Housing Finance Authority of Hillsborough County

Credit Underwriting Report

Fulham Terrace

Multifamily Mortgage Revenue Note Program
(MMRN)

Section A: Report Summary

Section B: MMRB Special and General Conditions

Section C: Supporting Information and Schedules

Prepared by

AmeriNat®

Final Report

November 7, 2022

Fulham Terrace

TABLE OF CONTENTS

Section A

Report Summary	**Page**
➢ Recommendation	A1-A6
➢ Overview	A7-A13
➢ Uses of Funds	A14-A18
➢ Operating Pro Forma	A19-A21

Section B

MMRN Special and General Conditions	B1-B5

Section C

Supporting Information and Schedules	
➢ Additional Development & Third Party Information	C1-C5
➢ Borrower Information	C6-C10
➢ Guarantor Information	C11-C12
➢ Syndicator Information	C13
➢ General Contractor Information	C14-C15
➢ Property Management Information	C16

Exhibits

15 Year Pro Forma	1
Description of Features & Amenity Characteristics	2 1-7
Completeness and Issues Checklist	3 1-2

Section A

Report Summary

Recommendation

AmeriNat® ("AmeriNat") recommends the issuance of Multifamily Mortgage Revenue Note in the amount of $18,500,000 to Fulham Terrace, Ltd. ("Applicant") for the construction phase financing of Fulham Terrace (the proposed "Development").

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	2	679	22%			$338	$82	$256		$256	$256	$256	$6,144
1	1.0	9	679	30%			$462	$82	$380		$380	$380	$380	$41,040
1	1.0	34	679	60%			$924	$82	$842		$842	$842	$842	$343,536
1	1.0	13	679	80%			$1,232	$82	$1,150		$1,150	$1,150	$1,150	$179,400
2	2.0	2	942	22%			$406	$109	$297		$297	$297	$297	$7,128
2	2.0	8	942	30%			$554	$109	$445		$445	$445	$445	$42,720
2	2.0	31	942	60%			$1,108	$109	$999		$999	$999	$999	$371,628
2	2.0	13	942	80%			$1,478	$109	$1,369		$1,369	$1,369	$1,369	$213,564
3	2.0	1	1,192	22%			$469	$136	$333		$333	$333	$333	$3,996
3	2.0	1	1,192	30%			$640	$136	$504		$504	$504	$504	$6,048
3	2.0	1	1,192	60%			$1,281	$136	$1,145		$1,145	$1,145	$1,145	$13,740
3	2.0	1	1,192	80%			$1,708	$136	$1,572		$1,572	$1,572	$1,572	$18,864
		116	95,018											$1,247,808

The Applicant selected the Average Income Test; therefore, the Applicant must set aside a minimum of 15% of the total units (18 units) as ELI Set-Aside units. If the Average Income Test is selected, the proposed Development must set aside at least 15 percent of total units for ELI Households and the ELI AMI level will be 30%, regardless of county.

The proposed Development must set aside 50% of the ELI units (9 units) as Link units for Persons with Special Needs. In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Link Memorandum of Understanding ("MOU") with at least one designated Special Needs Household Referral Agency ("Referral Agency") serving the county and intended population where the Development will be located (Hillsborough County) and rent units to households referred by the Referral Agency with which the MOU is executed.

NHTF Units Set-Aside Commitment: The proposed Development must set-aside five (5) units as NHTF Link units targeted for Persons with Special Needs. These units are required to be set aside for residents earning at or below 22% of AMI and are in addition to the fifty percent (50%) requirement for ELI set-aside units. Therefore, the Development will have a total of fourteen (14) units targeted for Persons with Special Needs (ELI-9 units, NHTF-5 units). After 30 years, all of the NHTF Link units may convert to serve residents at or below 60% of AMI; however, the Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

Veteran Preference in Elderly Developments Commitment: The proposed Development committed to offer a preference to Veterans on occupancy applications and waitlists throughout the 50-year Compliance Period with a goal of at least five percent (5%) of the units (7 units) in the Development being occupied by one or more Veterans. Veteran Households meet the LINK Units or other AMI Set-Aside requirements will also count towards the goal of at least five percent (5%) of the units (7 units) in the Development being occupied by one or more Veterans.

Buildings:	Residential -	1	Non-Residential -	0
Parking:	Parking Spaces -	125	Accessible Spaces -	6

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
SAIL / ELI / HC	15.517%	18	30%	50
SAIL / HC	61.207%	71	60%	50
SAIL / HC	23.276%	27	80%	50
NHTF	4.310%	5	22%	50
MMRB	15.517%	18	30%	50
MMRB	61.207%	71	60%	50
MMRB	23.276%	27	80%	50

Absorption Rate: 39 units per month for 3.0 months.

Occupancy Rate at Stabilization: Physical Occupancy 96.00% Economic Occupancy 95.00%

Occupancy Comments: Comparables in appraisal average 100% occupancy

DDA: Yes QCT: No Multi-Phase Boost: No QAP Boost: No

Site Acreage: 6.11 Density: 18.9800 Flood Zone Designation: X

Zoning: PD, Planned Development Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	Fulham Terrace, Ltd.	% Ownership
General Partner	Berkeley Fulham GP, LLC	0.0050%
Limited Partner	National Equity Fund, Inc.	99.9900%
Limited Partner	Fulham Class B, LLC	0.0050%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Fulham Terrace, Ltd.	
CC Guarantor 2:	Berkeley Fulham GP, LLC	
CC Guarantor 3:	Fulham Class B, LLC	
CC Guarantor 4:	Jonathan L. Wolf	
CC Guarantor 5:	James E. Dyal	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Fulham Terrace, Ltd.	
OD Guarantor 2:	Berkeley Fulham GP, LLC	
OD Guarantor 3:	Fulham Class B, LLC	
OD Guarantor 4:	Jonathan L. Wolf	
OD Guarantor 5:	James E. Dyal	
Developer:	Fulham Terrace Developer, LLC	
General Contractor 1:	RBK3, LLC dba Roger B. Kennedy Construction	
Management Company:	Wendover Management, LLC	
Syndicator:	National Equity Fund, Inc.	
Architect:	Slocum Platts Architects	
Market Study Provider:	Walter Duke + Partners, Inc.	
Appraiser:	Walter Duke + Partners, Inc.	

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lien Position	1	2	3	4	5	6
Lender/Grantor	CFB	FHFC - SAIL	FHFC - SAIL CHIRP	FHFC - ELI	FHFC - NHTF	Hills Cty
Amount	$4,000,000	$4,000,000	$3,510,696	$600,000	$1,089,412	$6,200,000
Underwritten Interest Rate	5.50%	1.00%	1.00%	0.00%	0.00%	0.00%
All In Interest Rate	5.50%	1.00%	1.00%	0.00%	0.00%	0.00%
Loan Term	15	15	15	15	30	30
Amortization	30	n/a	n/a	n/a	n/a	n/a
Market Rate/Market Financing LTV	14%	28%	41%	43%	47%	69%
Restricted Market Financing LTV	41%	82%	118%	124%	135%	199%
Loan to Cost - Cumulative	10%	21%	30%	31%	34%	50%
Loan to Cost - SAIL Only		10%	19%			
Debt Service Coverage	1.52	1.17	1.16	1.14	1.00	1.00
Operating Deficit & Debt Service Reserves	$240,000					
# of Months covered by the Reserves	2.4					

Deferred Developer Fee	$2,955,693
As-Is Land Value	$2,000,000
Market Rent/Market Financing Stabilized Value	$28,090,000
Rent Restricted Market Financing Stabilized Value	$9,760,000
Projected Net Operating Income (NOI) - Year 1	$438,444
Projected Net Operating Income (NOI) - 15 Year	$453,869
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Bond Structure	Negotiated Private Sale
Housing Credit (HC) Syndication Price	$0.9300
HC Annual Allocation - Initial Award	$1,159,581
HC Annual Allocation - Qualified in CUR	$1,759,265
HC Annual Allocation - Equity Letter of Interest	$1,424,294

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Local HFA Bonds	HFAHC / BoA	$18,500,000	$0	$0
Regulated Mortgage Lende	CFB	$0	$4,000,000	$34,483
FHFC - SAIL	FHFC	$4,000,000	$4,000,000	$34,483
FHFC - SAIL	FHFC - CHIRP	$3,510,696	$3,510,696	$30,265
FHFC - SAIL ELI	FHFC	$600,000	$600,000	$5,172
FHFC - NHTF	FHFC	$1,089,412	$1,089,412	$9,391
Local Government Subsidy	Hills Cty	$5,336,718	$6,200,000	$53,448
HC Equity	NEF	$2,722,811	$16,359,529	$141,030
Deferred Developer Fee	Developer	$2,955,693	$2,955,693	$25,480
TOTAL		$38,715,330	$38,715,330	$333,753

Changes from the Application:

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

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

1. Since the time of application, Bank of America, N.A. (“BofA”) has replaced JPMorgan Chase Bank, N.A. (“Chase”) as the Construction Lender and Climate First Bank (“CFB”) has replaced Chase as the Permanent Lender. The Construction loan has increased from $16,000,000 to $18,500,000 and the Permanent loan has decreased from $8,000,000 to $4,000,000.

   Since the time of application, the Development was awarded NHTF funds totaling $1,089,412.

   Since the time of application, the Local Government Subsidy has increased from $115,000 to $6,200,000.

2. Total Development Costs have increased by $12,009,329 or 44.97% from $26,706,001 to $38,715,330 since the Application due to increases in the construction costs, general development costs, Developer Fee and the inclusion of an ODR.

3. The rate of syndication to be provided by the National Equity Fund, Inc. (“NEF”) decreased from $0.94 as illustrated in the application to $0.93 as illustrated in a Letter of Intent (“LOI”) provided by the Applicant, dated June 14, 2022.

Does the Development Team have any FHFC Financed Developments on the Past Due/Non-Compliance Report?

According to the FHFC Asset Management Noncompliance Report, dated June 9, 2020, no noncompliance issues exist for the Development Team.

According to the FHFC Past Due Report, dated August 29, 2022, no past due issues exist for the Development Team.

This recommendation is subject to satisfactory resolution, as determined by HFAHC, of any outstanding past due items or non-compliance issues applicable to the Development Team prior to closing and the issuance of the annual HC allocation recommended herein.

Strengths:

1. The Development Team has demonstrated the ability to successfully develop and operate affordable multifamily rental communities using a variety of different subsidies.
2. AmeriNat requested and reviewed a satisfactory market study prepared by Walter Duke + Partners, Inc. (“Walter Duke”) dated September 7, 2022. The market study concludes that, based on market research and demographic analysis, sufficient demand exists for the Development as evidenced by the Primary Market Area (“PMA”) occupancy rate of 100%.

Other Considerations:

1. To the underwriter’s knowledge, no construction cost exceeding 20%, or 25% of the construction cost to a subcontractor to deliver the shell of the building that is less than five (5) stories, is subcontracted to any one entity.
2. To the underwriter’s knowledge, no construction cost shall be subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor or Developer.

Issues and Concerns:

None

Waiver Requests:

None

Special Conditions:

1. Receipt and approval of an updated MOU is a condition precedent to closing.
2. Completion of the HUD Section 3 pre-construction conference is a condition precedent to closing.
3. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 135) is a condition precedent to closing.
4. Receipt of an executed Management Agreement is a condition precedent to closing.

Additional Information:

1. Based upon an estimated Net Operating Income ("NOI") of $438,444 for the proposed Development's initial year of stabilized operations; the first mortgage loan can be supported by operations at a 1.52x to 1.00 Debt Service Coverage ("DSC"). The combined amount of the First Mortgage and SAIL Loan can be supported by operations at a 1.17x to 1.00 DSC. All mortgage loans and fees can be supported by operations at a 1.00x to 1.00 DSC.
2. The United States is currently under a national emergency due to the spread of the virus known as COVID-19. The extent of the virus' impact to the overall economy is unknown. More specifically, it is unknown as to the magnitude and timeframe the residential rental market (e.g. absorption rates, vacancy rates, collection losses, appraised value, etc.) and the construction industry (e.g. construction schedules, construction costs, subcontractors, insurance, etc.) will be impacted. Recommendations made by AmeriNat in this report, in part, rely upon assumptions made by third-party reports that are unable to predict the impacts of the virus.

Recommendation:

AmeriNat recommends the issuance of MMRN in the amount of $18,500,000 to the Applicant for the construction phase financing of the proposed Development.

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

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Overview

Construction Financing Sources:

Source	Lender	Applicant's Total	Applicant's Revised Total	Underwriter's Total	Interest Rate	Debt Service During Construction
Local HFA Bonds	HFAHC / BoA	$16,000,000	$18,500,000	$18,500,000	6.50%	$1,110,161
FHFC - SAIL	FHFC	$4,000,000	$4,000,000	$4,000,000	1.00%	$0
FHFC - SAIL	FHFC - CHIRP	$0	$3,510,696	$3,510,696	1.00%	$0
FHFC - SAIL ELI	FHFC	$600,000	$600,000	$600,000	0.00%	$0
FHFC - NHTF	FHFC	$0	$1,089,412	$1,089,412	0.00%	$0
Local Government Subsidy	Hills Cty	$115,000	$6,200,000	$5,336,718	1.00%	$0
HC Equity	NEF	$2,724,743	$2,680,222	$2,722,811		
Deferred Developer Fee	Developer	$3,266,258	$1,669,126	$2,955,693		
	Total :	**$26,706,001**	**$38,249,456**	**$38,715,330**		**$1,110,161**

Proposed First Mortgage Loan:

The Applicant provided a term sheet ("Term Sheet") dated September 1, 2022, from Bank of America, N.A. ("BofA") that illustrates the terms in which BofA will make a construction loan through BofA's tax exempt facility program issued through HFAHC in the amount up to $18,500,000. Per the Term Sheet, the construction loan shall have an initial term of 30 months with one, six-month conditional loan term extension available. The loan is interest-only during the construction period with payments due monthly. The loan shall bear interest at a variable per annum equal to the BSBY Daily Floating Rate ("BSBY") plus a lender's spread of 2.50%. While the BSBY has a floor of 0.75%, the BSBY rate was 2.4965% as of September 26, 2022, and was used herein. In addition, AmeriNat added an additional 1.50% underwriting cushion for an all-in interest rate of 6.50%.

Proposed SAIL / CHIRP Loan:

The Applicant applied to FHFC for a SAIL loan in the amount of $4,000,000 under RFA 2020-205 for the construction/permanent financing of the Development. Based on the application to FHFC and requirements of the SAIL CHIRP, the Applicant has been tentatively awarded $3,510,696 in additional funding. The Development will receive SAIL funds in the total amount of $7,510,696. The CHIRP SAIL loan terms will be made under the same terms of the original SAIL loan. The SAIL loan and the CHIRP SAIL loan will be closed as one loan and will have one set of closing documents but have been separated for presentation purposes. The SAIL loan total term will be 17 years (including a 24-month construction/stabilization period) and will be coterminous with the first mortgage as permitted by Rule 67-48. The SAIL loan shall be non-amortizing with a 1.00% interest rate over the life of the loan with annual payments based upon available cash flow as determined by FHFC. Any unpaid interest will be deferred until cash flow is available. However, at maturity of the SAIL loan, all principal and accrued interest will be due. Annual payments of all applicable fees will be required. SAIL loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the SAIL loan to Total Development Costs, unless approved by the credit underwriter.

The Applicant applied for 2022 CHIRP funding from FHFC in the form of an additional SAIL loan. The maximum SAIL CHIRP amount will be the lesser of (a) the maximum determined via a gap analysis (Total Development Costs less permanent funding sources, subject to minimum funding sources); (b) per funding maximum dollar limits outlined in this ITP, or (c) 30 percent of the updated General Contractor contract, inclusive of verified construction cost increases, plus other increased development costs related to these increased construction costs and the additional funding amount. The other increased development costs identified in (c) are limited to (i) developer fee, (ii) Corporation fees and (iii) construction financing as reviewed and approved by the credit underwriter. As the Applicant has an active SAIL Award, the maximum amount of the CHIRP SAIL funding allowable is $4,300,000. Additionally, for Active Awards without Competitive Housing Credits, if the actual first mortgage amount is being updated, then a minimum first mortgage amount will be sized based on a debt service coverage ratio limitation acceptable to the Regulated Mortgage Lender, but not to exceed 1.30x for CHIRP sizing purposes. The amount of the SAIL CHIRP loan has been sized to $3,510,696.

Proposed ELI Loan:

The Applicant applied to FHFC for an ELI loan of $600,000 for the construction financing of the Development. The ELI loan shall be non-amortizing with a 0% interest rate over the life of the loan with principal forgivable at maturity provided the units are targeted to ELI Households for the first 15 years of the 50-year Compliance Period. However, after 15 years, all of the ELI set aside units may convert to serve residents at or below 60% of AMI. The Persons with Special Needs set-aside requirement must be maintained through the entire Compliance Period. The ELI loan total term will be up to 15 years (including a 24-month construction/stabilization period) as permitted by Rule 67-48. ELI loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the ELI loan to Total Development Costs, unless approved by the credit underwriter.

Proposed NHTF Loan:

The Applicant received a preliminary commitment for additional funding in the form of a National Housing Trust Fund (“NHTF”) loan in an amount up to $1,089,412. The NHTF loan will subsidize additional deep targeted units for Persons with Special Needs at 22% AMI. In exchange for the NHTF funds, the Development will be required to set aside five (5) units as NHTF Units, in addition to the ELI Set-Aside units. The NHTF loan shall be a non-amortizing loan with an interest rate of 0.00% per annum for a total term of 30 years (including a 24-month construction/stabilization period). The principal of the loan will be forgiven at maturity provided the units for which the NHTF loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period. NHTF loan proceeds shall be disbursed during the construction phase in an amount per construction draw which does not exceed the ratio of the NHTF loan to Total Development Costs, unless approved by the credit underwriter.

Proposed Local Government Subsidy:

On May 26, 2020, the Hillsborough County Affordable Housing Services (“HC AHS”) awarded $5,000,000 of Multi-Family funding to the Applicant. The award will consist of a combination of HOME Investment Partnerships Program, the Community Development Block Grant Program, the State Housing Initiatives Partnership Program, and the Local Housing Fund (“HOPE Act”). The HC ACS award was increased to $6,200,000. Based on a draft Funding Agreement, the anticipated terms of the award are that the loan shall be non-amortizing with interest-only payments at an interest rate of 1.00% interest rate to be paid annually in arrears out of available project cash flow after payment of Project Expenses (predetermined by the County) and senior debt service, hereinafter referred to as "Net Cash Flow," for a period of thirty years. The full HC AHS award is anticipated to be available to the Applicant during construction; however, for presentation purposes, AmeriNat illustrates only $5,336,718.

Additional Construction Sources of Funds:

The Applicant provided a Letter of Interest ("LOI"), dated June 20, 2022 from National Equity Fund, Inc. ("NEF") that outlines the terms and conditions of the purchase of the HC. NEF, or an affiliate, will provide a net equity investment of $13,244,610 in exchange for a 99.99% Investment Member ownership interest and a proportionate share of the annual HC allocation estimated by NEF to be $1,424,294. The HC allocation will be syndicated at a rate of $0.9300 per $1.00 of delivered tax credits. An initial HC equity infusion $2,204,377 will be available at construction loan closing, which satisfies the 15% FHFC requirement. According to the LOI, there will be no other HC equity installments available during construction.

However, AmeriNat estimates an annual HC allocation of $1,759,265. Based on this allocation amount, AmeriNat estimates an initial equity infusion of $2,722,811 will be available during construction.

Deferred Developer Fee:

The Applicant will be required to defer $2,955,693 or 53% of the total developer fee during the construction phase. SAIL CHIRP funding requires a minimum of 30% of Developer Fee be deferred.

Permanent Financing Sources:

Source	Lender	Applicant's Total	Applicant's Revised Total	Underwriter's Total	Interest Rate	Amortization Years	Term Years	Annual Debt Service
Regulated Mortgage Lender	CFB	$8,000,000	$4,000,000	$4,000,000	5.50%	30	15	$272,539
FHFC - SAIL	FHFC	$4,000,000	$4,000,000	$4,000,000	1.00%	n/a	15	$40,000
FHFC - SAIL	FHFC - CHIRP	$0	$3,510,696	$3,510,696	1.00%	n/a	15	$35,107
FHFC - SAIL ELI	FHFC	$600,000	$600,000	$600,000	0.00%	n/a	15	$0
FHFC - NHTF	FHFC	$0	$1,089,412	$1,089,412	0.00%	n/a	30	$0
Local Government Subsidy	Hills Cty	$115,000	$6,200,000	$6,200,000	1.00%	n/a	30	$55,427
HC Equity	NEF	$10,898,971	$16,145,919	$16,359,529				
Deferred Developer Fee	Developer	$3,092,030	$2,703,429	$2,955,693				
	Total :	$26,706,001	$38,249,456	$38,715,330				$403,073

Proposed First Mortgage Loan:

The Applicant provided a Letter of Interest (“LOI”) from CFB, dated September 22, 2022, for a permanent loan in an amount up to $4,000,000 that will repay a portion of the construction loan. The CFB loan is not to exceed 75% of the stabilized, rent restricted appraised value of the Development. The CFB permanent loan terms include repayment based on a 15-year term after permanent loan closing and 30-year amortization. The interest rate will be locked at, or prior to, construction loan closing. The interest rate is to be fixed at an all-in interest rate of 5.50%.

In order to fund the CFB permanent loan, and repay a portion of the construction loan, the Development must achieve the following: 1) 1.15x Debt Service Coverage Ratio (DSCR) for a minimum period of three consecutive months, as calculated by CFB, and 2) The Development must be 90% leased for a minimum of 90 days with 75% of the leased units occupied with lease terms of at least one year.

Proposed SAIL / CHIRP Loan:

The Applicant applied to FHFC for a SAIL loan in the amount of $4,000,000 under RFA 2020-205 for the construction/permanent financing of the Development. Based on the application to FHFC and requirements of the SAIL CHIRP, the Applicant has been tentatively awarded $3,510,696 in additional funding. The Development will receive SAIL funds in the total amount of $7,510,696. The CHIRP SAIL loan terms will be made under the same terms of the original SAIL loan. The SAIL loan and the CHIRP SAIL loan will be closed as one loan and will have one set of closing documents but have been separated for presentation purposes. The SAIL loan total term will be 17 years (including a 24-month construction/stabilization period) and will be coterminous with the first mortgage as permitted by Rule 67-48. The SAIL loan shall be non-amortizing with a 1.00% interest rate over the life of the loan with annual payments based upon available cash flow as determined by FHFC. Any unpaid interest will be deferred until cash flow is available. However, at maturity of the SAIL loan, all principal and accrued interest will be due. Annual payments of all applicable fees will be required.

Annual payments of all applicable fees will be required. Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of $909 per month, subject to a minimum of $229 per month and an annual Compliance Monitoring Multiple Program Fee of $993.

The Applicant applied for 2022 CHIRP funding from FHFC in the form of an additional SAIL loan. The maximum SAIL CHIRP amount will be the lesser of (a) the maximum determined via a gap analysis (Total Development Costs less permanent funding sources, subject to minimum funding sources); (b) per funding maximum dollar limits outlined in this ITP, or (c) 30 percent of the updated General Contractor contract, inclusive of verified construction cost increases, plus other increased development costs related to these increased construction costs and the additional funding amount. The other increased development costs identified in (c) are limited to (i) developer fee, (ii) Corporation fees and (iii) construction financing as reviewed and approved by the credit underwriter. As the Applicant has an active SAIL Award, the maximum amount of the CHIRP SAIL funding allowable is $4,300,000. Additionally, for Active Awards without Competitive Housing Credits, if the actual first mortgage amount is being updated, then a minimum first mortgage amount will be sized based on a debt service coverage ratio limitation acceptable to the Regulated Mortgage Lender, but not to exceed 1.30x for CHIRP sizing purposes. The amount of the SAIL CHIRP loan has been sized to $3,510,696.

Proposed ELI Loan:

The Applicant applied to FHFC for an ELI loan of $600,000 for the construction financing of the Development. The ELI loan shall be non-amortizing with a 0% interest rate over the life of the loan with principal forgivable at maturity provided the units are targeted to ELI Households for the first 15 years of the 50-year Compliance Period. However, after 15 years, all of the ELI set aside units may convert to serve residents at or below 60% of AMI. The Persons with Special Needs set-aside requirement must be maintained through the entire Compliance Period. The ELI loan total term will be up to 15 years (including a 24-month construction/stabilization period) as permitted by Rule 67-48. Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of $909 per month, subject to a minimum of $229 per month and an annual Compliance Monitoring Multiple Program Fee of $993.

Proposed NHTF Loan:

The Applicant received a preliminary commitment for additional funding in the form of a National Housing Trust Fund (“NHTF”) loan in an amount up to $1,089,412. The NHTF loan will subsidize additional deep targeted units for Persons with Special Needs at 22% AMI. In exchange for the NHTF funds, the Development will be required to set aside five (5) units as NHTF Units, in addition to the ELI Set-Aside units. The NHTF loan shall be a non-amortizing loan with an interest rate of 0.00% per annum for a total term of 30 years (including a 24-month construction/stabilization period). The principal of the loan will be forgiven at maturity provided the units for which the NHTF loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period. Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of $909 per month, subject to a minimum of $229 per month and an annual Compliance Monitoring Multiple Program Fee of $993.

Proposed Local Government Subsidy:

On May 26, 2020, the Hillsborough County Affordable Housing Services (“HC AHS”) awarded $5,000,000 of Multi-Family funding to the Applicant. The award will consist of a combination of HOME Investment Partnerships Program, the Community Development Block Grant Program, the State Housing Initiatives Partnership Program, and the Local Housing Fund (“HOPE Act”). The HC ACS award was increased to $6,200,000. Based on a draft Funding Agreement, the anticipated terms of the award are that the loan shall be non-amortizing with interest-only payments at an interest rate of 1.00% interest rate to be paid annually in arrears out of available project cash flow after payment of Project Expenses (predetermined by the County) and senior debt service, hereinafter referred to as "Net Cash Flow," for a period of thirty years.

Additional Permanent Sources of Funds:

Per the NEF LOI, NEF, or an affiliate, will make a net equity investment of $13,244,610 in exchange for a 99.99% Investment Member ownership interest and a proportionate share of the annual HC allocation estimated by NEF to be $1,424,294. The HC allocation will be syndicated at a rate of $0.9300 per $1.00 of delivered tax credits. Per the LOI, the HC equity contribution is to be paid as follows:

Capital Contributions	Amount	Percent of Total	Due upon
1st Installment	$2,204,377	16.64%	Admission of NEF to LP and commencement of construction
2nd Installment	$2,204,377	16.64%	Later of i) substantial completion of construction; ii) Temp C.O., iii) Architect certificate of construction completion; iv) Final title insursance v) Draft cost certification, and vi) 1/1/24
3rd Installment	$8,709,013	65.76%	Later of i) 100% qualified occupancy, ii) Perm Loan conversion, iii) Achievement of stabilized occupancy , iv) "As-built" survey, v) Final lien waivers from GC , vi) Final cost cert, vii) Recorded Extended Use Agreement, or viii) 10/1/24
4th Installment	$63,422	0.48%	Receipt of IRS Forms 8609
5th Installment	$63,421	0.48%	Receipt of first year's tax return and K-1
Total:	**$13,244,610**	**100%**	

Annual Credits Per Syndication Agreement	$1,424,294
Total Credits Per Syndication Agreement	$14,242,940
Calculated HC Rate:	$0.9300
Limited Partner Ownership Percentage	99.99%
Proceeds During Construction	$2,204,377

However, AmeriNat estimates an annual HC allocation of $1,759,265. Based on this allocation amount, the HC equity contribution will be paid as follows:

Capital Contributions	Amount	Percent of Total	Due upon
1st Installment	$2,722,811	16.64%	Admission of NEF to LP and commencement of construction
2nd Installment	$2,722,811	16.64%	Later of i) substantial completion of construction; ii) Temp C.O., iii) Architect certificate of construction completion; iv) Final title insursance v) Draft cost certification, and vi) 1/1/24
3rd Installment	$10,757,233	65.76%	Later of i) 100% qualified occupancy, ii) Perm Loan conversion, iii) Achievement of stabilized occupancy , iv) "As-built" survey, v) Final lien waivers from GC , vi) Final cost cert, vii) Recorded Extended Use Agreement, or viii) 10/1/24
4th Installment	$78,338	0.48%	Receipt of IRS Forms 8609
5th Installment	$78,337	0.48%	Receipt of first year's tax return and K-1
Total:	**$16,359,529**	**100%**	

Annual Credits Per Syndication Agreement	$1,759,256
Total Credits Per Syndication Agreement	$17,592,560
Calculated HC Rate:	$0.9300
Limited Partner Ownership Percentage	99.99%
Proceeds During Construction	$2,722,797

Deferred Developer Fee:

The Developer will be required to permanently defer $2,955,693 or 53% in Developer Fee after stabilization. As illlustrated in the CHIRP ITP, the Developer will be required to defer a minimum of 30% of the Developer Fee. As noted in the Permanent Sources, the Applicant meets this requirement.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	$13,235,508	$19,523,050	$18,809,529	$162,151	$0
Site Work	$1,100,000	$1,955,762	$2,669,283	$23,011	$576,221
Constr. Contr. Costs subject to GC Fee	$14,335,508	$21,478,812	$21,478,812	$185,162	$576,221
General Conditions	$0	$1,288,531	$1,288,531	$11,108	$0
Overhead	$0	$429,510	$429,510	$3,703	$0
Profit	$1,992,971	$1,288,531	$1,288,531	$11,108	$0
Payment and Performance Bonds	$0	$135,856	$135,856	$1,171	$0
Total Construction Contract/Costs	$16,328,479	$24,621,240	$24,621,240	$212,252	$576,221
Hard Cost Contingency	$811,424	$1,224,269	$1,231,062	$10,613	$0
FF&E paid outside Constr. Contr.	$300,000	$450,000	$450,000	$3,879	$0
Total Construction Costs:	**$17,439,903**	**$26,295,509**	**$26,302,302**	**$226,744**	**$576,221**

Notes to Actual Construction Costs:

1. The Applicant provided an executed Standard Form of Agreement Between Owner and Contractor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price in the amount of $24,621,240 (the “Construction Contract”). The Construction Contract is dated as of August 19, 2022 and is between the Applicant and RBK3, LLC (“RBK3” or “General Contractor”). The Construction Contract states the General Contractor will achieve substantial completion no later than 546 days following commencement. The Owner will withhold 10% retainage from payment for all completed work until the Development reaches 50% completion, at which time retainage will be reduced to 0% thereafter.

2. The General Contractor’s Fee (consisting of general conditions, overhead, and profit) does not exceed 14.00% of allowable hard costs as allowed by the RFA and Rule. The General Contractor’s fee stated herein is for credit underwriting purposes only, and the final General Contractor’s fee will be determined pursuant to the final cost certification process as per Rule 67-48.

3. A Plan and Cost Review (“PCR”) was engaged by AmeriNat and performed by On Solid Ground (“OSG”). OSG summarized its findings, conclusions and recommendations in a PCR dated September 21, 2022. The review concludes that overall costs to construct are sufficient for satisfactory completion of the proposed development. The costs, less sitework, for similar type developments identified in the PCR range from $167,204 / unit to $197,859 / unit, and average $178,582 / unit. The Development has a projected unit cost of $187,127 per unit. On a per square foot basis, the costs, less sitework, range from $169.41 / s.f. to $191.84 / s.f., and average $176.14 / s.f. The Development’s cost is projected to be $166.93 / s.f. According to OSG, the proposed Development does qualify as “Enhanced Structural Systems Construction” or “ESS Construction”.

   The Construction Contract includes the following Allowances:

Rough carpentry materials	$1,602,000
Wood roof and floor trusses	$998,330
Monument signage and structure	$25,000
Structural steel columns	$18,500
Drywall materials	$470,000
Building/Unit signage	$25,000
Downspout tie-in piping	$25,000
Irrigation water source	$24,000
Clubhouse appliances	$5,000

Clubhouse access control/security/CCTV	$100,000
Primary electric conduit	$80,000
DAS system conduit	$25,000
Wireless nurse call system	$67,000
Total	$3,464,830

The volatility in rising construction costs since the Covid-19 pandemic is resulting in more construction agreements including a higher number of Allowances than normal. It is OSG's opinion that the specified Allowances are reasonable for this project.

4. A hard cost contingency of 5% is included in the development budget. It is supported by the plan and cost review and within the limits illustrated in Rule Chapter and 67-48 and the RFA.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	$25,000	$25,000	$25,000	$216	$25,000
Appraisal	$10,000	$20,000	$6,000	$52	$0
Architect's Fee - Landscape	$0	$50,000	$50,000	$431	$0
Architect's Fee - Site/Building Design	$275,000	$225,000	$182,000	$1,569	$0
Architect's Fee - Supervision	$25,000	$25,000	$25,000	$216	$0
Building Permits	$100,000	$139,200	$139,200	$1,200	$0
Builder's Risk Insurance	$45,000	$139,200	$139,200	$1,200	$0
Engineering Fees	$175,000	$225,000	$168,080	$1,449	$0
Environmental Report	$15,000	$15,000	$15,000	$129	$0
FHFC Administrative Fees	$104,590	$156,535	$158,088	$1,363	$158,088
FHFC Application Fee	$3,000	$3,000	$3,000	$26	$3,000
FHFC Credit Underwriting Fee	$23,891	$23,891	$29,475	$254	$29,475
FHFC Compliance Fee	$220,904	$220,904	$227,521	$1,961	$227,521
Impact Fee	$173,511	$173,511	$173,511	$1,496	$0
Lender Inspection Fees / Const Admin	$20,000	$20,000	$51,528	$444	$0
Green Building Cert. (LEED, FGBC, NAHB)	$40,000	$40,000	$47,000	$405	$0
Insurance	$100,000	$50,000	$50,000	$431	$0
Legal Fees - Organizational Costs	$300,000	$375,000	$375,000	$3,233	$225,000
Market Study	$10,000	$20,000	$5,500	$47	$5,500
Marketing and Advertising	$100,000	$125,000	$125,000	$1,078	$125,000
Plan and Cost Review Analysis	$0	$0	$2,900	$25	$0
Property Taxes	$15,000	$50,000	$50,000	$431	$0
Soil Test	$0	$20,000	$20,000	$172	$0
Survey	$10,000	$20,000	$20,000	$172	$0
Title Insurance and Recording Fees	$100,000	$100,000	$100,000	$862	$50,000
Utility Connection Fees	$106,750	$106,750	$106,750	$920	$0
Soft Cost Contingency	$100,000	$118,183	$114,737	$989	$0
Total General Development Costs:	**$2,097,646**	**$2,486,174**	**$2,409,490**	**$20,771**	**$848,584**

Notes to the General Development Costs:

1. AmeriNat reflects actual costs for the appraisal, market study, and plan and cost review analysis.
2. AmeriNat reflects the costs associated with the Architect's fees as stated in an executed Standard Form of Agreement between the Applicant and Slocum Platts Architects dated August 13, 2021, which was reviewed by AmeriNat.
3. AmeriNat reflects the costs associated with the Engineer's fees as stated in an executed proposal between the Applicant and Fuxan Engineering, Inc. dated April 22, 2020, which was reviewed by

AmeriNat. An additional engineering proposal dated May 7, 2021, was submitted between Avcon, Inc., which was also reviewed by AmeriNat.

4. FHFC Administrative Fee is based upon a fee of 9% of the annual HC recommended herein.
5. The FHFC HC Compliance Fee was derived from the 2022 HC Compliance Monitoring Fee spreadsheet.
6. FHFC Credit Underwriting Fee includes the SAIL and ELI credit underwriting fee ($14,479), Multiple Program Fee for NHTF ($4,850), Multiple Program Fee for 4% HC ($4,850), Multiple Program Fee for CHIRP ($4,996), and credit reporting fees ($300).
7. Green Building Certification cost based upon a proposal dated December 3, 2021 from Trifecta.
8. A soft cost contingency of 5% has been underwritten, which is consistent with the RFA and Rule Chapter 67-48 and may be utilized by the Applicant in the event soft costs exceed estimates.
9. The remaining general development costs appear reasonable.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Origination Fee	$46,750	$0	$92,500	$797	$0
Construction Loan Closing Costs	$100,000	$75,000	$75,000	$647	$0
Construction Loan Interest	$676,788	$941,496	$1,110,161	$9,570	$296,653
Permanent Loan Origination Fee	$80,000	$40,000	$40,000	$345	$40,000
Permanent Loan Closing Costs	$50,000	$50,000	$50,000	$431	$50,000
Local HFA Bond Cost of Issuance	$396,202	$430,202	$253,992	$2,190	$253,992
SAIL Commitment Fee	$0	$143,107	$75,107	$647	$75,107
SAIL-ELI Commitment Fee	$0	$0	$6,000	$52	$6,000
Misc Loan Origination Fee	$0	$0	$62,000	$534	$62,000
Other: Syndication Legal	$50,000	$55,000	$55,000	$474	$55,000
Other: FHFC Extension Fee	$0	$0	$56,894	$490	$56,894
Other: FHFC Closing Cost	$0	$0	$31,500	$272	$31,500
Other: HFAHC Issuer Fee	$0	$0	$291,351	$2,512	$291,351
Total Financial Costs:	**$1,399,740**	**$1,734,805**	**$2,199,505**	**$18,961**	**$1,218,497**
Dev. Costs before Acq., Dev. Fee & Reserves	**$20,937,289**	**$30,516,488**	**$30,911,297**	**$266,477**	**$2,643,302**

Notes to the Financial Costs

1. Financial costs were derived from the representations illustrated in the LOIs and loan documents for the construction and permanent financing.
2. The Construction Loan Interest was calculated based on terms illustrated in the LOI from BofA, the duration of construction referenced in the Construction Contract and the resultant calculation completed by AmeriNat through the use of a construction draw schedule provided by the Applicant.
3. The SAIL Commitment Fee is 1.00% of the SAIL / SAIL CHIRP loan amount.
4. The SAIL ELI Commitment Fee is 1.00% of the loan amount.
5. FHFC Extension Fee for the SAIL, ELI & NHTF firm loan commitment issuance deadline is $56,894.
6. FHFC Closing Cost for counsel fees consists of SAIL $12,500, ELI $6,500 and NHTF $12,500 for a total of $31,500.
7. Legal fees are based on Applicant estimates.
8. In addition to the HFAHC Closing Administration Fee and the HFAHC On-Going Administration Fee, HFAHC will charge a short-term early reduction fee for transactions that contemplate significant reduction in the amount of the obligations upon construction completion or conversion to permanent

financing. The ongoing fee will be 0.2% paid semi-annually through conversion/payoff of HFA bonds ($74,000). At which point, a one-time payment ($217,351.30) shall be due equal to the present value of 0.20% of the anticipated issuer fees due from years 3-10.

DEVELOPER FEE ON NON-ACQUISTION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	$3,768,712	$5,492,968	$5,564,033	$47,966	$0
Total Other Development Costs:	**$3,768,712**	**$5,492,968**	**$5,564,033**	**$47,966**	**$0**

Notes to the Other Development Costs:

1. Total Developer Fee is estimated to be $5,564,033 and does not exceed 18% of Development Costs exclusive of Land Costs and Reserves as permitted by the RFA and Rule Chapter 67-48. As illustrated in the CHIRP ITP, the Developer will be required to defer a minimum of 30% of the Developer Fee. As noted in the Permanent Sources, the Applicant meets this requirement.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	$2,000,000	$2,000,000	$2,000,000	$17,241	$2,000,000
Total Acquisition Costs:	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$17,241**	**$2,000,000**

Notes to Land Acquisition Costs:

1. The Applicant provided a Purchase and Land Sale Agreement (the “Agreement”) executed as of March 27, 2020, between Riverview West, LLC (the “Seller”) and the Applicant. The Agreement illustrates the terms in which the Seller will convey the property to the Applicant for a purchase price of $2,000,000.
2. An Appraisal performed by Walter Duke dated September 7, 2022, identified an “As Is” value for the vacant land of $2,000,000, which supports the purchase price.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Syndicator)	$0	$240,000	$240,000	$2,069	$240,000
Total Reserve Accounts:	**$0**	**$240,000**	**$240,000**	**$2,069**	**$240,000**

Notes to the Reserve Accounts:

1. Per the NEF LOI, an operating reserve in the amount of $240,000 or approximately three months of operating expenses, debt service, and replacement reserves is required. The operating reserve shall be funded with HC equity from the Third Capital Contribution. At the end of the compliance period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC loan debt; if there is no FHFC loan debt on the proposed Development at the end of the compliance period, any remaining balance shall be used to pay any outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in Rule Chapters 67-48. Any and all terms and conditions of the ODR must be acceptable to FHFC, its Servicer and its legal counsel.
2. An operating deficit reserve is not to be included as part of Development Costs and cannot be used in determining the maximum Developer Fee. Applicants may not enter any amounts pertaining to any

type of reserve other than the contingency reserve mentioned above on the Development Cost Pro Forma as part of the Application process. A reserve, including an operating deficit reserve, if necessary as determined by an equity provider, first mortgage lender, and/or the Credit Underwriter engaged by the Corporation in its reasonable discretion, will be required and sized in credit underwriting. The inclusion of any reserve is not permitted in the Application (other than the permitted contingency reserve) which may include, but is not limited to, operating deficit reserve, debt service shortfalls, lease-up, rent-re-stabilization, working capital, lender or syndicator required reserve(s), and any pre-funded capital (replacement) reserves. If any reserve other than the permitted contingency reserve can be identified and is included in the Development Cost Pro Forma, the Corporation will remove it during Application scoring. In exchange for receiving funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer Fee), the Development's capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant's obligation to periodically fund the replacement reserve account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant's organizational agreement (i.e., operating or limited partnership agreement whereby its final disposition remains under this same restriction. The actual direction of the disposition is at the Applicant's discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	$26,706,001	$38,249,456	$38,715,330	$333,753	$4,883,302

Notes to Total Development Costs:

1. Total Development Costs have increased by $12,009,329 or 44.97% from $26,706,001 to $38,715,330 since the Application due to increases in the construction costs, general development costs, Developer Fee and the inclusion of an ODR.

OPERATING PRO FORMA

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			$1,236,768	$10,662
	Other Income				$0
	Ancillary Income			$34,800	$300
	Gross Potential Income			$1,271,568	$10,962
	Less:				
	Physical Vac. Loss	Percentage:	4.00%	$50,863	$438
	Collection Loss	Percentage:	1.00%	$12,716	$110
	Total Effective Gross Income			$1,207,990	$10,414
EXPENSES:	Fixed:				
	Real Estate Taxes			$123,346	$1,063
	Insurance			$75,400	$650
	Variable:				
	Management Fee	Percentage:	5.00%	$60,399	$521
	General and Administrative			$40,600	$350
	Payroll Expenses			$174,000	$1,500
	Utilities			$104,400	$900
	Marketing and Advertising			$5,800	$50
	Maintenance and Repairs/Pest Control			$150,800	$1,300
	Grounds Maintenance and Landscaping			$0	$0
	Reserve for Replacements			$34,800	$300
	Total Expenses			$769,545	$6,634
	Net Operating Income			$438,444	$3,780
	Debt Service Payments				
	First Mortgage - HCHFA / NLP			$272,539	$2,349
	Second Mortgage - SAIL / SAIL CHIRP			$75,107	$647
	Third Mortgage - ELI			$0	$0
	Fourth Mortgage -NHTF			$0	$0
	Fifth Mortgage - Local Gov't Subsidy			$55,427	$478
	First Mortgage Fees - HCHFA / NLP			$15,988	$138
	Second Mortgage Fees - SAIL / SAIL CHIRP			$11,901	$103
	Third Mortgage Fees - ELI			$3,741	$32
	Fourth Mortgage Fees - NHTF			$3,741	$32
	Fifth Mortgage Fees -Local Gov't Subsidy			$0	$0
	Total Debt Service Payments			$438,444	$3,780
	Cash Flow after Debt Service			$0	$0
	Debt Service Coverage Ratios				
	DSC - First Mortgage plus Fees			1.52x	
	DSC - Second Mortgage plus Fees			1.17x	
	DSC - Third Mortgage plus Fees			1.16x	
	DSC - Fourth Mortgage plus Fee			1.14x	
	DSC - Fifth Mortgage plus Fees			1.00x	
	DSC - All Mortgages and Fees			1.00x	
	Financial Ratios				
	Operating Expense Ratio			63.70%	
	Break-even Economic Occupancy Ratio (all debt)			95.25%	

Notes to the Operating Pro Forma and Ratios:

1. The Development will be utilizing Housing Credits that will impose rent restrictions. Gross Potential Rental Revenue ("GPR") is based upon the 2022 restricted rents published by FHFC under the HC program less utility allowances. The utility allowances are based on a Utility Allowance Schedule for the Tampa Housing Authority approved by the U.S. Department of Housing and Urban Development effective January 1, 2022 as illustrated in an appraisal performed by Walter Duke dated September 7, 2022. The Applicant selected the Average Income Test with the following set asides: 15.517% of the units (18 units) at 30% or less of AMI, 61.207% of the units (71 units) at or below 60% AMI, and 23.274% of the units (27 units) at or below 80% AMI. The set aside for NHTF is 4.310% of the units (5 units) at 22% or less of the AMI.

2. A rent roll for the Development property is illustrated in the following table:

Tampa Bay 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	2	679	22%			$338	$82	$256		$256	$256	$256	$6,144
1	1.0	9	679	30%			$462	$82	$380		$380	$380	$380	$41,040
1	1.0	34	679	60%			$924	$82	$842		$842	$842	$842	$343,536
1	1.0	13	679	80%			$1,232	$82	$1,150		$1,150	$1,150	$1,150	$179,400
2	2.0	2	942	22%			$406	$109	$297		$297	$297	$297	$7,128
2	2.0	8	942	30%			$554	$109	$445		$445	$445	$445	$42,720
2	2.0	31	942	60%			$1,108	$109	$999		$999	$999	$999	$371,628
2	2.0	13	942	80%			$1,478	$109	$1,369		$1,369	$1,369	$1,369	$213,564
3	2.0	1	1,192	22%			$469	$136	$333		$333	$333	$333	$3,996
3	2.0	1	1,192	30%			$640	$136	$504		$504	$504	$504	$6,048
3	2.0	1	1,192	60%			$1,281	$136	$1,145		$1,145	$1,145	$1,145	$13,740
3	2.0	1	1,192	80%			$1,708	$136	$1,572		$1,572	$1,572	$1,572	$18,864
		116	95,018											$1,247,808

3. A 5.0% total economic vacancy rate was applied for underwriting purposes. This is slightly higher than the appraiser's estimate of 3.0% total economic vacancy rate for its HC scenario but deemed necessary by the underwriter due to the inclusion of some 80% AMI units. For comparison, the appraisal estimated a total 6.0% total economic vacancy rate for its market rate scenario.

4. Ancillary income includes application fees, late fees, forfeited security deposits, bad debt recoveries, pet fees, cancellation fees, damages recovered, and other miscellaneous fees.

5. AmeriNat utilized a real estate tax expense based upon the appraiser's estimated property tax assessment for the Development of $7,300,000 or $62,931 per unit. The current millage rate was applied, and the real estate tax burden was concluded to be $1,082 per unit for underwriting purposes. The estimate also took into account the income restrictions of the Development.

6. AmeriNat utilized an estimate of $650 per unit for insurance, which is consistent with the appraisal. The comparable developments presented by the appraiser ranged from $515 to $800 per unit. The Development will be located in a flood zone designated "X". Zone "X" is an area outside the 100-year flood plain. As such, flood insurance will not be required.

7. The Applicant submitted an unexecuted Property Management Agreement wherein Wendover Management, LLC. ("Manager") will manage the Development. The Agreement states the initial term shall be for one year and will be automatically renewed for successive terms of one year unless terminated by either party in writing in accordance with the Agreement. The Agreement provides for compensation to the Manger in the amount greater of 5.0% of the total gross rental collections received during the preceding month or $2,500. The appraisal concluded a management fee of 5%

based upon a survey of comparable properties with a range of fees of 3% to 5%. AmeriNat utilized a management fee of 5% based on the management agreement and supported by the appraisal.

8. Replacement Reserves of $34,800 or a minimum of $300 per unit per annum, per the RFA and Rule.
9. Based upon an estimated Net Operating Income ("NOI") of $438,444 for the proposed Development's initial year of stabilized operations; the First Mortgage loan can be supported by operations at a 1.52 to 1.00 Debt Service Coverage ("DSC"). The DSC for all mortgages is projected to be 1.00 to 1.00 DSC.
10. A 15-year Operating Pro forma attached hereto as Exhibit 1 reflects rental income increasing at an annual rate of 2% and expenses increasing at an annual rate of 3%.

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Section B

MMRN Special and General Conditions

Special Conditions

This recommendation is contingent upon the review and approval of the following items by HFAHC and the Servicer, at least 30 days prior to real estate loan closing. Failure to submit and to receive approval of these items within this time frame may result in postponement of the loan closing date.

1. Receipt and approval of an updated MOU.
2. Completion of the HUD Section 3 pre-construction conference.
3. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 135).
4. Receipt of an executed Management Agreement.

General Conditions

This recommendation is contingent upon the review and approval of the following items by HFAHC and the Servicer at least 30 days prior to real estate loan closing. Failure to submit and to receive approval of these items within this time frame may result in postponement of the loan closing date.

1. Borrower is 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 HFAHC, and its Legal Counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to HFAHC, 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 HFAHC.
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.). An acceptable alternative to this requirement is receipt and satisfactory review of a letter from the local permitting and approval authority stating that the above referenced permits and approvals will be issued upon receipt of applicable fees (with no other conditions), or evidence of 100% lien-free completion, if applicable. If a letter is provided, copies of all permits will be required as a condition of the first post-closing draw.
4. 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.
5. 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.
6. Construction Period Developer Fee shall be the lessor of i) 50% of the Total Developer Fee or ii) the Total Developer Fee less the Deferred Developer Fee listed in the Sources and Uses for the construction period, as calculated by the Servicer. At closing, a maximum of 35% of the Construction Period Developer Fee may be funded. Remaining Construction Period Developer Fee will be disbursed during construction/rehabilitation on a pro rata basis, based on the percentage of completion of the development, as approved and reviewed by FHFC and Servicer. Once the Developer has achieved 100% lien free completion and retainage has been released, the Post-Construction Period Developer

Fee may be funded. Post-Construction Period Developer Fee is the remaining portion of Developer Fee less Deferred Developer Fee listed in the Sources and Uses for the permanent period, as calculated by the Servicer.

7. At all times there will be undisbursed loan funds (collectively held by HFAHC, the first lender and any other source) sufficient to complete the Development. If at any time there are not sufficient funds to complete the Development, the Borrower will be required to expend additional equity on Development costs or to deposit additional equity with HFAHC which is sufficient (in HFAHC's judgment) to complete the Development before additional loan funds are disbursed. This condition specifically includes escrowing at closing all equity necessary to complete construction or another alternative acceptable to HFAHC in its sole discretion.
8. Evidence of general liability, flood (if applicable), builder's risk and replacement cost hazard insurance (as certificates of occupancy are received) reflecting HFAHC as Loss Payee/Mortgagee, with coverages, deductibles and amounts satisfactory to HFAHC.
9. The General Contractor shall secure a payment and performance bond equal to 100 percent of the total construction cost listing HFAHC as a co-obligee, whose terms do not adversely affect the Authority's interest, issued in the name of the General Contractor, from a company rated at least "A-" by AMBest & Co., or a Corporation-approved alternate security for the General Contractor's performance such as a letter of credit issued by a financial institution with a senior long term (or equivalent) credit rating of at least "Baa3" by Moody's, or at least "BBB-" by Standard & Poor's or Fitch, or a financial rating of at least 175 by IDC Financial Publishing. The LOC must include "evergreen" language and be in a form satisfactory to HFAHC, its Servicer and its Legal Counsel
10. Architect, Construction Consultant, and Borrower certifications on forms provided by HFAHC will be required for both design and as-built with respect to Section 504 of the Rehabilitation Act, Americans with Disabilities Act, and the Federal Fair Housing Act requirements, as applicable.
11. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report must be bound within the final plans and specifications.
12. A copy of the Amended and Restated Limited Partnership Agreement ("LPA") reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The LPA shall be in a form and of financial substance satisfactory to Servicer, HFAHC, and its Legal Counsel.
13. Payment of any outstanding arrearages to the HFA, its legal counsel, Servicer or any agent or assignee of the HFA for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer).

This recommendation is contingent upon the review and approval by HFAHC, and its Legal Counsel <u>at least 30 days prior to real estate loan closing</u>. Failure to receive approval of these items within this timeframe may result in postponement of the closing date.

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. Signed and sealed survey, dated within 90 days of closing, unless otherwise approved by HFAHC, and its legal counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to HFAHC 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 HFAHC.

3. An acceptable updated Environmental Audit Report, together with a reliance letter to HFAHC, prepared within 90 days of the MMRB closing, unless otherwise approved by HFAHC, and Legal Counsel, based upon the particular circumstances of the transaction. Borrower is to comply with any and all recommendations noted in the updated Environmental Audit Report(s) and all other environmental reports related to the property, as deemed appropriate by HFAHC in its sole discretion.
4. Title insurance pro-forma or commitment for title insurance with copies of all Schedule B exceptions, in the amount of the MMRB naming HFAHC as the insured. All endorsements required by HFAHC shall be provided.
5. HFAHC and its legal counsel shall review and approve all other lenders closing documents and the limited partnership or other applicable agreement. HFAHC shall be satisfied in its sole discretion that all legal and program requirements for the Loans have been satisfied.
6. Receipt of a legal opinion from the Borrower's Legal Counsel acceptable to HFAHC 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, and 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 HFAHC or its legal counsel may require.
7. Evidence of compliance with local concurrency laws, if applicable.
8. Such other assignments, affidavits, certificates, financial statements, closing statements and other documents as may be reasonably requested by HFAHC or its legal counsel in form and substance acceptable to HFAHC or its legal counsel, in connection with the Loan(s).
9. UCC Searches for the Borrower, its partnerships, as requested by Legal Counsel.
10. Evidence of insurance coverage pursuant to the Request for Application governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
11. Any other reasonable conditions established by HFAHC and its Legal Counsel.

Additional Conditions

This recommendation is also contingent upon the following additional conditions.

1. Compliance with all provisions of 420.507 and 420.5087, Florida Statutes, Rule Chapter 67-53, F.A.C., Rule Chapter 67-48, F.A.C., Rule Chapter 67-60, F.A.C., Rule Chapter 67-21, F.A.C., Section 42 I.R.C. and any other applicable State and Federal requirements.

2. Acceptance by the Borrower and execution of all documents evidencing and securing the MMRB in form and substance satisfactory to HFAHC, including, but not limited to, the Promissory Note, the Loan Agreement(s), the Mortgage and Security Agreement, and the Land Use Restriction Agreement(s) and the Final Cost Certificate.
3. If applicable, receipt and satisfactory review of financial statements from all Guarantors dated within 90 days of real estate closing.
4. Guarantors to provide the standard HFAHC Construction Completion Guaranty; to be released upon lien-free completion as approved by the Servicer.
5. Guarantors are to provide the standard HFAHC Operating Deficit Guaranty. If requested in writing by the Applicant, Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met including achievement of a 1.15 Debt Service Coverage on the permanent first mortgage as determined by HFAHC or the Servicer, and 90% occupancy and 90% of Gross Potential rental income, net of utility allowances, if applicable, for a period equal to twelve (12) consecutive months, all certified by an independent Certified Public Accountant ("CPA") and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by HFAHC or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three years following the final certificate of occupancy.
6. Guarantors are to provide the standard HFAHC Environmental Indemnity Guaranty.
7. Guarantors are to provide the standard HFAHC Guaranty of Recourse Obligations.
8. Closing of all funding sources prior to or simultaneous with closing of the MMRB.
9. A mortgagee title insurance policy naming HFAHC as the insured in the amount of the MMRB is to be issued immediately after closing. Any exceptions to the title insurance policy must be acceptable to HFAHC or its Legal Counsel. All endorsements that are required by HFAHC are to be issued and the form of the title policy must be approved prior to closing.
10. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgagee, the Bond Trustee or the Servicer. In the event the reserve account is held by the Servicer, the release of funds shall be at HFAHC's sole discretion.
11. 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 HFAHC's loan servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per RFA, in the amount of $34,800 (one-half the required Replacement Reserves for Years 1 and 2), in order to meet the applicable DSC loan requirements. Applicant can waive this election, if at closing of the loan(s) the required DSC is met without the need to exercise the option. It is currently estimated that Replacement Reserves will be funded from Operations in the amount of $300 per unit per year for Years 1 and 2, followed by $300 per unit per year thereafter. New construction developments shall not be allowed to draw during the first five (5) years or until the establishment of a minimum balance equal to the accumulation of five (5) years of replacement reserves per unit. The initial Replacement Reserve will have limitations on the ability to be drawn. The amount established as a Replacement Reserve shall be adjusted based on a Capital Needs Assessment ("CNA") to be received by the Corporation or its servicers, prepared by an independent third party and acceptable to the Corporation and its servicers at the time the CNA is required, beginning no later than the 10th year after the first residential building receives a certificate of occupancy, a temporary certificate of occupancy, or is placed in service, whichever is earlier ("Initial Replacement Reserve Date"). A subsequent CNA is required no later than the 15th year after the Initial Replacement Reserve Date

and subsequent assessments are required every five (5) years thereafter.

12. On Solid Ground, LLC will act as HFAHC's inspector during the construction period.
13. A minimum of 10% retainage holdback on all construction draws until the Development is 50% complete, and 0% retainage thereafter is required. Retainage will not be released until successful lien free completion of construction and issuance of all certificates of occupancy.
14. Satisfactory completion of a pre-loan closing compliance audit conducted by HFAHC or Servicer, if applicable.
15. Any other reasonable requirements of the Servicer, HFAHC, or its Legal Counsel.

Section C

Supporting Information & Schedules

Additional Development & Third Party Supplemental Information

Appraised Value:

AmeriNat received and satisfactorily reviewed an appraisal prepared by Walter Duke + Partners, Inc. (“Walter Duke”) dated September 7, 2022. The appraisal was executed by Walter Bryan Duke III, a State Certified General Real Estate Appraiser whose Florida license number is RZ375 that expires November 30, 2022.

The report estimates the hypothetical value, “As if Stabilized” of the Development’s leased fee interest, subject to unrestricted rents, based on market conditions prevailing on September 2, 2022, is $28,090,000. This conclusion is based on a market capitalization rate of 4.25% and a Net Operating Income derived from market rents and expenses supported by comparable market rate properties within the Development’s market. Upon stabilization, the resulting loan to value for the Permanent First Mortgage is equal to 14%.

The report also estimates the hypothetical value, “As if Stabilized” of the Development’s leased fee interest, subject to the rental restrictions under the SAIL, Surtax, NHTF, and Housing Credits programs, and with market financing based on market conditions prevailing on September 2, 2022, is $9,760,000. This conclusion is a based on a capitalization rate of 4.75% and a Net Operating Income derived from rents restricted by the aforementioned programs with expenses supported by comparable income-restricted properties within the Development’s market. The resulting loan to value for the Permanent First Mortgage is equal to 41% upon stabilization.

The report concludes that the Development’s “As Is” market value of the fee simple interest in the Development’s site based on market conditions prevailing on September 2, 2022, is $2,000,000. The lesser of the purchase price and the assessed value is utilized for underwriting purposes.

Market Study:

AmeriNat requested and reviewed a satisfactory market study prepared by Walter Duke dated September 7, 2022. The market study concludes that, based on market research and demographic analysis, sufficient demand exists for the Development as evidenced by the Primary Market Area (“PMA”) occupancy rate of 100%.

The Development is located in Riverview, an unincorporated census-designated place in southeast Hillsborough County. The community interacts primarily with the City of Brandon, located immediately to the north. Southeast Hillsborough County was one of the fastest growing areas in the Tampa metropolitan area during the last development cycle. It is widely recognized as an inexpensive area where there is an abundance of land that well suited for large-scale development, in part due to its good regional access via Interstate 75. The Development’s neighborhood is in transition from rural to more intensive commercial and residential uses. The immediate neighborhood is approximately 60%-70% developed, consisting primarily of residential subdivisions, multifamily, residential/agricultural acreage and growing commercial.

The Development is more specifically located in the CoStar-defined Southeast Tampa submarket, generally bound by Interstate 4 to the north, the Hillsborough county line to the south and east, and Tampa Bay to the west. The Southeast Tampa multifamily submarket comprises 21,919 rental apartment units within 150 properties. The robust pace of renter demand in Southeast Tampa has resulted in a significant uptick in multifamily development activity of late. Roughly 1,900 new units have delivered over the last year and there are another 3,900 units underway, which represents the second fastest pace of construction in the last decade and was only surpassed by the previous quarter in 22Q1. Tampa has been near the top of the list for rent growth over the course of the pandemic, and Southeast Tampa has captured its fair share of that growth. The average asking rent has accelerated markedly over the last year to a record high of $1,830/month during 22Q2, slightly above the metro average of $1,760/month. The pace of rent growth is 7.0% year over year, slightly ahead of the metro average.

The Primary Market Area (“PMA”) is where most of the demand will come from. when it comes time relocate seniors, the reach is generally broader than a family that is burdened by school districts, etc. Seniors and their family care givers also give more weight to supporting factors, including proximity to medical facilities and hospitals which are limited. Therefore, given the supply and demand factors specific to senior affordable housing, the Development’s PMA is defined as a 10-mile radius surrounding the Development. The Competitive Market Area (“CMA”) is defined as those projects lying in closest proximity to the Development that are competitive with the Development. Walter Duke concludes the CMA is also a 10-mile radius surrounding the Development.

Within the PMA, there is a population of 520,098 with 32.6% of the population aged 55+ and 191,496 total households with 40.3% of the households aged 55+. According to the market study, 19.4% of these households are rental households. This represents an increase from the 16.7% ratio of renters in 2010, indicating a continued shift toward senior rental housing in the market. Based on the demographic data, the potential pool of income-qualified senior renters within the PMA is approximately 534 households, indicating a capture rate of 0.94% for the Development’s 22% AMI units. The potential pool of income-qualified senior renters within the primary market area is approximately 828 households, indicating a capture rate of 2.17% for the Development’s 30% AMI units. The potential pool of income-qualified senior renters within the primary market area is approximately 1,717 households, indicating a capture rate of 3.84% for the Development’s 60% AMI units. The potential pool of income-qualified senior renters within the primary market area is approximately 2,369 households, indicating a capture rate of 1.14% for the Development’s 80% AMI units. Per the market study, the overall capture rate for the Development is 2.83%.

There are a total of four existing senior HC communities located within the 10-mile CMA consisting of 523 total units and reflecting a current overall occupancy rate of 100%. There is currently strong and consistent demand for low-income senior affordable housing, with all existing properties holding extensive waiting lists, and thus the impact of new development on existing properties is considered to be minimal.

The market study surveyed recently completed properties to illustrate absorption rates for recently completed HC senior apartment properties in the region. The survey shows strong demand for affordable senior housing in the market with absorption rates ranging from 23 to 48 units per month, and averaging 38 units per month. Senior HC units in the market are typically fully reserved prior to completion, with the lease-up period essentially representing the time it takes to move tenants in. The Developer anticipates a reasonable absorption period for the Development, in which the property will be leased-up over the three-month period following completion, resulting in a stabilization date of April 1, 2024. This equates to an average absorption rate of approximately 38-39 units per month, which is well supported by the lease-up comparables and is considered more than reasonable given the demand for affordable senior units and lack of existing inventory in the market. Therefore, a similar absorption period of 38-39 units per month is projected for the Development.

Environmental Report: A Phase I Environmental Site Assessment ("ESA") was performed by Universal Engineering Sciences, LLC ("UES") and their assessment was compiled in a report dated September 9, 2022. The ESA was conducted in accordance with ASTM Practice 1527-13 and was conducted to provide a professional opinion regarding recognized environmental conditions ("REC") associated with the proposed site. The ESA revealed no evidence of RECs in connection with the Property. However, based on the historical review, no evidence of structures, storage areas, or mixing areas on the Development's site were identified associated with the former citrus grove use. Although citrus grove use is recognized as a possible source of contamination, UES assumes that pesticides and other agricultural chemicals were properly applied in accordance with state and federal regulations. No evidence was identified to indicate misuse of chemicals or any spills. Although proper application of agricultural chemicals is not considered a REC nor would it be subject to an enforcement action, future land use should consider the potential for residual impacts to soil and/or groundwater. Based on the findings and conclusions of the Phase I ESA, no additional assessment of the Development is warranted or recommended at this time.

Soils Test Report: UES additionally completed a Geotechnical Exploration and compiled their findings in a report dated October 19, 2021. The purpose of this report is to provide an engineering interpretation of the subsurface data obtained with respect to the Development characteristics, geotechnical design recommendations, and general construction and site preparation considerations.

The subsurface conditions within the proposed building footprint were explored with a total of four (4) borings, each to a depth of about 30 feet. These borings were advanced using the rotary wash method, and samples were collected while performing the Standard Penetration Test at regular intervals. In the proposed pavement areas, four (4) auger borings were advanced, each to a depth of 5 feet. Soil samples were collected from the auger cuttings wherever a visible change in stratigraphy was apparent.

The borings generally encountered poorly graded sand and sand with silt to a depth of 12 feet, overlying sandy clay to the borings' termination depth of 30 feet. The limestone stratum was encountered in boring B-4 at a depth of about 27 feet. The water table was encountered at approximately 3.5 to 4 feet below existing grade. Groundwater readings during drilling might not represent stabilized groundwater levels and are subject to fluctuation.

UES's report provides recommendations based on the testing and analysis performed for site preparation and related construction. OSG reviewed UES's report and noted the foundation design recommendations are presented in the report, and the structural drawings specify that the foundation design is based on the geotechnical report.

Plan & Cost Review: A Plan and Cost Review was engaged by AmeriNat and performed by On Solid Ground ("OSG"). OSG summarized its findings, conclusions and recommendations in a final PCR dated September 21, 2022. OSG concludes the Development's design documents are adequately prepared and provide the information necessary to satisfactorily complete construction of the proposed Development. The plans are generally in conformance with the 2020 Florida Building Code, 2020 Florida Accessibility Code, Florida fire prevention code, ADA, Fair Housing Act, Section 504, and National Electric Code 2017. Additionally, OSG the proposed Development does qualify as "Enhanced Structural Systems Construction" or "ESS Construction".

According to OSG, the Construction Contract specifies substantial completion of this entire project no later than 546 days (18 months) from the Date of Commencement. The Construction Contract includes a critical path construction schedule dated August 19, 2022, showing a November 14, 2022, start date and May 13, 2024, completion date (approximately 18 months). It is OSG's opinion that the Development can be substantially completed within the specified timeframe of 18 months barring any major delays or unforeseen conditions. The construction schedule will be updated for the GC once the Notice to Proceed is issued.

The review concludes that overall costs to construct are sufficient for satisfactory completion of the proposed development. The costs, less sitework, for similar type developments identified in the PCR range from $167,204 / unit to $197,859 / unit, and average $178,582 / unit. The Development has a projected unit cost of $187,127 per unit. On a per square foot basis, the costs, less sitework, range from $169.41 / s.f. to $191.84 / s.f., and average $176.14 / s.f. The Development's cost is projected to be $166.93 / s.f.

OSG notes individual line-item variations in cost/sf between projects can be attributed to differences in design, selection of materials and categorization of costs. OSG typically recommend a hard cost contingency to cover such costs to range from approximately 3% to 5% for new construction projects such as

Fulham Terrace, but due to the current volatile construction environment since the onset of the Covid-19 pandemic, we are recommending a 6% to 7% hard cost contingency.

The Construction Contract includes the following Allowances:

Rough carpentry materials	$1,602,000
Wood roof and floor trusses	$998,330
Monument signage and structure	$25,000
Structural steel columns	$18,500
Drywall materials	$470,000
Building/Unit signage	$25,000
Downspout tie-in piping	$25,000
Irrigation water source	$24,000
Clubhouse appliances	$5,000
Clubhouse access control/security/CCTV	$100,000
Primary electric conduit	$80,000
DAS system conduit	$25,000
Wireless nurse call system	$67,000
Total	$3,464,830

The volatility in rising construction costs since the Covid-19 pandemic is resulting in more construction agreements including a higher number of Allowances than normal. It is OSG's opinion that the specified Allowances are reasonable for this project.

Features & Amenities: The Applicant committed to provide certain Features and Amenities in accordance with the Application (listed in Exhibit 2 of this report). A final PCR will confirm the features and amenities to be constructed at the Development are in accordance with the representations made in the Application.

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

Site Inspection: A site inspection was performed on July 8, 2022. The proposed site is in a commercial area with single family residences nearby. Surrounding land uses include a home improvement store, a K-8th grade school, neighborhood shopping, and fast food restaurants.

Borrower Information

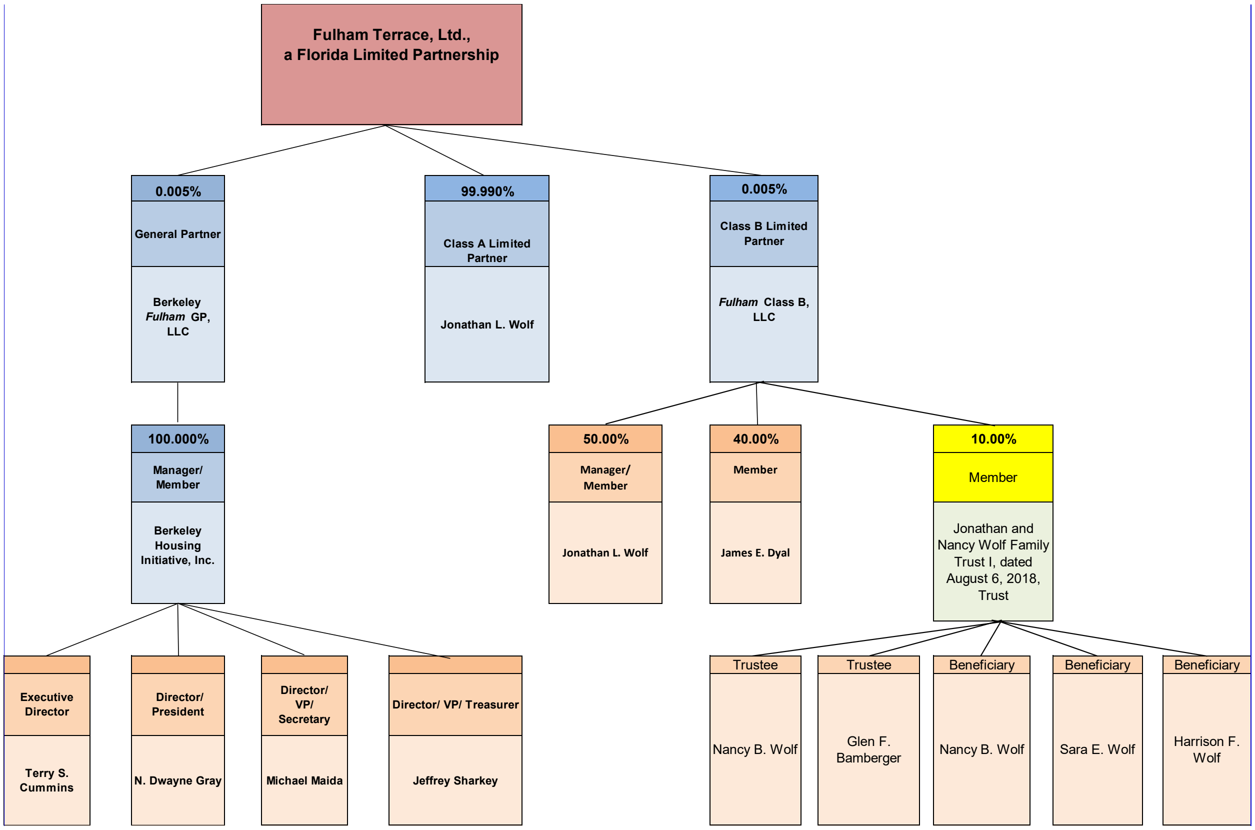
Borrower Name:	Fulham Terrace, Ltd.
Borrower Type:	A Florida Limited Partnership

Ownership Structure:

The Applicant is a Florida limited partnership formed August 12, 2016, to construct, own, and operating the Development. Berkeley Fulham GP, LLC ("General Partner" or "GP") is the sole General Partner with a 0.005% ownership interest. Jonathan L. Wolf will serve as the initial Class A Limited Partner with a 99.99% ownership interest in the Applicant, which will be replaced by National Equity Fund or an Affiliate thereof at closing. Fulham Class B, LLC ("Class B Partner") is a Class B Limited Partner with a 0.005% ownership interest. Berkeley Housing Initiative, Inc. ("Berkeley") is the sole Manager and Member of the GP. Julie von Weller is the Executive Director, N. Dwayne Gray is the President, Michael Maida is the Vice President/Secretary, and Jeffrey Sharkey is the Vice President/Treasurer. Jonathan L. Wolf is a 50% Manager and Member of the Class B Partner and James E. Dyal is a 40% Member. The Jonathan and Nancy Wolf Family Trust I, dated August 6, 2019, Trust is the remaining member with a 10% ownership interest. The Trust includes Nancy B. Wolf, trustee, Glen F. Bamberger, trustee, Nancy B. Wolf, beneficiary, Sara E. Wolf, beneficiary and Harrison F. Wolf, beneficiary.

Fulham Terrace Developer, LLC is the Developer. Jonathan L. Wolf is 48% Manager and Member and James E. Dyal is a 40% Member. Remaining members include Glen F. Bamberger (2.50%), Ryan S. Von Weller (2.50%), Sara E. Wolf (1%), and Harrison F. Wolf (1%).

The organizational structure of the Borrower is as follows:



Copies of the Articles of Incorporation and/or Organization and Certificates of Status have been provided on each of the pertinent ownership structure entities listed above.

Contact Person(s): Julie von Weller
Berkeley Housing Initiative, Inc.
Telephone: (407) 467-1551
berkeleyhousinginitiative@gmail.com

Jennie D. Lagmay
Wendover Housing Partners, LLC
Telephone: (407) 333-3233 ext. 210
jlagmay@wendovergroup.com

Applicant Address: 1105 Kensington Park Dr., Suite 200
Altamonte Springs, FL 32714

Federal Employer ID: 81-3910173

Experience: Fulham Terrace, Ltd.: A single-asset entity ("SAE") created for the sole purpose of constructing and operating the Development.

Berkeley Fulham GP, LLC: A SAE created to serve as the General Partner of the Applicant.

Berkeley Housing Initiative, Inc.: A not-for-profit that specializes in provided services for affordable housing.

Fulham Class B, LLC: A SAE created to serve as the Class B Limited Partner of the Applicant.

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

James E. Dyal: Mr. Dyal represents over 20 years of experience in development, management, and financing experience of affordable housing. Mr. Dyal, through various entities, has overseen the development of over 1,500 units throughout the state of Florida.

Fulham Terrace Developer, LLC ("Developer"): A SAE created to serve as the Developer of this transaction. The experience and financial strength of the Developer lie with its principals Mr. Wolf and Mr. Dyal.

Credit Evaluation: Dun & Bradstreet Business and Information Reports ("DNBi") was requested for the Developer but no information was found.

Applicant: A DNBi Report inquiry dated September 26, 2022, was performed. The composite credit appraisal shows overall business risk is moderate-high. The probability of delinquent payments is at the moderate-high risk range compared to the average of businesses in the DNBi database. The DNBi report reflects a 0.4% probability of failure over the next 12 months and 10.78% of delinquency. No open lawsuits, judgments, bankruptcy proceedings, or liens exist within the DNBi database.

GP: A DNBi Report inquiry dated September 26, 2022, was performed. The composite credit appraisal shows overall business risk is moderate-high. The probability of delinquent payments is at the moderate-high risk range compared to the average of businesses in the DNBi database. The DNBi report reflects a 0.4% probability of failure over the next 12 months and 10.20% of delinquency. No open lawsuits, judgments, bankruptcy proceedings, or liens exist within the DNBi database.

Berkeley: A DNBi Report inquiry dated September 26, 2022, was performed. The composite credit appraisal shows overall business risk is moderate-high. The probability of delinquent payments is at the moderate-high risk range compared to the average of businesses in the DNBi database. The DNBi report reflects a 0.72% probability of failure over the next 12 months and 10.78% of delinquency. No open lawsuits, judgments, bankruptcy proceedings, or liens exist within the DNBi database.

Class B Partner: A DNBi Report inquiry dated September 26, 2022, was performed. The composite credit appraisal shows overall business risk is moderate-high. The probability of delinquent payments is at the moderate-high risk range compared to the average of businesses in the DNBi database. The DNBi report reflects a 0.40% probability of failure over the next 12 months and 10.78% of delinquency. No open lawsuits, judgments, bankruptcy proceedings, or liens exist within the DNBi database.

Jonathan L. Wolf: An Experian Credit Profile Report was performed on September 26, 2022. One historical negative trades was noted, but all other accounts are current and in good standing.

James E. Dyal: An Experian Credit Profile Report was performed on September 26, 2022. No negative trades were noted, and all other accounts are current and in good standing.

Banking & Trade References:

The Applicant, GP, Berkeley, and Developer are single-purpose entities that report little to no liquid assets; therefore, no banking or trade references were verified, and tax returns were not available.

Jonathan L. Wolf: AmeriNat reviewed bank statements through June 30, 2022, confirming cash and cash equivalents (nonretirement) in the approximate amount of $8.9MM.

James E. Dyal: AmeriNat reviewed bank statements (including entities owned by Mr. Dyal) through July 31, 2022, confirming cash and cash equivalents (nonretirement) in the approximate amount of $250k.

Trade references were received for the above and were found to be acceptable.

Financial Statements:

The Applicant, GP, Berkeley, and the Developer claim little financial activity, no assets and no tax return filings per letters received from a representative of the Applicant.

Jonathan L. Wolf

June 30, 2022		(Unaudited)
Cash and Cash Equivalents:	$	16,451,572
Total Assets:	$	92,713,017
Total Liabilities:	$	14,546,253
Net Worth:	$	78,166,764

Mr. Wolf submitted an unaudited financial statement dated June 30, 2022. Assets primarily consist of Investment in Affordable Housing Partnerships ($45.8MM), Developer Fees Receivable ($15.8MM), and Cash. Liabilities primarily consist of Lines of Credit Payable ($3.8MM) and Estimated Income Taxes ($10.7MM). AmeriNat received Mr. Wolf's 2019 and 2020 U.S. Income Tax Returns which were considered acceptable. Evidence of Mr. Wolf's 2021 extension was also received.

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

James E. Dyal

August 15, 2022		(Unaudited)
Cash and Cash Equivalents:	$	630,000
Total Assets:	$	9,800,000
Total Liabilities:	$	910,000
Net Worth:	$	8,890,000

Mr. Dyal submitted an unaudited financial statement dated August 15, 2022. Mr. Dyal's assets primarily consist of Real Estate Partnerships ($5MM), Developer Fees Receivable ($2.8MM), and his Personal Residence ($1.2MM). Liabilities primarily include Notes Payable to Others ($460k) and Unrealized Taxes on Receivables ($450k).

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

A Schedule of Real Estate Owned dated March 31, 2022, reflects fractional ownership in two affordable properties (one stabilized and one in pre-development) with a total of 164 units. The stabilized property has an occupancy rate of 97.5%.

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

Jonathan L. Wolf: AmeriNat reviewed a Statement of Financial and Credit Affairs for Mr. Wolf dated August 15, 2022, that states there are no pending legal actions, bankruptcies, foreclosures, or unsatisfied judgments. Mr. Wolf indicates he has approximately $89.7MM in contingent liabilities relating to his real estate portfolio.

James E. Dyal: AmeriNat reviewed a Statement of Financial and Credit Affairs for Mr. Dyal dated September 20, 2022, that states there are no pending legal actions, bankruptcies, foreclosures, or unsatisfied judgments. Mr. Dyal indicates he has ongoing two GP guarantees as well as guarantees for debt, equity, and construction completion relating to one property.

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

Guarantor Information

Guarantor Names:	Fulham Terrace, Ltd., Berkeley Fulham GP, LLC, Fulham Class B, LLC, Jonathan L. Wolf, and James E. Dyal, individually
Contact Person:	Julie von Weller Berkeley Housing Initiative, Inc. Telephone: (407) 467-1551 berkeleyhousinginitiative@gmail.com Jennie D. Lagmay Wendover Housing Partners, LLC Telephone: (407) 333-3233 ext. 210 jlagmay@wendovergroup.com
Address:	1105 Kensington Park Dr., Suite 200 Altamonte Springs, FL 32714
Nature of Guarantee:	The Guarantors will sign Guarantees of Construction Completion, Operating Deficit, Environmental Indemnity and Recourse Obligations. The Construction Completion Guaranty will be released upon 100% lien-free completion as approved by the Servicer. For the MMRB, Guarantors are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by the Applicant, the Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met including achievement of a 1.15x DSC for the MMRB as determined by HFAHC or the Servicer and, 90% occupancy and 90% of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all certified by an independent and verified by the Servicer Certified Public Accountant and verified by the Servicer. The calculation of the DSC ratio shall be made by FHFC or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three (3) years following the final certificate of occupancy.
Credit Evaluation:	The credit evaluations for the Guarantors were summarized in the “Applicant Information” section of this report.
Banking References:	The banking references for the Guarantors were summarized in the “Applicant Information” section of this report.
Financial Statements:	The financial statements for the Guarantors were summarized in the “Applicant Information” section of this report.
Contingent Liabilities:	The contingent liabilities for the Guarantors were summarized in the “Applicant Information” section of this report.

Summary: Collectively, the person(s) and entities identified provide a financial position and liquidity sufficient to serve as Guarantors to the proposed development.

Syndicator Information

Syndicator Name:	National Equity Fund, Inc. ("NEF")
Type:	NEF, or an affiliated entity, will have a controlling interest in the Applicant as the 99.99% investor member
Contact Person:	Jason Aldridge National Equity Fund, Inc. Vice President of Originations Telephone: (972) 741-5150. jaldridge@nefinc.org
Address:	10 South Riverside Plaza, 17th Floor Chicago, IL 60606
Experience:	NEF is a nonprofit Chicago-based affiliate of the Local Initiatives Support Corporation ("LISC") and a leading syndicator of Low-Income Housing Tax Credits. Since its inception in 1987, NEF has played an integral role in creating affordable housing options, revitalizing communities and strengthening local economies. NEF's investments total more than $16.75 billion in 2,795 LIHTC developments, which created over 187,000 affordable homes for low-income families and individuals.
Financial Statements:	The most recent audited financial statement for NEF is summarized as follows:

Local Initiatives Support Corporation and Affiliates

December 31, 2021	(Audited)
Cash and Cash Equivalents:	$ 410,712,483
Total Assets:	$ 1,551,975,771
Total Liabilities:	$ 915,075,680
Total Shareholder Equity	$ 636,900,091

The financial information presented above is from LISC, the parent company of NEF, and based upon the most recent consolidated audited financial statements for the period ending December 31, 2021. CohnReznick LLP completed the audit on June 28, 2022.

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

General Contractor Information

General Contractor:	RBK3, LLC dba Roger B. Kennedy Construction (“RBK3”)
Type:	A Florida corporation
Contact Person:	Roger B. Kennedy, Jr. President Telephone (407) 478-4500 Facsimile (407) 478-4501
Address:	1105 Kensington Park Drive Altamonte Springs, FL 32714
Experience:	RBK was formed in 1999 by Roger B. Kennedy, Jr. with corporate history of affiliated companies dating back to 1946. The General Contractor provided a Projects Completed Schedule that demonstrates completion of over 40 LIHTC properties and 6,500 units throughout Florida. RBK submitted the license of Roger B. Kennedy, Jr., President, who is a Florida Certified General Contractor with license number CGC055142. The license is valid through August 31, 2024.
Credit Evaluation:	A DNBi Report inquiry dated September 26, 2022, was performed. The composite credit appraisal shows overall business risk is low. The probability of delinquent payments is at the low risk range compared to the average of businesses in the DNBi database. The DNBi report reflects a 0.17% probability of failure over the next 12 months and 1.52% of delinquency. No open lawsuits, judgments, bankruptcy proceedings, or liens exist within the DNBi database.
Banking References:	AmeriNat reviewed bank statements through July 31, 2022, confirming cash and cash equivalents in the approximate amount of $44.9MM.
Financial Statements:	Per Rule Chapter 67-48.0072(14)(c), audited or compiled statements may be waived if a payment and performance bond equal to 100 percent of the total construction cost whose terms do not adversely affect the Corporation’s interest, and is issued in the name of the General Contractor by a company rated at least “A-” by AMBest & Co. A draft P&P Bond that meets these requirements has been received and will be executed prior to closing.
Payment & Performance Bond:	The General Contractor will obtain a P&P Bond for 100% of the Construction Contracts value which will meet the requirements of the Rule. Receipt of an executed P&P bond is a condition precedent to loan closing.
Summary:	RBK has the requisite experience, credit, and financial capacity to construct the proposed development. A 100% payment and performance bond between the Borrower and RBK shall secure the general construction contract. AmeriNational recommends that RBK be accepted as the general contractor

and the construction contract be approved subject to the recommendations of the Plan and Cost Review performed by OSG.

Property Manager Information

Management Company:	Wendover Management, LLC (“WM”)
Type:	A Florida limited liability company
Contact Person:	Ricardo Alicea Office: (407) 333-3233 Ext. 209 Fax: (407) 333-3919 Email: ralicea@wendovergroup.com
Address:	1090 Kensington Park Drive • Suite 200 Altamonte Springs, Florida 32714
Experience:	WM was formed in July 2008 by Jonathan Wolf and is presently licensed in Florida and Georgia. WM is currently actively managing 1,658 units in 16 developments.
Management Agreement:	The Applicant submitted an unexecuted Property Management Agreement wherein Wendover Management, LLC. (“Manager”) will manage the Development. The Agreement states the initial term shall be for one year and will be automatically renewed for successive terms of one year unless terminated by either party in writing in accordance with the Agreement. The Agreement provides for compensation to the Manger in the amount greater of 5.0% of the total gross rental collections received during the preceding month or $2,500.
Management Plan:	The Applicant has submitted a Management Plan for the Development. The Management Plan illustrates the actual implementation of the systems, policies, procedures, and regulations which are to be imposed as delineated in the Management Agreement.
Summary:	WM demonstrates sufficient experience in the management of affordable multifamily housing to serve as the Property Manager for the Development. However, the selection of WM to manage the Development must be approved by FHFC’s Asset Management Department prior to lease-up activity pursuant to Rule Chapter 67-53, F.A.C. As the Development is proposed to be constructed, said approval is not required at closing. Continued approval is subject to ongoing satisfactory performance.

Exhibit 1
Fulham Terrace
15 Year Operating Pro Forma

	FINANCIAL COSTS:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
	OPERATING PRO FORMA															
INCOME:	Gross Potential Rental Income	**$1,236,768**	**$1,261,503**	**$1,286,733**	**$1,312,468**	**$1,338,717**	**$1,365,492**	**$1,392,802**	**$1,420,658**	**$1,449,071**	**$1,478,052**	**$1,507,613**	**$1,537,766**	**$1,568,521**	**$1,599,891**	**$1,631,889**
	Other Income															
	Ancillary Income	$34,800	$35,496	$36,206	$36,930	$37,669	$38,422	$39,190	$39,974	$40,774	$41,589	$42,421	$43,269	$44,135	$45,018	$45,918
	Gross Potential Income	**$1,271,568**	**$1,296,999**	**$1,322,939**	**$1,349,398**	**$1,376,386**	**$1,403,914**	**$1,431,992**	**$1,460,632**	**$1,489,845**	**$1,519,641**	**$1,550,034**	**$1,581,035**	**$1,612,656**	**$1,644,909**	**$1,677,807**
	Less:															
	Physical Vac. Loss Percentage: 4.00%	$50,863	$51,880	$52,918	$53,976	$55,055	$56,157	$57,280	$58,425	$59,594	$60,786	$62,001	$63,241	$64,506	$65,796	$67,112
	Collection Loss Percentage: 1.00%	$12,716	$12,970	$13,229	$13,494	$13,764	$14,039	$14,320	$14,606	$14,898	$15,196	$15,500	$15,810	$16,127	$16,449	$16,778
	Total Effective Gross Income	**$1,207,990**	**$1,232,149**	**$1,256,792**	**$1,281,928**	**$1,307,567**	**$1,333,718**	**$1,360,392**	**$1,387,600**	**$1,415,352**	**$1,443,659**	**$1,472,533**	**$1,501,983**	**$1,532,023**	**$1,562,663**	**$1,593,917**
EXPENSES:	Fixed:															
	Real Estate Taxes	$123,346	$127,046	$130,858	$134,784	$138,827	$142,992	$147,282	$151,700	$156,251	$160,939	$165,767	$170,740	$175,862	$181,138	$186,572
	Insurance	$75,400	$77,662	$79,992	$82,392	$84,863	$87,409	$90,032	$92,732	$95,514	$98,380	$101,331	$104,371	$107,502	$110,727	$114,049
	Variable:															
	Management Fee Percentage: 5.00%	$60,399	$61,607	$62,840	$64,096	$65,378	$66,686	$68,020	$69,380	$70,768	$72,183	$73,627	$75,099	$76,601	$78,133	$79,696
	General and Administrative	$40,600	$41,818	$43,073	$44,365	$45,696	$47,067	$48,479	$49,933	$51,431	$52,974	$54,563	$56,200	$57,886	$59,622	$61,411
	Payroll Expenses	$174,000	$179,220	$184,597	$190,134	$195,839	$201,714	$207,765	$213,998	$220,418	$227,031	$233,841	$240,857	$248,082	$255,525	$263,191
	Utilities	$104,400	$107,532	$110,758	$114,081	$117,503	$121,028	$124,659	$128,399	$132,251	$136,218	$140,305	$144,514	$148,849	$153,315	$157,914
	Marketing and Advertising	$5,800	$5,974	$6,153	$6,338	$6,528	$6,724	$6,926	$7,133	$7,347	$7,568	$7,795	$8,029	$8,269	$8,517	$8,773
	Maintenance and Repairs/Pest Control	$150,800	$155,324	$159,984	$164,783	$169,727	$174,819	$180,063	$185,465	$191,029	$196,760	$202,663	$208,742	$215,005	$221,455	$228,099
	Reserve for Replacements	$34,800	$34,800	$34,800	$34,800	$34,800	$34,800	$34,800	$34,800	$34,800	$34,800	$35,844	$36,919	$38,027	$39,168	$40,343
	Total Expenses	**$769,545**	**$790,984**	**$813,053**	**$835,772**	**$859,161**	**$883,238**	**$908,024**	**$933,541**	**$959,809**	**$986,852**	**$1,015,735**	**$1,045,471**	**$1,076,084**	**$1,107,601**	**$1,140,047**
	Net Operating Income	**$438,444**	**$441,166**	**$443,739**	**$446,156**	**$448,406**	**$450,480**	**$452,368**	**$454,060**	**$455,543**	**$456,808**	**$456,797**	**$456,512**	**$455,939**	**$455,063**	**$453,869**
	Debt Service Payments															
	First Mortgage - HCHFA / NLP	$272,539	$272,539	$272,539	$272,539	$272,539	$272,539	$272,539	$272,539	$272,539	$272,539	$272,539	$272,539	$272,539	$272,539	$272,539
	Second Mortgage - SAIL / SAIL CHIRP	$75,107	$75,107	$75,107	$75,107	$75,107	$75,107	$75,107	$75,107	$75,107	$75,107	$75,107	$75,107	$75,107	$75,107	$75,107
	Third Mortgage - ELI	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Fourth Mortgage -NHTF	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Fifth Mortgage - Local Gov't Subsidy	$55,427	$55,427	$55,427	$55,427	$55,427	$55,427	$55,427	$55,427	$55,427	$55,427	$55,427	$55,427	$55,427	$55,427	$55,427
	First Mortgage Fees - HCHFA / NLP	$15,988	$15,956	$15,923	$15,889	$15,854	$15,817	$15,780	$15,741	$15,701	$15,660	$15,617	$15,573	$15,528	$15,482	$15,433
	Second Mortgage Fees - SAIL / SAIL CHIRP	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901	$11,901
	Third Mortgage Fees - ELI	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741
	Fourth Mortgage Fees - NHTF	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741	$3,741
	Fifth Mortgage Fees -Local Gov't Subsidy	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Debt Service Payments	**$438,444**	**$438,412**	**$438,379**	**$438,345**	**$438,310**	**$438,273**	**$438,236**	**$438,197**	**$438,157**	**$438,116**	**$438,073**	**$438,029**	**$437,984**	**$437,938**	**$437,889**
	Cash Flow after Debt Service	**$0**	**$2,754**	**$5,360**	**$7,811**	**$10,096**	**$12,208**	**$14,133**	**$15,863**	**$17,387**	**$18,692**	**$18,725**	**$18,483**	**$17,955**	**$17,125**	**$15,981**
	Debt Service Coverage Ratios															
	DSC - First Mortgage plus Fees	**1.52x**	**1.53x**	**1.54x**	**1.55x**	**1.55x**	**1.56x**	**1.57x**	**1.58x**	**1.58x**	**1.59x**	**1.59x**	**1.58x**	**1.58x**	**1.58x**	**1.58x**
	DSC - Second Mortgage plus Fees	**1.17x**	**1.17x**	**1.18x**	**1.19x**	**1.19x**	**1.20x**	**1.21x**	**1.21x**	**1.21x**	**1.22x**	**1.22x**	**1.22x**	**1.22x**	**1.21x**	**1.21x**
	DSC - Third Mortgage plus Fees	**1.16x**	**1.16x**	**1.17x**	**1.18x**	**1.18x**	**1.19x**	**1.19x**	**1.20x**	**1.20x**	**1.21x**	**1.21x**	**1.20x**	**1.20x**	**1.20x**	**1.20x**
	DSC - Fourth Mortgage plus Fee	**1.14x**	**1.15x**	**1.16x**	**1.17x**	**1.17x**	**1.18x**	**1.18x**	**1.19x**	**1.19x**	**1.19x**	**1.19x**	**1.19x**	**1.19x**	**1.19x**	**1.19x**
	DSC - All Mortgages and Fees	**1.00x**	**1.01x**	**1.01x**	**1.02x**	**1.02x**	**1.03x**	**1.03x**	**1.04x**	**1.04x**	**1.04x**	**1.04x**	**1.04x**	**1.04x**	**1.04x**	**1.04x**
	Financial Ratios															
	Operating Expense Ratio	**63.70%**	**64.20%**	**64.69%**	**65.20%**	**65.71%**	**66.22%**	**66.75%**	**67.28%**	**67.81%**	**68.36%**	**68.98%**	**69.61%**	**70.24%**	**70.88%**	**71.52%**
	Break-even Economic Occupancy Ratio (all debt)	**95.25%**	**95.04%**	**94.84%**	**94.67%**	**94.52%**	**94.38%**	**94.26%**	**94.16%**	**94.08%**	**94.02%**	**94.04%**	**94.08%**	**94.14%**	**94.21%**	**94.30%**

Fulham Landing

Description of Features and Amenities

A. Public Policy Issues.

1. The Applicant agrees to abide by the set-asides described in this application for 50 years.

2. Describe in detail all resident programs and activities that will be provided by the Applicant

a. Resident programs for **All Applicants:**

☒ **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.

☒ **Hurricane Preparedness – Mandatory -** At least one month before each Hurricane Season, conduct training for residents on how to plan for hurricane and evacuation protocols. At start of Hurricane Season, provide all residents written instructions on planning and evacuation.

☐ **English as a Second Language – Optional -** Applicant shall make available, at no cost to the resident, a literacy tutor(s) to provide weekly English lessons to residents in private space on-site.

☐ **Swimming Lessons – Optional –** The Applicant or its Management Agent shall provide on-site swimming lessons for children or adults, at no cost to the resident, at least three times each year.

☐ **Life Safety Training – Optional –** The Applicant or its Management Agent shall provide on-site courses such as fire safety, first aid (including CPR), etc. at least twice each year, at no cost to the resident.

☐ **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.

☐ **Day Care – Optional –** either:

☐ Day care facility for children or adults on-site, or

☐ A discount of at least 20% at a day care facility for children or adults within 3 miles of the development.

☐ **Case Management/Residential Stabilization/Services – Optional –** This service must be provided by a qualified social worker at no cost to the resident. This program requires that the following services be made available on-site no less often than once a week: crisis intervention, individual and family needs assessment, problem solving and planning, appropriate information and referral to community resources and services based on need, monitoring of ongoing ability to retain self-sufficiency, and advocacy to assist clients in securing needed resources.

☐ **Smoking Cessation Classes – Optional for New Construction, Mandatory for Acquisition/Rehabilitation –** The Applicant or its Management Agent shall provide on-site classes, at no cost to the resident, at least 8 hours per year.

b. Residential Programs for **Elderly Developments:**

☒ **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.

☐ **Meals – Optional –** Applicant must pay for daily, at least one meal per day, delivery and cost of meals to the residents or provide for the daily preparation and serving of meals in a designated common on-site facility. Programs such as "Meals on Wheels" will not qualify for points because Applicant is not providing the service.

☐ Applicant will provide for delivery and cost of daily meals (at least one meal per day) to be served in a designated common facility located on-site; or

☐ Applicant will arrange for daily meals, at least one meal per day, to be delivered to the residents at no cost to the residents.

☐ **Private Transportation for the Development – Optional –** The Applicant or its Management Agent, at no cost to the resident, must provide a qualified driver and have a safe and serviceable vehicle that can transport residents to off-site locations for such things as medical appointments, public service facilities, and/or educational or social activities. A nearby bus stop or access to programs such as "Dial a Ride" will not be acceptable for purposes of this commitment.

☐ **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.

☒ **Personnel On-Call 24 Hours Per Day – Optional –** Applicant must provide a manager, maintenance employee and/or security guard who is available and accessible to the residents 24 hours per day, seven days per week.

c. Resident Programs for **Non-Elderly Developments:**

☐ **Homeownership Opportunity Program – Mandatory –** Applicant must provide a homeownership opportunity program available to all residents in compliance with their current lease. The program must set aside 5% of the resident's gross rent toward a down payment for that resident when the resident moves from the development into homeownership. The resident may be suspended from the program during the period of a lease if the resident violates any provision of the lease. Upon renewal of the lease, the resident must be reinstated into the program for the period of that renewal, with suspension permitted under the same terms as discussed above. The homeownership opportunity program must also include financial counseling for all residents, with emphasis on credit counseling and other items necessary for successful purchase of, and maintenance of a home.

☐ **First Time Homebuyer Seminars – Mandatory –** Applicant must arrange for and provide at no cost to the resident, in conjunction with local realtors or lending institutions, semiannual on-site seminars for residents interested in becoming homeowners.

☐ **After School Program for Children – Optional –** Applicant or its Management Agent must provide daily, supervised, structured, age-appropriate activities for children during the after-school hours. Activities must be on-site and at no charge to the residents.

☐ **Literacy Training – Optional –** Applicant must make available, at no cost to the resident, a literacy tutor(s) to provide weekly literacy lessons to residents in private space on-site.

☐ **Job Training – Optional –** Applicant must provide, at no cost to the resident, access to online regularly scheduled classes in typing, computer literacy, secretarial skills or other useful job skills. Regularly scheduled means not less often than once each quarter.

d. **Homeless, Veterans or Special Needs Housing**: The Applicant may propose appropriate Resident Programs. Attach as <u>**Exhibit 10**</u>.

3. Describe in detail all design and other physical amenities that provide enhanced quality of life, energy efficiency, increased security, handicapped accessibility, or other features. Each feature mandated by the Authority or selected by the Applicant will be made a part of the Land Use Restriction

Agreement, and must be described behind tab labeled **Exhibit 11**. Developments that include a mix of elderly and non-elderly units must provide design features for both elderly and non-elderly units must provide design features for both elderly and non-elderly developments. The design and amenity features to be provided are:

a. In addition to meeting all building code, Fair Housing Act, and Americans with Disabilities Act Requirements, the following items are required:

- **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 bathrooms** in all **3 bedroom or larger** new construction units
- At least **1 and ½ 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

b. **For New Construction Units,** the applicant may select items from the following list. The selected items must total 25 points:

☒ Window Treatments (mini-blinds ☒, curtains ☐, vertical blinds ☐) inside each unit. Select treatment that will be provided. (3 points)

☒ 30 Year Expected Life Roofing on all Buildings (5 points)

☐ Gated community with "carded" entry or security guard☐, of if mid-or-high-rise, "carded" secure entry to building ☐ (2 points for gated community, 4 points for secure building entry)

☒ Exterior Finish - ☐ stucco or ☒ cementious siding or ☐ brick exterior finish (3 points – check choice)

☒ Ceramic tile in bathtub/shower area (3 points)

☒ Microwave Oven (3 points)

☒ Fire Sprinklers in All Units (5 points)

☒ Steel entry door frames (2 points)

☒ Termite prevention/detection system (2 points)

☒ Exterior lighting (3 points)

☐ Double compartment kitchen sink (1 point)

☒ Laundry Hook-ups and space for washer/dryer inside each unit (3 points)

☒ Non-smoking units (may not choose with Non-Smoking Buildings (4 points)

☒ Non-smoking buildings (5 points)

c. For **Rehabilitation of Existing Development**, the applicant may select items form the following list. The selected items must total 25 points:

☐ Laundry Hook-ups and space for washer/dryer inside each unit (3 Points)

☐ Window Treatments: Identify treatment (3 points)
- ❑ mini-blinds
- ❑ curtains
- ❑ vertical blinds) inside each unit – identify treatment

☐ 30-Year Expected Life Roofing on all Buildings (4 points)

☐ Gated community with "carded" entry or security guard, or if mid-or-high rise, "carded" secure entry to building (3 points)

☐ Ceramic tile in bathtub/shower area (3 points)

☐ Microwave Oven (3 points)

☐ Marble Window Sills (3 points)

☐ Fire Sprinklers in All Units (4 points)

☐ Dishwasher inside each unit (3 points)

☐ Garbage disposals inside each unit (3 points)

☐ Steel entry door frames (2 points)

☐ Termite prevention/detection system (2 points)

☐ Exterior lighting (3 points)

☐ Non-smoking units (may not choose with Non-Smoking Buildings (4 points)

☐ Non-smoking buildings (5 points)

☐ Laundry Hook-ups and space for washer/dryer inside each unit (3 points)

d. For **Elderly Developments** or developments with elderly units, the applicant may select from the following list. The selected items must be on-site and total 16 points (2 points each):

☒ Emergency call service in all elderly units
☒ Hairdresser Shop or Barber Shop on site
☐ Laundry facilities available on every floor

- ☒ All bathrooms in elderly units handicapped accessible with grab-bars per ANSI requirements
- ☐ Public transportation within 150 feet of property (or elderly building if mixed family-elderly)
- ☒ Exercise room with appropriate equipment
- ☒ Community center or clubhouse
- ☐ Swimming pool
- ☒ Picnic area with at least three permanent picnic tables and a permanent outdoor grill
- ☐ Outside recreation facility (such as shuffleboard court, putting green, tennis court).

Identify facility: ____

- ☒ Library consisting of a minimum of 100 books and 5 magazine subscriptions
- ☒ Craft Room
- ☐ Walking Trail
- ☒ Community Garden
- ☒ Dedicated movie room (new construction or rehabilitation)
- ☐ Movie room in common area (rehabilitation)

e. For **Non-Elderly Developments,** or developments with non-elderly units, the applicant may select from the following list. The selected items must be on-site and total 16 points (2 points each):

- ☐ Exercise room with appropriate equipment
- ☐ Community center or clubhouse
- ☐ Swimming pool
- ☐ Playground/tot lot (must be sized in proportion to development's size and expected resident population with age-appropriate equipment
- ☐ Car care area (for car cleaning/washing)
- ☐ Childcare facility located within three miles of the property
- ☐ Public transportation located within one-half mile of the property
- ☐ Library/study room consisting of a minimum of 100 books and 5 magazine subscriptions
- ☐ Two or more parking spaces per unit
- ☐ Outside recreation area for older children (such as basketball court, tennis court, volleyball court, etc.). Identify facility:

____________________________________.

- ☐ Community Garden
- ☐ Picnic area with at least three permanent picnic tables and a permanent outdoor grill

f. Energy Conservation Features for all units in the Development

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 (excluding buildings with a central chiller system);
- 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*:*
Applicant must choose at least five (5) items from the following list:

☒ Programmable thermostat in each unit
☒ Energy Star ceiling fans in all bedrooms and living areas
☐ Energy Star qualified roofing material or coating
☒ Energy Star exhaust fans in bathrooms
☐ Energy Star rating for all windows
☒ Install daylight sensors, timers or motion detectors on all outdoor lighting attached to buildings
☐ FL Yards and Neighborhoods certification on all landscaping
☐ Eco-friendly flooring -- Carpet and Rug Institute Green Label certified carpet and pad, bamboo, cork, recycled content tile, and/or natural linoleum
☐ Eco-friendly cabinets – formaldehyde free, material certified by the Forest Stewardship Council
☒ Motion detector on common area lighting

COMPLETENESS AND ISSUES CHECKLIST

DEVELOPMENT NAME: Fulham Terrace
DATE: November 7, 2022

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

FINAL REVIEW REQUIRED ITEMS:	STATUS Satis. / Unsatis.	NOTE
1. The development's final "as submitted for permitting" plans and specifications. Note: Final "signed, sealed, and approved for construction" plans and specifications will be required thirty days before closing.	Satis.	
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	
4. Pre-construction analysis ("PCA").	Satis.	
5. Survey.	Satis.	
6. Complete, thorough soil test reports.	Satis.	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice.	Satis.	
8. Market Study separate from the Appraisal.	Satis.	
9. Environmental Site Assessment – Phase I and/or the Phase II if applicable (If Phase I and/or II disclosed environmental problems requiring remediation, a plan, including time frame and cost, for the remediation is required). If the report is not dated within one year of the application date, an update from the assessor must be provided indicating the current environmental status.	Satis.	
10. Audited financial statements for the most recent fiscal year ended or acceptable alternative as stated in Rule for credit enhancers, applicant, general partner, principals, guarantors, and general contractor.	Satis.	
11. Resumes and experience of applicant, general contractor, and management agent.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Unsatis.	4
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	N/A	
15. Firm commitment letter from the syndicator, if any.	Satis.	
16. Firm commitment letter(s) for any other financing sources.	Satis.	
17. Updated sources and uses of funds.	Satis.	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Satis.	
19. Fifteen-year income, expense, and occupancy projection.	Satis.	

COMPLETENESS AND ISSUES CHECKLIST

FINAL REVIEW REQUIRED ITEMS:	STATUS Satis. / Unsatis.	NOTE
20. Executed general construction contract with “not to exceed” costs.	Satis.	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis	
22. Any additional items required by the credit underwriter.	Unsatis	1-3

NOTES AND DEVELOPER RESPONSES:

1. Receipt and approval of an updated MOU is a condition precedent to closing.
2. Completion of the HUD Section 3 pre-construction conference is a condition precedent to closing.
3. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u and 24 CFR Part 135) is a condition precedent to closing.
4. Receipt of an executed Management Agreement is a condition precedent to closing.