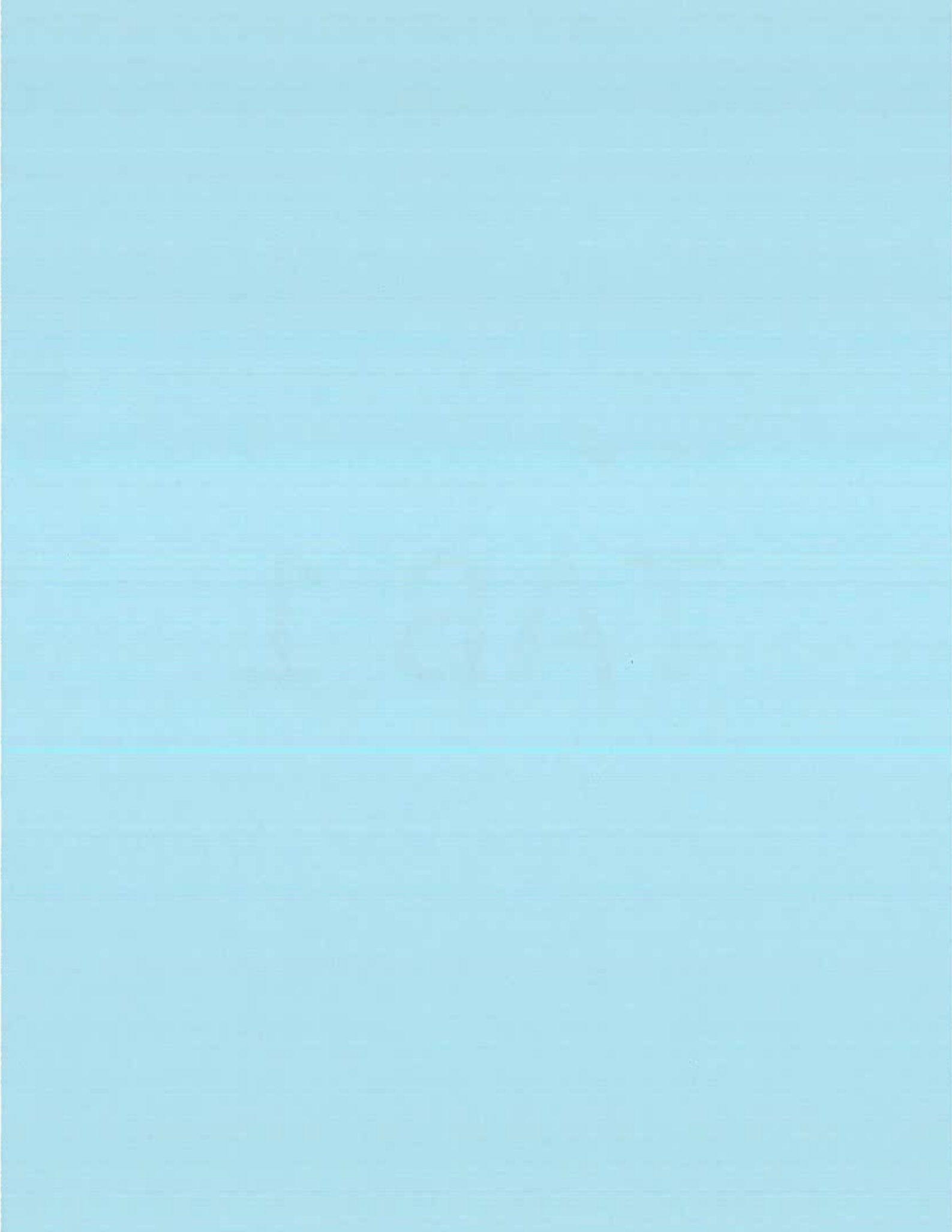


TAB 1



JACKSONVILLE HOUSING FINANCE AUTHORITY



Jacksonville Housing Finance Authority Board of Directors Meeting
January 18, 2017 Noon
214 North Hogan Street, 8th Floor

- AGENDA -

- | | |
|--|----------------------------|
| Call Meeting to Order | Chair |
| Introduction of New JHFA Board Member | Chair |
| Approval of Minutes of November 30, 2016 Meeting | JHFA Board |
|
 | |
| I. <u>Public Comments</u> | |
| A. Public Comments | Public |
|
 | |
| II. <u>REPORTS</u> | |
| A. "To-Do" List Earlier Meetings | Mark Hendrickson |
| B. Staff and Financial Report | Laura Stagner |
| • Financial Statement | |
| C. Financial Advisor Memo | Mark Hendrickson |
|
 | |
| IV. <u>ACTION ITEMS</u> | |
| A. Board Members Declare Conflicts, if any | Board |
| B. Bond Allocation | Hendrickson & Bond-Collins |
| • Convert \$100 million of 2016 Carryforward to Multi-Family | |
| C. Rental Financing | Mark Hendrickson |
| • Consider Approval of Timberwood Trace Resolution | |
| D. Single Family | Mark Hendrickson |
| • Consider Approval of FHFC DPA Program | |
| • Consider Approval of Amended FHLB Atlanta DPA Program | |
|
 | |
| V. <u>NEW BUSINESS</u> | |
|
 | |
| VI. <u>OLD BUSINESS</u> | |
| A. Update on New Multi-Family Financings | Mark Hendrickson |
| B. Update on Single Family Program | Mark Hendrickson |
| C. Update on Existing Rental Properties | Mark Hendrickson |
| • Recent JHFA Activities/Developments | |
| • Occupancy Report | |
| D. Update on 2017 Legislative Effort | Mark Hendrickson |
|
 | |
| VII. <u>ADJOURN JHFA MEETING</u> | Chair |

JACKSONVILLE HOUSING FINANCE AUTHORITY



JACKSONVILLE HOUSING FINANCE AUTHORITY

Board of Directors Meeting

MINUTES

OF

REGULAR MEETING

November 30, 2016

November 30, 2016: JHFA Board Meeting

10:00 am

214 North Hogan Street, 8th Floor

BOARD MEETING:

Present at the meeting were:

BOARD MEMBERS

Tripp Gulliford, Chair

LaTasha Green-Cobb, Vice-Chair

Dee Bumbarger, Member

Ken Filip, Member

Ruth Owen, Member

PROFESSIONAL STAFF:

Mark Hendrickson, The Hendrickson Company, Financial Advisor

Rhonda Bond Collins, Bryant Miller Olive, Bond Counsel

Lawsikia Hodges, City of Jacksonville Office of General Counsel

CITY STAFF:

Laura Stagner

Jane Bouda

PUBLIC:

Steve Lowitz, Arbour Valley Development

Ryan Hoover, Vestcor

Steve Moore, Vestcor

Colin Moore, COJ Grants Staff

Michelle Tappiani, Ability Housing

Nigelle Kohn, LISC

Kerri Stewart, COJ Mayor's Office

BOARD MEETING

Chairman Gulliford called the meeting to order at 12:02 PM.

Minutes

Ms. Owen moved, with a second by Ms. Bumbarger, that the Board approve the minutes of October 19, 2016 Board meeting. The motion passed 5-0.

Public Comments

There were no public comments.

"To-Do" List

Mr. Hendrickson presented the "to-do" list from previous meetings. He updated the Board on the status of the Houston Street Manor development, stating that it was now scheduled to close in December.

Staff Report and Financial Report

Ms. Stagner presented the financial and staff report. She presented the JHFA financials, noting that the JHFA revenues for FY 15-16 had exceeded expenses by over \$719,000. Ms. Stagner stated that she was working on the 2016 Annual Report. She gave a status report on Board appointments, noting that Mr. Rosen's appointment was before committees in December. She also stated that future Board meetings could be held in a conference room on the 7th floor.

Board Member Conflicts

Chairman Gulliford stated that he had a conflict related to the selection of a priority development (see attached form). The Chairman did not participate in the discussion or vote related to the selection of a priority development.

2016 & 2017 Bond Allocation

Mr. Hendrickson and Ms. Bond-Collins updated the Board on the 2016 and 2017 Bond Allocation. After discussion, Ms. Green-Cobb moved, with a second by Mr. Filip, that the Board (1) Authorize Bond Counsel to file the necessary paperwork to convert the \$50 million of 2016 carryforward allocation to multi-family, and (2) Authorize Bond Counsel to file validation complaints and apply for carryforward for Cathedral Towers, Oakwood Villa, and Timberwood Trace. The motion passed 5-0.

Local Government Contribution Loans

Mr. Hendrickson updated the Board on requests for loans, stating three applications for loans related to the local government preference for 9% Housing Credits had been received, and one application for the minimum local government contribution had been received. Mr. Hendrickson summarized the background on the process, presented an analysis of the applications, and stated that all applications had met the threshold criteria of the JHFA's ordinance. Mr. Steve Lowitz spoke to the Board in support of the Arbors at Ambassador Place application. Mr. Steve Moore spoke to the Board in support of the Lofts of LaVilla on Monroe application. A Board discussion followed on the relative merits of the applications, including discussion of all project selection criteria. The discussion included an analysis of the number of units in each development, the number of bedrooms, and the leveraging of the JHFA's resources. After discussion, Mr. Filip moved, with a second by Ms. Bumbarger, that the Board

- Select the Lofts at LaVilla on Monroe development for priority funding level.
- Loan amount of \$303,750, 0% interest, amortizing over 15 years from date of stabilization.
- Loan commitment and loan governed by Ordinance 2014-185-E.
- Authorize the Chairman to sign loan commitment letter, and authorize Chair or other Board member to execute loan documents, including subordinations and extension of loan commitment up to 30 days after senior loan closing date;
- Request the Mayor or other official permitted by FHFC to sign the FHFC form required to verify the local government contribution.
- Loan to be evidenced by Promissory Note and Mortgage, with anticipated second mortgage position (subject to all loan documents and due diligence necessary to evidence and complete the transaction). Loan documents to include a Land Use Restriction Agreement with all Applicant commitments (City programs, length of set-aside, income restrictions, and all others in application).
- Loan commitment expiration date of December 31, 2017.

The motion passed 4-0, with Chairman Gulliford abstaining.

Mr. Hendrickson updated the Board on the need for a "back-up" application to FHFC, in the event that the priority development made an error in their application that would cause them to fail threshold. After discussion, Ms. Green-Cobb moved, with a second by Mr. Filip, that the Board:

- Approve loan commitment in amount of \$115,000 for the Leah Gardens applicant, governed by Ordinance 2014-185-E;
- The loan would have a 0% interest rate, no amortization, with a balloon in 20 years;
- Authorize the Chairman to sign the loan commitment letter, and Authorize Chair or other Board member to execute loan documents, including subordinations and extension of loan commitment up to 30 days after senior loan closing date;.
- Request Mayor or other official permitted by FHFC to sign the FHFC form required to verify the local government contribution;
- Loan to be evidenced by Promissory Note and Mortgage, with anticipated second mortgage position (subject to all loan documents and due diligence necessary to evidence and complete the transaction). Loan documents to include a Land Use Restriction Agreement with all Applicant commitments (City programs, length of set-aside, income restrictions);
- Loan terms,:
 - ✓ Principal amount of \$115,000
 - ✓ Due in one balloon payment in 20 years
 - ✓ Non-amortizing
 - ✓ 0% interest rate
- Loan commitment expiration date of December 31, 2017.

The motion passed 5-0.

Mr. Hendrickson and Ms. Hodges updated the Board on the Houston Street Manor closing. After discussion, Ms. Green-Cobb moved, with a second by Ms. Owen, that the Board authorize the Chair or other Board member to execute loan documents for Houston Street Manor, including subordinations and extension of loan commitment up to 30 days after the senior loan closing date. The motion passed 5-0.

Rental Financings:

Mr. Hendrickson updated the Board on the pending multi-family bond transactions and the need for a NOFA to advertise the availability of bond financing in 2017. After discussion, Ms. Owen moved, with a second by Ms. Green-Cobb, that the Board authorize publication of a NOFA for 2017 multi-family bond applications. The motion passed 5-0.

Single Family & MBS Sale/Bond Redemption 2007 Single Family:

Mr. Hendrickson updated the Board on the status of the current program, including the potential to access FHFC's downpayment assistance monies. He also updated the Board on the successful bidding for the sale of the MBS in the 2007 Single Family Program, which resulted in redemption of the bonds and a net profit to the HFA to over \$702,000. Ms. Stagner asked that the Board designate where the net proceeds should be deposited. After discussion, Mr. Filip moved, with a second by Ms. Owen, that the Board direct the net proceeds from the MBS sale to the JHFA Loan Fund. The motion passed 5-0.

Existing Rental Developments

Mr. Hendrickson updated the Board on the occupancy of existing developments, and on the success that the JHFA has had in the past two years.

2017 JHFA Meeting Calendar

A draft 2017 JHFA meeting calendar was presented. After discussion, Mr. Filip moved, with a second by Ms. Green-Cobb that the Board set the following dates for JHFA meetings in 2017:

January 18	February 15	March 15	April 19
May 17	June 21	August 16	September 20
October 18	November 29		

The motion passed 5-0.

Adjournment

On a motion by Ms. Bumbarger, seconded by Ms. Owen, the Board voted 5-0 to adjourn the meeting at 1:16 PM.

TAB 2

DATA

JHFA Direction to Team
From September 17, 2015, April 20, 2016 & November 30, 2016 Meetings

Board Direction	Staff	Status
September 17, 2015		
Board withdrew approval of earlier MOU for staffing services with City, and directed that new agreement be brought back to them for review and approval of document and staffing commitments.		Waiting for City.
April 20, 2016		
Cathedral Terrace: (1) Arrange Tour, (2) Get before and after photos, and (3) Determine Economic Impact	FA & Laura	Developer advises that tour can be arranged at convenience of Board. Before and after photos being taken. Economic Impact being calculated. Counsel recommends individual tours.
November 30, 2016		
Publish NOFA for 2016 Bond Allocation	FA	Done

TAB 3

JACKSONVILLE HOUSING FINANCE AUTHORITY
COMBINING BALANCE SHEET
DECEMBER 31, 2016

JACKSONVILLE HOUSING FINANCE AUTHORITY				
	721	722	723	TOTAL
	Operating	LGSC Funds	Loan Funds	
ASSETS				
Equity in Cash and Investments.....	\$ 3,045,011	\$ 427,890	\$ 402,986	\$ 3,875,887
Cash in Escrow and with Fiscal Agents.....	1,500,000	-	3,294,197	4,794,197
Mortgages Receivable.....	6,952,163	7,398,765	1,289,328	15,640,255
Allowance for Doubtful Accounts.....	(1,379,746)	-	-	(1,379,746)
Other Assets.....	-	-	-	-
TOTAL ASSETS.....	\$ 10,117,428	\$ 7,826,654	\$ 4,986,511	\$ 22,930,593
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts Payable and Accrued Liabilities.....	\$ 80	\$ -	\$ -	\$ 80
Deposits.....	91,225	-	-	91,225
Deferred Revenue.....	-	-	-	-
Loan Commitments.....	-	-	-	-
TOTAL LIABILITIES.....	\$ 91,305	\$ -	\$ -	\$ 91,305
FUND BALANCES:				
Nonspendable Fund Balance.....	\$ 5,572,417	\$ 7,398,765	\$ 1,289,328	\$ 14,260,509
Restricted Fund Balance.....	1,504,405	-	3,294,197	4,798,602
Committed Fund Balance.....	-	-	-	-
Assigned Fund Balance.....	-	-	-	-
Unassigned Fund Balance.....	\$ 2,913,620	\$ 423,483	\$ 395,750	\$ 3,732,853
Current Year Operating Excess (Deficit).....	35,681	4,407	7,236	47,324
Total Fund Balances.....	\$ 10,026,123	\$ 7,826,654	\$ 4,986,511	\$ 22,839,288
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 10,117,428	\$ 7,826,654	\$ 4,986,511	\$ 22,930,593

Outstanding Loan Commitments (Subfund 723)

Cathedral Terrace (Closed / Unfunded)	\$ 1,000,000
Mary Leaves Senior (Closed / Unfunded)	300,000
Lofts at LaVilla (Closed / Unfunded)	265,000
Houston Street Manor (Closed / Unfunded)	115,000
Lofts at LaVilla Monroe (Pending / Primary)	303,750
Leah Meadows (Pending / Backup)	115,000
	\$ 2,098,750

JACKSONVILLE HOUSING FINANCE AUTHORITY
COMBINING STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017 (AS OF DECEMBER 31, 2017)

	JACKSONVILLE HOUSING FINANCE AUTHORITY			
	721	722	723	TOTAL
	Operating	LGSC Funds	Loan Funds	
REVENUE:				
From Bond Sources.....	\$ 30,192	\$ -	\$ -	\$ 30,192
From Mortgage Servicing.....	12,028	-	-	12,028
From Investment & Interest Income.....	6,756	4,407	7,236	18,399
From Other Sources.....	5,000	-	-	5,000
Total Revenue (Excluding Transfers).....	<u>\$ 53,976</u>	<u>\$ 4,407</u>	<u>\$ 7,236</u>	<u>\$ 65,619</u>
Transfers from Fund Balance/Intra-fund.....	-	-	-	-
Total Revenue (Including Transfers).....	<u>\$ 53,976</u>	<u>\$ 4,407</u>	<u>\$ 7,236</u>	<u>\$ 65,619</u>
EXPENDITURES:				
For Program Uses.....	\$ -	\$ -	\$ -	\$ -
For Personnel Expenses.....	-	-	-	-
For Operating Expenses.....	18,295	-	-	18,295
For Other Expenses.....	-	-	-	-
Total Expenditures.....	<u>\$ 18,295</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,295</u>
ENCUMBRANCES:				
For Program Uses.....	\$ -	\$ -	\$ -	\$ -
For Personnel Expenses.....	-	-	-	-
For Operating Expenses.....	4,405	-	-	4,405
For Other Expenses.....	-	-	-	-
Total Encumbrances.....	<u>\$ 4,405</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,405</u>
EXCESS OF REVENUE OVER (UNDER)				
EXPENDITURES AND ENCUMBRANCES.....	<u>\$ 31,275</u>	<u>\$ 4,407</u>	<u>\$ 7,236</u>	<u>\$ 42,918</u>

TAB 4

1504

THE HENDRICKSON COMPANY &
THE COMMUNITY CONCEPTS GROUP

To: Board of Directors, Jacksonville Housing Finance Authority
From: Mark Hendrickson, Susan Leigh and Priscilla Howard, Financial Advisors
Subject: January 18, 2017 JHFA Meeting
Date: January 10, 2017

I. **2016 & 2017 Bond Allocation—Action**

1. The 2016 allocation is \$45,010,604, an increase of \$917,642 (2.1%) over 2016:

Year	Single Family Amount	Multifamily Amount	Unallocated	Expiration
2017			\$44,092,962	
2016		\$144,700,000*1		December 30, 2019
2015	\$ 80,250,000	\$ 3,900,000		Carryforward available until December 31, 2018
2014	\$ 869,219			Carryforward available until December 31, 2017
TOTAL	\$ 81,119,219	\$148,600,000	\$44,092,962	

*100 million will be converted to Multi-Family upon filing of IRS Form 8328

2. An additional \$50 million of single family allocation was received from the Division of Bond Finance, bringing the 2016 total to \$100 million.
3. The \$100 million of existing 2016 allocation can be carried forward as either single family or multi-family. The Authority already has significant single family allocation, and demand for multi-family allocation is much stronger. The Authority authorized filing the paperwork to convert \$50 million of the \$100 million to multi-family. The additional \$50 million was received after the last JHFA meeting of 2016.
4. Bond allocation was received from the November Bond pool for Cathedral Towers, Oakwood Villa, and Timberwood Trace. This is now "generic" multi-family, with the bond allocation available to any transaction.
5. **Recommendations:** Authorize Bond Counsel to file the necessary paperwork to convert the \$100 million of 2016 carryforward allocation to multi-family.

II. **Local Government Contribution Loans—Informational**

1. For the FHFC RFA for large county 9% Housing Credits (RFA 2016-113), the HFA opted to exercise its right to select a development for preference, and also to select another development as a back-up (giving it the lower scoring minimum local government contribution).

2. The Lofts at LaVilla on Monroe was selected for priority funding, and the Leah Gardens development was selected as the backup. Both applied for funding.
3. FHFC has received the applications, but will not score them until the resolution of various legal challenges to the RFA.
4. Recommendation: None.

III. Rental Financings—Action

1. Cathedral Towers, Oakwood Villa, and Timberwood Trace have all received TEFRA approval and bond allocations. On January 1, the bond allocations for these deals were carried forward, with the allocation now generic multi-family, available for use on any rental deal.
2. The Cathedral Towers bond application has been withdrawn due to the fact that the development was selected to receive 9% Housing Credits.
3. Oakwood Villa, is moving forward, with an estimated closing date of April 2016. Ms. Leigh and Ms. Howard have recused themselves from any analysis/participation in this deal.
4. Timberwood Trace has completed credit underwriting (report attached) and is scheduled to close February 1. Bond Counsel has prepared a Resolution approving the transaction which will be sent to the Board. Ms. Leigh and Ms. Howard have recused themselves from any analysis/participation in this deal.
5. A NOFA for 2017 allocation was published, with an application due date of January 6. No applications were received. The NOFA is now "open" to applications on a first-received first-evaluated basis.
6. Recommendation: Timberwood Trace: Approve Final Bond Approval Resolution prepared by bond counsel, which, among other things, authorizes the issuance of the Timberwood Trace bonds in an amount not to exceed \$20,000,000, and authorizes the execution and delivery of the substantially final documents attached to the resolution,.

	Oakwood Villa	Timberwood Trace
Developer/ Location	Southport (David Page) Tampa, Florida	Southport (David Page) Tampa, Florida
Development Location	8201 Kona Avenue Arlington area	12250 Atlantic Boulevard Immediately east of Kernan Boulevard N., on the south side of Atlantic Boulevard
Type	Acquisition & Substantial Rehabilitation Family	Acquisition & Moderate Rehabilitation Family
Bond Request	\$12,70,000	\$20,000,000
TEFRA Hearing	10-11-16	11-1-16
TEFRA Approval	11-22-16	12-13-16
Preliminary Agreement Expiration	10-1-17	

	Oakwood Villa	Timberwood Trace
Credit Enhancement/ Housing Equity	Cash Collateralized Prudential MAP Lender for Permanent Raymond James	Cash Collateralized JLL for Freddie Mac Permanent Raymond James
Credit Underwriter	First Housing	First Housing
Anticipated Closing Date	April 2017	February 2017
Units	200	224
Permanent 1st Mortgage Estimate	\$13,950,000 (non-bond) \$69,750	\$16,000,000 \$71,429
SAIL, ELI, HOME (FHFC) City of Jacksonville	\$0	\$0
JHFA Loan Commitment	\$0	\$0
Housing Credits	\$8,878,417 \$44,392/unit	\$10,653,954
Total Development Cost	\$24,541,199	\$31,310,460
TDC per unit	\$122,706	\$139,779
Land Cost	\$1,000,000 \$5,000/unit	\$1,500,000 \$6,696/unit
Acquisition of Building Cost	\$10,400,000 \$52,000/unit	\$16,200,000 \$72,321/unit
Hard Construction or Rehabilitation Cost	\$6,300,000 \$41.56/square foot \$31,500/unit	\$6,886,991 \$24.77/square foot \$30,745/unit
Set Aside Period	50 years	50 years
Set Aside Levels	100%<60% AMI (all Section 8)	70%<60% AMI

IV. 2013 Single Family Loan Program—Action

1. The current program guidelines:

- 1st mortgage: 3.875%, 1% origination fee, insured by FHA, VA or RD
- First time homebuyers.
- Income and Sales Price limits identical to bond issue.
- Minimum credit score of 640
- Interest rate set by the HFA of Hillsborough County, with rate set at level that is anticipated to generate a premium when sold.
- Loans purchased by the master servicer (US Bank) and converted into MBS.
- MBS are purchased by the HFA's, with each HFA funding their pro rata share of the cost.
- MBS are sold, with each HFA keeping its pro rata share of any net premium or loss realized from the sale of the MBS.
- Down payment assistance: \$15,000 second mortgage, due on sale of property, or maturity of first mortgage
- Mortgage Credit Certificates providing homebuyers a credit in the amount of 50% of mortgage interest paid annually (up to a \$2,000 annually).

2. **DPA:** \$88,796 was received from FHFC. The JHFA has funded another \$681,010. The JHFA set the DPA amount at \$15,000 in August 2016. Additionally, \$360,000 of SHIP is being allocated by the City for use as DPA by the JHFA (approval expected by late August).
3. **FHFC DPA Program:** The Florida Housing Finance Corporation administers a DPA program that is funded with US Treasury Hardest Hit Funds. This is a program that was initially related to providing assistance to homebuyers impacted by the Great Recession. Treasury approved expansion of the program to assist first-time homebuyers—but only in specific counties approved by Treasury as having been “hardest hit” by the foreclosure crisis. FHFC has received Treasury approval to provide their DPA assistance in combination with local HFA first-mortgages, in select counties including Duval. A summary of the program:
 - \$8 million total allocation
 - \$15,000 of DPA assistance, in form of forgivable loan (\$5,000 forgiven each year)
 - First-come first-served use of funds by local HFA's
 - Interest Rate on first-mortgage set by FHFC
 - DPA loans closed in name of FHFC by lender
 - Program ends September 30, 2017, unless extended by FHFC

FHFC's program, despite having a higher first-mortgage rate (4.5% v.3.875%), has essentially stopped the JHFA program. Buyers find the “free” \$15,000 more valuable than the lower mortgage rate and the MCC provided by JHFA (FHFC does not have MCC's for their buyers in their program). There is no cost associated with participation by JHFA with this program. The prime question is whether lenders will take the time to log into two websites to reserve the first and second mortgages, when they can log into one website and get both products through FHFC. The two programs would be identical, other than the MCC that JHFA offers.

4. **FHLB Atlanta DPA Program:** The JHFA approved participation in the FHLB Atlanta program in January 2016. FHLB Atlanta delayed the program, and an amended MOU has been distributed. There are no substantive changes to the MOU, other than an extension of the end-date of the program to December 31, 2017. A summary of the program:
 - HFA Participants: Hillsborough (including Brevard, Clay and Jacksonville), Miami-Dade, Orange and Pinellas
 - Borrowers limited to 80% of HD Area Median Income, adjusted for family size
 - Lender participants limited to Federal Home Loan Bank member institutions. FHLB indicated once the terms and conditions are approved, they will market the program to their members.
 - FHLB will make available up to \$1 million available for DPA loans with \$2 million made available by the participating local HFAs.
 - FHLB DPA will take the form of a subordinate loan of up to \$7,500 provided that such amount will be forgiven over a five year period (20% forgiven per annum). The FHLB DPA instrument may be recorded after the HFA DPA loan. In addition, FHLB will directly fund their DPA at loan closing.
 - The HFA DPA instrument may take the form of a loan with the following characteristics: 0% interest, deferred principal and due on sale, refinancing or maturity. The maximum amount of the HFA DPA loan will be \$15,000.
 - Program commencement: January 4, 2016; Program end date: December 31, 2017.

5. **Available DPA Funds:** \$850,000 total:
 - \$250,000 authorized by the City Council
 - At the May 2015 meeting, the Board (using the power granted under the new legislation) increased the amount of available DPA funds by \$200,000.
 - In June 2015, the Board authorized the use of an additional \$400,000
6. **Rate Change:** The interest rate was decreased from 4.25% to 3.875% in February 2016.
7. **Program Demographics:**

Sales Price/ #Loans	Loan Amount	Borrower Income	Borrower Age/ Gender	Borrower Family Size	Housing Type	Borrower Ethnicity	MCC Amount
\$112,366 84 loans +2 loan	\$108,523	\$41,721	35.0 39% female	2.4	SF Detached 85% Condo: 0% Townhouse: 15% Existing: 93% New: 7%	Black: 26% White: 36% Hispanic: 17% Mixed: 0% Asian: 15% Other: 6%	\$4,471,823 \$53,877.38 avg. 83 buyers

8. **Lender Originations:** SWBC (59), Academy (18), DHI (4), Fairway (2), and Open (1).
9. **MCC's:** The HFA converted \$120 million of bond authority into \$30 million of MCC's. Tranche 1 (\$5.25 million) expired at the end of 2015 with \$1,109,274 not utilized. Tranche 2 (\$10.0 million) expires at the end of 2016, with \$9,668,903 not utilized. Tranche 3 (\$14.75 million) expires at the end of 2018. The average JHFA borrower uses \$53,877 of MCC's. To accommodate borrowers in 2017 and 2018, the Board authorized another \$59 million of single family bond authority to be converted to MCC's.
10. **MCC Program: What Does it Mean to Home Buyer:** With the HFA's average loan of \$105,000 and a 3.875%/30 year mortgage, interest payments in Year 1 = \$4,035. With the 50% MCC rate that the HFA has chosen, the homebuyer would be able to claim a tax credit of the full \$2,000 per year maximum allowed by federal law (slightly declining as more of monthly payment is principal) until the home buyers sells or moves from the property. The \$2,000 of tax savings lowers the "functional" mortgage rate for the program from 3.875% to less than 1%.
11. **MCC Program: Outreach to Homeowners:** HFA homebuyers are given information during the application process on MCC's, and are sent the actual document shortly after closing. To help homeowners with their MCC's, the Housing mailed a new MCC to all homebuyers and has opened an MCC hotline.
12. **MBS Sales:** The HFA has executed 36 sales, with net revenues of \$292,102 (net meaning after payments to RBC and counsel) coming to JHFA.

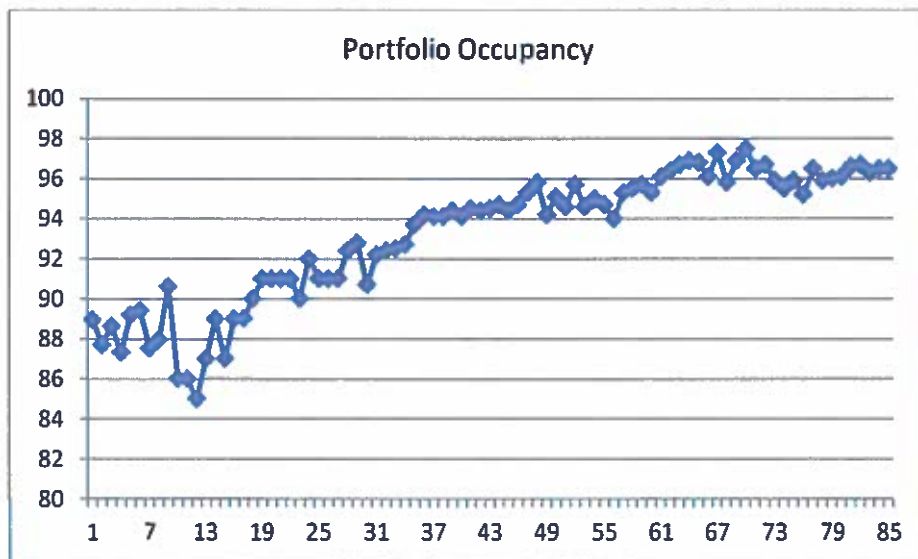
13. **Hedges & Exposure:** Hillsborough County HFA has three hedges totaling \$2.765 million in place. With full delivery, the projected net revenues are estimated at 4.206% per loan. The unhedged pipeline as of November 10 is \$272,600 (changes daily). Pinellas County (which also serves Pasco and Polk Counties) is joining the program. This will increase the pace and volume of MBS sales.
14. **Size of Program:** The initial legislation wherein City Council authorized the program limited it to no more than \$1.5 million of loans in pipeline at any time. In June, the Board changed the authorization to \$1.5 million of unhedged loans. The program total loans originated or in progress is \$8.1 million.
15. **Recommendations:**
- (1) **FHFC DPA Program:** Adopt a motion to approve participation in the FHFC DPA program, subject to the terms and conditions presented to the Board, and to delegate authority the Chair (or Vice Chair if the Chair is unavailable) to execute a document or documents memorializing such approval, and authorizing the Chair to approve any extensions or any ministerial changes to the program or program documents, and
- (2) **FHLB Atlanta DPA Program:** Adopt a motion to approve the amended MOU with FHLB Atlanta, relating to the DPA matching program, and to delegate authority to the Chair (or Vice Chair if the Chair is unavailable) to execute a document or documents memorializing such approval, and authorizing the Chair to approve any additional extensions or any ministerial changes to the program or program documents.

V. Update on Existing Rental Properties—Informational

1. JHFA marketed its bonds, JHFA loans, and JHFA local government contributions to developers. As a result, the following has been accomplished in the last three years:

Development	Location	Building Type Demographic	Units	TDC	JHFA Loan
Peyton Ridge	1800 Corporate Square Blvd	3-Story Elevator NC Elderly	120	\$16,894,456	\$115,000
Caroline Oaks	North Main, east side just south of E. 43 rd Street	3-Story Elevator NC Elderly	82	\$14,146,603	\$5.6 million bonds \$2.2 million JHFA loan
Cathedral Terrace	701 N. Ocean St.	High Rise Rehab Elderly	240	\$25,604,057	\$12.5 million bonds \$1.0 million JHFA loan
Mt. Carmel Gardens	5746 Mt. Carmel Terrace	High Rise Rehab Elderly	207	\$21,631,853	\$9.75 million bonds
Mary Eaves	East of intersection of Myrtle Ave. N. & West 16 th St.	Mid-Rise NC Elderly	80	\$13,325,568	\$300,000
Lofts at LaVilla	906 West Bay Street	Mid-Rise NC Family	130	\$23,388,174	\$265,000
Houston Street Manor	615 Houston Street	Mid-Rise NC Elderly	72	\$21,185,213	\$115,000
TOTAL			931	\$136,175,924	\$18.1 million bonds \$3.995 million JHFA loans

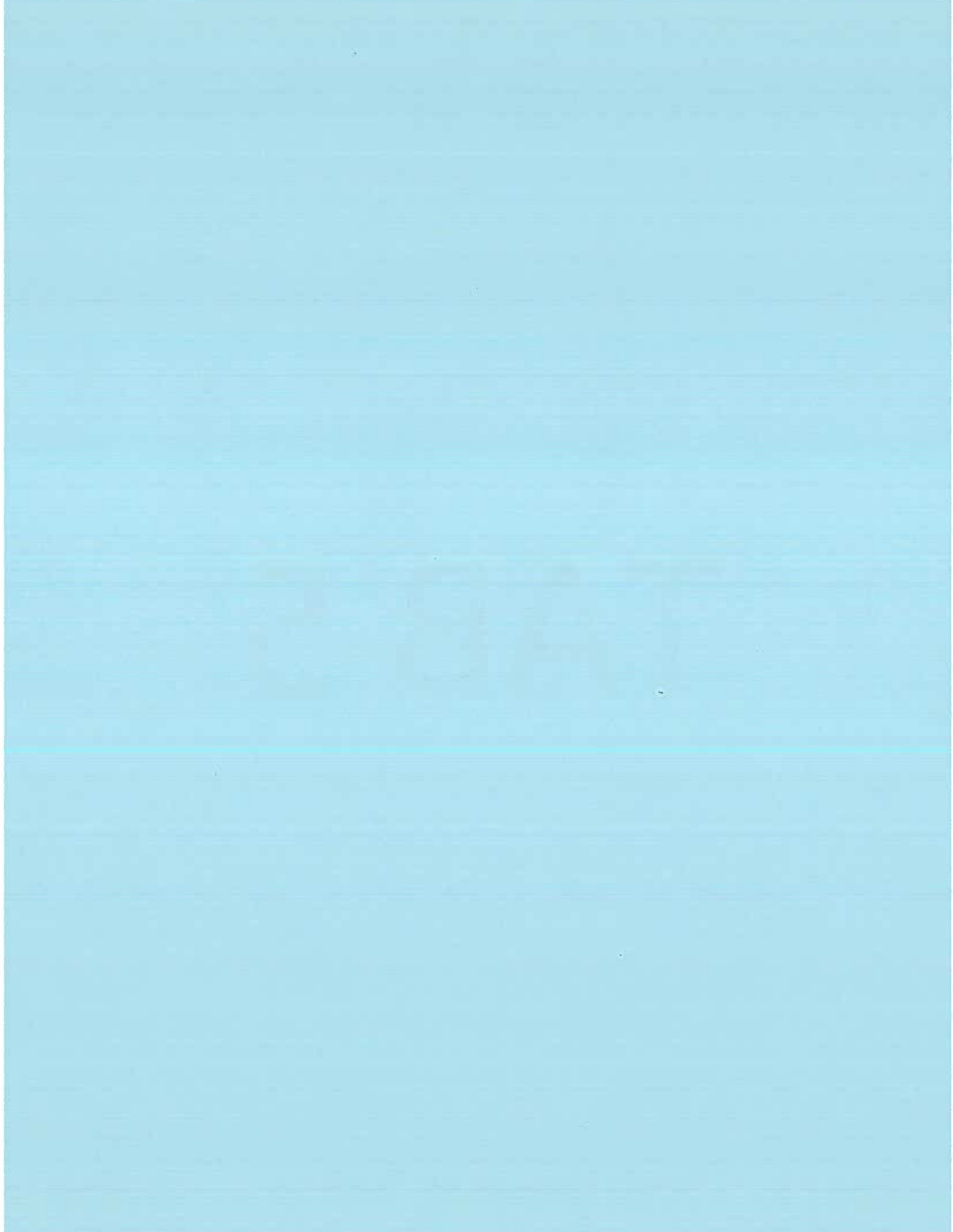
2. **Occupancy:** The current portfolio occupancy using a weighted average is 96.5% (+0.2%).
3. The Houston Street Manor loan closed.
4. **Recommendation:** None.



VI. 2017 Legislative Update—Informational

1. Meetings have been held in December and January with key Appropriations Committee staff and with the Governor's Chief of Staff.
2. The Doc Stamp Revenue Estimate was updated in December, and shows that \$292.37 million of new money will be available for appropriation in FY 17-18. The division is \$204.88 million in the Local Government Housing Trust Fund (SHIP) and \$87.49 million in the State Housing Trust Fund (SAIL and other FHFC programs).
3. If full funding was approved, Jacksonville would receive \$9,237,070 of SHIP.
4. Bascom Communications, The P5 Group, EBS Consulting, Sunrise Consulting, and LAT Creative have been engaged through the 2017 legislative session.
5. **Recommendation: None.**

TAB 5



A RESOLUTION OF THE JACKSONVILLE HOUSING FINANCE AUTHORITY APPROVING AND AUTHORIZING THE ISSUANCE OF JACKSONVILLE HOUSING FINANCE AUTHORITY MULTIFAMILY HOUSING REVENUE BONDS (PASS-THROUGH - TIMBERWOOD TRACE), SERIES 2017, IN A TOTAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$20,000,000 FOR THE PURPOSE OF ACQUIRING, REHABILITATING AND EQUIPPING A MULTIFAMILY RESIDENTIAL HOUSING FACILITY LOCATED IN THE CITY OF JACKSONVILLE, FLORIDA, COMMONLY KNOWN AS "TIMBERWOOD TRACE"; APPOINTING THE UNDERWRITER NAMED HEREIN FOR THE SALE OF THE BONDS; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, FINANCING AGREEMENT AND MULTIFAMILY LOAN AND SECURITY AGREEMENT (NON-RECOURSE) TO SECURE PAYMENT OF SUCH BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LAND USE RESTRICTION AGREEMENT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SUBORDINATION AGREEMENT; DESIGNATING FIRST HOUSING DEVELOPMENT CORPORATION OF FLORIDA AS THE ISSUER SERVICER, COMPLIANCE AGENT AND FINANCIAL MONITOR AND APPROVING THE FORMS AND AUTHORIZING THE EXECUTION AND DELIVERY OF A COMPLIANCE MONITORING AGREEMENT, FINANCIAL MONITORING AGREEMENT AND CONSTRUCTION AND LOAN SERVICING AGREEMENT; APPROVING A CREDIT UNDERWRITING REPORT; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; APPROVING A NEGOTIATED SALE OF THE BONDS TO RBC CAPITAL MARKETS, LLC, AS UNDERWRITER; APPOINTING A TRUSTEE; APPROVING THE FORM OF AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT PERTAINING TO SAID BONDS; APPROVING THE FORMS OF AND EXECUTION AND DELIVERY OF ASSIGNMENT OF MULTIFAMILY MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING, ASSIGNMENT OF COLLATERAL AGREEMENTS AND OTHER LOAN DOCUMENTS AND ASSIGNMENT OF MANAGEMENT AGREEMENT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A COMPLIANCE AGREEMENT FOR MOLD OPERATIONS AND MAINTENANCE PLAN; AUTHORIZING ALL OTHER NECESSARY ACTIONS, AGREEMENTS, CERTIFICATES OR INSTRUMENTS REQUIRED TO ISSUE AND DELIVER THE BONDS; AND PROVIDE AN EFFECTIVE DATE.

WHEREAS, the Legislature of the State of Florida (the "State") has enacted the Florida Housing Finance Authority Law, Sections 159.601 through 159.623 Part IV, Florida Statutes, as amended (the "Act"), pursuant to which the State has empowered each county in the State to create by ordinance a separate public body corporate and politic to be known as a housing finance authority of the county for the purpose of alleviating a shortage of housing and creating capital for investment in housing in the area of operation of such housing finance authority; and

WHEREAS, the Jacksonville Housing Finance Authority (the "Issuer") is empowered to issue its revenue bonds, notes or other evidences of indebtedness to finance the acquisition, construction and development of multifamily rental housing for persons of low and moderate income at prices or rentals they can afford; and

WHEREAS, the Issuer has the power to issue revenue bonds for the purposes described in the Act, including, without limitation, to refund outstanding obligations of the Issuer, to finance the purchase of mortgage loans originated to persons of low and moderate income and to stimulate the acquisition, construction and rehabilitation of housing within the County; and

WHEREAS, the Issuer has determined that there exists a shortage of safe and sanitary housing for persons and families of moderate middle and lesser income within Duval County, Florida; and

WHEREAS, pursuant to the Act, and the Indenture of Trust by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), dated as of February 1, 2017 (the "Indenture"), the Borrower has requested that the Issuer issue its Multifamily Housing Revenue Bonds (Pass-Through – Timberwood Trace), Series 2017; and

WHEREAS, the Issuer has determined to issue, sell, and deliver its not to exceed \$20,000,000 Multifamily Housing Revenue Bonds (Pass-Through – Timberwood Trace), Series 2017 (the "Bonds") for the purpose of funding the loan; and

WHEREAS, Fannie Mae as credit enhancer has agreed to issue a Pass-Through Certificate as security for the Bonds; and

WHEREAS, Jones Lang LaSalle Multifamily, LLC (the "Lender") will act as the Fannie Mae DUS Lender in connection with the issuance of the Pass-Through Certificate; and

WHEREAS, the Issuer authorized the issuance of the Bonds pursuant to that certain Resolution adopted by the Issuer on October 19, 2016; and

WHEREAS, to secure payment of the Bonds, the Issuer and ~~the~~ Trustee will enter into the Indenture to provide for, among other things, the security for the Bonds; and

WHEREAS, the Issuer and the Borrower will enter into the hereinafter described Financing Agreement (the "Financing Agreement") with respect to the Bonds, pursuant to

which a loan to the Borrower in the amount of the Bonds (the "Loan") for the financing of the acquisition, rehabilitation and equipping of the project (the "Project") will be made and secured; and

WHEREAS, as a condition to making the Loan, the Issuer and the Borrower will enter into that certain Multifamily Loan and Security Agreement (Non-Recourse), dated as of February 1, 2017 (the "Security Agreement");

WHEREAS, the Security Agreement along with certain other documents described herein will be assigned by the Issuer to the Lender pursuant to that certain Assignment of Collateral Agreements and Other Loan Documents (the "Assignment"); and

WHEREAS, as a further condition of facilitating the Loan and in connection with the issuance of the Bonds, the Issuer, the Trustee and the Borrower will enter into the hereinafter described Land Use Restriction Agreement in order to preserve the tax-exempt status of the Bonds; and

WHEREAS, the Loan shall be evidenced by a promissory note, dated as of February 1, 2017 (the "Note") from the Borrower to the Issuer as assigned to the Lender, and secured by that certain Multifamily Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing from the Borrower to the Issuer and assigned to the Lender pursuant to that certain Assignment of Multifamily Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of February 1, 2017 (the "Mortgage Assignment"); and

WHEREAS, the Issuer shall enter into that certain Assignment of Management Agreement, dated as of February 1, 2017 by and among the Issuer, the Borrower and Cambridge Management, Inc. and shall assign its rights thereunder to the Lender pursuant to the Assignment; and

WHEREAS, the Issuer shall enter into that certain Compliance Agreement for Mold Operations and Maintenance Plan, dated as of February 1, 2017 between the Borrower and the Issuer and assigned to the Lender pursuant to the Assignment; and

WHEREAS, the Issuer has determined that a negotiated sale of the Bonds is in the best interest of the Issuer; and

WHEREAS, in connection with the negotiated sale of the Bonds, the Issuer desires to enter into a Bond Purchase Agreement by and among the Issuer, the Borrower and RBC Capital Markets, LLC, as Underwriter (the "Underwriter"); and

WHEREAS, in connection with the offering and sale of the Bonds, the Issuer desires to approve the distribution of the Preliminary Official Statement, a form of which is attached hereto as **EXHIBIT A**, delegate the authority to deem the Preliminary Official Statement "final" for purposes of Rule 15c2-12 of the Securities Exchange Act of 1933, as amended (the "Rule"),

and authorize the execution and delivery of a final Official Statement with respect to the Bonds (the "Official Statement"); and

WHEREAS, the Issuer, the Borrower and Regions Bank ("Regions") as equity investor will enter into a Subordination Agreement dated as of February 1, 2017 (the "Subordination Agreement"), setting forth, among other things, certain rights of the parties in connection with a subordinate bridge loan from Regions to the Borrower; and

WHEREAS, in order to further secure payment of the Bonds, certain guaranties will be provided by SP TT Manager LLC, SP and MS LLC, Southport Development, Inc., a Washington corporation, d/b/a in Florida as Southport Development Services, Inc. and J. David Page, individually, in favor of the Issuer; and

WHEREAS, the Issuer desires to appoint The Bank of New York Mellon Trust Company, N.A. as Trustee; and

WHEREAS, First Housing Development Corporation of Florida ("First Housing") will be the issuer servicer, financial monitor and compliance monitoring agent with respect to the Bonds; and

WHEREAS, the Issuer desires to approve the Credit Underwriting Report prepared by First Housing for the Issuer (the "Credit Underwriting Report"); and

WHEREAS, the Issuer desires to grant to its appropriate officers the authority to do and perform and execute all other documents and instruments, not mentioned herein, necessary to issue the Bonds; and

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

Section 1. Findings and Determinations. The Issuer hereby finds and determines that:

(a) All statements and provisions of the foregoing recitals are incorporated herein as findings and determinations of the Issuer.

(b) A negotiated sale of the Bonds is in the best interest of the Issuer in light of the prevailing unsettled condition of the bond market, and the necessity of complying with provisions of the Internal Revenue Code of 1986, as amended, which make it essential that the Issuer have maximum flexibility in structuring the Bonds, which flexibility would not be possible in competitive bidding.

(c) Based upon such findings, the Issuer approves the negotiated sale of the Bonds to the Underwriter.

(d) Prior to executing and delivering the Indenture, the Issuer shall have received disclosure statements from the Underwriter setting forth the information required by Section 218.385, Florida Statutes, as amended.

(e) In addition to the words and terms defined or described herein, and unless the context otherwise requires, the terms defined in the documents identified and described in the foregoing recitals and in this Resolution (collectively, the "Financing Documents") shall have the meanings herein that are ascribed to them in the Financing Documents.

Section 2. Authorization and Details of the Bonds. The Issuer hereby authorizes the issuance of not to exceed \$20,000,000 total aggregate principal amount of the Bonds to be designated as "Jacksonville Housing Finance Authority Multifamily Housing Revenue Bonds, (Pass-Through Timberwood Trace), Series 2017", or such other designation as may be determined by the Issuer. The Bonds shall bear interest payable at such times and in such manner, and shall have maturity dates (not to exceed forty years (40) from the date of issuance of the Bonds) and shall be subject to redemption, all as described in the Indenture. The Bonds are issuable only as fully registered bonds in the denominations as provided in the Indenture.

Section 3. Approval of Preliminary Official Statement. The Issuer hereby approves the form and content of the draft Preliminary Official Statement attached hereto as **EXHIBIT A**, and authorizes the Chair, Vice Chair or any member of the Issuer to make or approve such changes, modifications and revisions to the draft Preliminary Official Statement as he or she may deem necessary or desirable; hereby authorizes the Chair, Vice Chair or any member of the Issuer to deem "final" the Preliminary Official Statement, as so amended and approved by him or her, for purposes of the Rule; and approves the use of the Preliminary Official Statement in the marketing of the Bonds. The Chair and Vice Chair or any member of the Issuer are hereby authorized to execute, on behalf of the Issuer, the final Official Statement relating to the Bonds with such changes from the Preliminary Official Statement in accordance with the Rule, as they may approve, such execution to be conclusive evidence of such approval, and such final Official Statement is hereby authorized to be used and distributed in connection with the marketing and sale of the Bonds.

Section 4. Approval of Indenture. The Issuer hereby approves the form and content of the Indenture between the Issuer and the Trustee attached hereto as **EXHIBIT B**. The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Indenture on behalf of the Issuer, and Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the form attached hereto as **EXHIBIT B**, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary

and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer.

Section 5. Approval of Financing Agreement. The Issuer hereby approves the form and content of the Financing Agreement by and between the Issuer and the Borrower attached hereto as **EXHIBIT C**. The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Financing Agreement on behalf of the Issuer, and the Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the form attached hereto as **EXHIBIT C**, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer.

Section 6. Approval of Security Agreement. The Issuer hereby approves the form and content of the Security Agreement by and between the Issuer and the Borrower attached hereto as **EXHIBIT D**. The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Security Agreement on behalf of the Issuer, and the Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the form attached hereto as **EXHIBIT D**, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer.

Section 7. Approval of Land Use Restriction Agreement. The Issuer hereby approves the form and content of the Land Use Restriction Agreement by and among the Issuer, the Borrower and the Trustee attached hereto as **EXHIBIT E** (the "Land Use Restriction Agreement"). The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Land Use Restriction Agreement on behalf of the Issuer, and the Secretary or Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the form attached hereto as **EXHIBIT E**, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer.

Section 8. Approval of Subordination Agreement. The Issuer hereby approves the form and content of the Subordination Agreement attached hereto as **EXHIBIT F**. The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Subordination Agreement on behalf of the Issuer, and Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the form attached hereto as **EXHIBIT F**, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer.

Section 9. Approval of Compliance Monitoring Agreement, Financial Monitoring Agreement, Construction and Loan Servicing Agreement and Credit Underwriting Report. First Housing is hereby appointed to perform the duties of compliance monitoring agent pursuant to the Compliance Monitoring Agreement by and among the Issuer, the Borrower, the Trustee and First Housing (the "Compliance Monitoring Agreement"), the duties of financial monitor pursuant to the Financial Monitoring Agreement by and among the Issuer, the Borrower, the Trustee and First Housing (the "Financial Monitoring Agreement") and the duties of Issuer Servicer under the Construction and Loan Servicing Agreement by and among the Issuer, the Borrower, the Trustee and First Housing (the "Servicing Agreement"). The forms of the Compliance Monitoring Agreement, Financial Monitoring Agreement and the Servicing Agreement attached hereto as EXHIBITS G, H and I, respectively, are hereby approved. The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Compliance Monitoring Agreement, Financial Monitoring Agreement and Servicing Agreement on behalf of the Issuer, and Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the forms attached hereto as EXHIBITS G, H and I, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer. The Issuer hereby approves the Credit Underwriting Report prepared by First Housing in connection with the Project and delivered to the Issuer.

Section 10. Approval of Bond Purchase Agreement. The Issuer hereby approves the form and content of the Bond Purchase Agreement by and among the Issuer, RBC Capital Markets, LLC and the Borrower attached hereto as EXHIBIT J (the "Bond Purchase Agreement"). The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Bond Purchase Agreement on behalf of the Issuer, and the Secretary or Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the form attached hereto as EXHIBIT J, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer.

Section 11. Approval of Assignment of Management Agreement. The Issuer hereby approves the form of the Assignment of Management Agreement by and among the Issuer, the Borrower and Cambridge Management, Inc. attached hereto as EXHIBIT K. The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Assignment of Management Agreement on behalf of the Issuer, and the Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the form attached hereto as EXHIBIT K, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer.

Section 12. Approval of Compliance Agreement for Mold Operations and Maintenance Plan. The Issuer hereby approves the form of the Compliance Agreement for Mold Operations and Maintenance Plan between the Issuer and the Borrower attached hereto as EXHIBIT L. The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Compliance Agreement for Mold Operations and Maintenance Plan on behalf of the Issuer, and the Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the form attached hereto as EXHIBIT L, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer.

Section 13. Approval of Assignment. The Issuer hereby approves the form of the Assignment attached hereto as EXHIBIT M. The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Assignment on behalf of the Issuer, and the Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the form attached hereto as EXHIBIT M, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer.

Section 14. Approval of Mortgage Assignment. The Issuer hereby approves the form of the Mortgage Assignment attached hereto as EXHIBIT N. The Chair, Vice Chair or any member of the Issuer is hereby authorized to execute and deliver the Mortgage Assignment on behalf of the Issuer, and the Assistant Secretary of the Issuer is authorized to attest thereto, in substantially the form attached hereto as EXHIBIT N, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer, with the advice of Bond Counsel and the Office of the General Counsel may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Issuer.

Section 15. Execution of Bonds. The Chair, Vice Chair or any member of the Issuer and Secretary or Assistant Secretary of the Issuer are hereby authorized and directed to execute, by manual or facsimile signature, the Bonds in definitive form. The Bonds shall be in substantially the form set forth in the Indenture, with such changes, modifications, insertions and deletions as the Chair, Vice Chair or any member of the Issuer may deem necessary and appropriate. The execution and delivery of the Bonds by the aforementioned persons shall be conclusive evidence of the Issuer's approval and authorization thereof.

Section 16. Authentication and Delivery of Bonds. Upon their execution in the form and manner set forth in the Indenture, the Issuer shall deliver the Bonds to the Trustee for authentication, and the Trustee is hereby authorized and directed to authenticate and to deliver said Bonds to the designated purchaser or purchasers of the Bonds.

Section 17. Appointment of Underwriter and Trustee. RBC Capital Markets, LLC is hereby appointed as Underwriter in connection with the issuance of the Bonds and The Bank of New York Mellon Trust Company, N.A. is hereby appointed as Trustee.

Section 18. Authorizations and Further Actions. The Chair, Vice Chair or other member of the Issuer, the Finance Director and such other officers and employees or agents of the Issuer as may be designated by the Chair, are each designated as agents of the Issuer in connection with the issuance and delivery of the Bonds and are authorized and empowered, collectively or individually, to take all actions and steps, to approve, execute and deliver, if appropriate, all contracts, agreements and such other instruments, to approve the form of and approve such changes and complete all omissions and blank spaces in such instruments, documents and contracts, including the exhibits thereto, and to take such other and further actions as they may deem necessary or desirable to accomplish the intent thereof, including the sale, issuance and delivery of the Bonds, including, but not limited to, in consultation with the Issuer's Financial Advisors, Bond Counsel and the Office of the General Counsel, executing and delivering certain additional documents as may be necessary; provided, however, that such terms and conditions set forth in such additional documents shall not be inconsistent with the provisions of this Resolution.

Section 19. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

Section 20. Repealing Clause. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 21. Effective Date. This Resolution shall take effect immediately upon its adoption.

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APPROVED AND ADOPTED by the Jacksonville Housing Finance Authority this 18th day of January, 2017.

**JACKSONVILLE HOUSING FINANCE
AUTHORITY**

ATTEST:

By: _____
William I. Gulliford, III, Chair

By: _____
Name: _____
Title: Assistant Secretary

FORM APPROVED:

By: _____
Office of the General Counsel

EXHIBIT LIST

EXHIBIT A	FORM OF PRELIMINARY OFFICIAL STATEMENT
EXHIBIT B	FORM OF INDENTURE
EXHIBIT C	FORM OF FINANCING AGREEMENT
EXHIBIT D	FORM OF MULTIFAMILY LOAN AND SECURITY AGREEMENT (NON-RECOURSE)
EXHIBIT E	FORM OF LAND USE RESTRICTION AGREEMENT
EXHIBIT F	FORM OF SUBORDINATION AGREEMENT
EXHIBIT G	FORM OF COMPLIANCE MONITORING AGREEMENT
EXHIBIT H	FORM OF FINANCIAL MONITORING AGREEMENT
EXHIBIT I	FORM OF CONSTRUCTION AND LOAN SERVICING AGREEMENT
EXHIBIT J	FORM OF BOND PURCHASE AGREEMENT
EXHIBIT K	FORM OF ASSIGNMENT OF MANAGEMENT AGREEMENT
EXHIBIT L	FORM OF COMPLIANCE AGREEMENT FOR MOLD OPERATIONS AND MAINTENANCE PLAN
EXHIBIT M	FORM OF ASSIGNMENT OF COLLATERAL AGREEMENTS AND OTHER DOCUMENTS
EXHIBIT N	FORM OF ASSIGNMENT OF MULTIFAMILY MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING

Jacksonville Housing Finance Authority

Credit Underwriting Report

Timberwood Trace Tax-Exempt Multifamily Mortgage Revenue Bonds ("MMRB")

Section A: Report Summary

Section B: MMRB Loan Conditions

Section C: Supporting Information and Schedules

Prepared by

First Housing Development Corporation of Florida

DRAFT REPORT

January 11, 2017

Timberwood Trace

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Section A

Report Summary

Recommendation

First Housing Development Corporation ("First Housing") recommends Multifamily Mortgage Revenue Bonds in the amount of up to \$16,750,000, but no more than the loan amount approved by Jones Lang LaSalle Multifamily, LLC ("JLL"), to finance the acquisition/rehabilitation and permanent financing of Timberwood Trace ("Subject" or "Development"). Currently, the JLL term sheet is reflecting a \$16,000,000 loan amount, which has been utilized for this report.

DEVELOPMENT & SET-ASIDES											
Development Name:		Timberwood Trace									
Program Numbers:											
Address:		12250 Atlantic Blvd		City:		Jacksonville		Zip Code:		32225	
County:		Duval		County Size:		Large					
Development Category:				Acquisition/Rehabilitation		Development Type:		Garden Style Apartments and Townhouses			
Construction Type:										Frame Construction	
Demographic Commitment:		Elderly:		No		Homeless:		No		ELI: Unit: @ AMI	
Farmwork or Commercial Fish Worker:		No		Family:		Yes		Link:		Units	

Jacksonville MSA / Duval County

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Gross HC Rent	Low HOME Rents	High HOME Rents	Utility Allow	RD/HUD Cont Rents	Net HC Rent	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
3	2.0	12	1,094	60%	\$1,012			\$148		\$864	\$863	\$863	\$864	\$124,416
3	2.5	212	1,196	60%	\$1,012			\$149		\$863	\$863	\$863	\$863	\$2,195,472
		224												\$2,319,888

The utility allowances utilized in the above chart reflect the energy consumption model utility allowance predictions. Florida Housing Finance Corporation ("FHFC" or "Florida Housing") reviewed the utility allowance consumption model estimate prepared by Matern Professional Engineering, Inc. and approved the estimates for credit underwriting purposes.

TAX-EXEMPT MMRB CREDIT UNDERWRITING REPORT**FHDC**Buildings: Residential - 28Non-Residential - 1Parking: Parking Spaces - 501Accessible Spaces - 16

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRB	70.0%	157	60%	50
HC	100.0%	224	60%	50
HC	100.0%	224	60%	8 years remaining

Absorption Rate 12 units per month for 11 months.Occupancy Rate at Stabilization: Physical Occupancy 96.00% Economic Occupancy 94.00%

Occupancy Comments

The Subject has historically operated at 94% occupancy.DDA?: YesQCT?: NoSite Acreage: 29.38Density: 7.62Flood Zone Designation: XZoning: PUD - Planned Unit DevelopmentFlood Insurance Required?: No**DEVELOPMENT TEAM**

Applicant/Borrower:	SP TT Apartments LLC	
General Partner 1:	SP TT Manager LLC	0.0090%
Limited Partner 1:	Regions Bank ("Regions")	99.9900%
Special Limited Partner:	RB Affordable Housing, Inc.	0.0010%
Construction Completion	October 31, 2017	
Guarantor(s):	SP TT Manager LLC	
	Southport Development Services, Inc. ("Southport")	
	SP and MS LLC	
	J. David Page	
Developer:	Southport	

DEVELOPMENT TEAM (cont)

General Contractor 1:	Vaughn Bay Construction Inc. ("VBC")
Management Company:	Cambridge Management Inc. dba Cambridge Management of Washington, Inc.
Syndicator:	Regions
Architect:	Architectonica Studio, Inc.
Market Study Provider:	Novogradac & Company LLP ("Novogradac")
Appraiser:	Novogradac

PERMANENT FINANCING INFORMATION	
	1st Source
Lien Position	First
Lender/Grantor	JLL / Fannie Mae / JHFA
Amount	\$16,000,000
Underwritten Interest Rate	4.72%
All In Interest Rate	4.72%
Loan Term	16
Amortization	35
Market Rate/Market Financing LTV	53.16%
Restricted/Market Financing LTV	78.05%
Loan to Cost	51%
Debt Service Coverage	1.23
Operating/Deficit Service Reserve	\$492,215
Period of Operating Expenses/Deficit Reserve in Months	3

Deferred Developer Fee	\$4,492,896
Land Value	\$1,500,000
As-Is Value (Rehabilitation)	\$18,000,000
Market Rent/Market Financing Stabilized Value	\$30,100,000
Rent Restricted Favorable Financing Stabilized Value	\$20,500,000
Projected Net Operating Income (NOI) - Year 1	\$1,204,389
Projected Net Operating Income (NOI) - 15 Year	\$1,430,546
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Bond Structure	Private Placement
Housing Credit Syndication Price	\$1.08
Housing Credit Annual Allocation	\$986,576

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Tax Exempt Bonds	JLL / Fannie Mae / JHFA	\$16,000,000	\$16,000,000	\$71,429
Equity Bridge Loan	Regions	\$7,950,134	\$0	\$0
Housing Credit Equity	Regions	\$2,130,791	\$10,653,954	\$47,562
Deferred Reserves	Southport	\$492,215	\$0	\$0
Deferred Developer Fee	Southport	\$4,492,896	\$4,492,896	\$20,058
Deferred GC Fee	VBC	\$329,521	\$0	\$0
Developer Equity	Southport	\$50,092	\$298,799	\$1,334
TOTAL		\$31,445,649	\$31,445,649	\$140,383

Strengths:

1. The Principals, Developer, General Contractor and Management Company are experienced in affordable multifamily housing.

2. The Principals have sufficient experience and substantial financial resources to renovate and operate the proposed Development.
3. The scope of renovations will enhance the subject property to continue to compete with new and/or existing affordable housing rental stock in the primary market area.

Other Considerations:

None

Mitigating Factors:

None

Waiver Requests/Special Conditions:

None

Additional Information:

1. The Borrower has applied to JLL to provide acquisition/rehabilitation and permanent funding of Timberwood Trace through the Fannie Mae DUS Mod Rehab Program. At closing, it is anticipated that the JHFA will issue the Tax-Exempt MMRB which is to be held by the Trustee in a Project Fund account. Simultaneously, JLL will deliver the first mortgage loan proceeds to the Trustee which are to be held in a Collateral Security account. A maximum of sixty days after closing, Fannie Mae will purchase the first mortgage loan proceeds, delivered by JLL and held by the Trustee, and Fannie will deliver the Mortgage Backed Security ("MBS") to the Trustee. There is additional risk associated with this structure due to the timing of the delivery of the MBS. If Fannie Mae is not able to deliver the MBS, then the Bonds would be immediately redeemed with the first mortgage loan proceeds. At all times the Collateral Security account will be required to contain sufficient funds in order to collateralize the amount of Bonds in the Project Fund account, in the event the MBS delivery is postponed. Due to this structure, First Housing recommends that MMRB proceeds be issued in an amount up to the request of \$16,750,000, but no more than the loan amount approved by JLL. When payments of principal and interest are required on the MMRB, they will flow from the Borrower to JLL. JLL will then make payments on the MBS to Fannie Mae. The MBS payments will pass through Fannie Mae to the bond holders.

Issues and Concerns:

None

Recommendation:

First Housing recommends Tax-Exempt MMRB in an amount up to \$16,750,000, but no more than the loan amount approved by JLL, to finance the acquisition/rehabilitation and permanent financing of the Development. Currently the JLL term sheet is reflecting a \$16,000,000 loan amount, which has been utilized for this report.

These recommendations are based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, these recommendations are subject to the MMRB Loan Conditions (Section B).

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

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

Prepared by:

DRAFT

Taylor Stephens
Junior Credit Underwriter

Reviewed by:

DRAFT

Ed Busansky
Senior Vice President

Overview

Construction Financing Sources:

Construction Sources	Lender	Application	Revised Applicant	Underwriter	Construction Interest Rate	Annual Construction Debt Service
Tax Exempt Bonds	JLL / Fannie Mae / JHFA	\$16,750,000	\$16,250,000	\$16,000,000	4.72%	\$755,200
Equity Bridge Loan	Regions	\$0	\$8,144,281	\$7,950,134	4.01%	\$318,800
Housing Credit Equity	Regions	\$8,442,206	\$2,128,559	\$2,130,791	N/A	N/A
Deferred Reserves	Southport	\$0	\$450,000	\$492,215	N/A	N/A
Deferred Developer Fee	Southport	\$4,326,556	\$4,161,230	\$4,492,896	N/A	N/A
Deferred GC Fee	VBC	\$0	\$0	\$329,521	N/A	N/A
Developer Equity	Southport	\$0	\$0	\$50,092	N/A	N/A
Total		\$29,518,762	\$31,134,070	\$31,445,649		\$1,074,000

First Mortgage:

First Housing has reviewed a term sheet from JLL, dated November 21, 2016 and revised on December 29, 2016, which indicates a loan amount of up to \$16,000,000.

The term of the loan will be sixteen (16) years, with the first and second year at interest only. After the interest only period, amortization will occur on a 35-year schedule. The interest rate will be fixed at closing and will be based on 198 basis point spread over the 10-year U.S. Treasury. The interest is calculated based upon the 10-year Treasury of 2.49% (as of December 29, 2016), plus the spread, and a 25 basis point credit underwriting cushion, for an "all-in" interest rate of 4.72%.

Equity Bridge Loan:

First Housing has reviewed a term sheet from Regions, dated December 21, 2016, indicating Regions will provide an equity bridge loan in an amount up to \$7,950,134. The loan term will be 12 months and the interest rate will be based on the 30-day LIBOR plus 300 basis points. The interest rate is calculated based upon the 30-day LIBOR, as of January 3, 2017, of 0.76%, plus a 300 basis point spread and a 25 basis point underwriting cushion, for an "all-in" interest rate of 4.01%.

Housing Credit Equity:

First Housing has reviewed a letter of interest, dated December 21, 2016, indicating Regions will acquire a 99.99% ownership interest in the Applicant. Based on the letter, the annual HC allocation is estimated to be in the amount of \$986,576, and a syndication rate of \$1.08 per dollar, Regions anticipates a net capital contribution of \$10,653,954 and has committed to make available \$2,130,791 or 20% of the total net equity during the construction period. An additional \$8,523,163 will be available after construction completion, stabilization, and upon receipt of the Form 8609.

Deferred Reserves:

To balance the sources and uses of fund during construction, the Developer is required to defer 100% of the Operating Reserves, or \$492,215.

Deferred Developer Fee:

During construction, the Developer will be required to defer 100.00% of the Developer Fee or \$4,492,896.

Deferred GC Fee:

During construction, the General Contractor will be required to defer \$329,521 of the GC Fee or 6% of the construction contract less the GC Fee.

Developer Equity:

In order to balance the sources and uses during construction, the Developer will be required to provide \$50,092 in equity.

Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
Tax Exempt Bonds	JLL / Fannie Mae / JHFA	\$16,750,000	\$17,000,000	\$16,000,000	16	35	4.72%	\$934,987
Supplemental Loan	JLL/Fannie Mae	\$0	\$0	\$0	0	0	0.00%	\$0
Housing Credit Equity	Southport	\$9,816,518	\$10,787,018	\$10,653,954	N/A	N/A	N/A	N/A
Deferred Developer Fee	Southport	\$2,952,243	\$3,373,686	\$4,492,896	N/A	N/A	N/A	N/A
Developer Equity	Southport	\$0	\$0	\$298,799	N/A	N/A	N/A	N/A
Total		\$29,518,761	\$31,160,704	\$31,445,649				\$934,987

First Mortgage:

First Housing has reviewed a term sheet from JLL, dated November 21, 2016 and revised on December 29, 2016, which indicates a loan amount of up to \$16,000,000.

The term of the loan will be sixteen (16) years, with the first and second year at interest only. After the interest only period, amortization will occur on a 35-year schedule. The interest rate will be fixed at closing and will be based on 198 basis point spread over the 10-year U.S. Treasury. The interest is calculated based upon the 10-year Treasury of 2.49% (as of December 29, 2016), plus the spread, and a 25 basis point credit underwriting cushion, for an "all-in" interest rate of 4.72%.

Supplemental Loan:

First Housing has reviewed a term sheet from JLL, dated November 21, 2016 and revised on December 29, 2016, which indicates that Fannie Mae will allow the Borrower to request a supplemental equity takeout loan post-closing. The loan amount will be calculated at the lesser of a 1.15 DSC or a 90% LTV. Fannie Mae will allow up to two supplemental loans over the term of the First Mortgage. The first supplemental loan can occur within 12 months of loan closing if supported by the operations of the property. The supplemental loan will be subordinated to the First Mortgage and the loan will be used in order to pay deferred developer fee. Therefore, the supplemental loan is not shown in the table above since the loan amount has not been sized by JLL and Fannie Mae. First Housing recommends that the JHFA review and approve final loan terms for the supplemental loan prior to closing and funding of the loan.

Housing Credit Equity:

The Applicant will apply to Florida Housing Finance Corporation ("FHFC") to receive 4% Housing Credits directly from the U.S. Treasury in conjunction with tax exempt financing.

Based on a letter of interest, dated December 21, 2016, Regions will provide HC equity as follows:

Syndication Contributions

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$2,130,791	20.00%	Partnership Closing
2nd Installment	\$7,949,980	74.62%	100% Lien Free Completion
3rd Installment	\$523,109	4.91%	Stabilization
4th Installment	\$50,074	0.47%	Tax Credit Qualified and Receipt of Final 8609s
Total	\$10,653,954	100.00%	

Annual Credit Per Syndication Agreement \$986,576

Calculated HC Exchange Rate \$1.08

Limited Partner Ownership Percentage 99.99%

Proceeds Available During Construction \$2,130,791

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent phase, the Developer is required to defer 100.00% of the Developer Fee or \$4,492,896.

Developer Equity:

In order to balance the sources and uses during the permanent period, the Developer will be required to provide \$298,799 in equity.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Underwriters Total Costs Per Unit - CUR
Demolition	\$0	\$0	\$73,920	\$330
Rehab of Existing Rental Units	\$4,525,000	\$5,492,019	\$5,233,171	\$23,362
Site Work	\$0	\$0	\$184,928	\$826
General Conditions	\$594,326	\$768,883	\$109,840	\$490
Overhead	\$0	\$0	\$329,521	\$1,471
Profit	\$0	\$0	\$329,521	\$1,471
Total Construction Contract/Costs	\$5,119,326	\$6,260,901	\$6,260,901	\$27,950
Hard Cost Contingency	\$452,500	\$549,202	\$626,090	\$2,795
Other: P and P Bond	\$0	\$40,000	\$40,000	\$179
Total Construction Costs:	\$5,571,826	\$6,850,103	\$6,926,991	\$30,924

Notes to the Total Construction Costs:

1. The Applicant has provided an executed construction contract dated October 7, 2016, in the amount of \$6,260,901.11. This is a Standard Form of Agreement between SP TT Apartments LLC ("Owner") and Vaughn Bay Construction Inc. ("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 October 31, 2017. The Owner will make monthly progress payments to the Contractor, based upon Applications for Payment approved by the Architect. The contract calls for a minimum of 10% retainage holdback on all construction draws until the Development is 50% complete, and no retainage thereafter.
2. Hard Cost Contingency was included at 10% of the construction contract, which is less than the maximum of 15% of the total construction costs.
3. The General Contractor fee is within the maximum 14% of hard costs allowed. 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.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Underwriters Total Costs Per Unit - CUR
Accounting Fees	\$20,000	\$15,000	\$15,000	\$67
Appraisal	\$10,000	\$7,500	\$7,500	\$33
Architect's Fee - Site/Building Design	\$55,000	\$50,000	\$50,000	\$223
Architect's Fee - Supervision	\$20,000	\$20,000	\$20,000	\$89
Building Permits	\$55,718	\$31,305	\$31,305	\$140
Engineering Fees	\$10,000	\$0	\$0	\$0
Environmental Report	\$22,500	\$13,200	\$13,200	\$59
FHFC Administrative Fees	\$80,000	\$80,000	\$88,792	\$396
FHFC Application Fee	\$3,000	\$3,500	\$3,000	\$13
FHFC Credit Underwriting Fee	\$22,292	\$25,666	\$25,666	\$115
FHFC HC Compliance Fee (HC)	\$125,000	\$147,277	\$271,201	\$1,211
Lender Inspection Fees / Const Admin	\$20,000	\$16,800	\$16,800	\$75
Insurance	\$120,000	\$105,416	\$105,416	\$471
Legal Fees	\$160,000	\$140,500	\$140,500	\$627
Market Study	\$5,000	\$5,000	\$4,500	\$20
Plan and Cost Review Analysis	\$10,000	\$18,500	\$18,500	\$83
Property Taxes	\$120,000	\$55,091	\$55,091	\$246
Survey	\$20,000	\$17,375	\$17,375	\$78
Title Insurance and Recording Fees	\$125,000	\$42,000	\$42,000	\$188
Soft Cost Contingency	\$50,000	\$50,000	\$46,792	\$209
Other: Furniture	\$25,000	\$10,000	\$10,000	\$45
Total General Development Costs:	\$1,078,510	\$854,130	\$982,638	\$4,387

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, FHFC Application Fee, Market Study, and Plan and Cost Review.
3. The FHFC Administrative Fee is based on 9% of the expected annual HC allocation of \$986,576. This amount is subject to changed based on credit underwriting for FHFC.
4. The FHFC HC Compliance Fee is based on a 50 year set-aside period. The Applicant is intending to revise their application and commit to a 30 year set-aside period. Confirmation of the revised set-aside period will be required for closing in order to finalize the budget and required developer equity amount.

5. First Housing adjusted the Soft Cost Contingency to be 5% of the General Development Costs less the contingency, as allowed for rehabilitation developments.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Underwriters Total Costs Per Unit - CUR
Construction Loan Origination Fee	\$167,500	\$100,000	\$100,000	\$446
Construction Loan Closing Costs	\$5,000	\$0	\$0	\$0
Construction Loan Interest	\$25,000	\$75,000	\$75,000	\$335
Construction Loan Servicing Fees	\$15,000	\$15,000	\$15,000	\$67
Permanent Loan Application Fee	\$16,750	\$2,639	\$2,639	\$12
Permanent Loan Origination Fee	\$167,500	\$100,000	\$100,000	\$446
Permanent Loan Closing Costs	\$5,000	\$5,000	\$5,000	\$22
Bridge Loan Origination Fee	\$0	\$81,000	\$79,501	\$355
Bridge Loan Interest	\$0	\$100,000	\$119,019	\$531
Local HFA Bond Application Fee	\$10,000	\$10,500	\$10,500	\$47
Local HFA Bond Closing Costs	\$225,000	\$354,750	\$344,250	\$1,537
Reserves - Operating Deficit	\$250,000	\$450,000	\$492,215	\$2,197
Total Financial Costs:	\$886,750	\$1,293,889	\$1,343,124	\$5,996

Notes to the Financial Costs:

1. The Construction Loan Origination Fee and the Permanent Loan Origination Fee are each based on 0.625% of the loan amount of \$16,000,000. The commitment fees are typically in the amount of 1% of the loan amount; however, JLL has agreed to defray up to 0.75%, of the transaction costs, or 0.375% of each commitment fee, in connection with closing, subject to Fannie Mae approval. Confirmation of Fannie Mae approval and the commitment fee amount is a condition to closing.
2. The Local HFA Bond Application Fee is comprised of a \$7,500 application fee and a \$3,000 feasibility analysis fee.
3. Construction Loan Interest is based on one month payment which may be required by Fannie Mae and JLL at loan closing. The remaining construction loan interest that will be due during the rehabilitation is anticipated to be paid out of development cash flow.

4. An Operating Deficit Reserve (“ODR”) in an amount estimated to be \$492,215 is required by Regions. The ODR represents approximately three months of expenses and three months of debt service.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Underwriters Total Costs Per Unit - CUR
Building Acquisition Cost	\$16,500,000	\$16,500,000	\$16,200,000	\$72,321
Total Non-Land Acquisition Costs:	\$16,500,000	\$16,500,000	\$16,200,000	\$72,321

Notes to the Non-Land Acquisition Costs:

1. First Housing reviewed a Purchase and Sale Agreement, dated September 9, 2016 (“Effective Date”), between Fair Ave Delaware LLC (“Seller”) and Southport Financial Real Estate LLC (“Purchaser”). The purchase price is \$17,700,000 with a closing date of February 1, 2017. First Housing also reviewed an assignment and assumption dated September 28, 2016 between Southport Financial Real Estate LLC (“Assignor”) and SP TT Apartments LLC (“Assignee”). The Assignor transfers all of its rights, title and interest in the Purchase and Sale Agreement to the Assignee.
2. The Subject’s leased fee market value assuming current Section 42 encumbrances “As Is” as of September 27, 2016 is \$18,000,000.

OTHER DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Underwriters Total Costs Per Unit - CUR
Development Cost Before Developer Fee	\$24,037,086	\$25,498,122	\$25,452,753	\$113,628
Developer Fee on Acquisition of Buildings	\$2,935,000	\$2,888,920	\$2,916,000	\$13,018
Developer Fee	\$1,311,675	\$1,538,662	\$1,541,896	\$6,883
Consultant Fees	\$35,000	\$35,000	\$35,000	\$156
Total Other Development Costs:	\$4,281,675	\$4,462,582	\$4,492,896	\$20,057

Notes to the Other Development Costs:

1. The recommended Developer's Fee does not exceed 18% of total development cost before developer fee, operating deficit reserves and escrows.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Underwriters Total Costs Per Unit - CUR
Land	\$1,200,000	\$1,200,000	\$1,500,000	\$6,696
Total Acquisition Costs:	\$1,200,000	\$1,200,000	\$1,500,000	\$6,696
TOTAL DEVELOPMENT COSTS:	\$29,518,761	\$31,160,704	\$31,445,649	\$140,382

Notes to Acquisition Costs:

1. First Housing reviewed a Purchase and Sale Agreement, dated September 9, 2016 ("Effective Date"), between Fair Ave Delaware LLC ("Seller") and Southport Financial Real Estate LLC ("Purchaser"). The purchase price is \$17,700,000 with a closing date of February 1, 2017. First Housing also reviewed an assignment and assumption dated September 28, 2016 between Southport Financial Real Estate LLC ("Assignor") and SP TT Apartments LLC ("Assignee"). The Assignor transfers all of its rights, title and interest in the Purchase and Sale Agreement to the Assignee.
2. The appraiser valued the vacant land at \$1,500,000 which supports the purchase price.

Notes to Total Development Costs:

1. The total development costs have increased by \$1,926,888 or 6.5% , from \$29,518,761 to \$31,445,649, since the Application. This is mainly due to increased construction and financing costs, which is acceptable.

Operating Pro Forma – Timberwood Trace

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			\$2,319,888	\$10,357
	Other Income			\$84,000	\$375
	Gross Potential Income			\$2,403,888	\$10,732
	Less:				
	Economic Loss	Percentage:	0.89%	\$21,395	\$96
	Physical Vac. Loss	Percentage:	4.00%	\$96,156	\$429
	Collection Loss	Percentage:	2.00%	\$48,078	\$215
Total Effective Gross Income				\$2,238,260	\$9,992
EXPENSES:	Fixed:				
	Real Estate Taxes			\$196,585	\$878
	Insurance			\$100,800	\$450
	Variable:				
	Management Fee	Percentage:	4.00%	\$89,530	\$400
	General and Administrative			\$50,400	\$225
	Payroll Expenses			\$254,956	\$1,138
	Utilities			\$84,000	\$375
	Maintenance and Repairs/Pest Control			\$190,400	\$850
	Reserve for Replacements			\$67,200	\$300
Total Expenses				\$1,033,871	\$4,615
Net Operating Income				\$1,204,389	\$5,377
Debt Service Payments					
First Mortgage - JLL/Fannie/JHFA				\$934,987	\$4,174
First Mortgage Fees				\$44,480	\$199
Total Debt Service Payments				\$979,467	\$4,373
Cash Flow after Debt Service				\$224,922	\$1,004
				Annual	
Debt Service Coverage Ratios					
DSC - First Mortgage with Fees				1.23	
Financial Ratios					
Operating Expense Ratio				46.19%	
Break-even Economic Occupancy Ratio (all debt)				83.75%	

The first mortgage requires interest only payments for the first two years; however, the above pro forma shows principal and interest for illustrative purposes. Please reference the 15-Year Pro Forma in order to see the DSC when the first two years are interest only.

Notes to the Operating Pro Forma and Ratios:

1. Under the JHFA Bond Program, the Applicant has committed to set aside 70% of the units (157 units) at 60% AMI for 50 years. The Applicant has also committed to set aside 100% of the units at 60% AMI for 50 years under the HC program. Below is the rent roll for the subject property:

Jacksonville MSA, Duval County, FL

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Gross HC Rent	Low HOME Rents	High HOME Rents	Utility Allow	RD/HUD Cont Rents	Net HC Rent	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
3	2.0	12	1,094	60%	\$1,012			\$148		\$864	\$863	\$863	\$864	\$124,416
3	2.5	212	1,196	60%	\$1,012			\$149		\$863	\$863	\$863	\$863	\$2,195,472
		224												\$2,319,888

2. The Vacancy and Collection loss rate of is based on First Housing's estimate, which is supported by the appraisal which reflects a total vacancy and collection loss of 6.00%. An economic loss of 0.89% was also included in order to account for two non-revenue units that the Development intends to provide.
3. Other Income is typically comprised of revenue from interest income, late charges, special service fees, vending machines, community laundry facilities, etc. Total other income of \$375 per unit/per year is supported by the appraisal.
4. Based upon operating data from comparable properties, third-party reports (appraisal and market study) and the First Housing'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.
5. The Applicant has submitted a Management Agreement which reflects a management fee of 4% of the gross rental income actually collected during the month, which is supported by the appraisal.
6. The tenant is responsible for electric, water, sewer, cable, phone and internet. The landlord is responsible for trash expenses and pest control.
7. Utility expenses for the development are expected to decrease since the rehabilitation includes switching all gas appliances to electric.
8. Replacement Reserves reflect \$300 per unit per year.

9. Refer to Exhibit I, Page 1 for a 15-Year Pro Forma, which reflects rental income increasing at an annual rate of 2%, and expenses are increasing at an annual rate of 3%.

Section B

MMRB Loan Conditions

January 11, 2017

Special Conditions

This recommendation is contingent upon the review and approval of the following items by JHFA, its Counsel, and First Housing **at least 30 days prior to Real Estate Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the Note pricing date and/or closing date. For competitive Note sales, these items must be reviewed and approved prior to issuance of the notice of Note sale:

1. Satisfactory receipt and review of updated financials within 90 days of closing, or audited financials for the last fiscal year end for the Guarantors and the Developer.
2. Satisfactory receipt and review of a final document and cost review.
3. Confirmation that JLL will defray 0.75% of the transaction costs incurred in connection with closing and that Fannie Mae has approved the defrayal.
4. Receipt and satisfactory review of final signed, sealed "approved for construction" plans and specifications by the construction consultant and the Servicer.
5. Firm loan commitments from JLL and Fannie Mae which indicate first mortgage loan terms that are consistent with this report.
6. After final uses are confirmed during closing, if developer equity is still required to balance the sources and uses, then the full amount of the equity required must be deposited with the Trustee.
7. Confirmation that the ODR will be funded after construction.
8. Confirmation of the HC set-aside term and associated HC Compliance Fees.
9. Any other reasonable requirements of the Servicer, JHFA, or its legal counsel.

General Conditions

This recommendation is contingent upon the review and approval of the following items by JHFA, its Counsel, and First Housing **at least 30 days prior to Real Estate Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the closing date:

1. Payment of any outstanding arrearages to JHFA, its legal counsel, or the Servicer.
2. Partner is to act as construction inspector during the construction phase.
3. At all times there will be undisbursed loan funds (collectively held by JHFA, the first mortgage lender and any other source) sufficient to complete the Development. If at any time there are not sufficient funds to complete the Development, the Borrower will be required to expend additional equity on Development Costs or to deposit additional equity with JHFA which is sufficient (in JHFA's judgment) to complete the Development before additional loan funds are disbursed. This condition specifically includes escrowing at closing all equity necessary to complete construction or another alternative acceptable to JHFA in its sole discretion.
4. During construction/ rehabilitation, the Developer is only allowed to draw a maximum of 50% of the total Developer fee but in no case more than the payable Developer fee during construction/rehabilitation, which is determined to be "Developer's overhead". No more than 35% of "Developer's overhead" will be funded at closing. The remainder of the "Developer's overhead" will be disbursed during construction/rehabilitation on a pro rata basis, based on the percentage of completion of the development, as approved and reviewed by JHFA and the Servicer. The remaining unpaid Developer fee (if applicable) shall be considered attributable to "Developer's profit", and may not be funded until the development has achieved 100% lien free completion, and only after retainage has been released.
5. Signed and sealed survey, dated within 90 days of loan closing, unless otherwise approved by JHFA, and its legal counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to JHFA, Florida Housing, and its legal counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to public streets, total acreage and flood hazard area and any other requirements of JHFA.
6. Building permits and any other necessary approvals and permits (e.g., final site plan approval, Department of Environmental Protection, Army Corps of Engineers, the Water Management District, Department of Transportation, etc.) or a letter from the local permitting and approval authority stating that the above referenced permits and approvals will be issued upon receipt of applicable fees (with no other conditions), or evidence of 100% lien-free completion, if applicable. If a letter is provided, copies of all permits will be required as a condition of the first post-closing draw.

7. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report must be bound within the final plans and specifications, if applicable.
8. Final sources and uses of funds schedule itemized by source and line item, in a format and in amounts approved by the Servicer. A detailed calculation of the construction loan interest based upon the final draw schedule, documentation of the closing costs, and draft loan closing statement must also be provided.
9. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. The closing draw must include appropriate backup and ACH wiring instructions.
10. Evidence of general liability, flood (if applicable), builder's risk and replacement cost hazard insurance (as certificates of occupancy are received) reflecting JHFA as Loss Payee/Mortgagee, with coverage, deductibles, and amounts satisfactory to JHFA.
11. A 100% Payment and Performance Bond or a Letter of Credit (LOC) in an amount not less than 25% of the construction contract is required in order to secure the construction contract between the GC and the Borrower. In either case, JHFA must be listed as co-obligee. The P&P bonds must be from a company rated at least "A-" by A.M. Best & Co with a financial size category of at least FSC VI. FHFC, and/or legal counsel must approve the source, amount(s) and all terms of the P&P bonds, or LOC. If the LOC option is utilized, the LOC must include "evergreen" language and be in a form satisfactory to FJHFA, its Servicer and its Legal Counsel.
12. Architect, Construction Consultant, and Developer Certifications will be required for both design and as built with respect to Section 504 of the Rehabilitation Act, Americans with Disabilities Act, and the Federal Fair Housing Act requirements, if applicable.
13. Borrower is to comply with any and all recommendations noted in the Plan and Cost Review prepared by Partner.
14. At the end of the compliance period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay JHFA debt; if there is no JHFA loan debt on the Development at the end of the compliance period, any remaining balance shall be used to pay any outstanding JHFA fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for

the Development. In no event shall the payments of amount to the Applicant or the Developer from the Reserve account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations. Any and all terms and conditions of the ODR must be acceptable to JHFA, its Servicer, and its legal counsel.

This recommendation is contingent upon the review and approval by JHFA, and its legal counsel, and Servicer **at least 30 days prior to Real Estate Loan Closing**. Failure to receive approval of these items, along with all other items listed on Florida Housing counsel's due diligence, within this time frame may result in postponement of the loan closing date.

1. Award of HC and purchase of HC by Regions or an affiliate under terms consistent with the assumptions of this report.
2. An acceptable updated Environmental Audit Report, together with a reliance letter to JHFA and FHFC, prepared within 90 days of closing, unless otherwise approved by JHFA, and legal counsel, based upon the particular circumstances of the transaction. Borrower to comply with any and all recommendations and remediation restrictions noted in the Environmental Assessment(s) and Updates and the Environmental Review, if applicable.
3. JHFA and its legal counsel shall review and approve all other lenders closing documents and the limited partnership or other applicable agreement. JHFA shall be satisfied in its sole discretion that all legal and program requirements for the Loan(s) have been satisfied.
4. UCC Searches for the Borrower, its partnerships, as requested by counsel.

Additional Conditions

This recommendation is also contingent upon satisfaction of the following additional conditions:

1. The operating agreement from Regions or an affiliate shall be in a form and of financial substance satisfactory to JHFA, JHFA's Counsel and FHDC.
2. All amounts necessary to complete construction must be deposited with the Fiscal Agent prior to closing, or any phased HC Equity pay-in amount necessary to complete construction shall be contingent upon an obligation of the entity providing payments, regardless of any default under any documents relating to the HC's, as long as the First Mortgage continues to be funded. Notwithstanding the foregoing, at least 15% of all HC Equity (but not less than provided for in the Syndication Agreement or such higher amount as recommended by the Credit Underwriter) shall be deposited with the Fiscal

Agent at the MMRB Loan closing unless a lesser amount is approved by JHFA prior to closing. If bridge loan proceeds are used in lieu of HC equity funding during construction, said loan must close simultaneously or prior to the MMRB loan, and sufficient amounts will be drawn from the bridge loan at MMRB Loan closing in order to satisfy the 15% requirement.

3. Guarantors to provide the standard JHFA Construction Completion Guarantee, to be released upon lien-free completion, as approved by the Servicer.
4. For the MMRB, Guarantors are to provide the standard JHFA Operating Deficit Guarantee. If requested in writing by the Applicant, Servicer will consider a recommendation to release the Operating Deficit Guarantee if all conditions are met, including achievement of a 1.15x debt service coverage ratio on the MMRB Loan as determined by the Corporation or its agent and 90 percent occupancy and 90 percent of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all certified by an independent Certified Public Accountant, and verified by the Credit Underwriter. The calculation of the debt service coverage ratio shall be made by the Corporation or its agent. Notwithstanding the above, the operating deficit guarantee shall not terminate earlier than three (3) years following the final certificate of occupancy.
5. Guarantors to provide the Standard JHFA Environmental Indemnity.
6. Guarantors to provide the Standard JHFA Guaranty of Recourse Obligations.
7. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgagee Lender, Trustee, or the Servicer. In the event the reserve account is held by JHFA's Loan(s) servicing agent, the release of funds shall be at JHFA's sole discretion.
8. Replacement Reserves in the amount of \$300 per unit per year will be required to be deposited on a monthly basis into a designated escrow account, to be maintained by the First Mortgagee or JHFA's Loan(s) servicing agent.
9. A minimum of 10% retainage holdback on all construction draws until the Development is 50% complete, and 0% retainage thereafter is required. The GC contract indicates a 10% retainage holdback through 50% completion then no further retainage holdback thereafter, which satisfies the minimum requirement.
10. Closing of all funding sources prior to or simultaneous with the MMRB loan.

Any other reasonable requirements of the Servicer, Florida Housing, or its legal counsel.

Section C

Supporting Information & Schedules



January 11, 2017

Additional Development & Third Party Supplemental Information

Site Inspection: First Housing conducted a site inspection on December 27, 2016. At the time of the inspection, the property was 89% occupied. The property is located on Atlantic Boulevard which is a main thoroughfare for the immediate area. The property is mainly surrounded by subdivisions of single family homes, which are in good condition. Less than two miles from the site is a Walmart, Publix, Winn-Dixie, and other retail shopping.

Appraised Value: First Housing reviewed an appraisal of the Development, dated September 27, 2016 (Effective Date), prepared by Novogradac. The estimated market value of the fee simple interest in the Subject "as if vacant and encumbered", free and clear of financing, as of September 27, 2016 is \$1,500,000. The Subject's leased fee market value of the real estate assuming current Section 42 encumbrances "As Is", as of September 27, 2016 is \$18,000,000. The hypothetical leased fee market value of the real estate assuming Section 42 encumbrances and achievable LIHTC rents "as proposed", as of September 27, 2016 is \$20,500,000. The hypothetical leased fee market value of the real estate assuming achievable market rents "as proposed", as of September 27, 2016, is \$30,100,000. The Market Valuation was signed and certified by John Cole, MAI. His Florida State Certified General Real Estate Appraiser license number is RZ3595, valid through November 30, 2016.

Market Study: Novogradac prepared a market study for the Development property, dated September 27, 2016 (effective date). The subject is located at 12250 Atlantic Boulevard in Jacksonville, Florida. The subject site is irregular in shape and contains 29.33 acres.

The Development consists of 224 apartment units within twenty-eight (28), two-story apartment buildings. Unit amenities includes balcony/patio, dishwasher, ceiling fan, oven, walk-in closet, blinds, microwave, refrigerator, and washer/dryer hookup. Common amenities include a car wash, central laundry, swimming pool, clubhouse, and playground.

The Development is located in a primarily residential area in Jacksonville consisting of single-family homes, vacant land, and

multifamily developments with some commercial/retail uses. The Subject's neighborhood appears to be a good location for an existing multifamily development. Most desirable locational amenities are located within 0.6 miles of the Subject property including a grocery store, public schools, outdoor recreational facilities, and access to public transportation. The Subject is located in a neighborhood that has a variety of multifamily development, single-family homes, and commercial/retail uses, and is a compatible use within the existing neighborhood. The Subject is accessible from Atlantic Boulevard, a heavily traveled six-lane roadway that provides access to Arlington, FL to the west and Atlantic Beach, FL to the east. Overall, access and traffic flow are considered excellent.

The Jacksonville International Airport (JAX) is located approximately 17.5 miles northwest of the Development. JAX is served by airlines such as Allegiant Air, American Airlines, Delta Air Lines, Jet Blue Airways, Southwest Airlines, and United Airlines. The closest public transit bus stop is located at the intersection of Atlantic Boulevard and S Kerman Boulevard, which is less than 0.1 miles west of the Subject.

The Jacksonville area is served by Baptist Medical Venter, an 884-bed hospital located 10.5 miles west of the Subject. This general medical and surgical facility featured 39,762 admissions in the most recent year reported. In addition, the University of North Florida, a public university, is located roughly four miles south of the Development. The University of North Florida offers 53 undergraduate degree programs and 28 graduate degree programs, organized into five colleges. The university enrolls roughly 16,134 students per year.

The Development is located in the Jacksonville, FL Metropolitan Statistical Area ("Jacksonville MSA").

The Primary Market Area (PMA) is generally defined as Mill Cove and St. John's River, Mount Pleasant Road, and Wonderwood Drive to the north, Pablo Creek to the east, State Road 121 to the south, and State Road 113 to the west. This area was defined based on Novogradac's interviews with local participants and local property managers. Many of the local property managers indicated that most

residents originated from the local area but stated that a small percentage of tenants also come from various points within Jacksonville and surrounding communities. Therefore, Novogradac has estimated that 10% of the tenants come from outside the PMA boundaries.

The 2015 population of the PMA was 102,143 which grew 0.6% annually since 2010 and is expected to grow 0.7% annually until 2020. The project population of the PMA for 2020 is 105,702. The PMA population has increased at lower rates compared to the Jacksonville MSA, but is similar to the growth rates of the nation between 2010 and 2015. This trend is anticipated to continue through 2020.

Total employment in the MSA has increased eight of the past ten years, with decreases in 2008 and 2009. Total employment decreased 5.2% in 2009, due to the national recession. Comparatively, the nation increased seven of the past ten years, with decreases in 2008 through 2010, and a total decrease of 3.8% in 2009. Total employment in the MSA increased 2.7% from July 2015 to July 2016, while employment in the nation as a whole increased 1.8% over the same time period.

The unemployment rate for Duval county was 5.0% in November 2016. The statewide unemployment rate was 4.9% while the national unemployment rate was 4.6%.

Novogradac estimates that there are a total of 1,589 income eligible renter households in the PMA. The Subject would need to capture 7.16% of these households in order to stabilize at 95% occupancy. However, this analysis is hypothetical since the Subject is currently operating at stabilized occupancy.

According to the Florida Housing Finance Corporation's allocation list, there are no FHFC Guarantee Fund Development within a five-mile radius of the Subject.

There are five (5) restricted rent comparable properties which have an overall weighted average occupancy of 96.1%. There are six (6) market rate comparable properties which have an overall weighted

average occupancy of 96.2%. Overall, the weighted average physical occupancy of the comparables is 96.1%, which meets the FHFC requirement that the submarket must have an average physical occupancy rate of 92.0% or greater.

The Development's achievable market rents will have a rent advantage averaging 124% when compared to the Development's highest proposed LIHTC rents. As required by FHFC, the average market rental rate in the submarket based on unit mix and annualized rent concessions is 110% or greater of the applicable maximum housing credit rental rate.

Environmental Report:

First Housing reviewed a Phase I Environmental Site Assessment ("ESA") dated September 29, 2016, prepared by Enercon Services, Inc. ("Enercon") and prepared in conformance with the scope and limitations of ASTM Practice E 1527-13. The Site consists of approximately 29.33 acres. The apartment community is developed with a total of 28 two-story apartment buildings which were originally constructed in 1994. The leasing office building contains the administrative office, a laundry room, a community room, a kitchen area, a maintenance area, mechanical and electrical rooms, and men's and women's restroom areas. The property is additionally improved with a mailbox center, an in-ground outdoor swimming pool with an associated wooden shade structure, two children's playgrounds, basketball court, sand volleyball court, and a solid waste compactor area with concrete pad. Please note the basketball court and sand volleyball court were noted to be in disrepair and the compactor area is not currently being used. In addition, a large wetlands area, comprising over 10 acres, is located on the northeastern portion of the property. The wetlands area consists of dense foliage and swampy areas.

The Phase I ESA revealed no evidence of Recognized Environmental Conditions ("REC") with respect to the Site. The following non-ASTM, and Fannie Mae-Specific scope are noted as follows:

- Although no moisture intrusion was observed or reported, in accordance with Fannie Mae protocols, Enercon recommends implementation of a Mold and Moisture Intrusion Management Plan.

Enercon recommends no further investigations.

**Capital Needs
Assessment:**

First Housing reviewed a final Capital Needs Assessment (“CNA”), dated December 5, 2016 (Assessment Date), prepared by Partner Engineering and Science, Inc. (“Partner”). The report was conducted and prepared in accordance with the guidelines and standard of care prescribed in ASTM E2018-15, HUD guidelines, and the requirements set forth for Section 223(f) as delineated in the HUD MAP Guide Chapter 5 and Appendix 5. Timberwood Trace development consists of 28 two-story, wood-framed multi-family residential buildings; 22 of the buildings consist of eight multi-level townhouse units, and six of the buildings consist of six multi-level townhouse units and two flats (one at either end). The property contains a total of 224 units was constructed in 1994.

During the site inspection, Partner viewed 26% of all of the dwelling units, representing numerous buildings and all floor plans. Partner also viewed all designated handicap accessible apartments and all common areas, site improvements and amenities. The objective of the site inspection was to identify critical and non-critical repairs as well as the Subject’s capital needs over a 20 year term. During the walkthrough Partner looked for areas needing attention of repairs or replacements for reasons of life safety, code violations, or deferred maintenance.

Below summarizes the Critical Repair Items for the property:

- Partner recommends converting on the existing designated accessible parking spaces closest to the leasing office for “Van Accessibility”.
- Partner recommends that each designated accessible space should be modified as necessary in order to appropriately identify the access aisles and to ensure that the stall and aisle are an adequate width.
- Partner recommends reconfiguring the common restrooms in the clubhouse in order to comply with the applicable accessibility standards.
- Partner noted the common laundry room does not provide an accessible work surface.

- Partner recommends the proposed scope of work include modifications for altering an appropriate number of designed accessible dwelling units for full accessibility compliance.
- Partner recommends reconfiguring the second bathroom in the flat type floor plan in order to provide adequate clear floor space adaptability/maneuverability outside the swing of the door and at each fixture.
- Partner recommends ensuring that all outlets within the dwelling unit “wet” areas are GFCI protected.
- Partner recommends each dwelling unit bedroom be equipped with a hard-wired or lithium battery-operated tamper resistant smoke detector.

Below summarizes the Non-Critical Repair Items:

- Partner recommends the installation of a reinforced concrete pad at the dumpster staging areas.
- Partner recommends all damaged/inoperable doors be repaired/replaced as necessary.

The scope of work for the rehabilitation also includes, but is not limited to the following:

- Asphalt repair, sealcoat and stripping, playground and picnic shelter replacement, landscaping improvements, and leasing office/clubhouse renovations.
- Attic insulation, gutters and downspouts, and replacement of roof system
- Exterior door replacement, vinyl window replacement, and finish hardware
- Installation of an electric range, range vent hood, dishwasher, refrigerator, microwave oven, and garbage disposal.
- Dwelling unit wire upgrade, interior light package and exterior light package.
- Replace existing HVAC equipment with Carrier 14 SEER
- Install new vinyl “wood look” plank flooring downstairs, carpet on the stairs and bedrooms, and vinyl “tile look” flooring in the bathrooms.
- Replace all bathroom and kitchen cabinets.

- Replace existing windows with low-e energy star rated windows and screens.

**Document and Cost
Review:**

First Housing reviewed a draft Document and Cost Review (“DCR”) dated December 30, 2016, prepared by Partner. The property includes 28 vinyl-clad apartment buildings and one vinyl-clad clubhouse/leasing office building. The Development is located on 29 acres in Jacksonville with 501 parking spaces of which sixteen are designated as accessible. The property is zoned planned unit development and the plans and specifications contain descriptions of playground equipment, a swimming pool and a car care center.

The drawings provided for Partner’s review have not been approved for permits and require further clarifications. Revisions and clarifications can be expected during permit review. Partner should be furnished with a copy of the completed plans and specifications once they are approved for permitting.

An executed Standard Form of Agreement Between Owner and Contractor where the basis of payment is the Work Plus a Fee with a Guaranteed Maximum Price (“GMP”) (AIA Document A102-2007), dated October 7, 2016 was provided to Partner for review. The GMP is \$6,260,901.11 or \$22.11 per square foot. According to the contract, construction is expected to commence on March 1, 2017 with substantial completion reached by October 31, 2017.

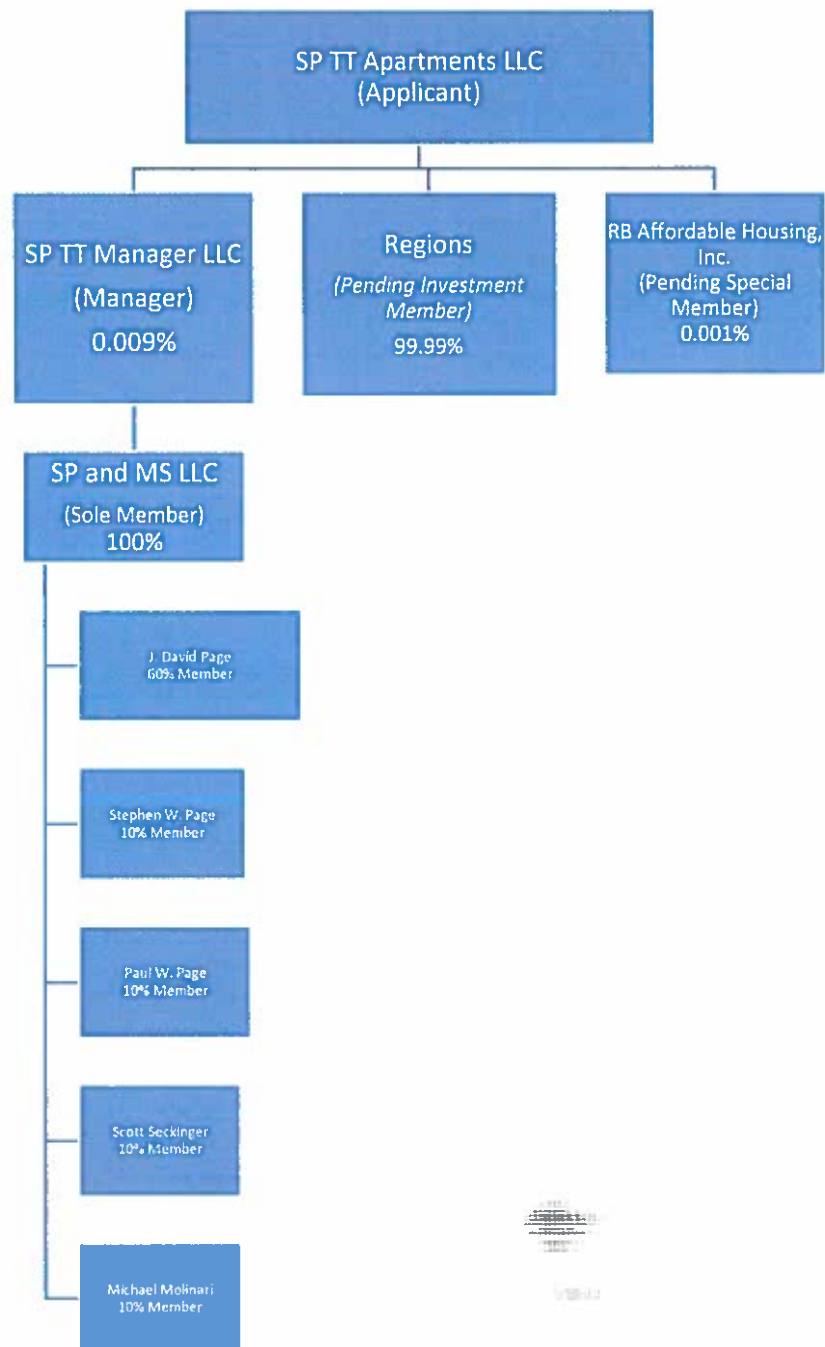
Partner’s estimated cost for this property is \$6,112,420 or \$21.59 per square foot a variance of 2.4%. Based on a conceptual cost analysis, it appears that the GMP would be sufficient to complete the rehabilitation.

Applicant Information

Applicant: SP TT Apartments LLC

Type: A Florida Limited Liability Company

Ownership
Structure:



SP TT Apartments LLC was formed on September 15, 2016; the Manager, with 0.009% interest in the Applicant is SP TT Manager LLC which was formed on September 15, 2016. The Developer is Southport Development Inc. doing business as Southport Development Services, Inc.

Contact

Person: Brianne Heffner
5403 West Gray Street
Tampa, FL 33609
(813) 288-6988 Telephone
(813) 288-1522 Facsimile
FHFCcontact@sphome.com

Experience: The Applicant and Manager are newly-formed entities with no development experience and SP and MS LLC is a pass through entity where financial benefits flow through to the manager, J. David Page. Mr. Page is also the president of Southport. Therefore, the development experience lies with the Developer and David Page. To date, Southport and its affiliates have developed or acquired over 14,000 apartments units. Over 10,000 of these units have involved tax credit and/or tax-exempt bond financing.

Mr. Page graduated Cum Laude from Harvard University with a degree in economics and did graduate work at the University of Washington. In 1979, Mr. Page started developing single family subdivisions and apartment properties located primarily in Washington State. In 1995, Mr. Page founded Southport Financial Services, Inc. which expanded his apartment development and acquisition activities to the states of California, Hawaii, Arizona, New Jersey, New York, Kansas, Missouri, Virginia, Illinois, and Florida. Southport Development, Inc. has the same principals as Southport Financial Services, Inc. and operates in a similar capacity.

Credit

Evaluation: The Applicant and Manager are newly formed single purpose entities; therefore, a Dun and Bradstreet Report is not available. No Dun and Bradstreet Report was available for SP and MS LLC. A D&B Report was not available for the Developer entity. First Housing received a satisfactory credit report for J. David Page dated January 3, 2017.

Bank/Trade

References: Bank and trade references for the Applicant and the Manager are not available (single purpose entities). Also, bank or trade references are not available for SP

and MS LLC since it is a pass through entity. First Housing received a satisfactory bank reference for J. David Page and Southport as well as satisfactory trade references for Southport.

Financial

Statements: The Applicant and Manager are newly formed single purpose entities; therefore, financial statements and tax returns are not available. First Housing received the 2014 and 2015 tax returns for Southport Development, Inc., SP and MS LLC and J. David Page. According to the Applicant, Southport does not have any financial statements to provide.

First Housing reviewed the following satisfactory financial statements for J. David Page:

J. David Page Personal Financial Statement November 30, 2016	
Cash & Equivalents	\$200,000
Total Assets	\$62,148,649
Total Liabilities	\$3,140,000
Total Equity	\$59,008,649

First Housing reviewed a Statement of Financial/Credit Affairs executed by J. David Page on November 30, 2016. The statement indicates that Mr. Page was partner in an affordable housing multifamily transaction, Oak Creek Apartments, which executed a deed-in-lieu agreement in 2011. Oak Creek Apartments, located in Missouri, had been underperforming for several years due to the over building of new LIHTC properties in the immediate area.

Contingent

Liabilities: The Applicant, Manager, Developer, and SP and MS LLC provided statements indicating they had no Contingent Liabilities. Mr. J. David Page provided a schedule of contingent liabilities which included 25 multifamily developments that are currently actively operating as of December 7, 2016. Six (6) developments are currently under construction or under rehabilitation wherein Mr. Page has guaranteed construction completion and unlimited operating deficits. These ten developments have approximately \$42,819,000 in remaining construction outstanding. There are an additional 19 developments with existing operating deficit guarantees outstanding. They are all stabilized and carry debt service coverage ratios of 1.18 to 3.36 except for one development that currently

carries a .89 to 1.00 debt service coverage. The Operating Deficit Guarantee for this development is limited to \$500,000.

Summary: Based upon its review of the Financial Statements and the Schedule of Contingent Liabilities, First Housing concludes that J. David Page has the requisite financial strength to complete rehabilitation and to operate the development.

Guarantor Information

Guarantor Name: SP TT Manager LLC, Southport Development Services, Inc., SP and MS LLC, and J. David Page

Nature of the Guarantees: The Guarantors will sign standard JHFA Construction Completion, Environmental Indemnity, Recourse Obligation, and Operating Deficit Guarantees. The Construction Completion Guarantee will be released upon 100% lien free completion as approved by the Servicer.

For the MMRB, Guarantors are to provide the standard JHFA Operating Deficit Guarantee. If requested in writing by the Applicant, Servicer will consider a recommendation to release the Operating Deficit Guarantee if all conditions are met, including achievement of a 1.15x debt service coverage ratio on the MMRB Loan as determined by the Corporation or its agent and 90 percent occupancy and 90 percent of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all certified by an independent Certified Public Accountant, and verified by the Credit Underwriter. The calculation of the debt service coverage ratio shall be made by the Corporation or its agent. Notwithstanding the above, the operating deficit guarantee shall not terminate earlier than three (3) years following the final certificate of occupancy.

Financial Statements: Financial Statements for the Guarantors were summarized in the "Applicant Information" section of this credit underwriting report.

Contingent Liabilities: Contingent Liabilities for the Guarantors were summarized in the "Applicant Information" section of this credit underwriting report.

Summary: Based upon review of the financial statements and contingent liabilities, First Housing concludes that the above referenced Guarantors have sufficient net worth for the purpose of collateralizing the JHFA Guarantees.

General Contractor Information

General Contractor: Vaughn Bay Construction, Inc.

Type: A State of Washington Profit Corporation licensed to do business in the State of Florida

Contact: Paul Page, Vice President and General Manager
(Florida Certified General Contractor License Number CBC1255653 is valid through August 31, 2018)

1911 65th Avenue West
Tacoma, WA 98466
(253) 460-3000 Telephone
(253) 564-2762 Facsimile

Experience: Vaughn Bay Construction was formed by W. D. and Patricia Page in 1991. Their sons Steve and Paul Page are now the President and Vice President, respectively, of the company.

In 1994 under the direction of the General Manager Paul Page, Vaughn Bay provided construction management services for 130 units of Low Income Housing Tax Credit Housing. These units represent three communities located in the Washington State. Over the next five years, Vaughn Bay completed 17 new construction projects and 7 renovations, representing over 1,000 units in projects located in California, South Dakota, Oregon, and Florida.

Today Vaughn Bay continues to develop housing and commercial projects in a variety of construction mediums from small rural garden style projects to complex midrise urban projects. As the complexity of affordable housing development increases, Vaughn Bay continues to build quality resources in financing, insurance, and Green Construction.

Credit Evaluation: First Housing has reviewed a satisfactory Dun & Bradstreet Business Information Report, dated January 3, 2017 for Vaughn Bay Construction, Inc.

References: First Housing received a satisfactory bank and trade reference for Vaughn Bay Construction, Inc.

Financial Statements: The General Contractor provided an unaudited statement for Vaughn Bay Construction, dated December 31, 2015 and tax returns for 2014 and 2015. A summary of the unaudited financials is below:

Vaughn Bay Construction Inc. Unaudited Balance Sheet December 31, 2015	
Cash and Equivalents	\$2,275,695
Total Assets	\$9,248,126
Total Liabilities	\$5,229,117
Total Equity	\$4,019,009

Summary: First Housing recommends that Vaughn Bay Construction Inc. be accepted as the contractor for the rehabilitation of this development. A 100% Payment and Performance Bond will be required.

Syndication Information

Syndicator Name: Regions

Contact Person: Marilyn L. Carl
Regions Bank
600 W. Hillsboro Boulevard Suite 340
Deerfield Beach, FL 33441

Experience: Regions is a full-service institution with a full range of financial products and services in the areas of wealth management, mortgage banking, and insurance, in addition to traditional banking products and services.

Regions is a leader in supporting affordable housing by investing in LIHTC, a financial mechanism that encourages private builders to develop new or rehabilitate existing housing for ownership or for rent. The bank's \$995 million investment in these credits has resulted in the construction or rehabilitation of more than 18,800 units of affordable single or multifamily housing.

Regions also invests significant resources with nonprofit organizations that develop special-needs housing for people with disabilities, senior citizens, workforces, and those in transition due to drug and alcohol treatment, homelessness, and other setbacks.

Financial Statements:

Regions Financial Corporation and Subsidiaries Unaudited Consolidated Balance Sheet June 30, 2016 (in Millions)	
Cash and Cash Equivalents	\$1,867
Total Assets	\$126,212
Total Liabilities	\$108,827
Equity	\$17,385

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

Property Management Information**Management**

Company: Cambridge Management, Inc. dba Cambridge Management of Washington, Inc.

FEI: 91-1378358

Contact: Mr. Doug Selin,
Cambridge Management, Inc.
5403 West Gray Street
Tampa, Florida 33609
(813) 867-7353 Telephone

Experience: Cambridge Management, Inc. ("Cambridge") was founded in 1987. It was originally organized as a fee management company and built up a portfolio of 5,000 units by 1991. The projects ranged in size from 80 to 400 units. Beginning in 1994, it was decided to only have Cambridge manage properties in which Cambridge or its principals and affiliates have an economic interest.

The current portfolio has over 9,000 units in 5 states. Cambridge is headquartered in Tacoma, Washington with 138 staff members. The current portfolio includes 39 Developments within 26 different Florida cities representing over 4,900 units financed with HOME and LIHTC sources and supported by HUD Section 8 rental assistance. Nationally Cambridge manages 21 MMRB financed developments within the State of Florida and 30 nationwide.

Management Agreement:

First Housing received a Management Agreement between Cambridge Management, Inc. and SP TT Apartments LLC. The Agreement reflects a management fee of 4% of gross rental income actually collected during the month.

Management Plan:

The applicant has submitted a Preliminary Management Plan, which outlines the various policies and procedures to be implemented in managing the subject development.

Summary:

The management company has an acceptable amount of experience in the management of affordable multifamily housing. First Housing recommends Cambridge as the management entity in the subject development.

TAX-EXPENT MMRB UNDERWRITING REPORT

FHDC

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		\$2,319,888	\$2,366,286	\$2,413,611	\$2,461,884	\$2,511,121	\$2,561,344	\$2,612,571	\$2,664,822	\$2,718,119	\$2,772,481	\$2,827,931	\$2,884,489	\$2,942,179	\$3,001,022	\$3,061,043
Other Income		\$84,000	\$85,680	\$87,394	\$89,141	\$90,924	\$92,743	\$94,598	\$96,490	\$98,419	\$100,388	\$102,396	\$104,443	\$106,532	\$108,663	\$110,836
Gross Potential Income		\$2,403,888	\$2,451,966	\$2,501,005	\$2,551,025	\$2,602,046	\$2,654,087	\$2,707,168	\$2,761,312	\$2,816,538	\$2,872,869	\$2,930,326	\$2,988,933	\$3,048,711	\$3,109,685	\$3,171,879
Less:																
Economic Loss	Percentage: 0.89%	\$21,395	\$21,822	\$22,259	\$22,704	\$23,158	\$23,621	\$24,094	\$24,576	\$25,067	\$25,569	\$26,080	\$26,601	\$27,134	\$27,676	\$28,230
Physical Vac. Loss	Percentage: 4.00%	\$96,156	\$98,079	\$100,040	\$102,041	\$104,082	\$106,163	\$108,287	\$110,452	\$112,662	\$114,915	\$117,213	\$119,557	\$121,948	\$124,387	\$126,875
Collection Loss	Percentage: 2.00%	\$48,078	\$49,039	\$50,020	\$51,021	\$52,041	\$53,082	\$54,143	\$55,226	\$56,331	\$57,457	\$58,607	\$59,779	\$60,974	\$62,194	\$63,438
Total Effective Gross Income		\$2,238,260	\$2,283,025	\$2,328,686	\$2,375,260	\$2,422,765	\$2,471,220	\$2,520,644	\$2,571,057	\$2,622,478	\$2,674,928	\$2,728,427	\$2,782,995	\$2,838,655	\$2,895,428	\$2,953,337
Fixed:																
Real Estate Taxes		\$196,585	\$202,483	\$208,557	\$214,814	\$221,258	\$227,896	\$234,733	\$241,775	\$249,028	\$256,499	\$264,194	\$272,120	\$280,283	\$288,682	\$297,352
Insurance		\$100,800	\$103,824	\$106,939	\$110,147	\$113,451	\$116,855	\$120,360	\$123,971	\$127,690	\$131,521	\$135,467	\$139,531	\$143,717	\$148,028	\$152,469
Variable:																
Management Fee	Percentage: 4.00%	\$89,530	\$91,321	\$93,147	\$95,010	\$96,911	\$98,849	\$100,826	\$102,842	\$104,899	\$106,997	\$109,137	\$111,320	\$113,546	\$115,817	\$118,133
General and Administrative		\$50,400	\$51,912	\$53,469	\$55,073	\$56,726	\$58,427	\$60,180	\$61,986	\$63,845	\$65,761	\$67,733	\$69,765	\$71,858	\$74,014	\$76,235
Payroll Expenses		\$254,956	\$262,605	\$270,483	\$278,597	\$286,955	\$295,564	\$304,431	\$313,564	\$322,971	\$332,660	\$342,640	\$352,919	\$363,506	\$374,411	\$385,644
Utilities		\$84,000	\$86,520	\$89,116	\$91,789	\$94,543	\$97,379	\$100,300	\$103,309	\$106,409	\$109,601	\$112,889	\$116,276	\$119,764	\$123,357	\$127,058
Maintenance and Repairs/Pest Control		\$190,400	\$196,112	\$201,995	\$208,055	\$214,297	\$220,726	\$227,348	\$234,168	\$241,193	\$248,429	\$255,882	\$263,558	\$271,465	\$279,609	\$287,997
Reserve for Replacements		\$67,200	\$67,200	\$67,200	\$67,200	\$67,200	\$67,200	\$67,200	\$67,200	\$67,200	\$67,200	\$69,216	\$71,292	\$73,431	\$75,634	\$77,903
Total Expenses		\$1,033,871	\$1,061,976	\$1,090,906	\$1,120,686	\$1,151,341	\$1,182,896	\$1,215,378	\$1,248,815	\$1,283,235	\$1,318,667	\$1,357,157	\$1,396,781	\$1,437,571	\$1,479,562	\$1,522,791
Net Operating Income		\$1,204,389	\$1,221,049	\$1,237,780	\$1,254,574	\$1,271,424	\$1,288,324	\$1,305,266	\$1,322,242	\$1,339,243	\$1,356,261	\$1,373,269	\$1,390,215	\$1,407,084	\$1,423,866	\$1,440,546
Debt Service Payments																
First Mortgage -		\$755,200	\$755,200	\$934,987	\$934,987	\$934,987	\$934,987	\$934,987	\$934,987	\$934,987	\$934,987	\$934,987	\$934,987	\$934,987	\$934,987	\$934,987
First Mortgage Fees		\$44,480	\$44,480	\$44,277	\$43,830	\$43,361	\$42,870	\$42,355	\$41,815	\$41,249	\$40,656	\$40,034	\$39,383	\$38,700	\$37,983	\$37,233
Total Debt Service Payments		\$799,680	\$799,680	\$979,264	\$978,817	\$978,348	\$977,857	\$977,342	\$976,802	\$976,236	\$975,643	\$975,021	\$974,370	\$973,687	\$972,970	\$972,220
Cash Flow after Debt Service		\$404,709	\$421,369	\$258,516	\$275,757	\$293,076	\$310,468	\$327,925	\$345,440	\$363,007	\$380,618	\$398,248	\$415,845	\$433,398	\$450,895	\$468,326
Debt Service Coverage Ratios																
DSC - First Mortgage with Fees		1.51	1.53	1.26	1.28	1.30	1.32	1.34	1.35	1.37	1.39	1.41	1.42	1.44	1.46	1.47
Financial Ratios																
Operating Expense Ratio		46.19%	46.52%	46.85%	47.18%	47.52%	47.87%	48.22%	48.57%	48.93%	49.30%	49.74%	50.19%	50.64%	51.10%	51.56%
Break-even Economic Occupancy Ratio (all deb)		76.27%	75.93%	82.77%	82.30%	81.85%	81.41%	81.00%	80.60%	80.22%	79.86%	79.59%	79.33%	79.09%	78.87%	78.66%

Timberwood Trace

January 11, 2017

Exhibit 1, Page 1

50% Test

Tax-Exempt Bond Amount	\$16,000,000
Less: Debt Service Reserve Funded with Tax Exempt Bond Proceeds	\$0
Less Proceeds Used for Cost of Issuance	\$0
Other:	\$0
Equals Net Tax-Exempt Bond Amount	\$16,000,000
Total Depreciable Cost	\$12,122,006
Plus Building/Land Cost	\$17,700,000
Aggregate Basis	\$29,822,006
Net Tax-Exempt Bond to Aggregate Basis Ratio	53.65%

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

Features and Amenities – Timberwood Trace

In addition to meeting all building code, Fair Housing Act, and Americans with Disabilities Act requirement, the following are also required amenities:

- Air conditioning
- Cable TV hook-up
- Full sized appliances in all units
- Exterior lighting for all buildings and parking areas
- Window Treatment: *mini-blinds*

Unit amenities (in addition to those required) include:

- Laundry hook-ups and space for washer/dryer
- Microwave
- Dishwasher
- Garbage disposal
- Steel entry door frames
- Double compartment kitchen sink
- Development amenities include:
 - 30-year expected life roofing
 - Termite prevention/detection system
 - Exercise room with appropriate equipment
 - Community center
 - Swimming pool
 - Playground/tot lot
 - Car care area
 - Childcare facility located within three miles of property
 - Public transportation located within one-half mile of property
 - Library /study room with minimum of 100 books and 5 magazine subscriptions
- Mandatory Energy Conservation features:
 - Energy Star qualified refrigerator;
 - Energy Star qualified dishwasher;
 - Energy Star qualified washing machine, if provided by applicant;
 - Minimum SEER of 14 for unit air conditioners (excluding buildings with a central chiller system);
 - Caulk, weather strips, seal hole, cracks, etc. for rehabilitation developments
 - Sealed and insulated heating and cooling system ducts for rehabilitation developments
 - Low-VOC paint for all interior walls (50 grams per liter or less for flat paint; 150 grams per liter or less for non-flat paint);

- Low-flow water fixtures in bathrooms--WaterSense labeled products or the following specifications:
 - Toilets: 1.6 gallons/flush or less
 - Faucets: 1.5 gallons/minute or less
 - Showerheads: 2.2 gallons/minute or less.
- Programmable thermostat in each unit
- Other energy conservation features:
 - Energy Star qualified roofing material or coating
 - Energy Star exhaust fans in all bathrooms
 - Energy Star rating for all windows
 - Install daylight sensors, timers or motion detectors on all outdoor lighting attached to buildings
 - FL Yards and Neighborhoods certification on all landscaping

TAB 6

THE UNIVERSITY OF CHICAGO PRESS

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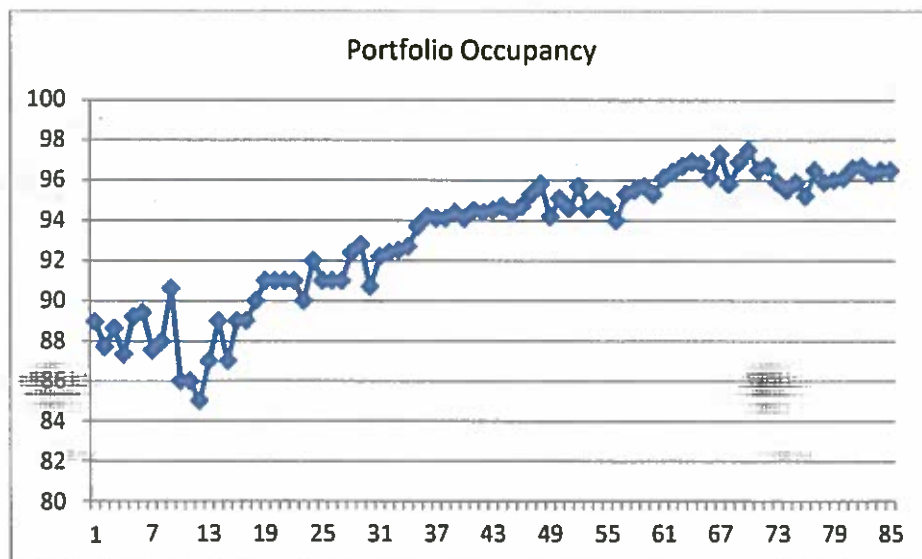
OCCUPANCY LEVELS

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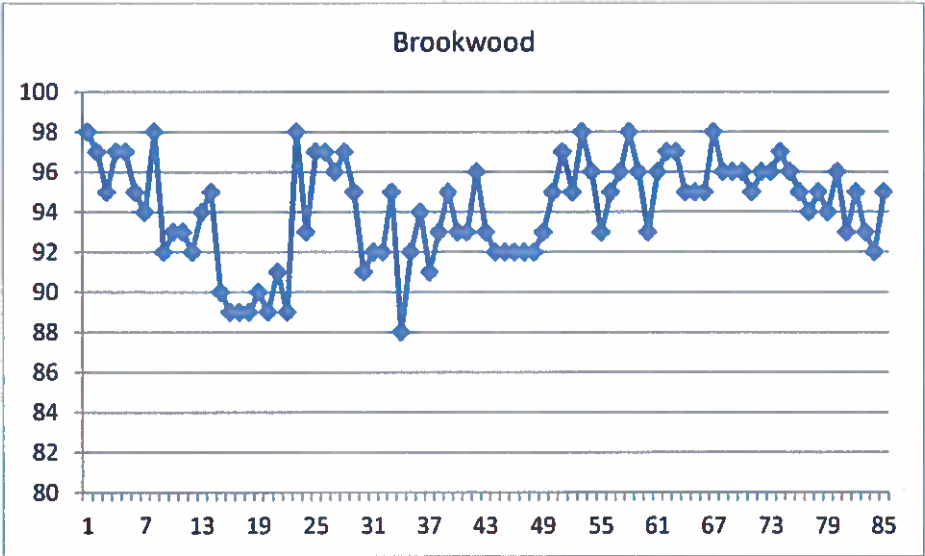
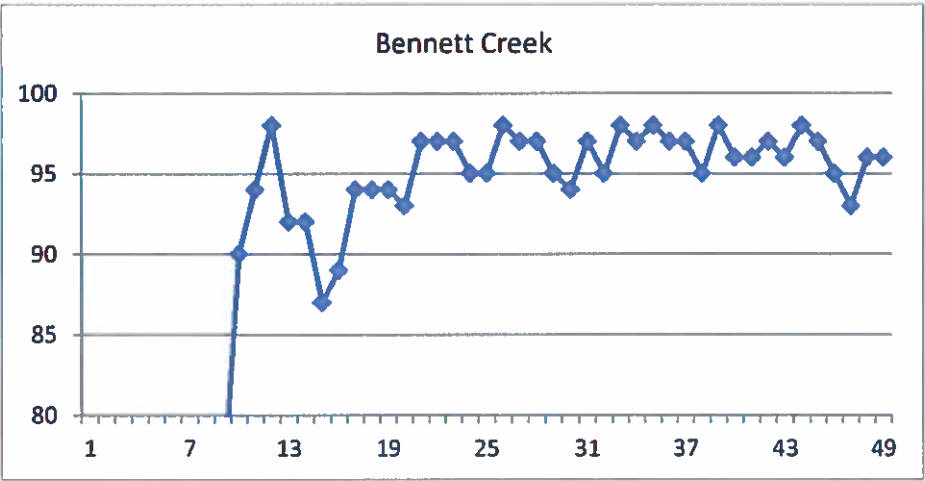
Active Rental Developments—Bond Financed by DCHFA or JHFA

Development & Address	Developer	Original Bonds & Issue Date	Units & Occupancy
Bennett Creek 3585 Salisbury Drive 32216	Richman	\$21,600,000 12-21-10	264 96% (+0%)
Brookwood Forest Apartments 1251 Fromage Way 32225	CED	\$10,000,000 2005	168 95% (+3%)
Camri Green Apartments 3820 Losco Road 32257	Vestcor	\$9,200,000 2003	184 97% (-1%)
Caroline Oaks	Vestcor	\$5,600,000 4-22-15	82 96% (-3%)
Cathedral Terrace	Blue Sky	\$12,500,000 1-21-16	200 Rolling Rehab 88%
Christine Cove 3730 Soutel Dr 32208	Carlisle	\$6,000,000 2006	96 99% (-0%)
Hartwood AKA Hampton Ridge 11501 Harts Road 32218	Southport	\$5,840,000 2006	110 98% (+3%)
Lindsey Terrace Apartments 6455 Argyle Forest Blvd. 32244	Vestcor	\$12,645,000 2001	336 96% (-1%)
Timuquana Park Apartments 5615 Seaboard Ave. 32244	Southport	\$4,300,000 2004	100 96% (-3%)

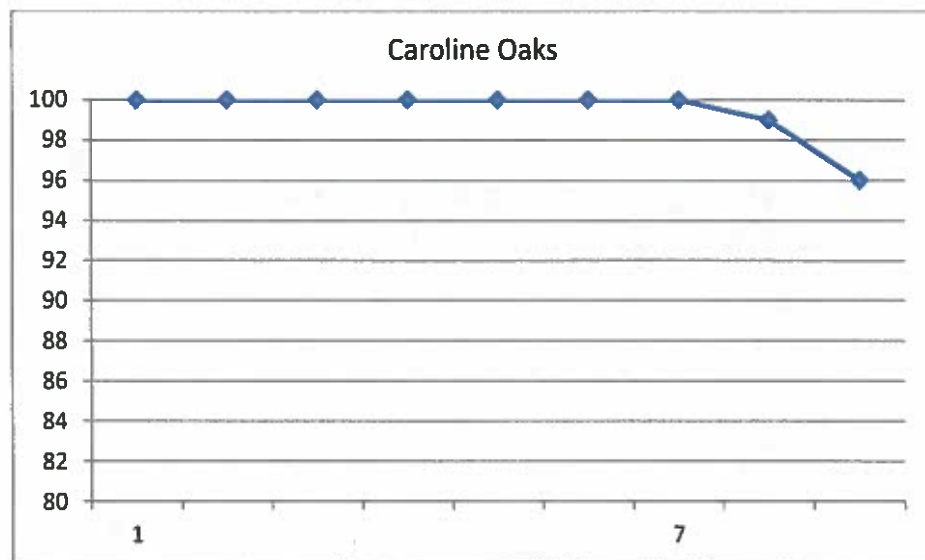
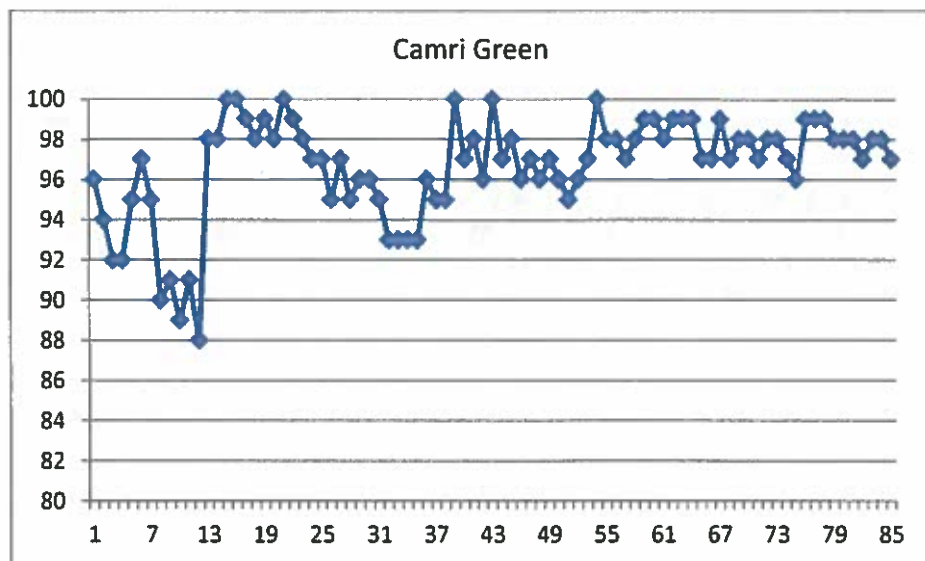
85 Month Occupancy Levels—Entire Portfolio Average Occupancy



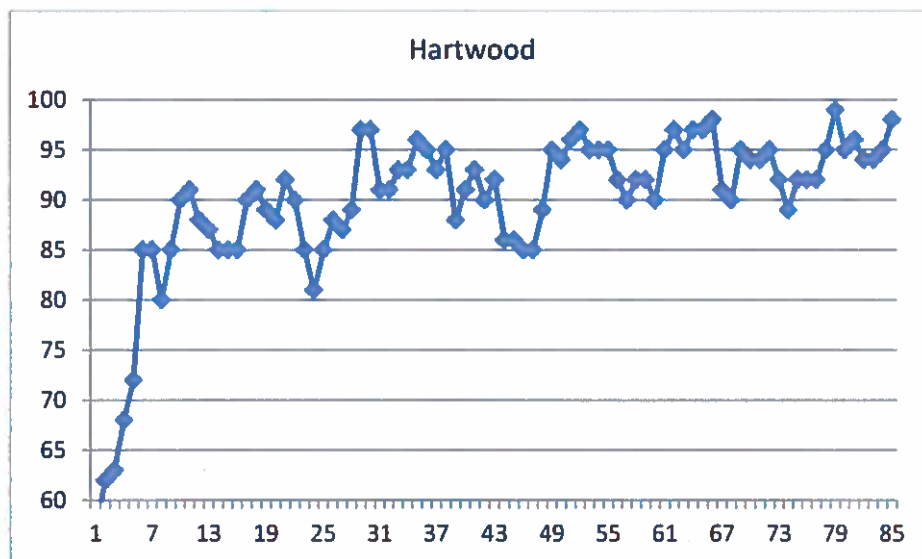
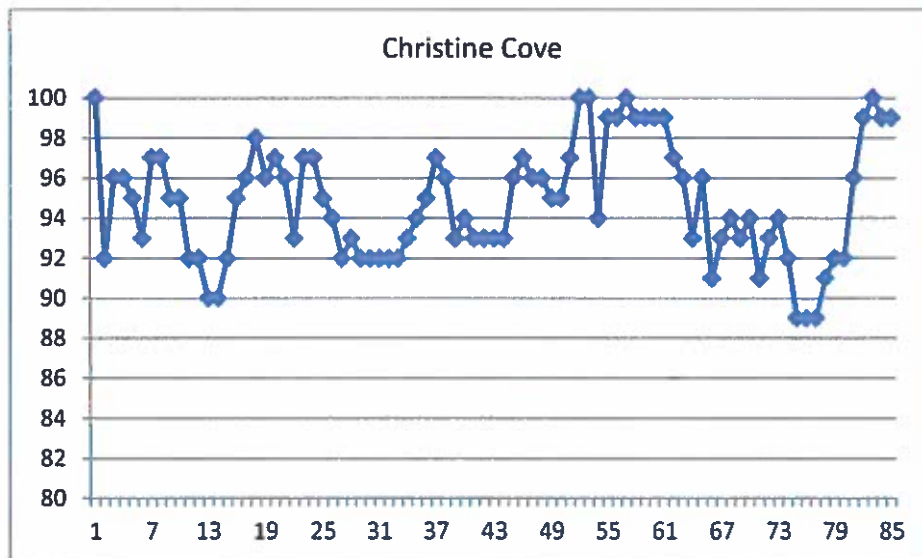
85 Month Occupancy Levels—Average Occupancy by Development



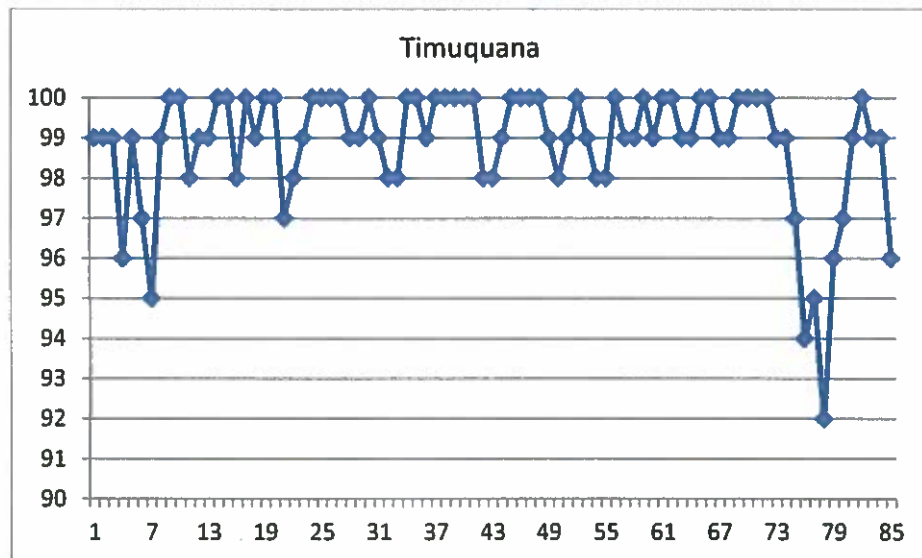
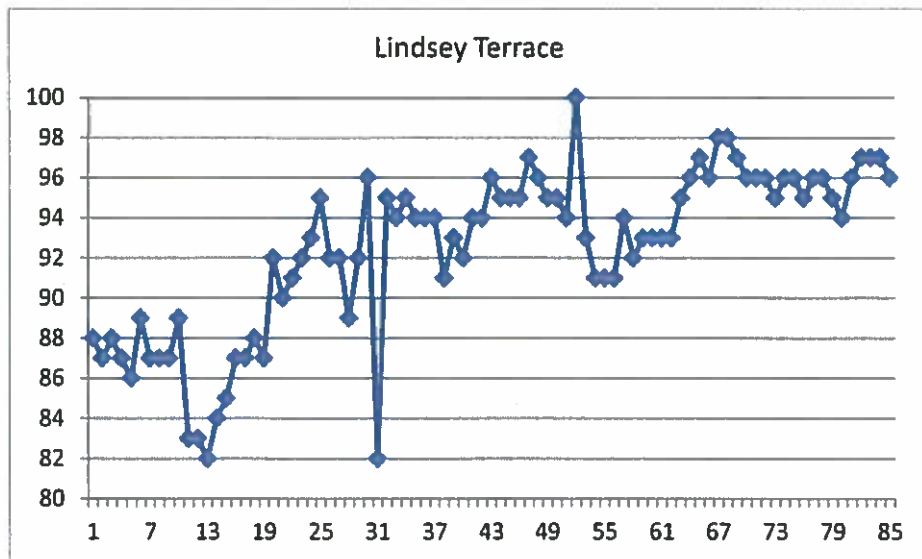
85 Month Occupancy Levels—Average Occupancy by Development



85 Month Occupancy Levels—Average Occupancy by Development



85 Month Occupancy Levels—Average Occupancy by Development



TAB 7

WBAI



www.SadowskiCoalition.com

WHAT IS THE SADOWSKI COALITION AND WHAT ARE SADOWSKI FUNDS?

- The Sadowski Coalition is a nonpartisan collection of more than 30 diverse statewide organizations.
- Began in 1991 to obtain a dedicated revenue source for Florida's affordable housing programs: The Sadowski Act passed in 1992, creating a dedicated revenue source to fund Florida's affordable housing programs and funding the Catalyst Program for Training and Technical Assistance.

HOW ARE FLORIDA'S HOUSING PROGRAMS FUNDED?

- Doc stamp tax paid on all real estate transactions was increased in 1992.
- Those monies were dedicated to the state and local housing trust funds.
- 70% of monies to the Local Government Housing Trust Fund for the State Housing Initiatives Partnership (SHIP) program which funds housing programs in all 67 counties and larger cities.
- 30% of monies to the State Housing Trust Fund for Florida Housing Finance Corporation programs such as the State Apartment Incentive Loan (SAIL) program.

WHAT DO THESE PROGRAMS DO? WHO DO THEY SERVE?

- SHIP funds can be used for rehabilitation/renovation of existing housing stock to allow seniors to age in place or to provide retrofitting for persons with special needs;
- SHIP funds can be used to move the existing housing stock and provide first time homeownership with down payment and closing cost assistance, as well as rehabilitation and retrofit;
- SAIL funds can be used to rehabilitate existing apartments in dire need of repair or to build new units where needed; apartments that house Florida's most vulnerable populations, such as the frail elderly and persons with disabilities;
- SAIL and SHIP programs span from homelessness to the moderate income essential workforce;
- The beauty of both SHIP and SAIL is that they are flexible and can meet changing needs and priorities within the same program framework.

WHAT IS THE NEED FOR THESE PROGRAMS?

- Over 951,000 very low income Floridians pay more than 50% of their income on housing—they are one missed paycheck away from homelessness;
- Florida has the third largest homeless population in the nation.

WHAT IS THE ECONOMIC IMPACT OF FLORIDA'S HOUSING PROGRAMS?

- SHIP and SAIL are highly leveraged, with private sector loans and equity providing \$4 to \$6 for every one dollar of state funding—thus greatly increasing economic impact.
- The appropriation of the estimated \$292.37* million in the state and local housing trust funds in Fiscal Year 2017-18 into Florida's housing programs will create **28,700 jobs and \$3.78 BILLION in positive economic impact in Florida.***

WHAT IS OUR PRIORITY FOR THE 2017 SESSION?

- The Sadowski Coalition urges the Florida Legislature to use all of Florida's housing trust fund monies for Florida's Housing Programs.

*\$292.37 million based upon documentary stamp projection from December 2016 Revenue Estimating Conference for FY 17-18.
For more information, please visit: www.SadowskiCoalition.com

SADOWSKI HOUSING COALITION MEMBERS

BUSINESS/ INDUSTRY GROUPS

- Associated Industries of Florida
- Coalition of Affordable Housing Providers
- Florida Apartment Association
- Florida Bankers Association
- Florida Chamber of Commerce

BUSINESS/ INDUSTRY GROUPS

- Florida Green Building Coalition
- Florida Home Builders Association
- Florida Manufactured Housing Association
- Florida Realtors
- Florida Retail Federation

ADVOCATES FOR ELDERLY/ VETERANS/ HOMELESS/ SPECIAL NEEDS

- AARP of Florida
- Florida Association of Housing and Redevelopment Officials
- Florida Coalition for the Homeless
- Florida Housing Coalition
- Florida Legal Services

ADVOCATES FOR ELDERLY/ VETERANS/ HOMELESS/ SPECIAL NEEDS

- Florida Supportive Housing Coalition
- Florida Veterans Foundation
- Florida Weatherization Network
- LeadingAge Florida
- The Arc of Florida
- United Way of Florida

GOVERNMENT/ PLANNING ORGANIZATIONS

- American Planning Association, Fla. Ch.
- Florida Association of Counties
- Florida Association of Local Housing Finance Authorities
- Florida League of Cities
- Florida Redevelopment Association
- Florida Regional Councils Association

FAITH BASED ORGANIZATIONS

- Florida Conference of Catholic Bishops
- Florida Impact
- Habitat for Humanity of Florida

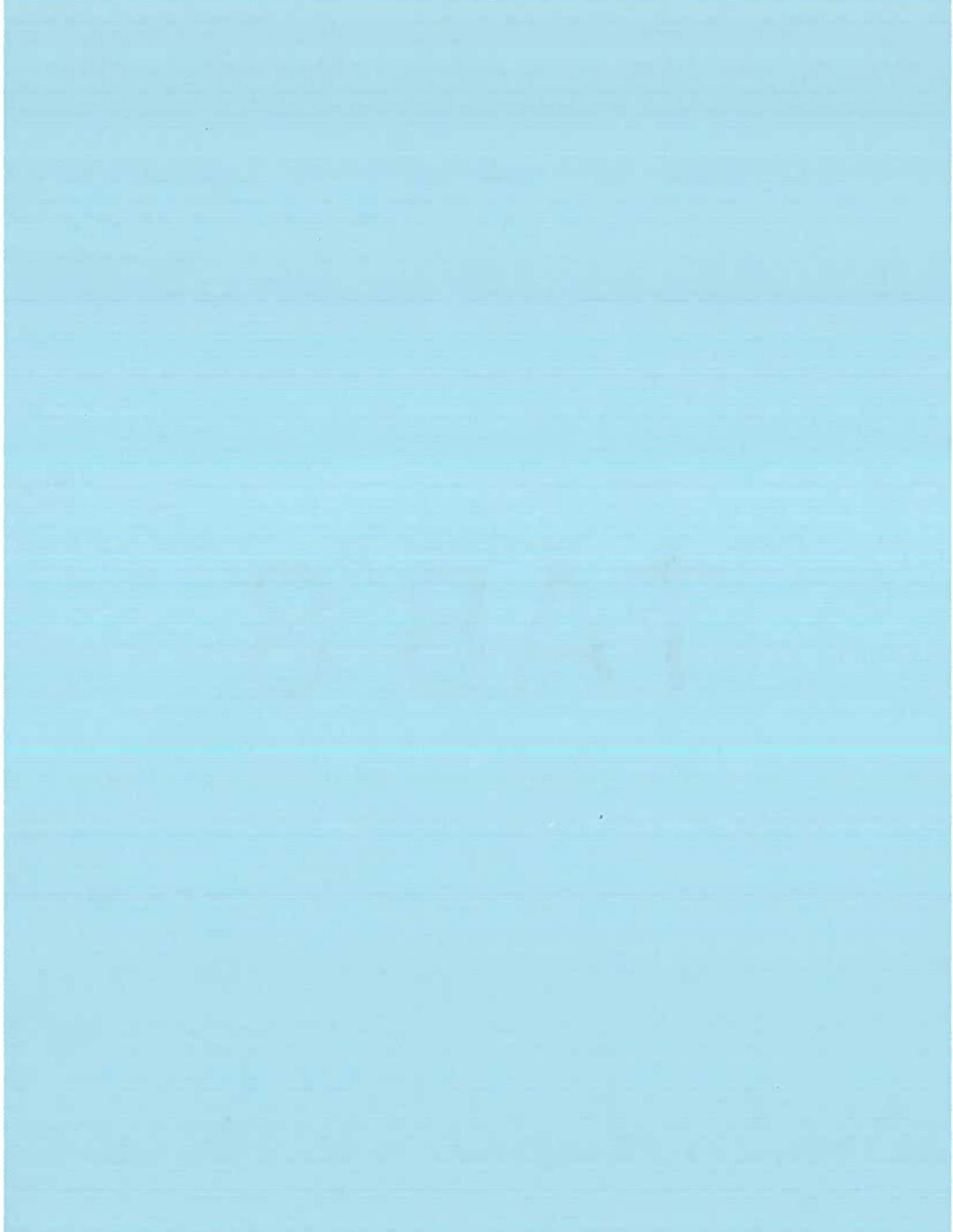
SHIP Distribution Estimates for Fiscal Year 2017-18

*Based on revenue estimate of \$292.37 million in the state and local housing trust funds for Fiscal Year 2017-18,
\$204.88 million* is available to be distributed to local SHIP jurisdictions.*

County/CDGB Cities	County Share/City Share	County/CDGB Cities	County Share/City Share	County/CDGB Cities	County Share/City Share	County/CDGB Cities	County Share/City Share
Alachua	\$1,299,286	Columbia	\$699,684	Madison	\$350,000	Winter Haven	\$388,322
Gainesville	\$1,309,722	De Soto	\$361,435	Manatee	\$3,025,222	Putnam	\$745,577
Baker	\$350,000	Dixie	\$350,000	Bradenton	\$535,538	St. Johns	\$2,173,256
Bay	\$1,400,905	Duval	\$9,237,070	Marion	\$2,885,344	St. Lucie	\$730,679
Panama City	\$365,238	Escambia	\$2,594,194	Ocala	\$595,167	Ft. Pierce	\$430,641
Bradford	\$350,000	Pensacola	\$542,300	Martin	\$1,536,832	Port St. Lucie	\$1,780,219
Brevard	\$3,168,474	Flagler	\$220,468	Miami-Dade	\$11,106,790	Santa Rosa	\$1,657,205
Cocoa	\$186,549	Palm Coast	\$817,516	Hialeah	\$1,506,994	Sarasota	\$3,462,372
Melbourne	\$810,859	Franklin	\$350,000	Miami	\$2,842,349	Sarasota	\$539,908
Palm Bay	\$1,094,689	Gadsden	\$493,294	Miami Beach	\$593,872	Seminole	\$4,524,049
Titusville	\$461,795	Gilchrist	\$350,000	Miami Gardens	\$710,587	Sumter	\$1,181,329
Broward	\$3,987,729	Glades	\$350,000	North Miami	\$403,353	Suwannee	\$458,887
Coconut Creek	\$578,202	Gulf	\$350,000	Monroe	\$751,294	Taylor	\$350,000
Coral Springs	\$1,268,314	Hamilton	\$350,000	Nassau	\$797,187	Union	\$350,000
Davie	\$988,539	Hardee	\$350,000	Okaloosa	\$1,747,731	Volusia	\$3,669,828
Deerfield Beach	\$783,370	Hendry	\$390,074	Ft. Walton Beach	\$213,367	Daytona Beach	\$648,904
Ft. Lauderdale	\$1,786,831	Hernando	\$1,800,549	Okeechobee	\$407,277	Deltona	\$893,351
Hollywood	\$1,479,078	Highlands	\$1,037,984	Orange	\$10,082,975	Wakulla	\$350,000
Lauderhill	\$710,629	Hillsborough	\$9,853,069	Orlando	\$2,680,284	Walton	\$630,921
Margate	\$570,741	Tampa	\$3,649,835	Osceola	\$2,472,498	Washington	\$350,000
Miramar	\$1,348,516	Holmes	\$350,000	Kissimmee	\$681,199		
Pembroke Pines	\$1,632,022	Indian River	\$1,462,250	Palm Beach	\$10,703,605		
Plantation	\$893,415	Jackson	\$510,497	Boca Raton	\$896,659		
Pompano Beach	\$1,083,662	Jefferson	\$350,000	Boynton Beach	\$743,228		
Sunrise	\$904,606	Lafayette	\$350,000	Delray Beach	\$644,694		
Tamarac	\$636,022	Lake	\$3,239,714	W. Palm Beach	\$1,088,097		
Calhoun	\$350,000	Lee	\$4,352,995	Pasco	\$4,965,518		
Charlotte	\$1,523,080	Cape Coral	\$1,697,885	Pinellas	\$5,065,835		
Punta Gorda	\$180,017	Ft. Myers	\$737,945	Clearwater	\$1,127,989		
Citrus	\$1,439,329	Leon	\$987,765	Largo	\$822,632		
Clay	\$2,064,318	Tallahassee	\$1,925,136	St. Petersburg	\$2,616,241		
Collier	\$3,309,877	Levy	\$412,995	Polk	\$5,027,539		
Naples	\$199,323	Liberty	\$350,000	Lakeland	\$1,034,664	Total	*\$204,880,000

*Appropriation total of \$204,880,000 includes \$5,512,200 of SHIP compliance monitoring & disaster relief and \$4,000,000 of homeless funding

TAB 8



JHFA Board Meeting Calendar 2017

JANUARY						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

MARCH						
S	M	T	W	TH	F	S
			1	2	3	4
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

APRIL						
S	M	T	W	TH	F	S
						1
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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

MAY						
S	M	T	W	TH	F	S
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

JULY						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

AUGUST						
S	M	T	W	TH	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

SEPTEMBER						
S	M	T	W	TH	F	S
				1	2	
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10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

OCTOBER						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

NOVEMBER						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

DECEMBER						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JHFA Meeting Locations

8th Floor

Meeting Rooms Located at 214 North Hogan Street, 8th Floor, Jacksonville, Florida

Staff and Team Conference Call 8:30 AM

FHFC Meeting Dates & Locations

January 29, 2016, Tallahassee City Hall
 March 18, 2016, Tallahassee City Hall
 May 6, 2016 Jacksonville Hyatt Regency
 June 24, 2016, Tampa Airport Marriott

August 5, 2016, Tallahassee City Hall
 September 16, 2016 Sandestin Hilton
 October 28, 2016, Tallahassee City Hall
 December 9, 2016, Orlando Airport Hyatt Regency

NALHFA Annual Conference, April 26-29, 2017- Park Central Hotel, San Francisco

Florida ALHFA Conference July 12-15, 2017- One Ocean Hotel, Atlantic Beach

Florida Housing Coalition Conference, September 10-13, 2017- Rosen Centre Hotel, Orlando