,601	4,572	23%	
Capital Outlay Expense	8,602	8,495	107	1%	
Total Expenses	<u>\$ 1,015,483</u>	<u>\$ 977,882</u>			
Net Profit/(Loss)	\$ (853,041)	\$ (68,445)	(784,597)	1146%	1

*Explanations provided for >=10% and >= \$5,000 variance

- 1** Gain/Loss related to current market conditions and changes in the composition of the investment portfolio
- 2** Timing of receipts/payments and accruals based on budget
- 3** More new bond issues in FY2022

<u>"%Difference to Prior Year" Column Legend</u>
100% - Actual % change or no amount reported in one of the two columns
0% - Current year amount is equal to prior year amount

Attachment 5
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Profit & Loss (Flux Report) Budget to Actual
Year to Date As of August 2022

	Selected Period	Budget for Selected Period	\$ Difference	% Difference to budget	*Explanation	Total Annual Budget Amount
Income						
Bond Authority Fees	\$ 530,997	\$ 489,394	(41,603)	-9%		\$ 533,884
Bond redemption & other income	-	186,864	186,864	100%	1	203,852
Application, TEFRA and Closing Fees	245,419	-	(245,419)	NA		-
MCC and Lender Program Income	7,954	16,042	8,088	50%	1	17,500
Interest Income, Mortgages	477	-	(477)	NA		-
Interest Income, BNY Mellon	202,197	298,833	96,636	32%	2	326,000
Net Change in Investment Value	(967,841)	-	967,841	NA		-
Interest Income, FHLB LOC	32	-	(32)	NA		-
Interest Income, SFCDF Loan	14,163	-	(14,163)	NA		-
Rent Income	121,044	110,957	(10,087)	-9%		121,044
Total Income	\$ 162,442	\$ 1,102,090				\$ 1,202,280
Expenses						
Personnel Services, Broward Co	\$ 584,636	\$ 548,451	(36,185)	-7%		\$ 598,310
Other Expenses, Broward County	183,264	193,023	9,759	5%		210,570
Professional Fees	132,340	181,500	49,160	27%	1	198,000
Bank Management Fees	3,092	5,133	2,041	40%		5,600
Advertising/Marketing	1,433	4,583	3,150	69%		5,000
Dues and Membership Fees	3,620	5,958	2,338	39%		6,500
Conference and Travel Expense	18,026	22,917	4,891	21%		25,000
Postage/FedEx	-	183	183	100%		200
Building/Land Maintenance	56,297	74,250	17,953	24%	1	81,000
Utilities	24,173	20,258	(3,915)	-19%		22,100
Capital Outlay Expense	8,602	45,833	37,231	81%	1	50,000
Total Expenses	\$ 1,015,483	\$ 1,102,090				\$ 1,202,280
Net Profit/(Loss)	\$ (853,041)	\$ 0				\$ 0

Budgeted Expenses - Actual Expenses =	\$ 86,607	Under Budget
---------------------------------------	-----------	--------------

* Explanations provided for >=10% and >= \$5,000 variance

1 Timing of receipts/payments and accruals based on budget

2 Changes in Whole Loan Mortgage values as reported by Cenlar during FY 2022

NA - No Budget amount

100% - Actual is zero

Attachment 6
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301

Aged Receivables
8/31/2022

Authority fee receivable	Total Due	0 - 30	31 - 60	61 - 90	90+
2019 Regency Gardens	\$ 6,930	\$ -	\$ -	\$ 6,930	\$ -
2006 Palms of Deerfield	6,201	6,201			
2020 Federation Sunrise	29,293			29,293	
Total Authority Fee Receivable	\$ 42,424	\$ 6,201	\$ -	\$ 36,223	\$ -

2877 Broward Housing Finance Authority

110 NE Third Street #300
Fort Lauderdale, FL 33301

Attachments 7

Reconciliation Report

9/6/2022
6:26:41 PM

Page 1

ID#	Date	Memo/Payee	Deposit	Withdrawal
Checking Account: 1-1000 Cash-Wells Fargo				
Date of Bank Statement: 8/31/2022				
Last Reconciled: 7/31/2022				
Last Reconciled Balance: \$1,658,536.68				
 Cleared Checks				
5304	7/15/2022	L&B Janitorial Services		\$4,686.10
5307	7/25/2022	Tropic Fence Inc.		\$1,365.00
5308	7/25/2022	A to Z Statewide Plumbing, Inc		\$3,868.00
5310	7/29/2022	Broward County Board of Coun		\$404,503.67
GJ001038	8/3/2022	WF: Utility debits		\$253.27
5311	8/12/2022	Dufresne CPA Services, PA		\$3,500.00
5313	8/12/2022	Innovative Environmental Servi		\$1,441.00
5314	8/12/2022	L&B Janitorial Services		\$4,686.10
5318	8/22/2022	Megawattage, LLC		\$1,566.85
5319	8/22/2022			\$0.00
GJ001037	8/30/2022	WF: Utility debits		\$2,550.06
Total:			\$0.00	\$428,420.05

Cleared Deposits

GJ001036	8/2/2022	WF: SE FL CDF Monthly Int re	\$938.47	
GJ001034	8/8/2022	WF:BrwdHngSlntsIncome	\$972.22	
GJ001035	8/12/2022	WF: Erroneous deposit from b	\$6,303.97	
CR000204	8/12/2022	Payment; 2018 NW Gardens	\$11,019.41	
GJ001033	8/31/2022	WF:AnnualRentIncomeDeposit	\$121,044.00	
Total:			\$140,278.07	\$0.00

Outstanding Checks

5312	8/12/2022	Holmes Lawn Services		\$335.00
5315	8/22/2022	All Power Generators Corp		\$1,057.50
5316	8/22/2022	TECO Peoples Gas		\$47.89
5317	8/22/2022	Zomermaand Financial Advisor		\$6,100.00
5320	8/22/2022	Sadowski Education Effort		\$5,000.00
5321	8/31/2022	Krystal Kleer		\$360.00
5322	8/31/2022	Broward County Board of Coun		\$47,875.87
5323	8/31/2022	National Fire Protection, LLC		\$1,928.48
Total:			\$0.00	\$62,704.74

Reconciliation

AccountEdge Pro Balance on 8/31/2022:	\$1,307,689.96
Add: Outstanding Checks:	\$62,704.74
Subtotal:	\$1,370,394.70
Deduct: Outstanding Deposits:	\$0.00
Expected Balance on Statement:	\$1,370,394.70

Attachment 8
Cumulative Net Change in Investment Value
Prior Year-to-Date Comparison to Current Year-to-Date

	<u>8/31/2021</u>	<u>8/31/2022</u>
BNY Mellon Custody Acct	<u>\$ (292,163)</u>	<u>\$ (967,841)</u>
Cumulative Net Change in Investment Value		<u>\$ (675,678)</u>

ITEM 6

**Housing Finance HFA of Broward County
September 21, 2022 – Board Meeting**

Multifamily Bonds – Informational Item - *Final Credit Underwriting Report for The Gallery at FATVillage.*

Background

1. On February 24, 2021, the HFA received a multifamily bond application from Related FATVillage, LLC (the “Developer”) pertaining to a 195-unit new construction development, known as The Gallery at FATVillage (the “Development”). The Development will be located at 600 N. Andrews Avenue, Fort Lauderdale, FL 33311.
2. At its March 21, 2021, meeting, the HFA adopted an Inducement Resolution for the Development in the amount not to exceed \$35,900,000. The Developer subsequently requested that the Note amount be increased to \$42,850,000. At its January 19, 2022, meeting the HFA adopted an amendment to the Inducement Resolution providing for an amount not to exceed \$42,850,000.
3. The TEFRA hearing was held on March 22, 2022, and the Mayor and City Manager of the City of Fort Lauderdale were provided notice regarding the potential construction of the Development prior to the HFA holding a TEFRA hearing.
4. The HFA adopted Resolution No. 2022-009 at its April 20, 2022, meeting (“Authorizing Resolution”). At its August 17, 2022, the HFA approved an amendment to the Authorizing Resolution allowing for subordinate financing and updated Term Sheets.
5. The HFA’s acknowledgment of the CUR is administrative and additional revisions may be required in conjunction with the delivery of the Note. Revisions to the CUR are allowed subject to Section 17 of the HFA Authorizing Resolution.

Present Situation

1. The Draft Credit Underwriting Report is attached.
2. A final update letter will be provided prior to closing.
3. The closing for the financing of this Development is presently scheduled for October 2022.

EXHIBITS

1. Draft Credit Underwriting Report

ATTACHMENT 1

**HOUSING FINANCE AUTHORITY OF BROWARD
COUNTY**

Draft Credit Underwriting Report

Tax Exempt Multifamily Mortgage Revenue Note (“MMRN” or “Note”)

The Gallery at FATVillage

Section A: Report Summary

Section B: Supporting Information and Schedules

Prepared by

First Housing Development Corporation of Florida

Draft Report

September 12, 2022

The Gallery at FATVillage

TABLE OF CONTENTS

	<u>Page</u>
Section A	
Report Summary	
Recommendation	A1-A6
Overview	A7-A11
Uses of Funds	A12-A17
Operating Pro Forma	A18-A20
Section B	
Supporting Information and Schedules	B1-B5
Applicant Information	B6-B11
Syndicator Information	B12
General Contractor Information	B13-14
Property Management Information	B15
Exhibits	
15 Year Pro Forma	Exhibit 1
50% Tax-Exempt Note Test	Exhibit 2
Completion and Issues Checklist	Exhibit 3 1-2

Section A
Report Summary

Recommendation

First Housing Development Corporation of Florida (“First Housing” or “FHDC”) recommends a Tax-Exempt MMRN in the amount of \$38,900,000 to finance the construction and permanent financing of The Gallery at FATVillage Apartments (“Development”).

DEVELOPMENT & SET-ASIDES															
Development Name:		<u>The Gallery at FATVillage</u>													
Address:		<u>600 North Andrews Avenue</u>													
City:		<u>Fort Lauderdale</u>	Zip Code:		<u>33311</u>	County:		<u>Broward</u>	County Size:		<u>Large</u>				
Development Category:		<u>New Construction</u>				Development Type: <u>High Rise</u>									
Construction Type:		<u>Masonry</u>													
Demographic Commitment:		Primary: <u>Family</u> for <u>100%</u> of the Units													

Broward County (Fort Lauderdale HMFA)

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
0	1.0	7	502	50%			\$793	\$50	\$ 743		\$ 743	\$ 743	\$ 743	\$ 62,412
0	1.0	26	502	120%			\$1,905		\$ 1,905		\$ 1,904	\$ 1,905	\$ 1,905	\$ 594,360
0	1.0	3	502	MKT							\$ 2,000	\$ 2,000	\$ 2,000	\$ 72,000
1	1.0	21	675	50%			\$850	\$66	\$ 784		\$ 784	\$ 784	\$ 784	\$ 197,568
1	1.0	60	675	120%			\$2,041		\$ 2,041		\$ 2,040	\$ 2,041	\$ 2,041	\$ 1,469,520
1	1.0	22	675	MKT							\$ 2,600	\$ 2,600	\$ 2,600	\$ 686,400
2	2.0	11	1,074	50%			\$1,021	\$99	\$ 922		\$ 921	\$ 922	\$ 922	\$ 121,704
2	2.0	25	1,074	120%			\$2,451		\$ 2,451		\$ 2,449	\$ 2,451	\$ 2,451	\$ 735,300
2	2.0	20	1,074	MKT							\$ 3,400	\$ 3,400	\$ 3,400	\$ 816,000
		195	147,741											\$ 4,755,264

The utility allowances are based on an Energy Consumption Model Estimate for electricity prepared by KN Consultants, LLC (“KN Consultants”) on March 22, 2022. The study was approved by Florida Housing Finance Corporation (“Florida Housing” or “FHFC”) staff on September 7, 2022 for Credit Underwriting purposes only.

Buildings: Residential - 1 Non-Residential - 0
 Parking: Parking Spaces - 226 Accessible Spaces - 10

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRN	20.0%	39	50%	15
HC	20.0%	39	50%	30

Absorption Rate 40 units per month for 4.9 months.

Occupancy Rate at Stabilization: Physical Occupancy 96.00% Economic Occupancy 95.00%
 Occupancy Comments N/A New Construction

DDA: No QCT: No Multi-Phase Boost: No QAP Boost: No
 Site Acreage: 1.1708 Density: 166.5528 Flood Zone Designation: AH
 Zoning: RAC-UV, Regional Activity Center - Urban Flood Insurance Required?: No

- The property is located within Zones “AH” and “X”.
- 10 of the 226 parking spaces will be allocated to retail.
- Set asides for the County and City Loans are pending final approval, however are assumed to be similar to the current unit mix.

DEVELOPMENT TEAM		
Applicant/Borrower:	Related FATVillage, LLC	
Manager	Related FATVillage Manager, LLC	0.0100%
Member	Truist Community Capital LLC ("Truist")	99.9900%
Special Member	CDC Special Limited Partner L.L.C.	0.0000%
Note Purchaser	JPMorgan Chase ("Chase") (Construction)/Grandbridge Real Estate Capital, LLC ("Grandbridge")(Permanent) and Freddie Mac	
Developer:	Related FATVillage Developer, LLC	
General Contractor 1:	Fortune Related Construction LLC	
Management Company:	TRG Management Company LLP	
Syndicator:	Truist	
Note Issuer:	Housing Finance Authority of Broward County ("HFABC")	
Architect:	Cohen, Freedman Encinosa & Associates - Architects, P.A.	
Market Study Provider:	Meridian Appraisal Group, Inc. ("Meridian")	
Appraiser:	Walter Duke and Associates ("Walter Duke")	

PERMANENT FINANCING INFORMATION

	1st Source	2nd Source	3rd Source
Lien Position	First	Second	Third
Lender/Grantor	HFABC/JPMorgan Chase Bank N/A ("Chase")/Grandbridge/ Freddie Mac	Broward County	City of Fort Lauderdale
Amount	\$37,470,000	\$2,500,000	\$2,500,000
Underwritten Interest Rate	5.40%	0.00%	0.00%
All In Interest Rate	5.40%	0.00%	0.00%
Loan Term	15	30	30
Amortization	35	0	0
Market Rate/Market Financing LTV	37%	40%	42%
Restricted Market Financing LTV	51%	54%	58%
Loan to Cost - Cumulative	55%	58%	62%
Debt Service Coverage	1.24	1.24	1.24
Operating Deficit & Debt Service Reserves	\$437,862		
# of Months covered by the Reserves	1.3		

Deferred Developer Fee	\$9,849,520
As-Is Land Value	\$4,670,000
Market Rent/Market Financing Stabilized Value	\$101,100,000
Rent Restricted Market Financing Stabilized Value	\$73,600,000
Projected Net Operating Income (NOI) - Year 1	\$3,045,548
Projected Net Operating Income (NOI) - 15 Year	\$3,726,021
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Note Structure	Private Placement
Housing Credit (HC) Syndication Price	\$0.92
HC Annual Allocation - Equity Letter of Interest	\$484,566

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Local HFA Note	HFABC/JPMorgan Chase Bank NA ("Chase")/Grandbridge/ Freddie Mac	\$38,900,000	\$37,470,000	\$192,154
Local Government Subsidy	Broward County	\$2,500,000	\$2,500,000	\$12,821
Local Government Subsidy	City of Fort Lauderdale	\$2,500,000	\$2,500,000	\$12,821
Affiliate / Principal	Related FATVillage Manager, LLC	\$11,619,995	\$11,619,995	\$59,590
HC Equity	Truist Community Capital, LLC	\$2,228,780	\$4,457,559	\$22,859
Deferred Developer Fee	Related FATVillage Developer, LLC	\$10,210,437	\$9,849,520	\$50,510
Operating Deficit Reserve	N/A	\$437,862	\$0	\$0
TOTAL		\$68,397,074	\$68,397,074	\$350,754

Strengths:

1. The Principals, and Development Team, as well as the General Contractor, and Management Group are experienced in this field.
2. Meridian concluded to a capture rate of 2.7% for the 50% Area Median Income (“AMI”) set-aside units and 4.9% for the 120% AMI set aside units.

Other Concerns:

1. None

Mitigating Factors:

1. None

Additional Information:

1. The Applicant has applied to Grandbridge to provide permanent funding (“Funding Loan”) pursuant to the Freddie Mac Tax-Exempt Loan Program. The Funding Loan is requested pursuant to any Federal, State or Local requirements concerning the proposed tax-exempt private activity allocation and/or Low-Income Housing Tax Credit requirements. The Funding Loan will be originated by Chase on behalf of HFABC (“Government Lender”) for subsequent purchase by and delivery to Freddie Mac, shortly after conversion. The proceeds of the Funding Loan will be used by HFABC to fund a mortgage loan with matching economic terms (“Project Loan”) to the Applicant to finance the construction and permanent financing of the Development. The Funding Loan

**HOUSING FINANCE AUTHORITY OF BROWARD
COUNTY**

Draft Credit Underwriting Report

Tax Exempt Multifamily Mortgage Revenue Note (“MMRN” or “Note”)

The Gallery at FATVillage

Section A: Report Summary

Section B: Supporting Information and Schedules

Prepared by

First Housing Development Corporation of Florida

Draft Report

September 12, 2022

The Gallery at FATVillage

TABLE OF CONTENTS

	<u>Page</u>
Section A	
Report Summary	
Recommendation	A1-A6
Overview	A7-A11
Uses of Funds	A12-A17
Operating Pro Forma	A18-A20
Section B	
Supporting Information and Schedules	B1-B5
Applicant Information	B6-B11
Syndicator Information	B12
General Contractor Information	B13-14
Property Management Information	B15
Exhibits	
15 Year Pro Forma	Exhibit 1
50% Tax-Exempt Note Test	Exhibit 2
Completion and Issues Checklist	Exhibit 3 1-2

Section A
Report Summary

Recommendation

First Housing Development Corporation of Florida (“First Housing” or “FHDC”) recommends a Tax-Exempt MMRN in the amount of \$38,900,000 to finance the construction and permanent financing of The Gallery at FATVillage Apartments (“Development”).

DEVELOPMENT & SET-ASIDES															
Development Name:		<u>The Gallery at FATVillage</u>													
Address:		<u>600 North Andrews Avenue</u>													
City:		<u>Fort Lauderdale</u>	Zip Code:		<u>33311</u>	County:		<u>Broward</u>	County Size:		<u>Large</u>				
Development Category:		<u>New Construction</u>				Development Type: <u>High Rise</u>									
Construction Type:		<u>Masonry</u>													
Demographic Commitment:		Primary: <u>Family</u> for <u>100%</u> of the Units													

Broward County (Fort Lauderdale HMFA)

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
0	1.0	7	502	50%			\$793	\$50	\$ 743		\$ 743	\$ 743	\$ 743	\$ 62,412
0	1.0	26	502	120%			\$1,905		\$ 1,905		\$ 1,904	\$ 1,905	\$ 1,905	\$ 594,360
0	1.0	3	502	MKT							\$ 2,000	\$ 2,000	\$ 2,000	\$ 72,000
1	1.0	21	675	50%			\$850	\$66	\$ 784		\$ 784	\$ 784	\$ 784	\$ 197,568
1	1.0	60	675	120%			\$2,041		\$ 2,041		\$ 2,040	\$ 2,041	\$ 2,041	\$ 1,469,520
1	1.0	22	675	MKT							\$ 2,600	\$ 2,600	\$ 2,600	\$ 686,400
2	2.0	11	1,074	50%			\$1,021	\$99	\$ 922		\$ 921	\$ 922	\$ 922	\$ 121,704
2	2.0	25	1,074	120%			\$2,451		\$ 2,451		\$ 2,449	\$ 2,451	\$ 2,451	\$ 735,300
2	2.0	20	1,074	MKT							\$ 3,400	\$ 3,400	\$ 3,400	\$ 816,000
		195	147,741											\$ 4,755,264

The utility allowances are based on an Energy Consumption Model Estimate for electricity prepared by KN Consultants, LLC (“KN Consultants”) on March 22, 2022. The study was approved by Florida Housing Finance Corporation (“Florida Housing” or “FHFC”) staff on September 7, 2022 for Credit Underwriting purposes only.

Buildings: Residential - 1 Non-Residential - 0
 Parking: Parking Spaces - 226 Accessible Spaces - 10

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRN	20.0%	39	50%	15
HC	20.0%	39	50%	30

Absorption Rate 40 units per month for 4.9 months.

Occupancy Rate at Stabilization: Physical Occupancy 96.00% Economic Occupancy 95.00%
 Occupancy Comments N/A New Construction

DDA: No QCT: No Multi-Phase Boost: No QAP Boost: No
 Site Acreage: 1.1708 Density: 166.5528 Flood Zone Designation: AH
 Zoning: RAC-UV, Regional Activity Center - Urban Flood Insurance Required?: No

- The property is located within Zones “AH” and “X”.
- 10 of the 226 parking spaces will be allocated to retail.
- Set asides for the County and City Loans are pending final approval, however are assumed to be similar to the current unit mix.

DEVELOPMENT TEAM		
Applicant/Borrower:	Related FATVillage, LLC	
Manager	Related FATVillage Manager, LLC	0.0100%
Member	Truist Community Capital LLC ("Truist")	99.9900%
Special Member	CDC Special Limited Partner L.L.C.	0.0000%
Note Purchaser	JPMorgan Chase ("Chase") (Construction)/Grandbridge Real Estate Capital, LLC ("Grandbridge")(Permanent) and Freddie Mac	
Developer:	Related FATVillage Developer, LLC	
General Contractor 1:	Fortune Related Construction LLC	
Management Company:	TRG Management Company LLP	
Syndicator:	Truist	
Note Issuer:	Housing Finance Authority of Broward County ("HFABC")	
Architect:	Cohen, Freedman Encinosa & Associates - Architects, P.A.	
Market Study Provider:	Meridian Appraisal Group, Inc. ("Meridian")	
Appraiser:	Walter Duke and Associates ("Walter Duke")	

PERMANENT FINANCING INFORMATION

	1st Source	2nd Source	3rd Source
Lien Position	First	Second	Third
Lender/Grantor	HFABC/JPMorgan Chase Bank N/A ("Chase")/Grandbridge/Freddie Mac	Broward County	City of Fort Lauderdale
Amount	\$37,470,000	\$2,500,000	\$2,500,000
Underwritten Interest Rate	5.40%	0.00%	0.00%
All In Interest Rate	5.40%	0.00%	0.00%
Loan Term	15	30	30
Amortization	35	0	0
Market Rate/Market Financing LTV	37%	40%	42%
Restricted Market Financing LTV	51%	54%	58%
Loan to Cost - Cumulative	55%	58%	62%
Debt Service Coverage	1.24	1.24	1.24
Operating Deficit & Debt Service Reserves	\$437,862		
# of Months covered by the Reserves	1.3		

Deferred Developer Fee	\$9,849,520
As-Is Land Value	\$4,670,000
Market Rent/Market Financing Stabilized Value	\$101,100,000
Rent Restricted Market Financing Stabilized Value	\$73,600,000
Projected Net Operating Income (NOI) - Year 1	\$3,045,548
Projected Net Operating Income (NOI) - 15 Year	\$3,726,021
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Note Structure	Private Placement
Housing Credit (HC) Syndication Price	\$0.92
HC Annual Allocation - Equity Letter of Interest	\$484,566

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Local HFA Note	HFABC/JPMorgan Chase Bank NA ("Chase")/Grandbridge/ Freddie Mac	\$38,900,000	\$37,470,000	\$192,154
Local Government Subsidy	Broward County	\$2,500,000	\$2,500,000	\$12,821
Local Government Subsidy	City of Fort Lauderdale	\$2,500,000	\$2,500,000	\$12,821
Affiliate / Principal	Related FATVillage Manager, LLC	\$11,619,995	\$11,619,995	\$59,590
HC Equity	Truist Community Capital, LLC	\$2,228,780	\$4,457,559	\$22,859
Deferred Developer Fee	Related FATVillage Developer, LLC	\$10,210,437	\$9,849,520	\$50,510
Operating Deficit Reserve	N/A	\$437,862	\$0	\$0
TOTAL		\$68,397,074	\$68,397,074	\$350,754

Strengths:

1. The Principals, and Development Team, as well as the General Contractor, and Management Group are experienced in this field.
2. Meridian concluded to a capture rate of 2.7% for the 50% Area Median Income (“AMI”) set-aside units and 4.9% for the 120% AMI set aside units.

Other Concerns:

1. None

Mitigating Factors:

1. None

Additional Information:

1. The Applicant has applied to Grandbridge to provide permanent funding (“Funding Loan”) pursuant to the Freddie Mac Tax-Exempt Loan Program. The Funding Loan is requested pursuant to any Federal, State or Local requirements concerning the proposed tax-exempt private activity allocation and/or Low-Income Housing Tax Credit requirements. The Funding Loan will be originated by Chase on behalf of HFABC (“Government Lender”) for subsequent purchase by and delivery to Freddie Mac, shortly after conversion. The proceeds of the Funding Loan will be used by HFABC to fund a mortgage loan with matching economic terms (“Project Loan”) to the Applicant to finance the construction and permanent financing of the Development. The Funding Loan

will be a non-recourse obligation of HFABC secured solely by receipts and revenues from the Project Loan and the collateral pledged (including a first mortgage lien with respect to the Development). Under the MMRN structure, the Funding Loan replaces the purchase by Freddie Mac of the tax-exempt bonds.

2. The Development will have 2,500 square feet of ground floor retail space available for lease. At this time it is unknown what tenants will be occupying the space.

Recommendation:

First Housing recommends a Tax-Exempt MMRN in the amount of \$38,900,000 to finance the construction and permanent financing of the Development.

This Recommendation is based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section B). This Recommendation is conditioned upon the following:

1. First Housing recommends that the loan documents be compared to the CUR in order to verify loan terms and equity payments prior to closing.
2. Receipt of an executed Final Management Agreement with terms consistent with this report.
3. Receipt and review of a Final Plan and Cost Analysis (“PCA”) and ADA Consultant Form 128.
4. Receipt of Final Ground Lease with all amendments.
5. Verification of loan terms for County and City Loans consistent with terms used in this report.
6. Receipt of updated financials for PRH Investments, LLC and receipt of Nicholas Perez’s 2021 Tax Return.
7. Receipt of updated Letter of Intent for Affiliate Equity in the amount of \$11,619,995.

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

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 First Housing in this report, in part, rely upon assumptions made by third-party reports that are unable to predict the impacts of the virus.

The reader is cautioned to refer to these sections for complete information.

Prepared by:

Reviewed by:

Draft

Draft

Eileen Jones-Yarish
Senior Credit Underwriter

Edward Busansky
Senior Vice President

OVERVIEW

Construction Financing Sources:

Construction Sources	Lender	Application	Revised Applicant	Underwriter	Construction Interest Rate	Annual Construction Debt Service
Local HFA Note	HFABC/Chase	\$41,850,000	\$38,900,000	\$38,900,000	5.80%	\$2,256,200
Local Government Subsidy	Broward County	\$1,024,054	\$2,500,000	\$2,500,000	0.00%	\$0
Local Government Subsidy	City of Fort Lauderdale Related FATVillage Manager, LLC	\$764,789	\$2,500,000	\$2,500,000	0.00%	\$0
Affiliate / Principal	Truist Community Capital, LLC	\$0	\$10,700,000	\$11,619,995	N/A	N/A
HC Equity	Related FATVillage Developer, LLC	\$1,692,154	\$2,321,155	\$2,228,780	N/A	N/A
Deferred Developer Fee		\$7,853,829	\$9,646,676	\$10,210,437	N/A	N/A
Operating Deficit Reserve	N/A	\$0	\$0	\$437,862	N/A	N/A
Total		\$53,184,826	\$66,567,831	\$68,397,074		\$2,256,200

Tax Exempt Construction Loan:

First Housing reviewed a term sheet, dated July 18, 2022, from Chase indicating they would purchase a tax exempt note in the amount of \$38,900,000. The construction loan will have a term of 42 months with one, conditional, six-month extension for a fee of 0.125%. The construction loan interest rate will be a floating rate based on One-Month Adjusted Term Secured Overnight Financing Rate (“SOFR”) plus a 2.00% spread. The construction loan is based on an SOFR rate of 2.2998%, as of August 18, 2022, plus a 2.00% spread and an underwriting cushion of 1.50% for an all-in rate of 5.80%.

The Annual HFABC Issuer Fee of 18 basis points (“bp”) of the amount of the outstanding Note and the annual Fiscal Financial Agent Fee of \$3,750 have been included in the Uses section of the report.

Broward County Loan:

According to a letter from the Broward County Housing Finance Authority, dated August 10, 2022, Broward County will provide gap financing of up to \$2,500,000 for a term of 30 years. The interest rate will be 0% payable upon maturity of the loan or upon sale of refinancing of the project, subject to the discretion of Broward County. Verification of loan terms is a condition of this report.

City of Fort Lauderdale Loan:

According to the Applicant, a loan from the City of Fort Lauderdale in the amount of \$2,500,000 for a term of 30 years at a 0% interest rate. No source document was available at the time of this CUR. This Loan will be subordinated to the First Mortgage. Verification of loan terms is a condition of this report.

Affiliate Equity:

First Housing reviewed a Letter of Intent, dated August 9, 2022, between Related FATVillage Manager, LLC (“Investor”) and Related FATVillage, LLC (“Beneficiary”). The equity contribution is in an amount up to \$11,000,000. Equity will be repaid as a priority payment after the payment of deferred developer fees. In order to balance the Sources and Uses of funds, the Applicant will need to increase the equity contribution to \$11,619,995. Receipt of an updated letter is a condition of this report.

Housing Credit Equity:

First Housing reviewed a Letter of Intent (“LOI”) dated, August 24, 2022, indicating Truist will acquire 99.99% ownership interest in the Applicant. The syndication rate is anticipated to be \$0.92 per dollar. Truist anticipates a net capital contribution of \$4,457,559 and has committed to make available 50% or \$2,228,780 of the total net equity during the construction period. An additional \$2,228,779 will be available at completion and Form 8609. The first installment, in the amount of \$891,512 or 20%, meets the FHFC’s requirement that at least 15% of the total equity must be contributed at or prior to the closing.

Deferred Operating Deficit Reserves (“ODR”)

Based on the LOI, dated August 24, 2022, from Truist the ODR will be funded from the third capital contribution, which is after the construction completion.

Deferred Developer Fee:

In order to balance the sources and uses of funds during the construction period, the Developer is required to defer \$10,210,437 or 100% of allowable Developer Fee during construction.

Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
Local HFA Note	HFABC/Grandbridge/Freddie Mac	\$41,850,000	\$37,470,000	\$37,470,000	15	35	5.40%	\$2,385,256
Local Government Subsidy	Broward County	\$96,688	\$2,500,000	\$2,500,000	30	0	0.00%	\$0
Local Government Subsidy	City of Fort Lauderdale	\$0	\$2,500,000	\$2,500,000	30	0	0.00%	\$0
Affiliate / Principal	Related FATVillage Manager, LLC	\$0	\$10,700,000	\$11,619,995	N/A	N/A	N/A	N/A
HC Equity	Truist Community Capital, LLC	\$3,384,309	\$4,642,310	\$4,457,559	N/A	N/A	N/A	N/A
Deferred Developer Fee	Related FATVillage Developer, LLC	\$7,853,829	\$8,755,521	\$9,849,520	N/A	N/A	N/A	N/A
Total		\$53,184,826	\$66,567,831	\$68,397,074				\$2,385,256

First Mortgage:

First Housing has reviewed an application letter from Grandbridge, dated August 10, 2022, to provide a permanent loan through the Freddie Mac Tax-Exempt Loan Program. The Loan amount is up to \$37,470,000 and has a term of 15 years with a 35-year amortization period. The estimated interest rate is based on 228 bp over the 10-year U.S. Treasury Security. For purposes of the credit underwriting, First Housing has used the 10-year U.S. Treasury Security rate of 3.12%, as of August 30, 2022, plus 228 bp spread for an all-in interest rate of 5.40% during the permanent period.

Annual fees related to the Note include; an annual Fiscal Agent fee of \$3,750. The Issuer Fee is based on 18bp until the Note is paid in full at which time the fee will be \$25 per unit per year for the remaining qualified period.

Broward County Loan:

According to a letter from the Broward County Housing Finance Authority, dated August 10, 2022, Broward County will provide gap financing of up to \$2,500,000 for a term of 30 years. The interest rate will be 0% payable upon maturity of the loan or upon sale or refinancing of the project, subject to the discretion of Broward County. Verification of loan terms is a condition of this report.

City of Fort Lauderdale Loan:

According to the Applicant, a loan from the City of Fort Lauderdale in the amount of \$2,500,000 for a term of 30 years, at a 0% interest rate. No source document was available at the time of this CUR. This Loan will be subordinated to the First Mortgage. Verification of loan terms is a condition of this report.

Affiliate Equity:

First Housing reviewed a Letter of Intent, dated August 9, 2022 between Related FATVillage Manager, LLC (“Investor”) and Related FATVillage, LLC (“Beneficiary”). The equity contribution is in an amount up to \$11,000,000. Equity will be repaid as a priority payment after the payment of deferred developer fees. In order to balance the Sources and Uses of funds, the Applicant will need to increase the equity contribution to \$11,619,995. Receipt of an updated letter is a condition of this report.

Housing Credit Equity:

First Housing reviewed a LOI, dated August 24, 2022, which indicates that Truist will be admitted as the Investor Member with 99.99% ownership interest. Based on a syndication rate of \$0.92 for each \$1.00, Truist anticipates a net capital contribution of \$4,457,559 paid in of four (4) installments, as follow;

Syndication Contributions

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$891,512	20.00%	Will be paid at closing which shall be predicated upon admission of the Investor and Special Member to the Partnership, the closing and initial funding of the loans, and receipt and approval of all due diligence requested by Truist including, without limitation, evidence of the Project's eligibility for LIHTC. In the event that any portion of Capital Contribution #1 is not needed at closing, the excess will be disbursed via a monthly draw process.
2nd Installment	\$1,337,268	30.00%	Will be paid upon 75% completion as evidenced by an architect's certification that the Project has reached the stated completion in accordance with the plans and specifications and has incurred the stated percentage of hard costs, as confirmed by Truist's construction inspector.

3rd Installment	\$2,028,779	45.51%	Will be paid upon the latest to occur of 1) 100% completion (as certified by the architect and confirmed by Truist's construction inspector), 2) receipt of all requisite certificates of occupancy, 3) receipt of a satisfactory ALTA as-built survey, 4) satisfactory radon testing, 5) evidence that the Partnership has submitted a complete application for IRS Forms 8608, 6) receipt of a copy of the final cost certification prepared by the accountants including an opinion that not less than 50% of the aggregate basis of the building and land was financed with the proceeds of tax-exempt and determination of the amount of LIHTC, 7) occupancy of 93% of the units by qualified tenants (the "Qualified Occupancy Date"), 8) final closing which is inclusive of, as applicable, achievement of construction completion, repayment of construction financing in full, permanent loan closing/conversion, permanent COs, final lien waivers, cost certification, payment of all development costs, and funding of all required reserves ("Final Closing"), and 9) achievement of a debt service coverage ratio of 115% for each of three (3) consecutive calendar months immediately preceding Final Closing based on the higher of actual or underwritten expenses (as adjusted for the actual costs of insurance and taxes) and assuming a vacancy rate of equal to the greater of 7% or the actual vacancy rate (the "Stabilization Date"). This Capital Contribution #3 is sometimes referred to herein as the "Stabilization Installment". A portion of this capital contributing will be used to pay down the outstanding Construction Loan.
4th Installment	\$200,000	4.49%	Upon the later to occur of: 1) receipt of properly completed and signed IRS Forms 8609 for all buildings in the Project and 2) recording of an "extended low-income housing commitment".
Total	\$4,457,559	100.00%	

Annual Credit Per Syndication Agreement	\$484,566
Calculated HC Exchange Rate	\$0.92
Limited Partner Ownership Percentage	99.99%
Proceeds Available During Construction	\$2,228,780

Deferred Developer Fee:

In order to balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$9,849,520 or approximately 96.47% of the total Developer Fee of \$10,210,437.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
New Rental Units	\$25,815,125	\$33,263,659	\$33,263,659	\$170,583
Off-Site Work	\$3,920,000	\$4,900,000	\$4,900,000	\$25,128
Constr. Contr. Costs subject to GC Fee	\$29,735,125	\$38,163,659	\$38,163,659	\$195,711
General Conditions	\$1,784,108	\$2,289,820	\$2,289,820	\$11,743
Overhead	\$594,703	\$763,273	\$763,272	\$3,914
Profit	\$1,784,108	\$2,289,820	\$2,289,820	\$11,743
Total Construction Contract/Costs	\$33,898,044	\$43,506,572	\$43,506,571	\$223,111
Hard Cost Contingency	\$1,694,902	\$2,175,329	\$2,175,328	\$11,156
PnP Bond paid outside Constr. Contr.	\$211,244	\$326,299	\$211,244	\$1,083
FF&E paid outside Constr. Contr.	\$250,000	\$250,000	\$250,000	\$1,282
Other: GC Liability Insurance	\$80,000	\$80,000	\$80,000	\$410
Total Construction Costs:	\$36,134,190	\$46,338,200	\$46,223,143	\$237,042

Notes to Construction Costs:

1. The Applicant has provided an executed construction contract, dated August 24, 2022 with a total amount of \$43,506,571. This is a Standard Form of Agreement between Related FATVillage, LLC (“Owner”) and Fortune Related Construction LLC (“Contractor”) where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price. Per the contract, substantial completion is to be achieved by no later than 22 months (670 calendar days) from the date of commencement. The Contract specifies retainage of 10% until 50% complete at which time the retainage may be reduced to 5%.
2. The General Contractor’s Fee is equal to 14% of hard costs less the hard costs contingency. 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.
3. Hard cost contingency is 5% of total construction costs, which is the maximum allowed for new construction developments.
4. The Applicant has budgeted for the cost of a Payment and Performance Bond to secure the construction contract.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Accounting Fees	\$50,000	\$50,000	\$50,000	\$256
Appraisal	\$15,000	\$15,000	\$15,000	\$77
Architect's Fee - Site/Building Design	\$682,500	\$807,500	\$807,500	\$4,141
Architect's Fee - Supervision	\$195,000	\$142,500	\$142,500	\$731
Building Permits	\$520,365	\$667,864	\$667,864	\$3,425
Builder's Risk Insurance	\$272,508	\$349,752	\$349,752	\$1,794
Engineering Fees	\$100,000	\$100,000	\$100,000	\$513
Environmental Report	\$20,000	\$20,000	\$20,000	\$103
FHFC Administrative Fees	\$35,837	\$45,418	\$43,611	\$224
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$15
FHFC Credit Underwriting Fee	\$0	\$13,455	\$13,455	\$69
FHFC Compliance Fee	\$107,000	\$107,000	\$122,414	\$628
Impact Fee	\$585,000	\$585,000	\$585,000	\$3,000
Lender Inspection Fees / Const Admin	\$45,000	\$45,000	\$45,000	\$231
Green Building Cert. (LEED, FGBC, NAHB)	\$50,000	\$50,000	\$50,000	\$256
Insurance	\$338,980	\$543,832	\$543,832	\$2,789
Legal Fees - Organizational Costs	\$295,000	\$405,000	\$405,000	\$2,077
Market Study	\$15,000	\$15,000	\$10,400	\$53
Marketing and Advertising	\$250,000	\$250,000	\$250,000	\$1,282
Plan and Cost Review Analysis	\$15,000	\$15,000	\$4,400	\$23
Survey	\$35,000	\$35,000	\$35,000	\$179
Title Insurance and Recording Fees	\$40,925	\$286,227	\$286,227	\$1,468
Utility Connection Fees	\$390,000	\$390,000	\$390,000	\$2,000
Soft Cost Contingency	\$218,681	\$252,699	\$246,997	\$1,267
Total General Development Costs:	\$4,279,796	\$5,194,247	\$5,186,952	\$26,600

Notes to the General Development Costs:

1. General Development Costs are the Applicant's updated estimates, which appear reasonable.
2. First Housing has utilized actual costs for: FHFC Credit Underwriting, Market Study, and Plan and Cost Review ("PCR").
3. The FHFC Compliance Fee of \$122,414 is based on the compliance fee calculator spread sheet provided by FHFC.
4. The FHFC Administrative Fee is based on 9% of the expected annual housing credit allocation.
5. First Housing adjusted the Soft Cost Contingency to be 5% of the General Development Costs less the soft cost contingency.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Construction Loan Origination Fee	\$313,875	\$291,750	\$194,500	\$997
Construction Loan Interest	\$1,506,600	\$2,248,200	\$3,790,416	\$19,438
Permanent Loan Application Fee	\$41,850	\$37,470	\$0	\$0
Permanent Loan Commitment Fee	\$242,610	\$187,350	\$131,145	\$673
Permanent Loan Origination Fee	\$390,200	\$302,485	\$281,025	\$1,441
Local HFA Note Application Fee	\$500	\$500	\$500	\$3
Local HFA Note Underwriting Fee	\$30,000	\$16,545	\$16,009	\$82
Local HFA Note Origination Fee	\$418,500	\$0	\$0	\$0
Local HFA Note Fiscal Agent Fee	\$0	\$30,000	\$25,375	\$130
Local HFA Note Cost of Issuance	\$298,412	\$171,360	\$219,500	\$1,126
Local HFA Legal - Issuer's Counsel	\$120,000	\$145,000	\$98,625	\$506
Local HFA Legal - Lender's Counsel	\$122,500	\$192,500	\$192,500	\$987
Placement Agent/Underwriter Fee	\$30,000	\$30,000	\$35,000	\$179
Other: Annual Administrative Fee	\$0	\$0	\$236,061	\$1,211
Other: Local HFA Financial Advisor	\$30,000	\$30,000	\$43,900	\$225
Other: Syndicator Due Diligence	\$50,000	\$50,000	\$50,000	\$256
Total Financial Costs:	\$3,595,047	\$3,733,160	\$5,314,556	\$27,254
Dev. Costs before Acq., Dev. Fee & Reserves	\$44,009,033	\$55,265,607	\$56,724,651	\$290,896

Notes to the Financial Costs:

1. The Construction Loan Origination Fee is based on 0.50% of the construction loan amount according to the Chase term sheet, dated July 18, 2022.
2. First Housing's estimated Construction Loan Interest is based on an interest rate of 5.80%, a 3-year term, and an average outstanding loan balance of 56%, for a total of \$3,790,416.
3. Permanent Loan Commitment Fee is based on 0.10% of the loan amount per year for the period of the construction term as outlined in the letter from Grandbridge, dated August 10, 2022.
4. Permanent Loan Origination Fee is based on the 0.75% of the Loan amount as outlined in the letter from Grandbridge, dated August 10, 2022.
5. First Housing included an Annual Issuer Fee of 0.18% of the MMRN, for 3.5 years.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Total Non-Land Acquisition Costs:	\$0	\$0	\$0	\$0

Notes to the Non-Land Acquisition Costs:

1. The Development is new construction, non-land acquisition costs do not apply.

DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Developer Fee - Unapportioned	\$7,853,829	\$9,857,170	\$10,210,437	\$52,361
Total Other Development Costs:	\$7,853,829	\$9,857,170	\$10,210,437	\$52,361

Notes to the Other Development Costs:

1. The recommended Developer's Fee is equal to the maximum 18% of total development cost before developer fee, operating reserves and land costs.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Land Lease Payment	\$300,000	\$300,000	\$300,000	\$1,538
Other: predevelopment Lease Payment	\$0	\$150,000	\$150,000	\$769
Total Acquisition Costs:	\$300,000	\$450,000	\$450,000	\$2,308

Notes to the Land Acquisition Costs:

1. First Housing reviewed a Ground Lease, dated December 12, 2017 between Broward County, (“Landlord”) and Related FATVillage, LLC (“Tenant”). A non-refundable \$25,000 plus an additional \$275,000 shall be required as an initial capital lease payment. The Ground Lease will be for a period of 60 years commencing on the lease date. Tenant shall make an Annual Base Rent payment of \$25,000. A First Amendment to Ground Lease Agreement was reviewed, dated February 11, 2020 extending the terms of the lease from 60 years to 75 years. A Second Amendment to Ground Lease Agreement was reviewed, dated December 29, 2020 extending the deadline for the Commencement Date until March 31, 2021. A Third Amendment to Ground Lease Agreement was reviewed, dated October 12, 2021 extending the deadline for the Commencement Date until June 30, 2022. A modification is in process extending the closing requirement to October 31, 2022. The base rent payment of \$100,000 per annum, increasing 3% each year, will become payable out of available cash flow after the payment of debt service under the first mortgage. Any base payments, or portion thereof, not made each year will be added to the base payments due the following year but will remain payable out of available cash flow. The additional rent payment of 25% of net cash flow payable each year, less the base rent payment will not be due until the partnership equity contributed to capitalize the deal has been repaid in full. This does not apply to the tax credit equity

contributions. All deferred developer fees paid will be treated as repayment of equity.

2. Predevelopment Lease Payment of \$150,000 is comprised of lease payments of \$50,000 to be made for the 3 years through stabilization.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Operating Deficit Reserve (Syndicator)	\$514,789	\$420,930	\$437,862	\$2,245
Replacement Reserves (Syndicator)	\$58,500	\$58,500	\$58,500	\$300
Reserves - Working Capital	\$250,000	\$250,000	\$250,000	\$1,282
Other: Tax and Insurance Escrow	\$198,675	\$265,624	\$265,624	\$1,362
Total Reserve Accounts:	\$1,021,964	\$995,054	\$1,011,986	\$5,190

Notes to Reserve Accounts:

1. According to the LOI, dated August 24, 2022 from Truist the syndicator will be requiring an ODR in the amount of \$437,862 to be funded from the third capital contribution. At the end of the Compliance Period, any remaining balance of the Operating Reserve 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 HFABC debt; if there is no HFABC loan debt on the proposed Development at the end of the Compliance Period, any remaining balance shall be used to pay any outstanding HFABC fees. If any balance is remaining in the Operating Reserve 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 Accounts cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in the Rule. Any and all terms and conditions of the Operating Reserve must be acceptable to HFABC, its Servicer and its legal counsel.
2. A lease up reserve was budgeted by the Developer to cover operating cash flow shortfalls during lease-up.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
TOTAL DEVELOPMENT COSTS:	\$53,184,826	\$66,567,831	\$68,397,074	\$350,754

Notes to Total Development Costs:

1. Total Development Costs have increased a total of \$15,212,248 from \$53,184,826 to \$68,397,074 or 28.6% since the Application. This change is mainly due to an increase construction costs and financial costs.

Operating Pro Forma - The Gallery at FATVillage

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			\$4,755,264	\$24,386
	Other Income				
	Ancillary Income			\$117,600	\$603
	Miscellaneous			\$127,458	\$654
	Gross Potential Income			\$5,000,322	\$25,643
	Less:				
	Physical Vac. Loss		Percentage: 4.00%	\$200,013	\$1,026
	Collection Loss		Percentage: 1.00%	\$50,003	\$256
	Total Effective Gross Income			\$4,750,306	\$24,361
EXPENSES:	Real Estate Taxes			\$539,646	\$2,767
	Insurance			\$234,000	\$1,200
	Variable:				
	Management Fee		Percentage: 4.00%	\$190,012	\$974
	General and Administrative			\$68,300	\$350
	Payroll Expenses			\$273,000	\$1,400
	Utilities			\$78,000	\$400
	Marketing and Advertising			\$97,500	\$500
	Maintenance and Repairs/Pest Control			\$165,800	\$850
	Reserve for Replacements			\$58,500	\$300
Total Expenses			\$1,704,758	\$8,742	
Net Operating Income			\$3,045,548	\$15,618	
Debt Service Payments					
First Mortgage -HFABC/ Grandbridge/Freddie Mac			\$2,385,256	\$12,232	
Second Mortgage - Broward County			\$0	\$0	
Third Mortgage - City of Fort Lauderdale			\$0	\$0	
First Mortgage Fees -HFABC/Grandbridge/Freddie Mac			\$70,837	\$363	
Total Debt Service Payments			\$2,456,093	\$12,595	
Cash Flow after Debt Service			\$589,454	\$3,023	
Debt Service Coverage Ratios					
DSC - First Mortgage plus Fees			1.24x		
DSC - Second Mortgage plus Fees			1.24x		
DSC - Third Mortgage plus Fees			1.24x		
Financial Ratios					
Operating Expense Ratio			35.89%		
Break-even Economic Occupancy Ratio (all debt)			83.41%		

*Ground lease payments have not been added to the proforma as rent payments are payable out of available after the payment of debt service under the first mortgage. Any base payments, or portion thereof, not made each year will be added to the base payments due the following year but will remain payable out of available cash flow. The additional rent payment of 25% of net cash flow payable each year, less the base rent payment will not be due until the partnership equity

contributed to capitalize the deal has been repaid in full. This does not apply to the tax credit equity contributions. All deferred developer fees paid will be treated as repayment of equity.

Notes to the Operating Pro Forma and Ratios:

- Below is the rent roll for the Development. The rent levels are based on the 2022 maximum LIHTC rents published on FHFC’s website for Broward County less the applicable utility allowances. Utility allowances are subject to FHFC approval. Below is the rent roll for the Development:

Broward County (Fort Lauderdale HMFA)

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
0	1.0	7	502	50%			\$793	\$50	\$ 743		\$ 743	\$ 743	\$ 743	\$ 62,412
0	1.0	26	502	120%			\$1,905		\$ 1,905		\$ 1,904	\$ 1,905	\$ 1,905	\$ 594,360
0	1.0	3	502	MKT							\$ 2,000	\$ 2,000	\$ 2,000	\$ 72,000
1	1.0	21	675	50%			\$850	\$66	\$ 784		\$ 784	\$ 784	\$ 784	\$ 197,568
1	1.0	60	675	120%			\$2,041		\$ 2,041		\$ 2,040	\$ 2,041	\$ 2,041	\$ 1,469,520
1	1.0	22	675	MKT							\$ 2,600	\$ 2,600	\$ 2,600	\$ 686,400
2	2.0	11	1,074	50%			\$1,021	\$99	\$ 922		\$ 921	\$ 922	\$ 922	\$ 121,704
2	2.0	25	1,074	120%			\$2,451		\$ 2,451		\$ 2,449	\$ 2,451	\$ 2,451	\$ 735,300
2	2.0	20	1,074	MKT							\$ 3,400	\$ 3,400	\$ 3,400	\$ 816,000
		195	147,741											\$ 4,755,264

- First Housing has included vacancy and collection loss at a total of 5.00%, which is more conservative than the Appraisal which used a vacancy and collection loss rate of 4.5%
- The Ancillary Income category includes parking of \$117,600 (98 spaces at \$100 per month) and Miscellaneous Income includes application fees, storage rental, cable, telephone, late fees, damage income, cancellation fees, bad debt recoveries, pet fees, and NSF fees. Also included in Miscellaneous income is \$50,000 for retail income, which equates to \$20.00 per square foot (2,500 square foot of ground floor retail space).
- Based upon operating data from comparable properties, third-party reports (Market Study) and the Credit Underwriter's independent due diligence, First Housing represents that, in its professional opinion, estimates for Rental Income, Vacancy, Other Income, and Operating Expenses fall within a band of reasonableness.
- The Applicant has submitted a draft Property Management Agreement, which reflects a management fee of 3% with a minimum of \$5,000 per month. Additionally, a compliance reporting fee of \$5 per unit per month will be paid from available cash flow. First Housing has based the management fee on 4% which is supported by the Appraisal.

6. The Owner will be responsible for common area electric, water, sewer and trash collection, with tenants responsible for in-unit electric and cable.
7. Replacement Reserves of \$300 per unit per year are required by FHFC. Based on the LOI, dated August 24, 2022 from Truist the replacement reserve deposits will increase at 3% annually.
8. First Mortgage Fees include Issuer Fee of 18bp of the principal balance of the Note and a Fiscal Agent Fee of \$3,750.
9. Refer to Exhibit 1, Page 1 for a 15-Year Pro Forma, which reflects rental income increasing at an annual rate of 2%, and expenses increasing at an annual rate of 3%.

Section B

Supporting Information & Schedules

Additional Development & Third Party Supplemental Information

Site Inspection: First Housing completed a site inspection on April 29, 2022. The Development is surrounded by apartments. The Development is located on the east side of North Andrews Avenue, the north side of NE 6th Street, and the west side of NE 1st Avenue. The Development is located within close proximity to the downtown Fort Lauderdale with access to roads and commercial services.

Appraisal: First Housing has reviewed an Appraisal Report for the Development, dated August 11, 2022, with an effective date of August 8, 2022. The Appraisal was prepared by Walter Duke. Based on the report, the Market Value (“As Is”) leasehold value was \$4,670,000. The hypothetical leasehold market value “As If Stabilized” as is market is \$101,100,000. The hypothetical leasehold market value “As If Stabilized” restricted is \$73,600,000. The Appraisal was executed by Walter Bryan Duke, III State Certified General Real Estate Appraiser Florida License Number RZ375, which expires November 30, 2022.

Market Study: Meridian prepared a Market Study for The Gallery at FATVillage, dated July 6, 2022. Upon completion, the Development will offer one hundred and ninety-five (195) apartment units within one 12 story apartment building with structured garage parking. The proposed Development will be on a 1.171-acre site. Unit amenities will include full appliance package with stainless steel appliances, balconies and high-speed internet. Common area amenities will include swimming pool, gym, sun deck, gathering room, elevators, and leasing offices. The unit mix is typical of other recently constructed affordable high rise towers. The development will offer a competitive mix of project and unit amenities and should be well received in the market.

The Development is located at 600 North Andrews Avenue, Fort Lauderdale, Broward County, Florida. The Development has access from one point along the north side of NE 6th Street. The Development has frontage along the east side of North Andrews Avenue and the north side of NE 6th Street and the west side of NE 1st Avenue. The layout of the site and improvements provide for good access and visibility and is well suited for multi-family development.

The Development’s site is located in Broward County in the South

Florida Regional Area in the southern portion of Florida. The region has a total population of 6,302,266 people, 2,364,010 total households and has an average household size of 2.63 people. The region is comprised of the City of Fort Lauderdale Apartment Market and has a total a 2022 population of 149,417 with 67,599 households and an average household size of 2.16 people. The average household income is \$109,152. As of July 2022, the unemployment rate was 3.5% for the nation, 2.7% in Florida, and 2.9% in Broward County.

The Region is served by three international airports, the Miami International Airport located in Miami/Dade County, the Palm Beach County and the Fort Lauderdale/Hollywood International Airport in Broward County and Miami International Airport located in Palm Beach County. The region also has three ports including the Port of Miami, the Port of Palm Beach and Port Everglades next to the Fort Lauderdale/Hollywood International Airport.

The Fort Lauderdale multi-family vacancy rate has trended lower over the past few quarters, as demand has surged throughout the region. The Central Fort Lauderdale apartment submarket has improved dramatically over the past few quarters.

The Development is located in downtown Fort Lauderdale with an excellent network of roads and commercial services. Employment centers are nearby, and significant development has been recently completed, under construction and proposed within the neighborhood. Throughout the neighborhood is Interstate 95 a 10 lane divided highway with interchanges at Interstate 595, Sterling Road, Sheridan Street, Hollywood Pines Boulevard and Pembroke Road. Surrounding development including multifamily uses, primarily low-income housing for senior and family residents.

The Primary Market Area (“PMA”) is defined as a 10-mile radius surrounding the Development. The Market Analyst surveyed and analyzed both family LIHTC developments and market rate developments.

The Development’s CMA, or sub-market, for the purpose of determining a like-kind inventory of competitive units in the Occupancy Analysis, consists of six like-kind existing properties with a total of 836 units. These properties are Progresso Point, Wisdom

Village Crossing, Eclipse West, Dixie Court, Northwest Gardens III and Venice Cove. Meridian is of the opinion that due to the current occupancy rates and shadow market supply from condo and single family rentals that demand in Broward County apartment market is limited to sub-markets with high occupancy rates. Occupancy rates in the like kind properties in the CMA ranged from 97% - 100%. The Development will offer a competitive mix of unit and project amenities and should be well received in the market.

The Development's Capture Rates ("CR") within a 3-mile radius for the 50% AMI income band is 2.7% and for the over 120% AMI it is 4.9%. The Development's 3-mile Capture Rates suggests the size of the Development is appropriate relative to the number of income-qualified renter households.

The Market Analyst anticipates an average absorption of 40 units per month. This equates to a total absorption period of approximately 4.9 months.

Meridian performed a search for Guarantee Funded developments. As of the effective date of the Market Study, there are no Guarantee Fund projects located within the PMA or CMA.

The weighted average occupancy within the Development's Competitive Market Area for like kind properties is 99.6%, which meets the FHFC requirement that the submarket must have an average physical occupancy rate of 92% or greater.

Based on FHDC's calculations, the Development's average market rents (according to the market study) will have a rent averaging 252% when compared to the Development's gross 60% AMI LIHTC rents.

Environmental Report: Global Realty Services Group ("GRS") prepared a Phase I Environmental Site Assessment ("ESA") dated August 8, 2022. The Phase I ESA was completed in conformance with the scope and limitations of ASTM Practice E 1527-13.

The ESA revealed no evidence of recognized environmental conditions in connection with the site. GRS did identify three monitoring wells in the southwest portion of the property. The wells appear to be temporary groundwater monitoring wells. GRS

recommends that these wells be abandoned. Per the Developer this will be done as part of construction.

Soil Test Report:

First Housing reviewed a Geotechnical Engineering Report, dated January 12, 2022 from NV5, Inc. for the foundation design and construction of The Gallery at FATVillage. The site will be developed with a mixed-use structure comprising a 12-level residential tower. The tower will be L-shaped and will rise above the podium along North Andrews Avenue and NE 6th Street for the entire length of those site borders, having a width of about 60 feet on both legs of the “L” shaped structure. No basements are planned for the project.

The subsurface conditions were explored with 15 engineering test borings performed in two mobilizations. Sampling was performed using a Standard Penetration Test split-spoon sampler (SPT) in accordance with ASTM D-1586. It was determined that the layers of sand were considered within the parameters pertinent to the design of project foundations.

The engineer recommended for footings in the northwestern and southwestern corners of the site, the treatment should extend to the top of the Layer 3 limestone, but should in no case be less than 43 feet below the currently existing grade. For the balance of the project, one probe should extend 43 feet for every isolated footing and one probe for every 50 linear feet of wall footing.

Footings should bear at a minimum depth of 24 inches below lowest adjacent grade. NV5 recommended performing a load test after VSC. The test should be performed in either the northwestern or southwestern corner of the site. The test footing should be at least 6 feet square, and should be tested to twice the allowable bearing capacity. The footing should not be installed in a production footing location. NV5 should review and approve the contractor’s load testing submittal with respect to test location, test footing installation, and load testing equipment and procedures. NV5 should also monitor and report the results of footing installation and load testing.

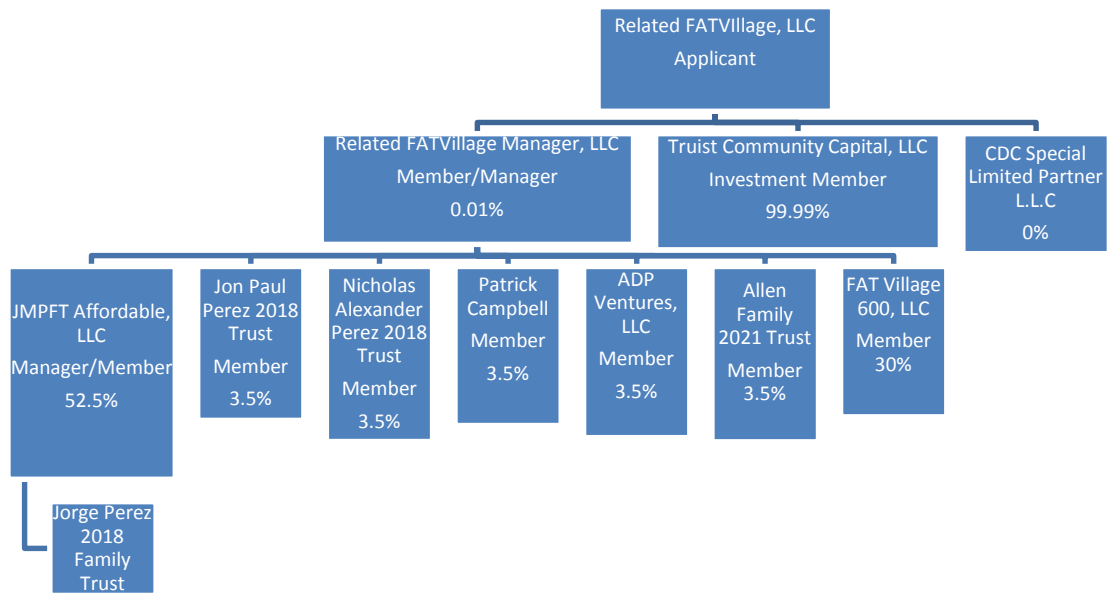
Plan and Cost Review: Pending receipt and review of report.

ADA Accessibility Executed Florida Housing Fair Housing, Section 504 and ADA
Review: Design Certification Forms 121, 126, certifying that the plans for the
Development comply with these requirements have been received.
Receipt of Form 128 is a condition of this report.

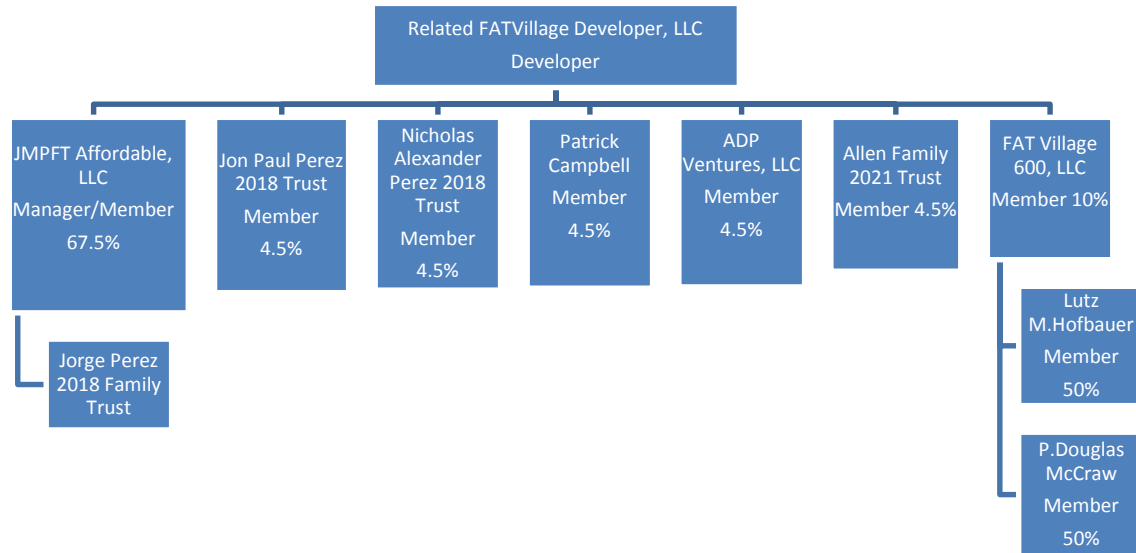
Applicant Information

Applicant: Related FATVillage, LLC
Type: A Florida Limited Liability Company
FEI#: 37-1833012

Ownership Structure:



Developer
Structure:



The Applicant was formed on July 20, 2016, to construct, own and operate the Development. First Housing verified that the Applicant and Manager have active status in Sunbiz. The Developer is Related FATVillage Developer, LLC.

Contact Person: Tony Del Pozzo
The Related Group
2850 Tigertail Avenue Suite 800
Miami, Florida 33133
(305) 460-9900 Telephone
tony@relatedgroup.com

Experience: The Applicant, Manager, and Developer were created to construct, own, and operate the Development, but have no development experience. The development experience lies within the principals of the Applicant/Developer.

The Related Group (“Related”) is one of the country’s premier multifamily real estate development firms. For more than 30 years, Related has created innovative residential developments that have dramatically changed Florida’s urban landscape. While The Related Group is best known for its luxury high-rise developments and

visionary mixed-use urban centers, the company has been at the forefront of affordable housing development and the revitalization of urban communities since its inception. Making his mark initially in the rehabilitation of multifamily properties in Little Havana and the HUD Section 8 programs, Mr. Perez and The Related Group went on to become one of the nation's leading developers of low income rental properties with financing attained through tax exempt bonds and low income housing tax credits. His attention to detail and commitment to creating quality living environments distinguished him within the marketplace. Through his ownership in Related Affordable Housing, The Related Companies of Florida and The Related Group of Florida, Mr. Perez has developed rehabilitated and managed over 15,000 affordable housing units in his illustrious career. Though he has been a successful developer of mixed-use and condominium developments, Mr. Perez never lost his passion to provide high quality affordable housing.

Prior to joining Related, Nicholas Perez lived in New York and spent eight years establishing his career in real estate development. From 2013-2017 he has been involved with the Related Companies where he focused on rental and condominium development across a wide spectrum of properties in the New York area including 261 Hudson and 15 Hudson Yards. Nicholas has been involved in all facets of the firm, including the condominium, international development, market-rate rental and affordable housing divisions. His responsibilities include overseeing the day-to-day operations of various marquee rental and condominium developments throughout South Florida, as well as working alongside senior executives to identify new business opportunities, partnerships, development techniques and more. In addition, Nicholas sits on the Executive Committee and takes part in its monthly board meetings at which various heads discuss all aspects of the company, including the 70+ projects currently under development worldwide.

Credit Evaluation: First Housing reviewed satisfactory Dun and Bradstreet (“D&B”) reports for PRH Investments, LLC, and JMPFT Affordable, LLC, dated March 10, 2022. First Housing also reviewed satisfactory D&B reports for Related FATVillage, LLC, Related FATVillage Developer, LLC and Related FATVillage Manager, LLC, dated May 4, 2022. First Housing reviewed a satisfactory D&B report for FATVillage 600, LLC, dated August 18, 2022.

First Housing reviewed a satisfactory credit report for Nicholas Perez, dated August 9, 2022.

Bank and Trade References: First Housing received statements indicating Related FATVillage, LLC, Related FATVillage Manager, LLC, Related FATVillage Developer, and FAT Village 600, LLC are single-purpose entities and at this time do not have any bank or trade references. First Housing received a statement that JMPFT Affordable, LLC is a newly formed entity and at this time does not have any bank or trade references.

Financial Statements
and Contingent
Liabilities:

The Applicant, Manager, Developer are all single purpose entities; therefore, tax returns and financials were not available. First Housing received a statement that JMPFT Affordable LLC is a newly formed entity and at this time does not have any financials or tax returns available. First Housing received a statement that FAT Village 600, LLC is a newly formed entity and at this time does not have any financials or tax returns available. First Housing received reviewed the following satisfactory financial statements:

PRH Investments, LLC and Subsidiaries Consolidated Statements of Financial Position Unaudited September 30, 2021	
Cash & Cash Equivalents	\$330,798,000
Total Assets	\$2,633,822,000
Total Liabilities	\$1,556,485,000
Total Equity	\$1,077,337,000

First Housing also received a statement, dated April 6, 2022, confirming that the financials dated September 30, 2021 for PRH Investments, LLC are the most recently prepared statements available. Additionally, the letter certifies that there have been no material adverse change in the condition of affairs of PRH Investments, LLC. First Housing received a statement indicating PRH Investments, LLC is a tax disregarded, as it is ultimately owned by Perez Ross Holdings LLC. Based on a schedule, dated as of September 30, 2021, PRH Investments, LLC has contingent liabilities in the amount of approximately \$663,797,632. Receipt of updated financials for PRH Investments, LLC is a condition of this report.

Nicholas Perez Unaudited Statement of Financial Condition June 30, 2022	
Cash	\$917,000
Total Assets	\$3,104,000
Total Liabilities	\$1,080,000
Total Equity	\$2,024,000

Summary:

First Housing received 2019 and 2020 tax returns for Nicholas Perez. Receipt of Mr. Perez's 2021 returns is a condition of this report.

Based upon its review of the Financial Statements, Schedule of Contingent Liabilities, and provided Real Estate Owned Schedules, First Housing concludes that the principals of the Applicant and Developer have the requisite financial strength to construct and operate the Development.

Syndication Information

Syndicator Name: Truist Community Capital, LLC

Contact Person: Lauren Kew
 Vice President
 303 Peachtree St. Suite 2200
 Atlanta, GA 30303
 (678) 793-6397 Telephone
Lauren.kew@truist.com

Experience: Truist is a wholly owned subsidiary of Truist Bank. Truist specializes in financing the development and preservation of affordable housing and community development initiatives. Truist works with for-profit and not-for-profit affordable housing developers and organizations focused on community development and job creation, as well as tax credit syndicators, community development entities, small business investment companies, housing authorities, housing finance agencies and other community improvement focused entities. The team of Truist bankers brings financial and industry expertise, along with the banking players of Truist Bank and its cash management solutions, capital markets advice and interest-rate-hedging.

Financial Statements: First Housing reviewed a Form 10-K for Truist Financial Corporation which is summarized below. Truist Community Capital, LLC is a subsidiary of Truist Financial Corporation.

Truist Financial Corporation and Subsidiaries Consolidated Balance Sheet (Dollars in millions) December 31, 2021	
Cash and Cash Equivalents	\$5,085
Total Assets	\$543,241
Total Liabilities	\$471,970
Equity	\$69,271

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

General Contractor Information

General Contractor: Fortune Related Construction, LLC

Type: A Florida Limited Liability Company

Contact: George Lage
(Florida Certified General Contractor
License Number CGC1531620, valid through August 31, 2024)
2850 Tigertail Avenue
Miami, Florida 33133
(305) 460-9900
George.lage@relatedgroup.com

Experience: Fortune Related Construction is a general contracting and construction management company that specializes in multifamily residential and mixed-use projects. Fortune Related Construction was formed in 2021 and is the successor entity to Fortune Construction Company (“Fortune”). The experience of this newly formed entity is based in Fortune Urban Construction which was established in December 1992 and has been involved with the development of more than 5,000 units throughout the State of Florida.

Credit Evaluation: A credit report has been received for Fortune Related Construction LLC, dated August 11, 2022, which shows a PAYDEX score of 50 for paying 30 days beyond terms.

Bank and Trade

References: First Housing has received a satisfactory bank statement for Fortune Related Construction LLC. Trade references were received for Fortune Urban Construction LLC.

Financial

Statements: First Housing has received and reviewed unaudited financial statements as summarized below. Receipt of updated financials is a condition of this report.

Fortune Construction Company LLP and Fortune Related Construction, LLC Combined Balance Sheet December 31, 2021	
Cash and Cash Equivalents	\$8,775,764
Total Assets	\$44,949,566
Total Liabilities	\$35,383,067
Total Equity	\$9,566,499

Summary:

FHDC recommends that Fortune Related Construction, LLC be accepted as the General Contractor for the construction of this Development based on its experience and financial strength. Additionally, a 100% Payment and Performance Bond will be provided.

Property Manager Information

Management Company:	TRG Management Company LLP
FEI:	65-0740253
Contact:	Marilyn Pascual Division President 2200 North Commerce Parkway, Suite 100 Weston, FL 33326 (305) 442-8628 Telephone Mpascual@relatedgroup.com
Experience:	<p>TRG was formed in 1984 to primarily manage various forms of multi-family housing. Since its inception, the company has been identified as a leader in the real estate management business in Florida having managed more than 70,000 units.</p> <p>Currently, TRG Management has more than 80 properties in the company's portfolio and has become a fully integrated organization. Efficient operational systems and a decentralized organizational structure allow for fast and efficient decision making with maximum upper management control. TRG's innovative management programs and effective support system have made the firm a recognized industry leader.</p>
Management Agreement:	Per a draft Management Agreement, a management fee of 3% per month with a minimum of \$5,000 will be collected. Additionally, a compliance reporting fee of \$5.00 per unit per month for affordable units (39) will also be collected. A final Management Agreement is required prior to closing.
Management Plan:	A Management Plan is required prior to closing.
Summary:	TRG Management has an acceptable amount of experience in the management of affordable multifamily housing.

15 Year Pro Forma – The Gallery at FATVillage

FINANCIAL COSTS:		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
OPERATING PRO FORMA																
Gross Potential Rental Income		\$4,755,264	\$4,850,369	\$4,947,377	\$5,046,324	\$5,147,251	\$5,250,196	\$5,355,200	\$5,462,304	\$5,571,550	\$5,682,981	\$5,796,640	\$5,912,573	\$6,030,825	\$6,151,441	\$6,274,470
Other Income																
INCOME:	Ancillary Income	\$117,600	\$119,952	\$122,351	\$124,798	\$127,294	\$129,840	\$132,437	\$135,085	\$137,787	\$140,543	\$143,354	\$146,221	\$149,145	\$152,128	\$155,171
	Miscellaneous	\$127,458	\$130,007	\$132,607	\$135,259	\$137,965	\$140,724	\$143,538	\$146,409	\$149,337	\$152,324	\$155,371	\$158,478	\$161,648	\$164,881	\$168,178
	Gross Potential Income	\$5,000,322	\$5,100,328	\$5,202,335	\$5,306,382	\$5,412,509	\$5,520,760	\$5,631,175	\$5,743,798	\$5,858,674	\$5,975,848	\$6,095,365	\$6,217,272	\$6,341,617	\$6,468,450	\$6,597,819
	Less:															
	Physical Vac. Loss Percentage: 4.00%	\$200,013	\$204,013	\$208,093	\$212,255	\$216,500	\$220,830	\$225,247	\$229,752	\$234,347	\$239,034	\$243,815	\$248,691	\$253,665	\$258,738	\$263,913
Collection Loss Percentage: 1.00%	\$50,003	\$51,003	\$52,023	\$53,064	\$54,125	\$55,208	\$56,312	\$57,438	\$58,587	\$59,758	\$60,954	\$62,173	\$63,416	\$64,685	\$65,978	
Total Effective Gross Income	\$4,750,306	\$4,845,312	\$4,942,218	\$5,041,063	\$5,141,884	\$5,244,722	\$5,349,616	\$5,456,608	\$5,565,740	\$5,677,055	\$5,790,596	\$5,906,408	\$6,024,536	\$6,145,027	\$6,267,928	
EXPENSES:																
Fixed:																
Real Estate Taxes		\$539,646	\$555,835	\$572,510	\$589,686	\$607,376	\$625,598	\$644,366	\$663,697	\$683,607	\$704,116	\$725,239	\$746,996	\$769,406	\$792,488	\$816,263
Insurance		\$234,000	\$241,020	\$248,251	\$255,698	\$263,369	\$271,270	\$279,408	\$287,790	\$296,424	\$305,317	\$314,476	\$323,911	\$333,628	\$343,637	\$353,946
Variable:																
Management Fee Percentage: 4.00%		\$190,012	\$193,812	\$197,689	\$201,643	\$205,675	\$209,789	\$213,985	\$218,264	\$222,630	\$227,082	\$231,624	\$236,256	\$240,981	\$245,801	\$250,717
General and Administrative		\$68,300	\$70,349	\$72,459	\$74,633	\$76,872	\$79,178	\$81,554	\$84,000	\$86,520	\$89,116	\$91,789	\$94,543	\$97,379	\$100,301	\$103,310
Payroll Expenses		\$273,000	\$281,190	\$289,626	\$298,314	\$307,264	\$316,482	\$325,976	\$335,756	\$345,828	\$356,203	\$366,889	\$377,896	\$389,233	\$400,910	\$412,937
Utilities		\$78,000	\$80,340	\$82,750	\$85,233	\$87,790	\$90,423	\$93,136	\$95,930	\$98,808	\$101,772	\$104,825	\$107,970	\$111,209	\$114,546	\$117,982
Marketing and Advertising		\$97,500	\$100,425	\$103,438	\$106,541	\$109,737	\$113,029	\$116,420	\$119,913	\$123,510	\$127,215	\$131,032	\$134,963	\$139,012	\$143,182	\$147,477
Maintenance and Repairs/Pest Control		\$165,800	\$170,774	\$175,897	\$181,174	\$186,609	\$192,208	\$197,974	\$203,913	\$210,030	\$216,331	\$222,821	\$229,506	\$236,391	\$243,483	\$250,787
Reserve for Replacements		\$58,500	\$60,255	\$62,063	\$63,925	\$65,842	\$67,818	\$69,852	\$71,948	\$74,106	\$76,329	\$78,619	\$80,978	\$83,407	\$85,909	\$88,486
Total Expenses	\$1,704,758	\$1,754,001	\$1,804,683	\$1,856,846	\$1,910,535	\$1,965,795	\$2,022,671	\$2,081,211	\$2,141,465	\$2,203,482	\$2,267,316	\$2,333,019	\$2,400,647	\$2,470,257	\$2,541,906	
Net Operating Income	\$3,045,548	\$3,091,311	\$3,137,535	\$3,184,216	\$3,231,349	\$3,278,927	\$3,326,945	\$3,375,397	\$3,424,276	\$3,473,573	\$3,523,281	\$3,573,389	\$3,623,889	\$3,674,771	\$3,726,021	
Debt Service Payments																
First Mortgage -HFABC/ Grandbridge/Freddie Mac		\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256	\$2,385,256
Second Mortgage - Broward County		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Mortgage - City of Fort Lauderdale		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
First Mortgage Fees -HFABC/Grandbridge/Freddie Mac		\$70,837	\$70,150	\$69,424	\$68,658	\$67,850	\$66,997	\$66,097	\$65,147	\$64,144	\$63,086	\$61,969	\$60,791	\$59,547	\$58,235	\$56,849
Total Debt Service Payments	\$2,456,093	\$2,455,406	\$2,454,680	\$2,453,914	\$2,453,106	\$2,452,253	\$2,451,353	\$2,450,403	\$2,449,400	\$2,448,342	\$2,447,225	\$2,446,047	\$2,444,803	\$2,443,491	\$2,442,105	
Cash Flow after Debt Service	\$589,454	\$635,906	\$682,856	\$730,302	\$778,243	\$826,674	\$875,593	\$924,995	\$974,876	\$1,025,231	\$1,076,055	\$1,127,342	\$1,179,086	\$1,231,280	\$1,283,916	
Debt Service Coverage Ratios																
DSC- First Mortgage plus Fees		1.24	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	1.53
DSC- All Mortgages and Fees		1.24	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	1.53
Financial Ratios																
Operating Expense Ratio		35.89%	36.20%	36.52%	36.83%	37.16%	37.48%	37.81%	38.14%	38.48%	38.81%	39.16%	39.50%	39.85%	40.20%	40.55%
Break-even Economic Occupancy Ratio (all debt)		83.41%	82.73%	82.07%	81.44%	80.82%	80.23%	79.65%	79.10%	78.56%	78.04%	77.55%	77.07%	76.61%	76.16%	75.74%

50% Test

Tax-Exempt Note Amount	\$38,900,000
Less: Debt Service Reserve Funded with Tax-Exempt Note Proceeds	\$0
Other:	\$0
Other:	\$0
Equals Net Tax-Exempt Note Amount	\$38,900,000
Total Depreciable Cost	\$59,611,633
Plus Land Cost	\$450,000
Aggregate Basis	\$60,061,633
Net Tax-Exempt Note to Aggregate Basis Ratio	64.77%

1. Based on the budget, the Development appears to meet the 50% test for 4% Housing Credits.

DEVELOPMENT

NAME: The Gallery at FATVillage

DATE: September 12, 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 the Florida Housing Finance Corporation ("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 time frame. Unsatisfactory items, if any, are noted below in the "Issues and Concerns" section of the Executive Summary.

FINAL REVIEW REQUIRED ITEMS:	STATUS	NOTE
	Satis. / Unsatis.	
1. The development’s final “as submitted for permitting” plans and specifications. Note: Final “signed, sealed, and approved for construction” plans and specifications will be required thirty days before closing.	UnSatis.	1.
2. Final site plan and/or status of site plan approval.	UnSatis.	2.
3. Permit Status.	UnSatis.	3.
4. Pre-construction analysis (“PCA”). a. No construction costs exceeding 20% is subcontracted to any one entity with the exception of a subcontractor contracted to deliver the building shell of a building of at least 5 stories which may not have more than 31% of the construction cost in a subcontract. b. No construction costs is subcontracted to any entity that has common ownership or is an affiliate of the general contractor of the developer.	UnSatis. UnSatis.	4.
5. Survey.	Satis.	
6. Complete, thorough soil test reports.	UnSatis	5.
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.	UnSatis.	
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.	UnSatis.	6.
11. Resumes and experience of applicant, general contractor and management agent. Confirmed active status on Sunbiz for Applicant, Developer, and GC entities.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	UnSatis.	7.
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.	8.
16. Firm commitment letter(s) for any other financing sources.	UnSatis.	9.
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.	N/A	
19. Fifteen-year income, expense, and occupancy projection.	Satis.	
20. Executed general construction contract with "not to exceed" costs.	Satis.	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis.	
22. Any additional items required by the credit underwriter.	Satis.	
23. Receipt of executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128.	UnSatis.	10.
24. If the owner has a HAP Contract or ACC with HUD, then receipt of HUD approval for an owner-adopted preference or limited preference specifically for individuals or families who are referred by a designated Referral Agency serving the county where the Development is located.	N/A	
25. Receipt of Tenant Eligibility and Selection Plan	N/A	
26. Receipt of GC Certification	UnSatis.	11.
27. Reliance for FHDC as agent for FHFC is include in all applicable third party reports: Appraisal, Market Study, PCA, CNA, and Phase I.	Satis.	

NOTES AND DEVELOPER RESPONSES:

1. Receipt of final as submitted plans and specifications.
2. Receipt of final site plan.
3. Acceptable permits or a permit ready letter is a condition to close.
4. Receipt and review of a final Plan and Cost review.
5. Receipt and review of a Soil Report Reliance Letter.
6. Receipt and review of updated financials for PRH Investments, LLC and 2021 tax return for Nicholas Perez.
7. Receipt and review of final Management Agreement with terms consistent to those used in this report. Receipt and review of Management Plan.
8. Amended and Restated Operating Agreement.
9. Firm commitment for construction financing from Chase and permanent financing from Grandbridge as well as a commitment from the Developer to contribute funds to the project. Additionally, final commitments from County and City Loans.
10. Receipt of all Section 504 ADA Design Certification Forms 128.
11. Receipt of GC Certification.