

Housing Finance Authority of Hillsborough County

Credit Underwriting Report

The Renaissance at West River f/k/a Bethune Residences I at West River

Housing Finance Authority of Hillsborough County Tax-Exempt Loan Program

Section A Report Summary

Section B Loan Conditions and HC Allocation Recommendation and Contingencies

Section C Supporting Information and Schedules

Prepared by

Seltzer Management Group, Inc.

FINAL REPORT

August 30, 2018

AUGUST 30, 2018

THE RENAISSANCE AT WEST RIVER f/k/a BETHUNE RESIDENCES I AT WEST RIVER

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Section A
Report Summary

Recommendation

Seltzer Management Group, Inc. (“SMG” or “Seltzer”) recommends a Housing Finance Authority of Hillsborough County (“HFAHC” or “HFA”) Multifamily Mortgage Revenue Note (“MMRN”) in the amount of \$22,400,000 to the Development, The Renaissance at West River f/k/a Bethune Residences I at West River (“Renaissance” or “Applicant”), for construction period financing. Upon completion of construction and the subsequent conversion to the permanent phase, the construction loan issued by Bank of America, N.A. (“Bank of America” or “BOA”) will be purchased, pursuant to Tax Exempt Loan (“TEL”) guidelines, through a Freddie Mac TEL issued through Greystone Servicing Corporation, Inc. (“Greystone”). The resulting TEL outstanding during the permanent period is anticipated to be in the amount of \$7,600,000.

DEVELOPMENT & SET-ASIDES

Development Name: The Renaissance at West River f/k/a Bethune Residences I at West River

RFA/Program Numbers: RFA 2016-109 / 2016-376S

Address: 1545 W. Main Street

City: Tampa Zip Code: 33607 County: Hillsborough County Size: Large

Development Category: New Construction Development Type: Mid-Rise (5-6 Stories)

Construction Type: Concrete block, steel framed with steel roof joists and a single-ply membrane roof

Demographic Commitment:

Primary: Elderly: 55+ or 62+ for 80% of the Units

Secondary: _____ for _____ of the Units

Unit Composition:

of ELI Units: 16 ELI Units Are Restricted to 40% AMI, or less. Total # of units with PBRA? 160

of Link Units: 8 Are the Link Units Demographically Restricted? Yes # of NHTF Units: 0

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	12	716	40%			\$ 449	\$ 79	\$ 370	\$ 813	\$ 775	\$ 776	\$ 813	\$ 117,072
1	1.0	114	716	50%			\$ 561	\$ 79	\$ 482	\$ 813	\$ 775	\$ 776	\$ 813	\$ 1,112,184
1	1.0	10	716	60%			\$ 673	\$ 79	\$ 594	\$ 813	\$ 775	\$ 776	\$ 813	\$ 97,560
2	2.0	12	916	40%			\$ 539	\$ 103	\$ 436	\$ 1,144	\$ 1,119	\$ 1,011	\$ 1,144	\$ 164,736
2	2.0	3	916	60%			\$ 673	\$ 103	\$ 570	\$ 1,144	\$ 1,119	\$ 1,011	\$ 1,144	\$ 41,184
2	2.0	9	1,094	60%			\$ 808	\$ 103	\$ 705	\$ 1,144	\$ 1,119	\$ 1,011	\$ 1,144	\$ 123,552
		160	120,962											\$ 1,656,288

The Development is not located in and does not qualify as a Limited Development Area (“LDA”); therefore, the Applicant must commit to set aside ten percent (10%) of the total units (16 units) as ELI Set-Aside units.

As required by the Federal Fair Housing Act, at least 80% of the total units (128 units) will be rented to residents that qualify as Elderly.

A commitment required as a condition of the loans provided to the Development by Florida Housing Finance Corporation (“FHFC” or “Corporation”), the Applicant must commit to set aside units for Persons with a Disabling Condition. The proposed Development must set aside fifty percent (50%) of the ELI Set-Aside units (8 units) as Link units for Persons with a Disabling Condition. In order to meet the commitment to set aside ELI units as Link units for Persons with a Disabling Condition, the Applicant must development and execute a Memorandum of Understanding (“MOU”) with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with a Disabling Condition for the county where the proposed Development will be located (Hillsborough County). The fully executed MOU was approved by Florida Housing on February 27, 2018.

Buildings: Residential - 1 Non-Residential - 0
 Parking: Parking Spaces - 93 Accessible Spaces - 5

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRN/HFAHC	86.25%	138	50%	50
MMRN/HFAHC	13.75%	22	60%	50
SAIL/ELI/HC	10.0%	16	40%	50
SAIL/HC	90.0%	144	60%	50
HC	10.0%	16	40%	50
HC	90.0%	144	60%	50
FHLB - AHP	15.0%	24	40%	15
FHLB - AHP	50.0%	80	50%	15
FHLB - AHP	35.0%	56	60%	15

Absorption Rate 27 units per month for 6.0 months.

Occupancy Rate at Stabilization: Physical Occupancy 95.00% Economic Occupancy 95.00%
 Occupancy Comments Vacant - prior buildings demolished

DDA: No QCT: Yes Multi-Phase Boost: No QAP Boost: No
 Site Acreage: 2.88 Density: 55.5556 Flood Zone Designation: X
 Zoning: NMU-35 (Neighborhood Mixed Use) Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	West River Phase 1A, LP	% Ownership
General Partner	THA West River Phase 1A, LLC	0.0050%
Limited Partner	Bank of America, N.A.	99.9900%
Limited Partner	Banc of America Community Development Corporation	0.0050%
Special LP	Banc of America CDC Special Holding Company, Inc.	0.0000%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Banc of America Community Development Corporation	
CC Guarantor 2:	West River Phase 1A, LP	
CC Guarantor 3:	THA West River Phase 1A, LLC	
CC Guarantor 4:	WRDG Bethune I, LLC	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Banc of America Community Development Corporation (to be released upon conversion to perm. debt)	
OD Guarantor 2:	West River Phase 1A, LP	
OD Guarantor 3:	THA West River Phase 1A, LLC	
OD Guarantor 4:	WRDG Bethune I, LLC	
OD Guarantor 5:	Housing Authority of the City of Tampa, Florida	
Note Purchaser	Greystone, Inc. (permanent period)	
Developer:	WRDG Bethune I, LLC	
Principal 1	Banc of America Community Development Corporation	
Principal 2	Housing Authority of the City of Tampa, Florida	
General Contractor 1:	DPR Construction, A General Partnership	
Management Company:	JMG Realty, Inc.	
Syndicator:	Bank of America, N.A.	
Note Issuer:	Housing Finance Authority of Hillsborough County	
Architect:	Baker Barrios Architects, Inc.	
Market Study Provider:	The Dohring Group	
Appraiser:	Cuervo Real Estate Advisors, Inc.	

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	
Lien Position	First	Second	Third	Fourth - Seventh	Eighth	
Lender/Grantor	Greystone	FHFC - SAIL	FHFC - ELI	Tampa HA	Tampa HA	
Amount	\$7,600,000	\$7,000,000	\$600,000	\$1,674,000	\$3,498,241	
Underwritten Interest Rate	5.39%	1.00%	0.00%	0.01%	0.01%	
Loan Term	15.0	30.0	30.0	55.0	55.0	
Amortization	35.0	N/A	N/A	N/A	N/A	
Market Rate/Market Financing LTV	27.3%	52.5%	54.7%	61%	73%	
Restricted Market Financing LTV	77.7%	149.3%	155.4%	173%	208%	
Restricted Favorable Financing LTV	N/A	N/A	N/A	N/A	N/A	
Loan to Cost - Cumulative	16.9%	32.4%	33.8%	56.8%	56.8%	
Loan to Cost - SAIL Only	N/A	15.6%	N/A	N/A	N/A	
Debt Service Coverage	1.437	1.232	1.225	1.225	1.224	
Operating Deficit & Debt Service Reserves	\$710,000					
# of Months covered by the Reserves	9.6					
Deferred Developer Fee				\$1,873,953		
As-Is Land Value				\$2,480,000		
Market Rent/Market Financing Stabilized Value				\$27,800,000		
Rent Restricted Market Financing Stabilized Value				\$9,780,000		
Projected Net Operating Income (NOI) - Year 1				\$701,488		
Projected Net Operating Income (NOI) - 15 Year				\$828,499		
Year 15 Pro Forma Income Escalation Rate				2.00%		
Year 15 Pro Forma Expense Escalation Rate				3.00%		
Note Structure				Tax-Exempt Loan		
Housing Credit (HC) Syndication Price				\$1.02		
HC Annual Allocation - Initial Award				\$1,411,259.25		
HC Annual Allocation - Qualified in CUR				\$1,771,131		
HC Annual Allocation - Equity Letter of Interest				\$1,721,093		

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
First Mtg - TEL	HFAHC / Bank of America / Greystone	\$22,400,000	\$7,600,000	\$47,500.00
Second Mtg - SAIL	FHFC	\$7,000,000	\$7,000,000	\$43,750.00
Third Mtg - ELI	FHFC	\$600,000	\$600,000	\$3,750.00
Fourth Mtg	Tampa HA	\$1,674,000	\$1,674,000	\$10,462.50
Fifth Mtg	Tampa HA	\$3,498,241	\$3,498,241	\$21,864.01
Sixth Mtg	Tampa HA	\$2,195,673	\$2,195,673	\$13,722.96
Seventh Mtg	Tampa HA	\$2,000,000	\$2,000,000	\$12,500.00
Eighth Mtg	City of Tampa	\$1,000,000	\$1,000,000	\$6,250.00
HC Equity	Bank of America	\$2,633,009	\$17,553,393	\$109,708.71
Deferred Dev. Fee	WRDG Bethune I	\$1,994,337	\$1,873,953	\$11,712.21
TOTAL		\$44,995,260	\$44,995,260	\$281,220

Financing Structure:

Applicant submitted a Multifamily Revenue Bond Program Application to the HFA. This transaction will not involve the issuance of HFAHC Tax-Exempt Bonds. However, Bank of America, N.A. ("Bank of America") will loan up to \$22,400,000 to the HFAHC through a Tax-Exempt Loan ("TEL" or "Funding Loan") in connection with the construction financing of the Development. The proceeds of the TEL will be used by the HFAHC to provide funding, on a draw down basis, to the Applicant through a Multifamily Housing Revenue Note ("MHRN"), aka Multifamily Mortgage Revenue Note ("MMRN"), which proceeds will fund the Construction Phase Project Loan to the Applicant in corresponding installments pursuant to the Construction Phase Project Loan Agreement. Bank of America will administer the Funding Loan and Construction Phase Project Loan during the Construction Phase in accordance with the Financing Documents.

Upon conversion to the permanent period the Funding Loan shall be reduced to \$7,600,000. Per the permanent financing LOI provided by Greystone Servicing Corporation, Inc. ("Greystone"), on the Conversion Date, the Funding Loan will be amended and restated to terms according to Freddie Mac, via the Freddie Mac Targeted Affordable Housing loan program, for a purchase price equal to the principal amount and accrued interest of the MMRN outstanding.

Changes from the Application:

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

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

1. Since the time of Application, the Applicant requested the Bond/MMRN Amount be increased from \$18,500,000 to \$22,000,000, followed by another request to increase the amount to \$22,400,000. In the Application the Applicant anticipated receiving a grant from HUD's Choice Neighborhood Initiative in the amount of \$7,500,000, which is no longer a source of funds. Additional sources of funding have been added for construction and/or permanent financing of the Development. Those additional sources consist of an Affordable Housing Program ("AHP") loan from the Tampa Housing Authority ("THA") in the amount of \$2,000,000, a loan from the

THA in the amount of \$2,195,673, and a FHFC SAIL loan and SAIL/ELI funds in the amounts of \$7,000,000 and \$600,000, respectively.

2. Subsequent to submission of the Application, the Applicant requested permission to provide washer/dryer hook-ups in each unit in lieu of ceramic tile bathroom floors, as committed to in the Application. On July 26, 2018, HFAHC approved the Applicant's request.
3. The Renaissance at West River f/k/a Bethune Residences I at West River is one phase of a multiphase redevelopment plan known as The West River Redevelopment. The West River Redevelopment is a City of Tampa initiative to redevelop a 120-acre area generally located north of I-275 and east of N. Rome Avenue to North Boulevard.

While the proposed density for the Development exceeds the maximum density allowable according code, this report was prepared under the assumption that the Site Plan for the Development, which includes the proposed density, will be approved, thereby permitting the Development to proceed as presented. Successful approval of the Site Plan, and therefore, the proposed density, will be a condition to close.

4. Development costs have increased \$5,684,465 (14.46%), from \$39,310,795 within the Application to \$44,995,260. The increase is primarily due to increases in construction costs, building permits, engineering fees, insurance, property taxes, and financing costs.
5. The Application included a Letter of Intent ("LOI") from Bank of America to provide 4% LIHTC equity for construction of the Development at a syndication rate of \$1.12 per credit. Subsequent to Application submission, the Applicant executed an LOI dated June 8, 2017, with Bank of America for the provision of 4% LIHTC equity at a syndication rate of \$1.02 per credit.
6. Other Material Changes from the Application:
 - a. In its funding Application, the Development's unit mix consisted of 130 one-bedroom/one-bath units (13 ELI) and 30 two-bedroom/two-bath units (3 ELI units). On September 1, 2017, Hillsborough County's Board of County Commissioners approved a change to the Development's unit mix to consist of 136 one-bedroom/one-bath units (14 ELI units) and 24 two-bedroom/two-bath units (2 ELI units).
 - b. Subsequent to entering credit underwriting, the Applicant changed the name of the Development from Bethune Residences I at West River to The Renaissance at West River.
 - c. Subsequent to entering credit underwriting, the Applicant twice modified the size/shape of the subject site of the proposed Development. The acreage of the subject site in the Application was approximately 9.26 acres and is now approximately 2.862 acres. The Applicant has formally requested FHFC's approval of the site change. Seltzer's recommendation within this report is contingent upon FHFC's approval of the site change.

These changes have no substantial material impact to the MMRN recommendations for this Development.

Strengths:

1. The appraiser, Cuervo Real Estate Advisors, Inc. (“Cuervo”) states that there is adequate demand for affordable housing in the Subject’s Primary Market Area (“PMA”).
2. The Dohring Group (“Dohring”) advised that the comparable properties in the subject’s market area are reporting a weighted average occupancy rate of 98%.
3. The developer, contractor, and the management company, along with their respective principal members, have sufficient experience and financial resources to develop, construct and operate the proposed Development.
4. Per an executed letter dated August 23, 2018, with an amended Commitment to Enter into a Housing Assistance Payments Contract (“CHAP”) Exhibit from U.S. Department of Housing and Urban Development (“HUD”), the subject property will receive Rental Assistance Demonstration (“RAD”) rents for all 160 units to be located at the Renaissance. The RAD rents exceed the maximum allowable Housing Credit (“HC”) rents for all unit types, resulting in an increase to gross potential income of approximately 45%.

Other Considerations:

1. Banc of America Community Development Corporation (“BOACDC”) - Guarantor:

One of the tasks within Seltzer’s underwriting scope of work is an evaluation of guarantors of this transaction, both as to experience and as to financial capacity. BOACDC will sign a standard HFA Construction Completion Guaranty, released upon lien-free completion, and a standard HFA Operating Deficit Guaranty, released post-permanent loan conversion. BOACDC states, however, it is unable to provide SMG either current BOACDC Financial Statements or a current Statement of Contingent Liabilities. BOACDC’s financial data is consolidated with Bank of America, which in turn is consolidated with Bank of America Corporation (“BOA”). Bank of America and BOA, however, are not signing HFA Guaranties.

Mitigating Factors:

1. BOACDC – Guarantor:

Listed on the New York Stock Exchange, BOA (2nd largest bank in U.S.) reports its results from operations on a quarterly and annually summative basis via Form 10-Q and Form 10-K, respectively, to the United States Securities and Exchange Commission and publishes the results on its website, www.bankofamerica.com. BOA’s latest 10-K, the year ending December 31, 2017, reports assets of approximately \$2.2 trillion and shareholder equity of approximately \$266 billion.

Waiver Requests/Special Conditions:

1. General Contractor using affiliate Subcontractor:

The General Contractor, DPR Construction (“DPR”), intends to subcontract off-site construction of the panelized walls/shell (proprietary panelized construction) to an affiliate, Digital Building Components (“DBC”). On May 4, 2018, FHFC Board approved the Applicant’s waiver request, permitting DPR’s use of DBC. As a condition of FHFC’s approval of this Rule waiver, the cost of work performed by the affiliate is excluded from the calculation of the maximum allowable General Contractor fees.

2. Second extension for underwriting:

The Applicant was unable to successfully complete underwriting within the requisite timeframe. On December 8, 2017, the Applicant was granted an extension by the FHFC Board, extending the firm loan commitment issuance deadline from January 4, 2018 to July 5, 2018. The Applicant needed additional time and on June 15, 2018, the FHFC Board approved a Rule waiver, granting a second extension with a new deadline of August 15, 2018.

3. Change to site legal description:

The Applicant has requested FHFC approve a change to the subject site, decreasing the northern boundary and increasing the eastern boundary. The building footprint and Development Location Point will remain unchanged. This change requires FHFC Board approval and will be considered by the Board at their July 27, 2018 meeting. The recommendation within the report is contingent upon the Board’s approval.

Additional Information:

1. BOACDC - Guarantor:

The Tempo at Encore is a planned 203-unit residential apartment complex with retail space, located in Tampa, Florida.

- a) On June 17, 2016, the development’s owner, The Tempo at Encore, LP, terminated the general contractor, Siltek Construction Group, after Siltek defaulted on its contractual obligations to the BOACDC. The project’s surety, Berkley Insurance Company, assumed responsibility to complete the project, and assumed Siltek’s contractual responsibilities to the owner on October 24, 2016.
- b) Over the objection of the owner, and despite the owner’s earlier termination of Siltek, Berkley chose Tron Construction, LLC, a newly formed affiliate of Siltek, to serve as the general contractor to complete the development. BOACDC lacked confidence that Tron could complete the project, and repeatedly expressed those concerns to Berkley.
- c) On May 31, 2017, the owner terminated Berkley and Tron, in accordance with the terms of the construction contract due to concerns over Berkley and Tron’s ability to complete the development and the owner’s discovery of Berkley and Tron’s multiple defaults of their contractual obligations after Berkley appointed Tron as the general contractor for the project. The Tempo at Encore will complete the development through a third-party contractor.

BOACDC took action under its guarantee and has been funding to cover the cost overruns on the Tempo at Encore development to make necessary repairs and correct deficient work. As of April

13, 2018, BOACDC has committed an additional \$33,175,930 to the development to ensure its completion.

2. AHP Restrictions:

- a) The Applicant applied for, and was selected to receive, a \$2,000,000 AHP loan through the Federal Home Loan Bank (“FHLB”) of San Francisco. This loan is not being underwriting by Seltzer, but known restrictions/commitments are incorporated within this report. As a condition of the FHLB loan, 50% of the Development’s 160 units (80 units) will have a demographic commitment of “Homeless”. The FHLB loan also requires the following income restrictions: 24 units @ 40% AMI, 80 units @ 50% AMI, and 56 units at 60% AMI. The set-aside commitment period for the AHP loan is 15 years. As previously stated, the Development will receive RAD rents from HUD, which exceed the AMI rent limitations imposed by the FHLB.

3. Guaranties:

HFA requires a standard set of Guaranties in relation to this type of transaction. Guarantors typically include both corporate entities (Applicant, General Partner, Developer, etc.) and the Principals of said entities, if applicable. The Applicant states there will be no Personal Guaranty for the subject transaction and Corporate Guarantees are unavailable from Bank of America. The Guaranties will include:

- a. Construction Completion Guaranty – Applicant, THAWR, WRDG, and BOACDC
- b. Operating Deficit Guaranty – Applicant, THAWR, WRDG, BOACDC (released upon conversion to permanent period financing), and THA
- c. Environmental Indemnity – Applicant, THAWR, WRDG, and THA
- d. Recourse Obligation Guaranty – Applicant, THAWR, WRDG, and THA

4. Declaration of Condominium:

The property is anticipated to be divided into two condominium units consisting of:

- One Commercial Unit - located on the first floor of the building, containing approximately 1,972 square feet, which is intended for commercial uses, and which may be further subdivided by the Owner of the Commercial Unit.
- One Residential Unit - located in all other portions of the building (first through sixth floors) and contains approximately 183,793 square feet.

During construction, the Applicant will be the sole owner of the entire property. At the recordation of the Declaration of Condominium, the Partnership will own the Residential Unit while the Commercial Unit will be owned by the THA or its affiliate.

5. A letter from FDEP dated July 16, 2018 states that despite the groundwater contaminant plume, as long as the Development connects to the municipal water and sanitary sewer available to the site, a Declaration of Restrictive Covenant on the site will not be required.

Issues and Concerns:

1. Environmental:

The environmental reports (Phase I, Phase II, Supplemental Site Assessment, etc.) completed by GLE Associates, Inc. ("GLE") identified an underground solvent "plume of vinyl chloride", a known carcinogen, that could negatively impact the portions of the subject site.

Mitigating Factors – Issues and Concerns:

1. Environmental:

The subject site was modified in order to avoid encroachment of the plume onto the site. GLE reviewed the updated site plan and confirmed that the plume no longer intersects the subject site's boundary. The construction lender, permanent lender, and equity investor reviewed the new site plan, along with GLE's report delineating the plume's location, and informed Seltzer they are satisfied with the resolution.

Recommendation:

Seltzer recommends a Hillsborough County HFA MMRN in the amount of \$22,400,000 to the subject Development for construction period financing. At completion of construction and conversion to the permanent phase the construction loan issued by Bank of America will be purchased, pursuant to TEL program guidelines, through a Freddie Mac tax-exempt loan issued through Greystone. The resulting tax-exempt note outstanding during the permanent phase is anticipated to be in the amount of \$7,600,000, see Financing Structure below.

This recommendation is based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, this recommendation is subject to the Loan Conditions (Section B). The reader is cautioned to refer to these sections for complete information.

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

Prepared by:



Joshua Scribner
Credit Underwriter

Reviewed by:



Cindy Highsmith
Credit Underwriting Manager

Overview

Construction Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Construction Debt Service
First Mortgage - TEL	HFAHC / BOA	\$18,500,000	\$22,400,000	\$22,400,000	4.45%	\$1,349,717
Second Mortgage - SAIL	FHFC	\$7,000,000	\$7,000,000	\$7,000,000	0.00%	\$0
Third Mortgage - ELI	FHFC	\$600,000	\$600,000	\$600,000	0.00%	\$0
Fourth Mortgage - Land Loan	Tampa HA	\$1,599,000	\$1,674,000	\$1,674,000	0.01%	\$167
Fifth Mortgage - RHF	Tampa HA	\$6,308,192	\$3,498,241	\$3,498,241	0.01%	\$350
Sixth Mortgage - THA Funds	Tampa HA	\$0	\$2,289,884	\$2,195,673	0.00%	\$0
Seventh Mortgage - AHP	Tampa HA	\$0	\$2,000,000	\$2,000,000	0.01%	\$200
Eighth Mortgage - HOME	City of Tampa	\$1,000,000	\$1,000,000	\$1,000,000	1.00%	\$10,000
HC Equity	Bank of America	\$6,321,810	\$2,633,009	\$2,633,009		
Deferred Developer Fee	WRDG Bethune I	\$0	\$0	\$1,994,337		
Total		\$41,329,002	\$43,095,134	\$44,995,260		\$1,360,434

Tax Exempt Construction Note

Per a June 8, 2017 financing proposal from Bank of America, last updated March 30, 2018, Bank of America or a designated capital partner will purchase an estimated tax-exempt note in the amount of \$22,400,000 during the construction period, to be reduced by the Applicant to \$7,600,000 in the permanent period and held by Greystone. The MMRN will have a 24-month interest-only period starting from the date of MMRN issuance. Interest on the MMRN will be based on a floating rate of the One-day/Overnight London Interbank Offered ("LIBO") rate plus 250 basis points payable monthly on the amount of MMRN outstanding. SMG also includes a 0.25% credit underwriting cushion. Based on current rates SMG estimates the "all-in" interest rate on the MMRN at 4.45%. The schedule above reflects the MMRN funded at an average of 57% during the construction phase and 100% during lease-up stabilization.

Other Construction Sources of Funds:

Additional sources of funds for this Development during construction are a FHFC SAIL loan in the amount of \$7,000,000; an ELI loan in the amount of \$600,000; a Tampa Housing Authority ("THA") loan in the amount of \$1,674,000, a THA loan from Replacement Housing Factor ("RHF") in the amount of \$3,498,241, an Affordable Housing Program ("AHP") loan from the Federal Home Loan Bank of San Francisco in the amount of \$2,000,000, a \$1,000,000 loan from THA in HOME funds, HC equity of \$2,633,009, and deferred developer fees in the amount of \$1,994,337. Permanent Financing section details are located in "Permanent Financing Sources".

Construction/Stabilization Period:

An AIA Standard Form of Agreement dated April 19, 2018, and amended May 17, 2018, between Owner and Contractor with a Guaranteed Maximum Price ("GMP") reflects DPR Construction, a General Partnership, achieving substantial completion of the entire work no later than 404 days. The Dohring Group's market study dated August 31, 2017, reflects an average absorption rate of 26.7 units per month. Based on this, the subject should achieve stabilized occupancy of 95% within 6 months after

construction completion. SMG has utilized a 24-month construction/stabilization period for purposes of this credit underwriting report.

Permanent Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Amort. Yrs.	Term Yrs.	Annual Debt
First Mortgage - TEL	Greystone	\$5,500,000	\$7,600,000	\$7,600,000	5.39%	35	15	\$483,205
Second Mortgage - SAIL	FHFC	\$7,000,000	\$7,000,000	\$7,000,000	1.00%	N/A	30	\$70,000
Third Mortgage - ELI	FHFC	\$600,000	\$600,000	\$600,000	0.00%	N/A	30	\$0
Fourth Mortgage - Land Loan	Tampa HA	\$1,599,000	\$1,674,000	\$1,674,000	0.01%	N/A	55	\$167
Fifth Mortgage - RHF	Tampa HA	\$6,308,192	\$3,498,241	\$3,498,241	0.01%	N/A	55	\$350
Sixth Mortgage - THA Funds	Tampa HA	\$0	\$2,289,884	\$2,195,673	0.01%	N/A	55	\$220
Seventh Mortgage - AHP	Tampa HA	\$0	\$2,000,000	\$2,000,000	0.01%	N/A	55	\$200
Eighth Mortgage - HOME	City of Tampa	\$1,000,000	\$1,000,000	\$1,000,000	1.00%	N/A	55	\$10,000
HC Equity	Bank of America	\$15,804,523	\$17,553,393	\$17,553,393	N/A	N/A	N/A	
Deferred Developer Fee	WRDG Bethune I	\$1,499,080	\$2,000,000	\$1,873,953				
Total		\$39,310,795	\$45,215,518	\$44,995,260				\$564,141

Tax Exempt Permanent Note

Per the April 3, 2018 financing proposal from Greystone, following the repayment of \$14,800,000 of tax exempt construction funding, the Applicant will have a 24-month unfunded forward Freddie Mac-Targeted Affordable Housing (“TAH”) MMRN loan of \$7,600,000 with a term of 15 years, amortized over 35 years. Greystone’s conversion requirements include the property maintaining 90% occupancy for a trailing 90-day period, Effective Gross Income being no less than \$1,506,266 and Net Operating Income being no less than \$610,226, all subordinate debt is “soft” and limited to 75% of net cash flow after debt service, and the ratio of net operating income of the subject must equal or exceed 1.15x to 1.00x. Following the construction/stabilization phase, interest and principal payments will be paid monthly. The interest rate during the permanent period will be fixed at loan closing based upon 274 basis points over the 10 Year Treasury rate. SMG also includes a 0.25% credit underwriting cushion. Based on current rates SMG estimates the “all-in” interest rate on the MMRN during the permanent period at 5.39%.

There is a 10 year lockout, followed by Yield Maintenance until 6 months prior to maturity. The loan is pre-payable at 1%, 6 months before maturity. The MMRN will be secured by a first mortgage on the Development and a first security interest in all personal property.

At maturity, Borrower may satisfy the mortgage repayment via refinance or sale of the Development, pending market feasibility. In the event the Borrower is unable to refinance or effectuate a sale to fund payoff of the MMRN, such event would not cause an event of default under the loan documents. Rather, should this situation occur, it would trigger a “Mortgage Assignment Event” whereby Greystone agrees to cancel the MMRN in exchange for an assignment by the Trustee of the mortgage and all other related documents and accounts. The Trustee would cancel the MMRN and discharge the lien of the indenture, and it would then assign the mortgage loan and any other related documents and collateral to Greystone, effectively ending the transaction. Under this scenario the MMRN will have been redeemed/cancelled not by payment of cash but by the assignment of the mortgage loan documents and there is no default. As the new direct mortgagee, Greystone would then be in position to work with the Borrower to arrive at a resolution without involvement of either FHFC or the Trustee (as the MMRN would have been cancelled and would no longer be outstanding).

SAIL

The Applicant applied for and received a preliminary commitment from FHFC under RFA 2016-109 for SAIL funds in the amount \$7,000,000. The SAIL loan term will be 30 years, which is the period commensurate with the investment requirements associated with the HC syndication and permitted by the Rule. The SAIL loan will be non-amortizing and will bear 1.00% simple interest per annum. The Applicant shall not be obligated to pay more than 75% of development surplus cash flow on an annual basis as required and defined by Freddie Mac's Regulatory Agreement. Annual payments of all applicable fees will be required. The annual Permanent Loan Servicing Fee is based on 25 bps of the outstanding loan amount with a maximum of \$840 per month, subject to a minimum of \$211 per month and the Compliance Monitoring Fee is based on an annual multiple program fee of \$918. Any unpaid interest will be deferred until cash flow is available. At the maturity of the SAIL loan, however, all principal and unpaid interest is due.

ELI Loan

The Applicant also received a preliminary commitment of ELI funds in the amount of \$600,000 under RFA 2016-109 Applications with an Elderly demographic commitment. The ELI Loan is in the form of a forgivable loan.

The ELI AMI for Hillsborough County is 40%. The Applicant committed to set aside 10% of the units (16 units) at or below 40% AMI for ELI. The ELI units are distributed across the unit mix on an approximate pro-rata basis. The ELI loan is non-amortizing at 0.00% simple interest per annum. Annual payments of all applicable fees will be required. The annual Loan Servicing Fee is based on 25 bps of the outstanding loan amount with a maximum of \$840 per month, subject to a minimum of \$211 per month and the Compliance Monitoring Fee is based on an annual multiple program fee of \$918. The principal is forgivable at maturity, provided the units for which the ELI loan amount is awarded are targeted to ELI Households for the first 15 years of the 50 year Compliance Period. However, after 15 years, all of the ELI set aside units may convert to serve residents at or below 60% AMI. The Persons with a Disabling Condition set-aside requirement must be maintained through the entire compliance period. The ELI loan term will be 30 years, which is the period commensurate with the investment requirements associated with the HC syndication and permitted by the RFA.

THA - Land Loan

Per an executed THA LOI dated February 22, 2018, the THA will lend the Applicant \$1,674,000 for construction and permanent financing, for the purpose of purchasing the subject site. The loan will have a term of 55 years with an interest rate of 0.01%. Principal and interest payments shall be made in installments of varying amounts and shall be paid annually in amounts which shall be determined based on the available cash after repayment of all outstanding debt, based on operations of the proposed Development.

THA - RHF Loan

Per an executed THA LOI dated February 22, 2018, the THA will lend the Applicant RHF funds in the amount of \$3,498,241 for construction and permanent financing of the Development. The loan will have a term of 55 years with an interest rate of 0.01%. Principal and interest payments shall be made in installments of varying amounts and shall be paid annually in amounts which shall be determined based

on the available cash after repayment of all outstanding debt, based on operations of the proposed Development.

THA – General Funds Loan

Per an executed THA LOI dated March 21, 2018, the THA will lend the Applicant \$2,195,673 for construction and permanent financing of the Development. The loan will have a term of 55 years with an interest rate of 0.01%. Principal and interest payments shall be made in installments of varying amounts and shall be paid annually in amounts which shall be determined based on the available cash after repayment of all outstanding debt, based on operations of the proposed Development.

THA – AHP Loan

Per an executed THA LOI dated March 21, 2018, the THA will be the Sponsor for the Applicant with FHLB of San Francisco for AHP financing in the amount of \$2,000,000 for construction and permanent financing of the Development. The loan will have a term of 55 years with an interest rate of 0.01%. Principal and interest payments shall be made in installments of varying amounts and shall be paid annually in amounts which shall be determined based on the available cash after repayment of all outstanding debt, based on operations of the proposed development. As previously noted, the FHLB AHP loan requires set-asides of 50% of the Development’s 160 units (80 units) will have a demographic commitment of “Homeless”. The FHLB loan also requires the following income restrictions: 24 units @ 40% Area Median Income (“AMI”), 80 units @ 50% AMI, and 56 units at 60% AMI for 15 years. Also previously stated, the Development will receive RAD rents from HUD, which exceed the AMI rent limitations imposed by the FHLB.

THA / City of Tampa – HOME loan

Per an executed THA LOI dated February 22, 2018, the THA will lend the Applicant \$1,000,000 of HOME funds, provided to the THA by the City of Tampa, for construction and permanent financing of the Development. The loan will have a term of 55 years with an interest rate of 1.00%. Principal and interest payments shall be made in installments of varying amounts and shall be paid annually in amounts which shall be determined based on the available cash after repayment of all outstanding debt, based on operations of the proposed development.

Housing Credits Equity Investment:

In addition to the SAIL and ELI loans, the Applicant also applied for 4% Housing Credits under FHFC RFA 2016-109.

Based upon an April 12, 2018 LOI, Bank of America or an affiliate will purchase a 99.99% interest in the Applicant and provide HC equity as follows:

Capital Contributions	Amount	Percent of Total	When Due
1st Installment	\$2,633,009	15.00%	At Closing
2nd Installment	\$2,633,009	15.00%	100% Construction Completion
3rd Installment	\$11,409,705	65.00%	Stabilized Occupancy - 1.15x DSC
4th Installment	\$877,670	5.00%	8609
Total	\$17,553,393	100.00%	

Annual Tax Credits per Syndication Agreement:	\$1,721,093
Total HC Syndication:	\$17,209,209
Syndication Percentage (partnership interest):	99.99%
Calculated HC Exchange Rate (per dollar):	\$1.02
Proceeds Available During Construction:	\$2,633,009

Per the letter of intent, 15.00% of the total HC equity will be disbursed at closing, thus complying with regulatory requirements. An affiliate of Bank of America, anticipated to be BOACDC, will own 0.005% of the Partnership, leaving 0.005% owned by General Partner.

Other Permanent Sources of Funds:

In order to balance the sources and uses of funds, after all loan proceeds and capital contributions, the Developer will have to defer an estimated \$1,873,953 of Developer Fees, which is 43.30% of the total \$4,605,882 Developer Fee (includes development expenses classified as subsets of Developer Fees).

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accessory Buildings				\$0	
Demolition	\$1,000,000			\$0	
Installation of Pre Fab Units				\$0	
New Rental Units	\$21,000,000	\$25,329,137	\$25,329,137	\$158,307	\$80,484
Off-Site Work				\$0	\$0
Recreational Amenities				\$0	
Rehab of Existing Common Areas				\$0	
Rehab of Existing Rental Units				\$0	
Site Work		\$698,223	\$698,223	\$4,364	
Swimming Pool				\$0	
Furniture, Fixture, & Equipment				\$0	
Hard Cost Contingency - in Constr. Cont.				\$0	
Constr. Contr. Costs subject to GC Fee	\$22,000,000	\$26,027,360	\$26,027,360	\$162,671	\$80,484
General Conditions	\$3,080,000	\$1,174,441	\$1,174,441	\$7,340	
Overhead		\$389,866	\$389,866	\$2,437	
Profit		\$1,169,599	\$1,169,599	\$7,310	
Builder's Risk Insurance		\$76,827	\$76,827	\$480	
General Liability Insurance		\$190,320	\$190,320	\$1,190	
Payment and Performance Bonds		\$139,048	\$139,048	\$869	
Contract Costs not subject to GC Fee		\$114,400	\$114,400	\$715	
Total Construction Contract/Costs	\$25,080,000	\$29,281,861	\$29,281,861	\$183,012	\$80,484
Hard Cost Contingency		\$1,462,946	\$1,462,946	\$9,143	
PnP Bond paid outside Constr. Contr.				\$0	
Fees for LOC used as Constr. Surety				\$0	
Demolition paid outside Constr. Contr.		\$294,210	\$294,210	\$1,839	
FF&E paid outside Constr. Contr.	\$150,000	\$190,000	\$190,000	\$1,188	
Other: Low Voltage Equipment	\$300,000	\$290,000	\$290,000	\$1,813	
Other: Construction Materials Testing	\$75,000			\$0	
Other: Construction Admin/Manager	\$250,000			\$0	
Other:				\$0	
Other:				\$0	
Total Construction Costs:	\$25,855,000	\$31,519,017	\$31,519,017	\$196,994	\$80,484

Notes to the Construction Costs:

- The Borrower has provided an executed construction contract dated April 19, 2018, and an Addendum to the construction contract dated May 17, 2018, between the Owner and DPR Construction, a General Partnership, where the basis for payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price in the amount of \$29,281,861. Substantial completion of the entire work shall be no later than 404 days after the Date of Commencement. Retainage shall be limited to 10% of the contract amount until 50% construction completion, then retainage shall be reduced to 5%. Final payment will be made when the contract has been fully performed, the General Contractor has submitted a final accounting of the cost of the work, and a final Application for payment and a final certificate for payment has been issued by the Architect. The Owner's final

payment to the General Contractor shall be made no later than 30 days after the Architect's final certificate for payment.

2. The HC ineligible portion of construction costs (\$80,484) is the cost DPR estimates to construct the ground level "cold dark shell" commercial/retail space.
3. A permit allowance of \$85,000 and a fork lift/front end loader for \$29,400 are ineligible when calculating the maximum allowable General Contractor fees.
4. General Contractor fees as stated are within the 14% maximum per the RFA and Rule. The cost of Builder's Risk Insurance, General Liability Insurance, and Payment and Performance Bonds, \$76,827, \$190,320, and \$139,048, respectively, totaling \$406,195, are reflected in the Construction Contract Schedule of Values; however, they are excluded from construction hard costs in the General Contractor fee calculation.
5. The Hard Cost Contingency is within the 5% allowed as required by the RFA and Rule.
6. The budgeted expenses for FF&E (recreational equipment) paid outside the construction contract (\$190,000) and low voltage equipment (\$290,000) were provided by the Applicant and will require documentation, verified by Seltzer's Loan Servicing Department during the construction period.
7. SMG engaged and received a Plan and Cost Analysis ("PCA") from On Solid Ground, LLC ("OSG"). Complete results are set forth in Section C of this credit underwriting report.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$60,000	\$100,000	\$100,000	\$625	\$20,000
Appraisal	\$15,000	\$30,000	\$30,000	\$188	
Architect's and Planning Fees		\$1,250,000	\$1,250,000	\$7,813	
Architect's Fee - Green Initiative				\$0	
Architect's Fee - Landscape		\$200,000	\$200,000	\$1,250	
Architect's Fee - Site/Building Design	\$400,000			\$0	
Architect's Fee - Supervision	\$80,000			\$0	
Building Permits	\$350,000	\$350,000	\$350,000	\$2,188	
Builder's Risk Insurance	\$300,000	\$0	\$0	\$0	
Capital Needs Assessment/Rehab				\$0	
Engineering Fees	\$480,000	\$370,000	\$370,000	\$2,313	
Environmental Report	\$10,000	\$30,000	\$30,000	\$188	
Federal Labor Standards Monitoring				\$0	
FHFC Administrative Fees	\$127,014	\$139,890	\$159,310	\$996	\$159,310
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$19	\$3,000
FHFC Credit Underwriting Fee	\$17,156	\$27,156	\$19,931	\$125	\$19,931
FHFC Compliance Fee	\$235,354	\$150,000	\$235,782	\$1,474	\$235,782
FHFC Other Processing Fee(s)				\$0	
Impact Fee				\$0	
Lender Inspection Fees / Const Admin	\$30,000	\$30,000	\$30,000	\$188	
Green Building Cert. (LEED, FGBC, NAHB)				\$0	
Home Energy Rating System (HERS)				\$0	
Insurance		\$50,000	\$50,000	\$313	
Legal Fees - Organizational Costs	\$515,000	\$465,000	\$465,000	\$2,906	\$465,000
Local Subsidy Underwriting Fee				\$0	
Market Study	\$15,500	\$20,000	\$20,000	\$125	\$20,000
Marketing and Advertising	\$56,318	\$75,000	\$75,000	\$469	\$75,000
Plan and Cost Review Analysis			\$2,175	\$14	
Property Taxes		\$70,000	\$70,000	\$438	
Soil Test	\$5,500			\$0	
Survey	\$15,000	\$40,000	\$40,000	\$250	
Tenant Relocation Costs				\$0	
Title Insurance and Recording Fees	\$195,000	\$110,000	\$110,000	\$688	
Traffic Study				\$0	
Utility Connection Fees				\$0	
Soft Cost Contingency		\$182,058	\$180,509	\$1,128	
Other:				\$0	
Total General Development Costs:	\$2,909,842	\$3,692,104	\$3,790,707	\$23,692	\$998,023

Notes to the General Development Costs:

1. Architect's Fees for Site/Building Design and Supervision reflect the fees, and anticipated additional hourly costs, as stipulated in the Architect Contract dated August 27, 2017, between the Applicant and Baker Barrios Architects, Inc. ("BBA"), Inc. for the Development.
2. Engineering Fees reflect fees anticipated by the Applicant based on the lump sum and hourly rates charged by Cardno, Inc. in the Professional Services Agreement dated February 2, 2017, between the Applicant and Cardno, plus \$10,000 for additional blueprinting and reimbursables outside of the contract.

3. According to the Applicant there are no utility connection fees or impact fees since the previous structure(s) on the subject site satisfied utility connection and impact fee requirements.
4. Appraisal and Market Study figures reflect the costs of the reports engaged by the Lender, as indicated by the Applicant.
5. The Plan & Cost Review is based on the actual cost of the report engaged by the Seltzer.
6. The FHFC Administrative Fee is based on 9% of the recommended annual allocation of HC. The FHFC Application Fee is reflective of the Application fee stated in RFA 2016-109. The total FHFC Credit Underwriting Fee is \$19,931, which consists of a standard Underwriting fee (\$17,431) plus a Re-underwriting fee (\$2,500).
7. While the Development should ultimately receive a full property tax abatement, the Applicant's Accountant anticipates a portion of property taxes to be incurred during a period, prior to the abatement.
8. The Applicant included the cost for the Soils Test Reports in the Survey line item.
9. Soft cost contingency is limited to 5% as required per Rule.
10. Other General Development Costs are based on the Applicant's estimates, which appear reasonable.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Application Fee				\$0	
Construction Loan Underwriting Fee				\$0	
Construction Loan Origination Fee	\$110,000	\$211,000	\$224,000	\$1,400	
Construction Loan Commitment Fee				\$0	
Construction Loan Closing Costs				\$0	
Construction Loan Interest	\$584,375	\$807,500	\$1,530,000	\$9,563	\$498,051
Construction Loan Servicing Fees				\$0	
Permanent Loan Application Fee			\$15,000	\$94	\$15,000
Permanent Loan Underwriting Fee				\$0	\$0
Permanent Loan Subsidy Layering Rev.				\$0	\$0
Permanent Loan Commitment Fee			\$152,000	\$950	\$152,000
Permanent Loan Origination Fee	\$110,000	\$190,000	\$76,000	\$475	\$76,000
Permanent Loan Closing Costs			\$2,500	\$16	\$2,500
Permanent Loan Interest				\$0	\$0
Permanent Loan Servicing Fee				\$0	\$0
Bridge Loan Application Fee				\$0	
Bridge Loan Underwriting Fee				\$0	
Bridge Loan Origination Fee	\$258,000	\$301,000	\$0	\$0	\$0
Bridge Loan Commitment Fee				\$0	
Bridge Loan Closing Costs				\$0	
Bridge Loan Interest	\$637,500	\$722,500	\$0	\$0	
Bridge Loan Servicing Fee				\$0	
FHFC Note Servicing Fee				\$0	\$0
Local HFA Note Commitment Fee		\$4,030	\$4,030	\$25	\$4,030
Local HFA Note Fiscal Agent Fee				\$0	\$0
Local HFA Note Credit Enh. Fee				\$0	\$0
Local HFA Note Rating Fee				\$0	\$0
Local HFA Note Cost of Issuance	\$586,785	\$233,584	\$260,124	\$1,626	\$260,124
Local HFA Note Closing Costs				\$0	\$0
Local HFA Note Interest		\$85,000		\$0	\$0
Local HFA Note Servicing Fee				\$0	\$0
SAIL-ELI Commitment Fee		\$76,000	\$76,000	\$475	
SAIL-ELI Closing Costs	\$113,892		\$20,000	\$125	
SAIL-ELI Servicing Fee				\$0	
Legal Fees - Financing Costs				\$0	
Forward Rate Lock Fee				\$0	
Placement Agent/Underwriter Fee				\$0	
Initial TEFRA Fee			\$1,000	\$6	\$1,000
Other:				\$0	
Other:				\$0	
Total Financial Costs:	\$2,400,552	\$2,630,614	\$2,360,654	\$14,754	\$1,008,705
Dev. Costs before Acq., Dev. Fee & Reserves	\$31,165,394	\$37,841,735	\$37,670,378	\$235,440	\$2,087,212

Notes to the Financial Costs:

1. Construction Origination Fees are consistent with the Construction Loan LOI provided by Bank of America, dated March 30, 2018 (1% origination fee).

- MMRN Interest estimate (Construction loan interest) was provided by the Applicant and is based on the construction schedule, plus the anticipated time for lease-up/stabilization, which is arithmetically reasonable.
- Permanent Commitment, Origination, and Closing Costs are consistent with the Permanent Loan LOI provided by Greystone, dated April 3, 2018 (2% forward commitment fee, 1% origination fee, and \$2,500 conversion fee).
- The Cost of Issuance expense was provided by RBC Capital Markets, and is inclusive of fees associated with HFA financing, application, underwriting, legal counsel, etc. This overall cost appears reasonable.
- SAIL/ELI Commitment Fee is equal to 1% of the SAIL and ELI loans.
- The SAIL and ELI Loan closing costs are approximate costs for FHFC legal counsel fees.

DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	\$3,000,000	\$3,600,000	\$3,600,000	\$22,500	
DF to fund Operating Debt Reserve				\$0	
DF to Brokerage Fees - Land				\$0	
DF to Excess Land Costs				\$0	
DF to Excess Bldg Acquisition Costs				\$0	
DF to Consultant Fees				\$0	
DF to Guaranty Fees				\$0	
Other: RAD Consultant		\$255,000	\$255,000	\$1,594	
Other: Subcontractor Default Insurance		\$135,986	\$135,986	\$850	
Other: Guarantee Fee	\$400,000	\$614,896	\$614,896	\$3,843	
Total Other Development Costs:	\$3,400,000	\$4,605,882	\$4,605,882	\$28,787	\$0

Notes to the Other Development Costs:

- Based on the total development budget, Developer Fee, exclusive of land acquisition costs and reserves, is 12.23%.
- Expenses for a Consultant, Subcontractor Default Insurance, and a Guarantee Fee, totaling \$1,005,882, are included in the total Developer Fee amount expense of \$4,605,882

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Land				\$0	\$0
Land Acquisition Cost	\$1,599,000	\$1,599,000	\$1,599,000	\$9,994	\$1,599,000
Land				\$0	\$0
Land Lease Payment				\$0	\$0
Land Carrying Costs				\$0	\$0
Other: Land Title and Closing Costs		\$75,000	\$75,000	\$469	\$75,000
Other:				\$0	\$0
Other:				\$0	\$0
Total Acquisition Costs:	\$1,599,000	\$1,674,000	\$1,674,000	\$10,463	\$1,674,000

Notes to the Land Acquisition Costs:

1. The Applicant provided SMG with a Third Amendment to Contract for Purchase and Sale of Real Property dated June 1, 2017, between the Housing Authority of the City of Tampa, Florida (“Seller”) and West River Phase 1A, LP. (“Buyer”), the Applicant. The purchase price is \$1,599,000 with a closing date no later than December 31, 2018.
2. Estimated closing costs associated with acquiring the subject site were provided by the Applicant, appear reasonable, and were excluded from the HC eligible basis.
3. Per the April 10, 2018 appraisal performed by Cuervo the “As-is” Fee Simple Land Value is \$2,480,000 for the subject property.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
ACC Reserve (Lender)				\$0	\$0
ACC Reserve (Syndicator)				\$0	\$0
Operating Deficit Reserve (FHFC)				\$0	\$0
Operating Deficit Reserve (Lender)				\$0	\$0
Operating Deficit Reserve (Syndicator)	\$600,000	\$702,901	\$710,000	\$4,438	\$710,000
Debt Service Coverage Reserve (FHFC)				\$0	\$0
Debt Service Coverage Reserve (Lender)				\$0	\$0
Debt Service Coverage Reserve (Syndicator)				\$0	\$0
Replacement Reserves (FHFC)	\$1,438,238			\$0	\$0
Replacement Reserves (Lender)		\$56,000		\$0	\$0
Replacement Reserves (Syndicator)				\$0	\$0
Reserves - Start-Up/Lease-up Expenses		\$335,000	\$335,000	\$2,094	\$335,000
Reserves - Working Capital				\$0	\$0
Other: Various Reserves - From Application	\$1,108,163			\$0	\$0
Other:				\$0	\$0
Other:				\$0	\$0
Total Reserve Accounts:	\$3,146,401	\$1,093,901	\$1,045,000	\$6,531	\$1,045,000

Notes to the Reserve Accounts:

1. The Operating Deficit Reserve (“ODR”) in the amount of \$710,000 is required by the Syndicator, Bank of America and the MMRN purchaser/facilitator, Greystone, and will be funded upon Permanent Loan Conversion into a dual-control Operating Reserve account to be used for potential operating deficits. These funds may be used to fund operating deficits during the five year Operating Deficit Guaranty period described below, but will be required to be replenished prior to release of the Operating Deficit Guaranty. The Operating Deficit Guaranty will terminate upon the later of 60 months after the later of (i) the expiration of the Completion and Development Deficit Guaranty, or (ii) the Development’s achievement of 1.15 to 1.00 debt service coverage ratio on the Permanent Loans calculated over a period of 12 consecutive months. In addition, in order for the Operating Deficit Guaranty to terminate, the Development must average a 1.15 to 1.00 debt service coverage ratio for the last 12 months of the 60-month period or any subsequent 12-month period and the Operating Reserve must be replenished to its originally required balance so long as the RAD contract remains in place. Any and all terms and conditions of the ODR must be acceptable to FHFC, its Loan Servicer and its legal counsel.

At the end of the Compliance Period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC loan debt; if there is no FHFC loan debt on the proposed Development at the end of the compliance period, any remaining balance shall be used to pay any outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in the Rule. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its Servicer and its legal counsel.

2. The estimates for Start-up and Lease-up expense, totaling \$335,000, were provided by the Applicant and will be certified or adjusted upon issuance of Form 8609, all of which excluded from the HC eligible basis.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$39,310,795	\$45,215,517	\$44,995,260	\$281,220	\$4,806,212

Notes to the Total Development Costs: None

Operating Pro forma

OPERATING PRO FORMA			ANNUAL	PER UNIT
INCOME	Gross Potential Rental Income		\$1,656,288	\$10,352
	Rent Subsidy (ODR)		\$0	\$0
	Other Income:			
	Ancillary Income-Parking		\$0	\$0
	Miscellaneous		\$20,000	\$125
	Washer/Dryer Rentals		\$0	\$0
	Gross Potential Income		\$1,676,288	\$10,477
	Less:			
	Economic Loss - Percentage: 0.0%		\$0	\$0
	Physical Vacancy Loss - Percentage: 5.0%		(\$83,814)	(\$524)
Collection Loss - Percentage: 0.0%		\$0	\$0	
Total Effective Gross Revenue			\$1,592,474	\$9,953
EXPENSES	Fixed:			
	Ground Lease		\$0	\$0
	Real Estate Taxes		\$27,180	\$170
	Insurance		\$88,000	\$550
	Variable:			
	Management Fee - Percentage: 4.573%		\$72,819	\$455
	General and Administrative		\$80,000	\$500
	Payroll Expenses		\$216,000	\$1,350
	Utilities		\$136,000	\$850
	Marketing and Advertising		\$9,600	\$60
	Maintenance and Repairs		\$128,000	\$800
	Grounds Maintenance and Landscaping		\$0	\$0
	Resident Programs		\$0	\$0
	Contract Services		\$57,408	\$359
	Security		\$0	\$0
	Other - Miscellaneous		\$19,979	\$125
Reserve for Replacements		\$56,000	\$350	
Total Expenses			\$890,986	\$5,569
Net Operating Income			\$701,488	\$4,384
Debt Service Payments				
DEBT SERVICE	First Mortgage - Greystone / MMRN		\$483,205	\$3,020
	Second Mortgage - FHFC / SAIL		\$70,000	\$438
	Third Mortgage - FHFC / ELI		\$0	\$0
	Fourth Mortgage - THA / Land Loan		\$167	\$1
	Fifth Mortgage - THA / RHF Loan		\$350	\$2
	All Other Mortgages - THA Loans and City of Tampa		\$10,420	\$65
	First Mortgage Fees - Greystone / MMRN		\$5,000	\$31
	Second Mortgage Fees - FHFC / SAIL		\$10,998	\$69
	Third Mortgage Fees - FHFC / ELI		\$3,450	\$22
	Fourth Mortgage Fees - THA / Land Loan		\$0	\$0
	Fifth Mortgage Fees - THA / RHF Loan		\$0	\$0
All Other Mortgages Fees - THA and City of Tampa		\$0	\$0	
Total Debt Service Payments			\$583,589	\$3,647
Cash Flow After Debt Service			\$117,898	\$737

Debt Service Coverage Ratios		
	DSC - First Mortgage plus Fees	1.437
	DSC - Second Mortgage plus Fees	1.232
	DSC - Third Mortgage plus Fees	1.225
	DSC - Fourth Mortgage plus Fees	1.225
	DSC - Fifth Mortgage plus Fees	1.224
	DSC - All Mortgages and Fees	1.202
Financial Ratios		
	Operating Expense Ratio	55.9%
	Break-Even Ratio	88.2%

Notes to the Operating Pro forma and Ratios:

- The appraisal was completed September 29, 2017, and updated April 10, 2018. The update did not include an updated evaluation of HC Rents. Therefore, 2017 Maximum Allowable HC Rents published by Florida Housing were used in the rent roll below. The Renaissance at West River is projected to achieve 2018 Maximum Allowable HC Rents published by Florida Housing on all units based upon the appraiser's estimate of achievable rents per comparable properties surveyed. However, as previously stated, the Development will receive RAD rents as reflected in the rent chart below, and are consistent with a letter from HUD, dated August 23, 2018. The utility allowances were provided by HUD in an amended CHAP Agreement. No manager/employee units are anticipated at this time.

The rent roll is shown below:

MSA/County: Tampa-St. Petersburg-Clearwater MSA / Hillsborough County

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	12	716	40%			\$ 449	\$ 79	\$ 370	\$ 813	\$ 775	\$ 776	\$ 813	\$ 117,072
1	1.0	114	716	50%			\$ 561	\$ 79	\$ 482	\$ 813	\$ 775	\$ 776	\$ 813	\$ 1,112,184
1	1.0	10	716	60%			\$ 673	\$ 79	\$ 594	\$ 813	\$ 775	\$ 776	\$ 813	\$ 97,560
2	2.0	12	916	40%			\$ 539	\$ 103	\$ 436	\$ 1,144	\$ 1,119	\$ 1,011	\$ 1,144	\$ 164,736
2	2.0	3	916	60%			\$ 673	\$ 103	\$ 570	\$ 1,144	\$ 1,119	\$ 1,011	\$ 1,144	\$ 41,184
		160	120,962											\$ 1,656,288

- Miscellaneous income includes estimated income from Application fees and deposit forfeitures for a weighted average rate of \$125 per unit per annum, which is consistent with the estimates provided by both the Applicant and the Appraiser.
- The appraiser estimates a stabilized physical vacancy rate of 5.0%, with collection loss incorporated in that estimate.
- Real estate tax expense is based on the Applicant's estimate. It should be noted that the Development should ultimately receive a tax-exempt status. The estimate for real estate taxes was included in the 1-year operating pro forma, eliminated as a anticipated expense starting in Year 2 of the 15-year pro forma.

4. Insurance expense is based on the Appraiser's estimate which is based on a comparative analysis of like properties within the appraisal.
5. Management Fees of 4.573% are based upon the unexecuted Property Management Agreement provided by Borrower which consists of a 4.0% fee on Gross Rental Receipts, plus a collective fee of \$4.75 per unit per month for accounting and compliance.
6. Other operating expense estimates are based on Appraiser's estimates and are supported by market comparables analyzed in the appraisal.
7. Replacement Reserves in the amount of \$350 per unit per year are required by Bank of America and exceed the \$300 per unit per year requirement in the RFA and Rule. The reserves shall be increased if deemed necessary by limited partner. SMG escalated Replacement Reserves 3% per year, starting in Year 10 of the 15-year pro forma.
8. Contract Services reflect expenses associated with garbage/trash and pest control.
9. Resident Programs committed by the Applicant consist of computer training, daily activities, a resident assurance check-in program, and 24-hour support to assist residents with handling urgent issues. The budget for these programs is disbursed between the General and Administrative and Payroll Expenses.
10. Other – Miscellaneous expenses were provided by the Applicant based on their experience managing other multifamily developments. SMG utilized this anticipated expense as a conservative measure during underwriting.
11. A 15-year income and expense projection shows increasing debt service coverage ("DSC") through year fifteen (15). This projection is attached to this report as Exhibit 1. The income and expense projections in the 15-year pro forma escalate at 2% and 3%, respectively, per annum.

Section B

Loan Conditions

HC Allocation Recommendation and Contingencies

Special Conditions

These recommendations are contingent upon the review and approval of the following items by SMG and HFA at least two weeks prior to real estate loan closing. Failure to receive approval of these items within this time frame may result in postponement of the Loan closing.

1. FHFC Board approval for the Applicant to change the site for the Development.
2. Seltzer's receipt and satisfactory review of an updated PCA, and executed ADA Section 504 "as-design" certification, from the Construction Consultant, (OSG) indicating that all committed/required features and amenities, including Green feature commitments and ADA requirements, have been incorporated into the Development's plans and specifications.
3. Approval of the Development's proposed Site Plan, permitting the Development's proposed density.
4. Seltzer's receipt and satisfactory review of an executed Property Management Agreement with terms not substantially different from those underwritten in this report.

General Conditions

This recommendation is contingent upon the review and approval of the following items by SMG and HFA at least two weeks prior to real estate loan closing. Failure to receive approval of these items within this time frame may result in postponement of the loan closing.

1. Borrower to comply with any and all recommendations noted in the Plan and Cost Review prepared by On Solid Ground, LLC.
2. Signed and sealed survey, dated within 90 days of closing, unless otherwise approved by HFA, and their legal counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to HFA, 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 HFA.
3. Building permits and any other necessary approvals and permits (e.g., final site plan approval, water management district, Department of Environmental Protection, Army Corps of Engineers, Department of Transportation, etc.). Acceptable alternatives to this requirement are receipt and satisfactory review of a letter from the local permitting and approval authority 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.
4. The final "as permitted" (signed and sealed) site plans, building plans, and specifications showing all features and amenities committed to in the application. The Geotechnical Report (if available) must be bound within the final plans and specifications.
5. Final sources and uses of funds itemized by source and line item, in a format and in amounts approved by the Servicer. A detailed calculation of the construction interest based on the final draw schedule (see below), documentation of the closing costs, and draft loan closing statement must also be provided. The sources and uses of funds schedule will be attached to the Loan Agreement as the approved development budget.

6. The Developer is only allowed to draw a maximum of 50% of the total Developer Fee during construction, but in no case more than the payable developer fee, which is determined to be "developer's overhead". No more than 35% of "Developer's overhead" during construction will be allowed to be disbursed at closing. The remainder of the "Developer's overhead" will be disbursed during construction on a pro rata basis, based on the percentage of completion of the Development, as approved and reviewed by HFA and Servicer. The remaining unpaid Developer Fee shall be considered attributable to "Developer's profit" and may not be funded until the Development has achieved 100% lien free completion, and retainage has been released.
7. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. The closing draw shall include appropriate backup and ACH wiring instructions.
8. Evidence of general liability, flood (if applicable), builder's risk and replacement cost hazard insurance (as certificates of occupancy are received) reflecting HFA as Loss Payee / Mortgagee, with coverage's, deductibles and amounts satisfactory to HFA.
9. If the development is not 100% lien-free completed, 100% Payment and Performance ("P&P") Bonds 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 general contractor and the Borrower. 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. HFA and its legal counsel must approve the source, amount(s) and all terms of the P&P bonds or LOC.
10. Architect, Construction Consultant, and Borrower certifications on forms provided by SMG will be required for both design and as-built with respect to Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, and Federal Fair Housing Act requirements, as applicable.
11. A copy of an Amended and Restated Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Amended and Restated Operating Agreement shall be in a form and of financial substance satisfactory to Servicer and to HFA and its Legal Counsel.

This recommendation is contingent upon the review and approval of the following items by HFA and its legal counsel at least two weeks prior to real estate loan closing. Failure to receive approval of these items within this time frame may result in postponement of the loan closing.

1. Documentation of the legal formation and current authority to transact business in Florida for the Borrower, the general partner/principal(s)/manager(s) of the Applicant, the guarantors, and any limited partners of the Applicant.
2. An acceptable updated Environmental Audit Report, together with a reliance letter to HFA, prepared within 90 days of closing, unless otherwise approved by the HFA, and legal counsel, based upon the particular circumstances of the transaction. Borrower to comply with any and all recommendations noted in the Environmental Assessment(s) and Update and the Environmental Review, if applicable.
3. Title insurance pro-forma or commitment for title insurance with copies of all Schedule B exceptions, in the amount of the Loan naming HFA as the insured.

4. Receipt of a legal opinion from the Applicant's legal counsel acceptable to HFA addressing the following matters:
 - a. The legal existence and good standing of the Borrower and of any partnership or limited liability company that is the general partner of the Borrower (the "GP") and of any corporation or partnership that is the managing general partner of the GP, of any corporate guarantor and any manager.
 - b. Authorization, execution, and delivery by the Borrower and the guarantors, of all Loan documents;
 - c. The Loan documents being in full force and effect and enforceable in accordance with their terms, subject to bankruptcy and equitable principles only;
 - d. The Borrower's and the guarantor's execution, delivery and performance of the loan documents shall not result in a violation of, or conflict with, any judgments, orders, contracts, mortgages, security agreements or leases to which the Borrower is a party or to which the Development is subject to the Borrower's Partnership Agreement and;
 - e. Such other matters as HFA and their legal counsel may require.
5. Evidence of compliance with local concurrency laws.
6. Such other assignments, affidavits, certificates, financial statements, closing statements and other documents as may be reasonably requested by HFA, and their legal counsel in form and substance acceptable to the HFA or its legal counsel, in connection with the MMRN.
7. UCC Searches for the Borrower, its partnerships, as requested by counsel.
8. Any other reasonable conditions established by HFA and their legal counsel.

Additional Conditions

This recommendation is also contingent upon the following additional conditions:

1. Acceptance by the Applicant and execution of all documents evidencing and securing the Project Loan in form and substance satisfactory to HFA, including, but not limited to, the Promissory Note(s), the Loan Agreement(s), the Mortgage and Security Agreement(s), and the Land Use Restriction Agreement(s).
2. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Real Estate Closing.
3. Guarantors are to provide standard HFA Completion and Repayment Guaranty (including Operating Deficit Guaranty). BOACDC to be released from their obligation under the Operating Deficit Guaranty upon conversion to permanent period financing and their subsequent exit from the partnership.
4. A mortgagee title insurance policy naming HFA as the insured in the amount of the Funding Loan is to be issued immediately after closing. Any exceptions to the title insurance policy must be acceptable to the HFA or its legal counsel.

5. Property tax and hazard insurance escrows are to be established and maintained by the First Lender or the Servicer. In the event the reserve account is held by HFA's loan servicing agent, the release of funds shall be at HFA's sole discretion.
6. 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 Syndicator per the requirements of the executed loan documents. Reserves are escalated at 3% per year per Syndicator requirements.
7. Any other reasonable requirements of HFA or their legal counsel.

Section C

Supporting Information and Schedules

Additional Development and Third Party Supplemental Information

Appraised Value: The appraised value is \$27,800,000, as-if completed and stabilized, based on market rents and market financing, as reported in the full narrative appraisal dated September 29, 2017, performed by Cuervo Real Estate Advisors, Inc. (“Cuervo”) of Tampa, Florida. Alfred Cuervo is a State Certified General Real Estate Appraiser, License No. RZ1651. Susan Dixon is a State Certified General Appraiser, License No. RZ2601. Based on the market value of the property, the loan-to-value ratio for the first mortgage debt is 27.3% and the loan-to-value for the first mortgage plus the FHFC SAIL is 52.5%.

The appraised value as-if completed and stabilized, based on RAD rents and market financing terms is estimated at \$9,780,000. The loan-to-value ratio for the first mortgage debt is 77.7% and the loan-to-value for the first mortgage plus the FHFC SAIL is 149.3%.

The appraisal also estimated the as-is value for the land to be \$2,480,000.

Market Study: A Market Study dated April 10, 2018, was prepared for the subject property as of July 5, 2017 by The Dohring Group (“Dohring”).

The subject is located at the northeast quadrant of Rome Avenue and Main Street just north of I-275 within the city limits of Tampa. Major shopping facilities in the area consist of anchored retail facilities, strip centers, specialty retail facilities, and support uses. These facilities are concentrated primarily on the major arterials of the region, including interchanges along Interstate 275, Nebraska Avenue, 7th Avenue in Ybor (County Road 574), Kennedy Boulevard, and Channelside Drive.

Per the Market Study, the subject site is approximately 4.50 acres of a larger 10.63 acre parcel owned by the Housing Authority of the City of Tampa (note: after revisions to the boundaries of the site by the Applicant, the acreage of the site, according to the latest survey, is approximately 2.88 acres). The 10.63 acre parcel is currently improved with 21 buildings, most of which reflect two-story concrete block apartment buildings developed in 1965. All of the units are vacant and the improvements are fenced-in with anticipation of pending demolition and removal. The subject site is of a size and configuration that appears to be suited for a variety of developments, including rental apartments. Overall, access and exposure are considered to be good for multifamily purposes. All necessary utilities and services are available to the site to support development.

The Market Study confirms that the property is located in a Qualified Census Tract (“QCT”) but not a Difficult to Develop Area (“DDA”) in the Tampa-St. Petersburg-Clearwater, FL MSA tract 43.00.

The subject is located northwest of Tampa’s downtown business district in the central portion of Hillsborough County. Hillsborough County has an estimated population of 1,380,000, 528,136 total households and has an average household size of 2.57 people. According to Esri, Inc., a geographical information systems (“GSI”) company, the population and households within five miles of the subject are projected to grow from 250,092 residents and 95,748 households in 2017 to 266,290 residents and 110,510 households by 2022. All necessary commercial services are available to support the residential base. Transportation linkages serve the neighborhood and connect the subject neighborhood to the region. Multifamily developments are present in the neighborhood, indicating it is an accepted use within the market.

The Primary Market Area (“PMA”) is where most of the demand will come from and was identified by Dohring as a 5-mile radius around the subject site. The Competitive Market Area (“CMA”) is defined as those developments lying in closest proximity to the subject that are competitive with the subject property. The subject’s CMA, or sub-market, for the purpose of determining a like-kind inventory of competitive units in the Occupancy Analysis, consists of sixteen, like-kind existing elderly properties comprising a total of 3,872 units. The weighted average occupancy rate of the income restricted comparable properties within the CMA is 98% (more than the 92% minimum required by the Rule).

There are no Guaranty Fund developments within the subject’s CMA or PMA. Dohring projects no negative impact in the short term or the long term to any existing affordable housing developments located within the CMA or PMA. Dohring notes that the subject will receive RAD rents from HUD on 100% of the subject’s units. As previously discussed, the RAD rents exceed the maximum allowable HC rents for all unit types, resulting in an increase to gross potential income of approximately 43%. Note that subsequent to receipt of the Market Study, Seltzer was provided with an updated Award Letter from HUD, resulting in an overall increase to Gross Potential Rental Income approximately 2.5% over those reviewed for the Market Study.

The Market Study is dated July 5, 2017, which is prior to Florida Housing publishing the 2018 Maximum Allowable HC Rents. Therefore, Dohring projects that the Development could, in the absence of RAD rents, obtain maximum allowable 2017 HC rents for all units within the

Development, and in accordance with FHFC requirements, market rents exceed restricted rents by a minimum of 10%.

As restricted by the HC program, Dohring estimates the subject would have an average absorption rate of 26.7 units per month. Based on this the subject should achieve stabilized occupancy of 95% within 6 months following construction completion.

Environmental Report:

In accordance with ASTM Standard E-1527-13, GLE Associates, Inc. ("GLE") prepared a Phase I Environmental Site Assessment ("ESA") dated November 24, 2014, a Limited Phase II ESA dated February 3, 2015, a supplemental Site Assessment Report ("SAR") dated March 11, 2015, a Limited SAR dated May 27, 2015, a Limited SAR Addendum dated May 3, 2016, a Revised Limited SAR Addendum Review Response dated July 15, 2016, and a Phase I SAR Update dated May 23, 2017, a GLE summary letter dated October 24, 2017, and a Phase I SAR dated May 3, 2018.

GLE's concluded from their site assessments that a former chemical supply site was responsible for volatile organic halocarbons ("VOHs"), specifically Vinyl Chloride, reported as a plume in the groundwater, which appears to be migrating in a general northeasterly direction towards the Hillsborough River.

On June 8, 2018, following the reconfigured site plan/survey, GLE provided a summary of their review of the new site plan in relation to the plume. GLE stated the recent configuration of the site does not appear to be impacted by the groundwater vinyl chloride plume. Assessment reports containing this information, and the data collected to reach their conclusion, are on file with the THA and the Florida Department of Environmental Protection.

Soil Test Report:

ECS Florida, LLC ("ECS") performed a geotechnical exploration and issued a report dated April 24, 2017, revised May 7, 2018.

Seven Standard Penetration Test ("SPT") borings (B-1 through B-7) were performed to depths ranging from 35 to 40 feet, ten hand auger borings (HA-1 through HA-10) extended to depths of approximately 8 feet, and one double ring infiltration ("DRI") test within the area of the proposed structure. Eight hand auger borings to a depth of approximately six feet were performed in the proposed pavement areas. Notable findings of the borings were loose to very loose soil conditions to depths ranging from approximately 6 to 10 feet below the existing ground surface. Surface conditions within the borings generally consisted of very loose to medium dense fine sands to fine sands with silt extended to depths up to 6 feet. Trace amounts of material that appeared to be fill was encountered at borings B-2, B-6, and B-7, and hand augers HA-2, HA-3,

and HA-7. The fill soils appear to be suitable material and may be reused during construction. Below the sandy soils, interbedded layers of lean clay, fine sand and fine sand with clay was encountered and extended to depths of up to 17 feet. Below the clayey and sandy soils, weathered to highly weathered limestone was encountered. The limestone extended to the termination of the borings. The upper soils were predominately loose to medium dense.

All subgrades should be prepared in accordance with the recommendations presented in the section of ECS' report entitled Earthwork Operations.

Due to the maximum column loads of 1100 kips, excessive settlement may be observed if the proposed building is supported on a conventional shallow foundation without the use of ground improvement. The proposed building may be supported on shallow foundations with vibro-replacement technique via stone columns.

The depth of the vibro-replacement soil improvement should extend through the Stratum II and be embedded into the highly weathered limestone (Stratum III). Pre-drilling may be required to penetrate to the design depths. ECS estimates the embedment lengths for stone columns on the order of 15 to 20 feet below current site grades. ECS states that the installation of the stone columns results in an improved allowable bearing capacity on the order of 6,000 psf. The final design of the stone columns should be completed by the specialty Contractor retained to do the work.

After completion of the stone columns, ECS recommends that performing verification SPT borings to confirm the soil reinforcement or improvement by the stone columns.

Upon completion of ground improvement techniques via stone columns, the proposed building can be supported by conventional shallow foundations for individual column footings and continuous wall footings. Provided the placement of Structural Fill and Granular Drainage Layer per the recommendations discussed within ECS' report, the slab may be designed assuming a modulus of subgrade reaction, k_1 of 150 pci (lbs/cu. inch). The modulus of subgrade reaction value is based on a 1 ft by 1 ft plate load test basis.

ECS' pavement recommendations are comprised of sections of standard-duty and heavy-duty flexible pavement as well as sections of heavy-duty and standard-duty rigid pavement. Additional recommendations for pavement design are detailed in Section 5.3.1 of ECS' geotechnical evaluation.

Based on the information provided to ECS, ECS understands that the proposed project includes a stormwater drainage system located west of the parking lot, between hand augers HA-4 and HA-5. The subsurface material encountered within the stormwater drainage system footprint generally consisted of brownish gray fine sand to light tan fine sand consistent with the material observed in ECS' previous hand auger HA-4 and HA-5. Based on ECS' groundwater readings for all soil borings, groundwater was encountered ranged from 6.5 to 7.7 feet below ground surface at the time of drilling. ECS states that typically in Florida, the infiltration potential of soils is empirically evaluated using a DRI test. ECS provided stormwater design parameter recommendations within table 5.2.1.1 within the report.

The recommendation is conditioned upon the Applicant and GC adhering to all recommendations of the soils engineer as to design, construction practices, and supervision of the site.

Pre-Construction Analysis:

SMG has received a Plan and Cost Analysis ("PCA") from On Solid Ground, LLC ("OSG") dated April 4, 2018, but revised March 22, 2018 due to a GC Contract Addendum and increase to Schedule of Values.

The PCA report states that the plans and specifications (civil, architectural, plumbing, mechanical, and electrical) appear to be adequately prepared and provide the information necessary to satisfactorily complete the construction. OSG states that all documents provided have been reviewed for completeness and general compliance with applicable building codes and standard construction practices including ASTM standards. OSG also reviewed the plans and specifications, comparing them with the FHFC features and amenities committed to by the Applicant.

Upon review of the GMP contract for \$29,281,861, OSG noted that the contract amount reflects a cost of \$184.81 per square foot. By subtracting Sitework and Special Construction costs, which can vary considerably between developments, OSG arrived at a figure of \$180.42 per square foot. The costs of \$179,165 per unit also exclude the costs of Sitework and Special Construction.

The PCA states that a review of the construction costs indicate that the Applicant's direct costs (total costs less site work and special construction) are in the mid-range of per square foot and per unit costs of similar developments in OSG's files and fall within an expected cost range for the scope of work and therefore, concludes that the GMP of \$29,281,861 should be considered adequate for satisfactory completion of the proposed development.

OSG noted that the hard cost breakdown did not include a contingency amount (typically recommended at 3%-5% for new construction projects such as the Development). It should be noted that the Borrower included a Hard Cost Contingency within the total development budget.

The PCA also states that the Development has been designed to comply with applicable ADA, FHA, and 504 accessibility laws. Some minor ADA requirements that were missing from the plans and specifications during OSG's review are being incorporated to satisfy OSG's review. These revisions, along with OSG's satisfactory review, are included as a condition to close.

The GMP Addendum increased the construction schedule from 404 days (approx. 13.5 months) in the original contract to approximately 15 months. It is OSG's opinion that the 15 month time frame, stated in the construction contract provided, is adequate for substantial completion.

Site Inspection:

Tammy Fuori of Seltzer Management Group, Inc. conducted a site visit of the subject site on May 11, 2017. This very large site consists of an eight-story building, multiple one to two-story apartment buildings, and offices that are boarded up and vacant. There was no evidence that demolition of any of the apartment buildings or offices has begun.

Subject site(s) are located in a residential area with apartments, single-family homes, duplexes and small businesses, approximately two miles from downtown Tampa. The Tampa Housing Authority Bridges / Learning Center, several churches, Dunbar Magnet elementary school, and small businesses are south of the site. Just elementary school and GV Stewart Magnet middle school are northwest of and adjacent to some of the apartment buildings within the site, and Blake High School is northeast of the site. West of the site, there are single family homes and appear to be market rate apartments. I-275 is approximately a quarter mile east. There is one elderly affordable property (Aqua) located within three miles, and two family affordable properties (Oaks at Riverview and Belmont Heights Apts - Phases I, II and III), within six miles.

There does not appear to be any apparent adverse conditions that would negatively affect this development nor impair the property's ability to attract tenants.

Features, Amenities, and Resident Programs:

Borrower committed to provide certain features and amenities and certain resident programs in the RFA 2016-109 Application. These commitments are set forth in the attached Exhibit 2.

Borrower Information

Borrower Name: West River Phase 1A, LP. ("Applicant" or "WRP1")

Borrower Type: Florida Limited Partnership

Ownership Structure: West River Phase 1A, LP. ("WRP1") is a Florida Limited Partnership registered with the State of Florida on December 19, 2014. Copies of the Limited Partnership Agreement dated December 19, 2014 and Certificate of Limited Partnership have been provided for the Applicant. The current Certificate of Status was verified with the Secretary of State.

The general partner of the Borrower is THA West River Phase 1A, LLC ("THAWR") with a .005% ownership interest. THAWR is a Florida Limited Liability Company organized under the laws of the State of Florida December 18, 2014. Copies of the Articles of Organization have been provided. The current Certificate of Status was verified with the Secretary of State. THAWR is 100% owned by the Tampa Housing Authority Development Corp ("THADC"), a Florida not-for-profit Corporation created and solely owned by the Tampa Housing Authority ("THA"). Copies of the Articles of Incorporation and an IRS 501(c)(3) verification of exempt status have been provided. The current Certificate of Status was verified with the Secretary of State. The Tampa Housing Authority, as well as its subsidiaries, are governed by a Board of Directors, of which Jerome D. Ryans is the current President/CEO. Mr. Ryans has served as President/CEO (f.k.a. Executive Director) since 1998.

THA is currently a 99.99% Limited Partner of the Borrower. Bank of America, N.A., ("Bank of America"), Charlotte, North Carolina, and/or, its affiliates, will purchase the 99.99% Limited Partner interest and become the Investor Limited Partner at or prior to loan closing. The remaining ownership will consist of: THAWR as general partner with 0.005% ownership, Banc of America Community Development Corporation ("BOACDC") as Class B Limited Partner with 0.005% ownership, and Banc of America CDC Special Holding Company, Inc. ("BOA Special") as Special Limited Partner with 0.000% ownership.

Upon stabilization, and certain other syndicator criteria, the Class B Limited Partner will withdraw from the transaction and the Applicant entity shall be comprised of Bank of America with 99.99% ownership and THAWR with 0.01% ownership.

Contact Information: Cassandra Silvernail
713-247-6645 (telephone)
E-Mail: cassandra.silvernail@baml.com

Address: 700 Louisiana Street

Houston, Texas 77002

Federal Employer ID: 81-2788589

Experience: The Applicant entity and THAWR were created to develop, own, and operate the Development. In and of themselves, they have no development experience. SMG has therefore reviewed the activities of BOACDC and THA.

WRDG Bethune I, LLC (“WRDG”), Plantation, Florida, is the Developer of this development. Members of WRDG are BOACDC with a 75% ownership interest and THA with a 25% ownership interest, with disbursements of Developer Fee matching relative ownership percentages in the Developer entity. The General Contractor will be DPR Construction, a General Partnership. (“DPR”), Tampa, Florida, and the Property Manager will be JMG Realty, Inc. (“JMG”), Palm Bay, Florida.

BOACDC is a wholly-owned subsidiary of Bank of America, which, in turn, is 100% owned by the Bank of America Corporation (“BOA”). In addition to equity investment, BOACDC has a for-profit real estate development practice that focuses on the revitalization of urban communities. It considers itself the first, largest and most productive community real estate development entity among U.S. financial institutions. BOACDC has a long history of acting in partnership with Community-Based Development Corporations, Public Redevelopment Agencies, Public Housing Authorities and for-profit Developers. It has developed or is currently in the process of developing more than 32,000 Affordable and Mixed-Income housing units. Individual projects have ranged up to 600 units and up to \$100 million. BOACDC produces approximately 700 new units each year. A list provided by BOACDC identifies 30,048 housing units developed by BOACDC with an additional 2,226 units under development.

THA is a body corporate and politic, created pursuant to Florida Statutes and a resolution of the City of Tampa. THA’s mission is to promote the development of a variety of Affordable Housing opportunities throughout the community, to provide professional management for facilities, to provide supportive services to promote self sufficiency for residents, to nurture neighborhoods and to provide economic development. THA is administered by a President/CEO hired by a 7-person Board of Commissioners appointed by the Mayor of the City of Tampa. THA administers 4,972 low-rent housing units located at 33 different sites. THA also administers the Section 8 Program involving more than 8,000 Certificates/Vouchers for Rental Assistance, Affordable Housing and an Assisted Living Facility (“ALF”).

Credit Evaluation: In response to an April 10, 2018, inquiry, Experian has no credit file in the name of the Applicant.

An Experian business report for THAWR dated April 10, 2018 reflected no trade activity, judgments, liens, or UCC filings.

In response to an April 10, 2018, inquiry, Experian has no credit file in the name of THADC.

In response to an April 10, 2018, inquiry, Experian has no credit file in the name of WRDG.

Credit Authorizations for Bank of America and BOACDC were not provided.

The Applicant, THAWR, and WRDG are single-purpose entities with no assets, liabilities, experience, judgements, or liens.

Business References: Business references for BOACDC and the THA are satisfactory.

Financial Statements: Bank of America, N.A.:

Cash and Equivalents: \$157,434,000,000

Total Assets: \$2,281,234,000,000

Total Liabilities: \$1,309,545,000,000

Equity: \$267,146,000,000

Financial data is from Bank of America's Annual Report as of December 31, 2017. Major Assets other than Cash and Cash Equivalents consist of Trading Account Assets, Debt Securities, Loans and Leases, Allowance for Loan and Lease Losses, and Other Assets. Liabilities consist of Customer Deposits, Federal Funds Purchased, Trading Account Liabilities, Short-term Borrowings, Long-term Debt, and All Other Liabilities.

Housing Authority of the City of Tampa, Florida:

Net Non-Federal Assets: \$9,843,269

The THA provided SMG with a copy of their Annual audited financial statements as of March 31, 2017. As a public body corporate and politic, established pursuant to Chapter 421 of the Florida Statutes, certain THA assets are not available to be considered under the guaranties associated with this transaction. Therefore, the Chief Financial Officer of the THA, Susi Begazo-McGourty, provided SMG with an email on August 17, 2018, declaring the amount shown above equals the non-federal assets of the THA that can be considered under the guaranties proposed in this report.

Contingent Liabilities: Bank of America enters into a number of off-balance sheet commitments. These commitments expose the company to varying degrees of credit and market risk and are subject to the same credit and market risk limitation reviews as those instruments recorded on the consolidated balance sheet.

A list of contingent liabilities for the THA was not provided at the time of this report.

Summary: Based upon the information provided, Bank of America and the THA appear to have the experience and financial resources to develop and operate the Development.

Guarantor Information

Guarantor Name: West River Phase 1A, L.P. (“WRP1” or “Applicant”), THA West River Phase 1A, LLC (“THAWR”), Banc of America Community Development Corporation (“BOACDC”), WRDG Bethune I, LLC (“WRDG”), and Housing Authority of the City of Tampa, Florida (“THA”)

Contact Information: Cassandra Silvernail
713-247-6645 (telephone)
E-Mail: cassandra.silvernail@baml.com

Address: 700 Louisiana Street
Houston, Texas 77002

Nature of the Guaranty: With the exception that BOACDC will not sign a Recourse Obligation or Environmental Indemnity Guaranty; the Guarantors will sign standard HFA Construction Completion, Environmental Indemnity, Recourse Obligation and Operating Deficit Guarantees. The Construction Completion Guaranty will be released upon 100% lien-free completion as approved by the Loan Servicer. BOACDC will be released from the Operating Deficit Guaranty upon conversion to permanent period financing and their exit from the partnership, or an earlier date, if some deemed appropriate by the HFA.

Financial Statements: Please refer to the Borrower portion of Section C within this Credit Underwriting Report for financial information on the guarantors.

Contingent Liabilities: Please refer to the Borrower portion of Section C within this Credit Underwriting Report for financial information on the guarantors.

Summary: Based upon the financial information provided, the guarantors appear to have adequate financial strength to serve as the guarantors for this Development.

Syndicator Information

Syndicator Name: Bank of America, N.A. and, or, its affiliates (“Bank of America” or “BOA”)

Contact Person: Joanna Lee
650-798-1132 Telephone

Address: 530 Lytton Avenue, Suite 101
Palo Alto, California 94301

Experience: Based upon a HC equity investment letter of interest dated April 12, 2018, Bank of America or an affiliate will purchase a 99.99% ownership interest in the Applicant entity concurrent with or prior to the closing of the construction/permanent loan.

In 2017, Bank of America distributed over \$11 billion of tax credit syndication investments. BOA has extensive experience as a tax credit syndicator throughout the country, and has successfully syndicated several FHFC transactions.

Financial Statements: Bank of America, N.A.:

Cash and Equivalents:	\$147,738,000,000
Total Assets:	\$2,254,529,000,000
Total Liabilities:	\$1,920,862,000,000
Equity:	\$266,840,000,000

Financial data is from Bank of America’s Annual Report as of December 31, 2017. Major Assets other than Cash and Cash Equivalents consist of Trading Account Assets, Debt Securities, Loans and Leases, Allowance for Loan and Lease Losses, and Other Assets. Liabilities consist of Customer Deposits, Federal Funds Purchased, Trading Account Liabilities, Short-term Borrowings, Long-term Debt, and All Other Liabilities.

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

General Contractor Information

General Contractor Name: DPR Construction, A General Partnership (“DPR”)

Type: A California General Partnership

Contact Person: Ryan Romanchuk
813-354-0995 (telephone)

Address: One North Dale Mabry Hwy, Suite 820
Tampa, Florida 33609

Experience: DPR registered with the State of Florida in 2010, and is wholly owned by DPR Construction, Inc. (Managing Partner) and DPR Construction II, Inc. DPR Construction Inc. was founded in July of 1990 by Doug Woods, Peter Nosler, and Ron Davidowski. In 2014 DPR ranked #10 on Fortune magazine’s “100 Best Companies to Work For” and in 2015 DPR surpassed \$3 billion in revenue. Since 1997, DPR has continued to rank in the top 50 General Contractors in the country.

Hardin Construction, the General Contractor that constructed the Ella at Encore, was acquired by DPR (2013). According to the Applicant, principals of Hardin Construction that were responsible for the construction of Ella at Encore will be involved in the construction of the Development.

Notable experience for DPR consists of, but is not limited to: residential, multifamily development called 330 3rd Street South Residences (625,394 sq. ft., 19-story tower with detached five-level parking structure that provides 596 spaces) in St. Petersburg, Florida, The Grand Central at Kennedy (1,300,000 sq. ft. with 392 units disbursed amongst towers ranging from 4 to 14 stories) in Tampa, Florida, The Venta (320,770 sq. ft., 11-story 96-unit residential development with units ranging in size from 900 sq. ft. up to 1,829 sq. ft.) in Tampa, Florida, and The Waverly at Lake Eola (371,601 sq. ft., 22-story tower consisting of 230 luxury apartments with 400 parking spaces) in Orlando, Florida. DPR provided examples of seven additional residential multifamily developments they have constructed in South Florida, ranging from 22 units up to 368 units.

SMG was provided a copy of Florida General Contractor License No. CGC1520498, in the name of Deborah Beetson, DPR Construction,. It has an expiration date of August 31, 2018.

Credit Evaluation: An Experian Business Report inquiry for DPR Construction, A General Partnership returned a Business Report for DPR Construction, Inc., dated April 13, 2018, that reflected satisfactory credit history with minor collections ranging from \$59 to \$1,657, and some late payment

activity. There are multiple UCC filings, the majority of which are related to loan collateral. There were two small state tax liens that have been released and do not have a material impact on evaluation of the overall credit history.

DPR provided Seltzer details pertaining to current litigation involving DPR. Per the list provided, there are eight open cases with a combined claim amount of \$2.1 million. Based on DPR's size, experience, and financial strength (according to their bonding capacity), it is Seltzer's opinion that current litigation should not impede DPR from successfully constructing the Development.

Banking References: Bank and business references for DPR reported satisfactory working relationships and payment history.

Financial Statements: *DPR Construction, a General Partnership:*

In lieu of providing financial information, DPR elected to provide a Payment and Performance Bond equal to at least 100% of the construction contract. A bonding letter was provided by Liberty Mutual listing four sureties, all with A.M. Best and financial size category ratings that meet or exceed underwriting standards, willing to provide surety credit on behalf of DPR for single projects in excess of \$450 million with an aggregate capacity of approximately \$4 billion.

Summary: SMG recommends that DPR be accepted as the General Contractor subject to the conditions listed in the Recommendations section of this report, if any.

Property Manager Information

Property Manager Name: JMG Realty, Inc. ("JMG")

Type: A Georgia Corporation

Contact Information: Tim Brock, President
321-728-4447 (telephone)
321-725-3352 (facsimile)

Address: 4840 Dairy Road, Suite 104
Melbourne, FL 32904

Experience: JMG is a Georgia Corporation formed in 1989 under the name Jackson Management Group and registered with the State of Florida in 1997. Currently, Karlton Jackson is Chief Executive Officer, Tim Brock is President, Thomas Staten is Chief Financial Officer, and Cynthia Kelley is Chief Operating Officer.

JMG provided a resume stating it is an Accredited Management Organization ("AMO") and began managing affordable housing developments starting back at the inception of the Bond finance programs and the Low Income Housing Tax Credit Program. JMG has experience in managing properties with multiple layers of financing and programs, including MMRB/MMRN, LIHTC, HOME, SAIL, SHIP, NSP, HUD 202, Public Housing, HCV and PBV.

JMG's management portfolio contains approximately 25,000 units located throughout Florida, Georgia, and Texas and has received numerous national and local awards including "AMO of the Year," "NAA Renovation of the Year," and various "Pillars of the Industry" awards.

Management Agreement: The Applicant submitted a draft Management Agreement between Applicant and JMG. The agreement shall be in effect for a period of one year, beginning on the commencement date and ending twelve calendar months thereafter. Notwithstanding the automatic extension provision within the Agreement, the full term of this Agreement, including initial term and any extensions, shall not exceed five (5) years from date of execution, unless terminated in accordance with the terms of the agreement. The Management Fee shall be 4% of Gross Rental Receipts, excluding reimbursements for utility costs, insurance proceeds, and interest income; or a monthly minimum fee of \$3,800.00 per month, whichever is greater. There are additional monthly charges of \$1.75/unit/month and \$3.00/unit/month for accounting and compliance, starting at pre-leasing.

Management Plan: Applicant submitted a Management Plan to JMG that appears satisfactory.

Summary: The selection of JMG as a management company has previously been approved by the Asset Management Department of FHFC. The Asset Management Department of FHFC will need to approve the selection of JMG for the Development prior to the commencement of lease-up activity. Continued approval will be contingent upon ongoing satisfactory performance.

Exhibit 1
The Renaissance at West River f/k/a Bethune Residences I at West River
15 Year Income and Expense Projection

FINANCIAL COSTS:		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
OPERATING PRO FORMA																
INCOME	Gross Potential Rental Income	\$1,656,288	\$1,689,414	\$1,723,202	\$1,757,666	\$1,792,819	\$1,828,676	\$1,865,249	\$1,902,554	\$1,940,605	\$1,979,417	\$2,019,006	\$2,059,386	\$2,100,574	\$2,142,585	\$2,185,437
	Rent Subsidy (ODR)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Other Income:															
	Ancillary Income-Parking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Miscellaneous	\$20,000	\$20,400	\$20,808	\$21,224	\$21,649	\$22,082	\$22,523	\$22,974	\$23,433	\$23,902	\$24,380	\$24,867	\$25,365	\$25,872	\$26,390
	Washer/Dryer Rentals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Cable/Satellite Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Rent Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Alarm Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Gross Potential Income	\$1,676,288	\$1,709,814	\$1,744,010	\$1,778,890	\$1,814,468	\$1,850,757	\$1,887,773	\$1,925,528	\$1,964,039	\$2,003,319	\$2,043,386	\$2,084,253	\$2,125,939	\$2,168,457	\$2,211,826
	Less:															
	Economic Loss - Percentage:															
Physical Vacancy Loss - Percentage: 5.0%	(\$83,814)	(\$85,491)	(\$87,201)	(\$88,945)	(\$90,723)	(\$92,538)	(\$94,389)	(\$96,276)	(\$98,202)	(\$100,166)	(\$102,169)	(\$104,213)	(\$106,297)	(\$108,423)	(\$110,591)	
Collection Loss - Percentage: 0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Effective Gross Revenue	\$1,592,474	\$1,624,323	\$1,656,810	\$1,689,946	\$1,723,745	\$1,758,220	\$1,793,384	\$1,829,252	\$1,865,837	\$1,903,153	\$1,941,216	\$1,980,041	\$2,019,642	\$2,060,034	\$2,101,235	
EXPENSES	Fixed:															
	Ground Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Sub-Ground Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Real Estate Taxes	\$27,180	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Insurance	\$88,000	\$90,640	\$93,359	\$96,160	\$99,045	\$102,016	\$105,077	\$108,229	\$111,476	\$114,820	\$118,265	\$121,813	\$125,467	\$129,231	\$133,108
	Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Variable:															
	Management Fee - Percentage: 4.6%	\$72,819	\$74,275	\$75,761	\$77,276	\$78,822	\$80,398	\$82,006	\$83,646	\$85,319	\$87,025	\$88,766	\$90,541	\$92,352	\$94,199	\$96,083
	General and Administrative	\$80,000	\$82,400	\$84,872	\$87,418	\$90,041	\$92,742	\$95,524	\$98,390	\$101,342	\$104,382	\$107,513	\$110,739	\$114,061	\$117,483	\$121,007
	Payroll Expenses	\$216,000	\$222,480	\$229,154	\$236,029	\$243,110	\$250,403	\$257,915	\$265,653	\$273,622	\$281,831	\$290,286	\$298,995	\$307,964	\$317,203	\$326,719
	Utilities	\$136,000	\$140,080	\$144,282	\$148,611	\$153,069	\$157,661	\$162,391	\$167,263	\$172,281	\$177,449	\$182,773	\$188,256	\$193,903	\$199,721	\$205,712
	Marketing and Advertising	\$9,600	\$9,888	\$10,185	\$10,490	\$10,805	\$11,129	\$11,463	\$11,807	\$12,161	\$12,526	\$12,902	\$13,289	\$13,687	\$14,098	\$14,521
	Maintenance and Repairs	\$128,000	\$131,840	\$135,795	\$139,869	\$144,065	\$148,387	\$152,839	\$157,424	\$162,147	\$167,011	\$172,021	\$177,182	\$182,497	\$187,972	\$193,611
	Grounds Maintenance and Landscaping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Resident Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Contract Services	\$57,408	\$59,130	\$60,904	\$62,731	\$64,613	\$66,552	\$68,548	\$70,605	\$72,723	\$74,904	\$77,152	\$79,466	\$81,850	\$84,306	\$86,835
	Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other-Miscellaneous	\$19,979	\$20,578	\$21,196	\$21,832	\$22,487	\$23,161	\$23,856	\$24,572	\$25,309	\$26,068	\$26,850	\$27,656	\$28,485	\$29,340	\$30,220	
Reserve for Replacements	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000	\$57,680	\$59,410	\$61,193	\$63,028	\$64,919	
Total Expenses	\$890,986	\$887,312	\$911,509	\$936,416	\$962,056	\$988,449	\$1,015,619	\$1,043,587	\$1,072,379	\$1,102,017	\$1,134,207	\$1,167,346	\$1,201,460	\$1,236,581	\$1,272,736	
Net Operating Income	\$701,488	\$737,011	\$745,301	\$753,530	\$761,689	\$769,770	\$777,765	\$785,664	\$793,458	\$801,137	\$807,009	\$812,695	\$818,181	\$823,454	\$828,499	
DEBT SERVICE	Debt Service Payments															
	First Mortgage - Greystone / MMRN	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205	\$483,205
	Second Mortgage - FHFC / SAIL	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
	Third Mortgage - FHFC / ELI	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Fourth Mortgage - THA / Land Loan	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167
	Fifth Mortgage - THA / RHF Loan	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350
	All Other Mortgages - THA and City of Tampa	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420	\$10,420
	First Mortgage Fees - Greystone / MMRN	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
	Second Mortgage Fees - FHFC / SAIL	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998	\$10,998
	Third Mortgage Fees - FHFC / ELI	\$3,450	\$3,478	\$3,506	\$3,535	\$3,565	\$3,596	\$3,628	\$3,661	\$3,695	\$3,730	\$3,766	\$3,803	\$3,841	\$3,880	\$3,921
	Fourth Mortgage Fees - THA / Land Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Fifth Mortgage Fees - THA / RHF Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
All Other Mortgages Fees - THA and City of Tampa	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total Debt Service Payments	\$583,589	\$583,617	\$583,645	\$583,675	\$583,705	\$583,736	\$583,768	\$583,800	\$583,834	\$583,869	\$583,905	\$583,942	\$583,980	\$584,020	\$584,060	
Cash Flow After Debt Service	\$117,898	\$153,394	\$161,656	\$169,855	\$177,984	\$186,035	\$193,997	\$201,864	\$209,624	\$217,267	\$223,104	\$228,753	\$234,201	\$239,434	\$244,439	
Debt Service Coverage Ratios																
DSC - First Mortgage plus Fees	1.437	1.510	1.527	1.543	1.560	1.577	1.593	1.609	1.625	1.641	1.653	1.665	1.676	1.687	1.697	
DSC - Second Mortgage plus Fees	1.232	1.295	1.309	1.324	1.338	1.352	1.366	1.380	1.394	1.407	1.418	1.428	1.437	1.447	1.456	
DSC - Third Mortgage plus Fees	1.225	1.287	1.301	1.316	1.330	1.344	1.358	1.371	1.385	1.398	1.408	1.418	1.428	1.437	1.446	
DSC - Fourth Mortgage plus Fees	1.225	1.287	1.301	1.315	1.329	1.343	1.357	1.371	1.385	1.398	1.408	1.418	1.427	1.436	1.445	
DSC - Fifth Mortgage plus Fees	1.224	1.286	1.300	1.314	1.329	1.343	1.357	1.370	1.384	1.397	1.407	1.417	1.426	1.436	1.444	
DSC - All Mortgages and Fees	1.202	1.263	1.277	1.291	1.305	1.319	1.332	1.346	1.359	1.372	1.382	1.392	1.401	1.410	1.419	
Financial Ratios																
Operating Expense Ratio	55.9%	54.6%	55.0%	55.4%	55.8%	56.2%	56.6%	57.0%	57.5%	57.9%	58.4%	59.0%	59.5%	60.0%	60.6%	
Break-Even Ratio	88.2%	86.3%	86.0%	85.7%	85.4%	85.2%	85.0%	84.7%	84.6%	84.4%	84.3%	84.3%	84.2%	84.2%	84.2%	

Exhibit 2

THE RENAISSANCE AT WEST RIVER f/k/a BETHUNE RESIDENCES I AT WEST RIVER

Hillsborough County MMRB Features/Amenities and Resident Programs

Features/Amenities: In addition to meeting all Building Code, Fair Housing Act and Americans with Disabilities Act Requirements, the following items are required:

All (new construction) units

- Air conditioning (window units are not allowed), in all units
- Dishwasher in all new construction units
- Garbage disposal in all new construction units
- Cable TV hook-up in all units
- At least two full baths in all 3-bedroom and larger new construction units
- At least 1.5 bathrooms (one full bath and one with at least a toilet and sink) in all new construction 2-bedroom units
- Full-sized appliances in all units
- Bathtub in at least one bathroom in new construction non-elderly units
- Blinds inside each unit
- 30-year expected life roofing on all buildings
- Gated community with “carded” entry or security guard, or if mid-or-high-rise, “carded” secure entry to building
- Washer/Dryer hook-ups in each unit
- Marble window sills
- Fire sprinklers in all units
- Steel entry door frames

Elderly Developments

- Emergency call service in all elderly units
- Hairdresser Shop or Barber Shop on site
- Laundry facility available on every floor
- All bathrooms in elderly units handicapped accessible with grab-bars per ANSI requirements
- Exercise room with appropriate equipment
- Community center or clubhouse
- Library consisting of a minimum of 100 books and 5 magazine subscriptions
- Craft Room

Mandatory 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
- 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

Optional Green Building Features

- Programmable thermostat in each unit
- Energy Star qualified roofing material or coating
- Energy Star exhaust fans in bathrooms
- Energy Star rating for all windows
- Eco-friendly flooring -- Carpet and Rug Institute Green Label certified carpet and pad, bamboo, cork, recycled content tile, and/or natural linoleum

Resident Programs

- Health Care - Mandatory - Regularly scheduled visits by health care professionals such as nurses, doctors, or other licensed care providers. At a minimum, the following services must be provided at no cost to the resident: health screening, flu shots, vision and hearing tests. Regularly scheduled is defined as not less often than once each quarter. On-site space must be provided.
- Resident Activities - Mandatory - Regularly scheduled, specified activities, planned, arranged, managed, and paid for by the Applicant or its management agent as an integral part of the management plan. The Applicant must develop and execute a comprehensive plan of varied activities such as holiday or special occasion parties, community picnics or cookouts, newsletters, children's special functions, etc., to bring the resident together, foster a sense of community, and encourage community pride.
- On Site Voter Registration - Mandatory - The Applicant or its Management Agent shall work with the County Supervisor of Elections to arrange on-site voter registration. The registration shall be at least quarterly, and shall be during weekend and other traditionally non-work times.
- Financial Counseling - Mandatory - This service must be provided by the Applicant or its Management Agent at no cost to the resident. Financial counseling must include the following components; must be regularly scheduled, not less often than once each quarter; must be free of charge to the residents; must include tax preparation assistance by qualified professionals; must include educational workshops on such topics as "Learning to Budget", "Handling Personal Finances", or "Comparison Shopping for the Consumer".

- Computer Training - Mandatory - This training is made in conjunction with the requirement that the Applicant commit one computer for every 50 units, with software and internet access. The applicant must provide quarterly, on-site training classes, OR access to training software on basic computer skills such as word processing and spreadsheets to the residents.
- Health and Nutrition Classes - Optional - The Applicant or its Management Agent shall provide on-site classes, at no cost to the resident, at least 8 hours per year.
- Resident Assurance Check-In Program - Mandatory - Applicant must provide and use an established system for checking in with each resident on a predetermined basis not less than once per day. Residents may opt out of this program with a written certification that they chose not to participate.
- Daily Activities - Mandatory - Applicant or its Management Agent must provide supervised, structured activities at least five days per week. Activities must be on-site and at no charge to the residents.
- Assistance with Light Housekeeping, Shopping and/or Laundry - Optional - Applicant must provide weekly assistance with at least two of the following: (1) light housekeeping, and/or (2) grocery shopping, and/or (3) laundry, at a rate which is at least 25% lower than market.

COMPLETENESS AND ISSUES CHECKLIST

DEVELOPMENT NAME: The Renaissance at West River f/k/a Bethune I at West River Apartments

DATE: August 30, 2018

In accordance with applicable Program Rule(s), the Borrower is required to submit the information required to evaluate, complete, and determine its sufficiency in satisfying the requirements for Credit Underwriting to the Credit Underwriter in accordance with the schedule established by the Florida Housing Finance Corporation ("Florida Housing" or "FHFC"). The following items must be satisfactorily addressed. "Satisfactorily" means that the Credit Underwriter has received assurances from third parties unrelated to the Borrower that the transaction can close within the allotted time frame. Unsatisfactory items, if any, are noted below and in the "Issues and Concerns" section of the Executive Summary.

CREDIT UNDERWRITING REQUIRED ITEMS:	STATUS	NOTE
	Satis. /Unsatis.	
1. The Development's final "as submitted for permitting" plans and specifications. Note: Final "signed, sealed, and approved for construction" plans and specifications will be required thirty days before closing.	Satis.	
2. Final site plan and/or status of site plan approval.	Satis.	1
3. Permit Status.	Satis.	
4. Pre-construction analysis ("PCA").	Satis.	
5. Survey.	Satis.	
6. Complete, thorough soil test reports.	Satis.	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice.	Satis.	
8. Market Study separate from the Appraisal.	Satis.	
9. Environmental Site Assessment – Phase I and/or Phase II if applicable (If Phase I and/or II disclosed environmental problems requiring remediation, a plan, including time frame and cost, for the remediation is required). If the report is not dated within one year of the application date, an update from the assessor must be provided indicating the current environmental status.	Satis.	
10. Audited financial statements for the most recent fiscal year ended or acceptable alternative as stated in the Rule for credit enhancers, Borrower, general partner, principals, guarantors and general contractor.	Satis.	

11. Resumes and experience of Borrower, general contractor and management agent.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Satis.	2
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	Satis.	
15. Firm commitment letter from the syndicator, if any.	Satis.	
16. Firm commitment letter(s) for any other financing sources.	Satis.	
17. Updated sources and uses of funds.	Satis.	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Satis.	
19. Fifteen-year income, expense, and occupancy projection.	Satis.	
20. Executed general construction contract with "not to exceed" costs.	Satis.	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis.	
22. Any additional items required by the credit underwriter.	Satis.	

NOTES AND APPLICANT'S RESPONSES:

1. A final, approved Site Plan, consistent with what has been provided during underwriting, is a condition to close, because the Site Plan approval will authorize the Development to proceed as proposed, despite exceeding the maximum density limitation based on acreage and zoning.

Applicant Response: Final Site Plan approval, permitting the Development to proceed with the proposed density, will be obtained prior to closing

2. The Management Agreement provided during underwriting was not executed. Prior to closing, Seltzer requires an executed Agreement with Terms and Conditions not substantially different from those provided during underwriting.

Applicant Response: An executed Management Agreement with Terms and conditions not substantially different from those provided during underwriting will be provided prior to closing.

HC Allocation Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$44,995,260
Less Land Cost	(\$1,674,000)
Less Federal Funds	\$0
Less Other Ineligible Cost	(\$3,132,212)
Less Disproportionate Standard	\$0
Total Eligible Basis	\$40,189,048
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$52,245,762
Housing Credit Percentage	3.39%
Annual Housing Credit Allocation	\$1,771,131

Notes to the Qualified Basis Calculation:

1. Other Ineligible Costs primarily include FHFC administrative, application and HC compliance fees, marketing, legal fees, permanent loan origination and commitment fees and closing costs, reserves required by the syndicator, and the MMRN costs of issuance
2. The Borrower committed to a set aside of 100%. Therefore, SMG has utilized an Applicable Fraction of 100.00%.
3. Per the Application, this Development is located in Qualified Census Tract ("QCT") 43.00. Therefore, the 130% basis credit has been applied.
4. A Housing Credit Percentage of 3.39% is used based on a rate of 3.24% as of the March 2017 date of invitation into credit underwriting plus 15 basis points.

Section II: Gap Calculation	
Total Development Cost (Including Land and Ineligible Costs)	\$44,995,260
Less Mortgages	(\$25,567,914)
Less Grants	\$0
Equity Gap	\$19,427,346
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$1.02
HC Required to Meet Gap	\$19,048,322
Annual HC Required	\$1,904,832

Notes to the Gap Calculation:

1. Mortgages are the Greystone TEL first mortgage, FHFC SAIL second mortgage, FHFC ELI third mortgage, Tampa Housing Authority (land loan, RHF loan, THA funds, and AHP loan) fourth through seventh mortgages, and the City of Tampa eighth mortgage.
2. HC Syndication Pricing and Percentage to Investment Partnership are based upon the April 12, 2018 LOI from Bank of America.

Section III: Tax-Exempt Bond 50% Test	
Total Depreciable Cost	\$40,189,048
Plus Land Cost	\$1,674,000
Aggregate Basis	\$41,863,048
Tax-Exempt Bond Amount	\$22,400,000
Less Debt Service Reserve	\$0
Less Proceeds Used for Costs of Issuance	\$0
Plus Tax-exempt GIC earnings	\$0
Tax-Exempt Proceeds Used for Building and Land	\$22,400,000
Proceeds Divided by Aggregate Basis	53.51%

Notes to 50% Test:

1. SMG estimates the Tax-Exempt MMRN amount to be 53.51% of Depreciable Development Costs plus Land Acquisition Costs. If, at the time of Final Cost Certification, the MMRN Amount is less than 50%, developer fees will have to be reduced by an amount to ensure compliance with the 50% Test. That may, in turn, result in a reduction to HC Equity.

Section IV: Summary	
HC per Qualified Basis	\$1,771,131
HC per Gap Calculation	\$1,904,832
Annual HC Recommended	\$1,771,131

Notes to the Summary:

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