



BOARD PACKAGE

Regular Meeting

MAY 8, 2019

REGULAR MEETING

A regular meeting of the Housing Finance Authority of Broward County (the "HFA), Florida, will be held on Wednesday, May 8, 2019, at 5:30 p.m., in the 2nd Floor Conference Room, located at 110 N.E. 3rd Street, Fort Lauderdale, Florida.

CALLING OF THE ROLL

CONSENT AGENDA ITEMS (1 through 4)

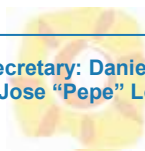
1. Approval of April 17, 2019, Regular Meeting Minutes
2. Executive Director's (April Operational Report)
3. Leasing of HFA 110 Office Building - Memorandum of Understanding between the HFA and Broward County Housing Finance and Community Redevelopment Division

MOTION TO APPROVE Memorandum of Understanding (MOU) between the HFA and Broward County Housing Finance and Community Redevelopment Division (HFCRD) for the HFCRD to lease approximately 8,646 square feet of office space located at 110 NE 3rd Street, Ft. Lauderdale, with a rental term of two (2) years, from October 1, 2019, to September 30, 2021, at a total gross rental of \$242,088; and authorize the Chair or Vice Chair to execute the MOU.

MOTION TO APPROVE the Consent Agenda for May 8, 2019.

4. Anthony Brunson, P.A. Agreement – Audit Services for Single-Family and Multifamily Bonds (RLI #20190930-AS-3)

MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida ("Housing Finance Authority"), approving and authorizing execution of the agreement between Housing Financing Authority



and Anthony Brunson, P.A. (“Agreement”); authorizing the proper Officers of the Housing Finance Authority to execute all other documents and do all things necessary or advisable in connection with entering into the Agreement; and providing for severability and an effective date.

REGULAR AGENDA

5. Financial Reports Monthly Overview – Ms. Linda Dufresne

MOTION TO APPROVE the Housing Finance Authority monthly financial report for the months of April 30, 2019.

6. Regency Gardens Apartments

MOTION 1. MOTION TO APPROVE the Credit Underwriting Report

MOTION 2. MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”) authorizing the issuance in the aggregate amount not to exceed \$15,000,000 of its Multifamily Mortgage Revenue Note, 2019 Series A-1 (Regency Gardens Apartments) (the “2019 Series A-1 Note”) and its subordinate Multifamily Mortgage Revenue Note, 2019 Series A-2 (Regency Gardens Apartments) (the “2019 Series A-2 Note and, together with the 2019 Series A-1 Note, the “Notes”) for the purpose of financing the acquisition, rehabilitation, and equipping of Regency Gardens Apartments located in Broward County, Florida (the “Project”); establishing parameters for the award of the sale thereof and establishing criteria for determining the terms thereof, including interest rates, interest payment dates, maturity schedule, and other terms of such Notes; approving the forms of and authorizing the execution and delivery of the following documents in connection with (i) the 2019 Series A-1 Note: (a) a Funding Loan Agreement by and among the Housing Finance Authority, Citibank, N.A., as initial Funding Lender (the “Funding Lender”), and the Bank of New York Mellon Trust Company, N.A., as Fiscal Agent (the “Fiscal Agent”); (b) a Project Loan Agreement by and among the Housing Finance Authority, the Fiscal Agent, and Pompano Beach Leased Housing Associates II, LLLP (the “Borrower”); (c) a Land Use Restriction Agreement by and among the Housing Finance Authority, the Fiscal Agent, and the Borrower (the “Land Use Restriction Agreement”); (d) an assignment of security instrument by the Housing Finance Authority to the Fiscal Agent; (e) an assignment of the Project Note by the Housing Finance Authority to the Fiscal Agent; (f) a Placement Agent Agreement by and between the Housing Finance Authority and Raymond James & Associates, Inc. and RBC Capital Markets, LLC, as Placement Agents (the “Placement Agent Agreement”); and (g) a Fiscal Agent Fee Agreement by and between the Housing Finance Authority and the Fiscal Agent (the “Fiscal Agent Fee Agreement”), and (ii) the 2019 Series A-2 Note: (a) a Subordinate Loan Agreement by and between the Housing Finance Authority and the Borrower; (b) the Land Use Restriction Agreement; (c) an assignment of subordinate mortgage and loan documents by the Housing Finance Authority to Regency Gardens Apartments, LTD.; (d) the Placement

Agent Agreement; and (e) the Fiscal Agent Fee Agreement; approving and authorizing the execution and delivery of certain additional agreements necessary or desirable in connection with the issuance of the Notes; authorizing the Housing Finance Authority to consent to the Borrower placing subordinate financing on the Project and approving the execution of such agreements as may be necessary in connection with such consent; waiving the fee for services related to the Housing Finance Authority's annual audit of the project; authorizing the proper Officers of the Housing Finance Authority to do all things necessary or advisable in connection with the issuance of the notes; and providing for an effective date for this Resolution.

7. Praxis of Deerfield Beach Apartments

MOTION 1. MOTION TO APPROVE the Credit Underwriting Report

MOTION 2. MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida (the "Housing Finance Authority") authorizing the issuance of its not to exceed \$25,000,000 Multifamily Housing Revenue Bonds, 2019 Series B (Praxis of Deerfield Beach) (the "Bonds") for the purpose of financing the acquisition, rehabilitation, and equipping of Praxis of Deerfield Beach located in Broward County, Florida (the "Project"); establishing parameters for the award of the sale thereof and establishing criteria for determining the terms thereof, including interest rates, interest payment dates, maturity schedule, and other terms of such bonds; approving the forms of and authorizing the execution and delivery of (i) a Trust Indenture by and between the Housing Finance Authority and the Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"); (ii) a Loan Agreement by and between the Housing Finance Authority and Praxis Venture LP (the "Borrower"); (iii) a Land Use Restriction Agreement by and among the Housing Finance Authority, the Trustee, and the Borrower; (iv) a Bond Purchase Agreement by and among the Housing Finance Authority, the Borrower, and RBC Capital Markets, LLC and Raymond James & Associates, INC., as Bond Purchaser (collectively, the "Purchaser"); and (v) a Trustee Fee Agreement by and between the Housing Finance Authority and the Trustee; approving and authorizing the execution and delivery by the Housing Finance Authority of certain additional agreements, instruments, certifications, and affidavits necessary or desirable in connection with the issuance of the Bonds; authorizing the negotiated sale of the Bonds to the purchaser pursuant to the Bond Purchase Agreement; authorizing the appointment of a bidding agent pursuant to the Bond Purchase Agreement; authorizing the preparation and distribution of a Preliminary Official Statement for the Bonds and authorizing the preparation, distribution, and execution of a final Official Statement in connection with the issuance and delivery of the Bonds; authorizing the appointment of a Trustee, paying agent, and registrar of the Bonds; authorizing the Housing Finance Authority to consent to the Borrower placing subordinate financing on the project and approving the execution of such agreements as may be necessary in connection with such consent; waiving

the fee for services related to the Housing Finance Authority's annual audit of the project; authorizing the proper Officers of the Housing Finance Authority to do all things necessary or advisable in connection with the issuance of the bonds; and providing for an effective date for this Resolution.

8. **MATTERS OF HFA MEMBERS**

9. **MATTERS FROM THE FLOOR**

10. **NEXT BOARD MEETING**

June 19, 2019

11. **ADJOURNMENT**

MINUTES
BOARD MEETING
Wednesday, April 17, 2019

A regular Board Meeting of the Housing Finance Authority (“HFA”) of Broward County was held on Wednesday, April 17, 2019, at 5:30 p.m., in the 2nd Floor Conference Room, located at 110 Northeast 3rd Street, Fort Lauderdale, Florida.

The Chair, Milette Manos, called the meeting to order at 5:30 p.m.

CALLING OF THE ROLL

A Roll Call was taken by Sonia Isme.

Board Members Present

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

Board Members Absent

Jose Lopez, Member

Staff

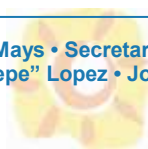
Ralph Stone, Executive Director
Norman Howard, Manager
Christine Barzey, Compliance Officer
Sonia Isme, Secretary
Alicia Lobeiras, Asst. County Attorney

Also Present

Deborah Zomermaand, Financial Advisory Svcs
Linda Dufresne, Dufresne CPA Services, P. A.
Helen Feinberg, RBC Capital Markets
Anthony Brunson, Anthony Brunson, P.A.

Ms. Manos, Chair, directed staff to revise the March 21, 2019 Meeting Minutes, Item #1, changing “*default payments*” to indicate “*default account*” in the meeting minutes for item 5.

Motion was made by John G. Primeau and seconded by Ruth T. Cyrus to approve the March 21, 2019 meeting minutes, with revision, changing “*default payments*” to “*default account*” in the meeting minutes. The motion carried unanimously.



CONSENT AGENDA ITEMS 2 and 3

1. March 21, 2019, Meeting Minutes (*Approved in a separate Motion*)
2. Executive Director's (March Operational Report)
3. 2019 Florida Association of Local Housing Finance Authorities Education Conference, Atlantic Beach, Florida

Motion was made by John G. Primeau and seconded by Ruth T. Cyrus to approve consent agenda items 2 and 3, for the April 17, 2019 meeting. The motion carried unanimously.

4. Mr. Anthony Brunson, President/CEO of Anthony Brunson P.A., presentation of the HFA, Audited Financial Statements for Fiscal Year ended September 30, 2018.

Mr. Anthony Brunson thanked the Authority on behalf of Anthony Brunson, P.A. for the opportunity to do business with the HFA. Mr. Brunson discussed the performance measures of the Authority and the auditor's responsibilities and operations during the audit; as pursuant to GASB standards.

Mr. Brunson mentioned one of the schedule audit adjustments included a post-closing adjustment completed by Dufresne CPA Services. There were no disagreements with Management and no consultations made with other parties.

Mr. Brunson mentioned some significant issues were discussed through a risk analysis, and the implementation of GASB 75, pertaining to healthcare subsidies. He proceeded to explain the results of the financial audit statement.

Mr. Brunson stated that the HFA complied with all regulations, which resulted in an unmodified audit opinion. He discussed areas of the audit review; *Scope of Examination, Significant Audit Results, Annual Financial Statements Content, Statement of Net Position, Statement of Activities and Balances of Governmental Funds.*

Motion was made by John G. Primeau and seconded by Ruth T. Cyrus to approve the HFA, Audited Financial Statements, for Fiscal Year ended September 30, 2018. The motion carried unanimously.

5. Financial Reports Monthly Overview – Ms. Linda Dufresne

Ms. Dufresne pointed out several items: Attachment 1 – Page 2, regarding the liabilities portion of a negative \$134,971. She explained that it was an invoice from Broward County for first quarter expenses which caused a reduction in liability. Also, a significant change related to the investment value and an increase in interest income.

She proceeded to explain other transactions on other attachments.

Motion was made by Daniel D. Reynolds and seconded by Donna Jarrett-Mays to approve the HFA monthly financial reports for the month of March 31, 2019. The motion carried unanimously.

6. **MATTERS OF HFA MEMBERS**

- A. Ms. Manos asked Mr. Stone was there any possibilities in recouping anything from loans foreclosed or from any bankruptcy accounts. Mr. Stone stated the HFA engaged with CINLAR to manage the loans.

There was additional discussion between Milette Manos, Ralph Stone and Deborah Zomermaand regarding the 2nd mortgage accounts.

- B. Ms. Jarret-Mays acknowledged Mr. Stone and Mr. Howard for attending the Delta Days event in Broward County and supporting her Sorority. She congratulated Mr. Stone on his presentation at the event concerning housing matters.

7. **MATTERS FROM THE FLOOR**

None.

8. **NEXT MEETING DATE**

May 8, 2019

9. **ADJOURNMENT**

The Chair, Milette Manos hearing no further comments, questions or discussions adjourned the meeting at 5:57p.m.

MEMORANDUM

Date: May 1, 2019
To: Housing Finance Authority Board Members
Through: Ralph Stone, Executive Director
From: Norman Howard, Manager
Subject: April Operational Report

INVESTMENT COMMITTEE

The HFA Investment Committee quarterly meeting was held on April 17, 2019 Wednesday, at 4:30 p.m., at 110 N.E. 3rd Street, 3rd Floor, Suite 201, Fort Lauderdale, Florida. The next quarterly meeting is July 17, 2019.

SINGLE-FAMILY

Information listed below is the foreclosure/bankruptcy report received from CitiMortgage for the months of February 2019 and March 2019. The report for the month of April 2019 has not been received from CitiMortgage to date.

Bankruptcy – February 2019

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

Foreclosure (180+ days) – February 2019

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
9	\$1,393,740	6	3	\$1,286,587	\$107,153

Bankruptcy – March 2019

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

Foreclosure (180+ days) – March 2019

Loan Count	Total		1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
10	\$1,510,606		7	3	\$1,403,453	\$107,153

Foreclosure (180+ days) – comparison between February 2018 to February 2019

Comparison Year	Foreclosures	1st Mortgage balance	2nd Mortgage balance	Total
March-18	12	\$1,300,495	\$144,060*	\$1,444,555
March-19	10	\$1,403,453	\$107,153**	\$1,510,606
Difference(+/-)	2	\$102,958	\$37,007	\$66,051

Note: * FY18 contain 12 foreclosures, 4 are second mortgages.

** FY19 contain 10 foreclosures, 3 are second mortgages.

MORTGAGE CREDIT CERTIFICATE (MCC) PROGRAM**2018/2019 MCC Program (ended date December 31, 2020)**

Currently, the HFA has fifteen (15) lenders participating in the January 2019 MCC Program. Program totals to date are as follows:

MCC's by Lender	Commitments	Issued	Cancelled
Academy Mortgage Corporation	1	1	1
American Bancshares Mortgage, LLC	1	0	0
Americas Mortgage Professionals, LLC	8	3	0
Bank of America, N.A.	0	0	0
Christensen Financial, Inc	1	0	0
CMG Mortgage, Inc	0	0	0
Cornerstone Home Lending	0	0	0
Everett Financial, Inc.	0	0	0
Florida State Mortgage Group, Inc	2	1	0
Gold Star Mtg. Financial Group	4	1	0
Hamilton Funding Group	3	0	0

<i>MCC's by Lender</i>	<i>Commitments</i>	<i>Issued</i>	<i>Cancelled</i>
Home Mortgage Alliance Corporation	0	0	0
Paramount Residential Mortgage Group (PRMG)	9	4	0
The Mortgage Firm	0	0	0
United Wholesale Mortgage	1	1	
Totals	30	11	0
<i>Income to date (Y2019): \$1,925</i>			

MULTIFAMILY HOUSING BOND TRANSACTIONS

2019 Multifamily housing transactions update for the month of April (Attachment 1).

MULTI-FAMILY COMPLIANCE MONITORING

Multifamily compliance monitoring; reporting period February 21, 2019, to March 20, 2019.

Monthly Compliance

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

Occupancy Report

The HFA Rental Occupancy Report for period February 21, 2019, to March 20, 2019 is included (Attachment 2).

Annual Management Review and Inspections

The review or inspection for the following property was completed during the reporting period of February 21, 2019 to March 20, 2019.

Chavez Lakes Apartments

The above listed property in compliance with LURA.

2019 MULTIFAMILY HOUSING BOND TRANSACTIONS – MAY UPDATE

<u>HFA RANKING</u>	1	2	3
<u>PROJECT NAME</u>	<u>Regency Gardens</u>	<u>Marquis Apartments</u>	<u>Praxis of Deerfield Beach</u>
<u>PROJECT LOCATION</u>	1525 Northwest 17 th Avenue Pompano Beach, FL 33069-1691	NW 9 th Street; NW Corner of 9 th Street and Dr. B.J. McCormick Ave. Pompano Beach, FL	1450 FAU Research Park Blvd. Deerfield Beach, FL 33441
<u>DEVELOPER</u>	Pompano Beach Leased Housing Associates, II, LLLP	Cornerstone Group Partners, LLC	MRK Partners Inc.
<u>PROFESSIONAL TEAM</u>			
<ul style="list-style-type: none"> • <i>Lead Underwriter</i> • <i>Bond Counsel</i> • <i>Credit Underwriter (“CU”)</i> 	<ul style="list-style-type: none"> • Raymond James • Nabors, Giblin & Nickerson • Seltzer 	<ul style="list-style-type: none"> • Raymond James • Nabors, Giblin & Nickerson • TBD 	<ul style="list-style-type: none"> • RBC • Nabors, Giblin & Nickerson • First Housing
<u>BOND AMOUNTS</u>			
<ul style="list-style-type: none"> • <i>Bond Amount/Original Req.</i> • <i>Revised Request</i> • <i>CU Recommendation</i> 	<ul style="list-style-type: none"> • \$15,000,000 • • 	<ul style="list-style-type: none"> • \$12,000,000 • • 	<ul style="list-style-type: none"> • \$25,000,000 • •
<u>TEFRA & Inducement</u>			
<ul style="list-style-type: none"> • <i>TEFRA/Inducement Amount</i> • <i>Date of HFA Inducement</i> • <i>Date of TEFRA Hearing</i> • <i>Date of HFA Approval</i> • <i>Date of BOCC App. TEFRA</i> • <i>Date of BOCC Approval Cust. Agreement (If Applicable)</i> 	<ul style="list-style-type: none"> • \$15,000,000 (Inducement) • September 19, 2018 • April 10, 2019 • May 8, 2019 (Pending) • • N/A 	<ul style="list-style-type: none"> • • • • • • N/A 	<ul style="list-style-type: none"> • \$25,000,000 (Inducement) • December 19, 2018 • April 25, 2019 • May 8, 2019 (Pending) • • • N/A
<u>ALLOCATION</u>			
<ul style="list-style-type: none"> • <i>Allocation Approved by HFA</i> • 	\$15,000,000		\$25,000,000
<u>TRANSACTION STATUS</u>	<i>See Note #1</i>	<i>See Note #2</i>	<i>See Note #3</i>

Note #1:

Application to fund Regency Gardens in the 2018 allocation cycle was submitted to the HFA on August 24, 2018. The financing is expected to fund the acquisition and rehabilitation of 94 units of affordable housing in Pompano Beach. On September 19, 2018, the HFA approved and induced the project, such approval will effectively rank the development to receive tax-exempt bond allocation and/or carryforward in 2018. The total bond amount is estimated to be \$15,000,000. The transaction is expected to close June 2019.

Note #2:

Application to fund Marquis Apartments in the 2018 allocation cycle was submitted to the HFA on October 10, 2018. The financing is expected to fund the new construction of 100 units of affordable housing in Pompano Beach. The requested bond amount is \$12,000,000. The transaction is expected to close in 2019.

Note #3:

Application to fund Praxis of Deerfield Beach in the 2018 allocation cycle was submitted to the HFA on November 14, 2018. On December 18, 2018, the HFA approved and induced the project, such approval will effectively rank the development to receive tax-exempt bond allocation and/or carryforward in 2018. The financing is expected to fund the rehabilitation of 224 units of affordable housing in Deerfield Beach. The requested bond amount is \$25,000,000. The transaction is expected to close June 2019.

Housing Finance Authority of Broward County
Rental Occupancy Report

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J
Property	Total Number of Units	From Mgmt Number of Units Occupied	% of Units Occupied	Previous month % of Lower Units Occupied February	From Mgmt Low Income Units Occupied	% Occupied by Low Income	LURA Low Income Requirement	Certificate of Compliance rec'd March	Vacant Units
Banyan Bay	416	393	94.5	42%	163	41.5	20%	4/10/2019	23
Chaves Lakes	238	235	98.7	87%	205	87.2	40%	3/27/2019	3
Colonial Park	160	160	100.0	100%	160	100.0	99%	3/22/2019	0
Cypress Grove/Sandalgrove	814	781	95.9	100%	781	100.0	40%	3/29/2019	33
Golden Villas	120	120	100.0	99%	119	99.2	40%	4/2/2019	0
Golf View Gardens	160	157	98.1	100%	156	99.4	100%	3/20/2019	3
Harbour Cove	212	210	99.1	86%	183	87.1	40%	3/29/2019	2
Heron Pointe	200	199	99.5	98%	195	98.0	40%	3/29/2019	1
Laguna Pointe	188	187	99.5	91%	170	90.9	40%	3/21/2019	1
Lake Vista (fka Ashlar/Pier Club)	480	421	87.7	20%	88	20.9	20%	3/25/2019	59
Landings at Coconut Creek	268	230	85.8	24%	53	23.0	20%	4/2/2019	38
Lauderhill Point (fka Driftwood Terr)	176	175	99.4	100%	175	100.0	100%	4/10/2019	1
Los Prados	444	416	93.7	32%	135	32.5	20%	3/28/2019	28
Mar Lago Village	216	204	94.4	42%	87	42.6	40%	4/10/2019	12
Meridian	160	160	100.0	100%	160	100.0	99%	3/22/2019	0
Northwest Gardens V	200	190	95.0	10%	19	10.0	40%	4/10/2019	10
Palms of Deerfield	56	54	96.4	100%	54	100.0	100%	4/10/2019	2
Pembroke Park	244	243	99.6	81%	197	81.1	40%	3/30/2019	1
Pinnacle Village	148	146	98.6	99%	145	99.3	40%	4/2/2019	2
Prospect Park	125	123	98.4	100%	123	100.0	40%	4/10/2019	2
Residences at Crystal Lake	92	92	100.0	100%	92	100.0	40%	4/10/2019	0
Sailboat Bend	37	37	100.0	100%	37	100.0	100%	4/10/2019	0
San Tropez (fka Pembroke Village)	480	478	99.6	20%	95	19.9	20%	4/5/2019	2
Sanctuary Cove	292	292	100.0	99%	290	99.3	40%	3/21/2019	0
Stanley Terrace	96	96	100.0	100%	96	100.0	40%	4/10/2019	0
St Croix	246	243	98.8	99%	241	99.2	40%	4/1/2019	3
Summerlake	108	106	98.1	100%	106	100.0	40%	3/29/2019	2
Woodsdale Oaks	172	172	100.0	100%	172	100.0	70%	3/26/2019	0
Totals	6,548	6,320			4,497	71.2%			228
* Figures in red show properties that are less than 90% occupied									
Total % rate of occupancy for all properties		97%							

MULTI-FAMILY BOND RENTAL OCCUPANCY REPORT KEY

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

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

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

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

Column E represents the percentage of total units that were lower income occupied during the month of February, 2019.

Column F represents the number of lower income units occupied.

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

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

Column I represents the date the Certificate of Compliance was received by Housing Finance Authority. Dates may vary from the 22nd of the previous month to the 14th of the following month since bond reports are submitted according to the time frame set in the LURA.

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

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

**Housing Finance Authority of Broward County
May 8, 2019 – Board Meeting**

Leasing of HFA Office Building (110 NE 3rd Street, Fort Lauderdale)

Motion to approve a Memorandum of Understanding (MOU) between the HFA and Broward County Housing Finance and Community Redevelopment Division (HFCRD) for the HFCRD to lease approximately 8,646 square feet of office space located at 110 NE 3rd Street, Ft. Lauderdale, with a rental term of two (2) years, from October 1, 2019, to September 30, 2021, at a total gross rent of \$242,088 for the two-year term; and authorize the Chair or Vice Chair to execute the MOU.

Background Information

On August 16, 2017, the HFA Board approved rent at \$121,044 per year for two years from October 1, 2017, to September 30, 2019, and Broward County Housing Finance and Community Redevelopment Division paid the HFA the sum of \$242,088 for the two-year period (*rent per year is \$121,044 and space allocated is 8,646 sq. ft.*).

The HFA building is 13,751 square feet. This space is allocated (including common space) to the following activities:

HFA	5,105 sq. ft. (No Charge)
CDBG	6,416 sq. ft.
HOME	1,529 sq. ft.
SHIP	<u>701 sq. ft.</u>
Total	13,751 sq. ft.

Current Status

1. The FY2017 Memorandum of Understanding (MOU) between the HFA and the Housing Finance and Community Redevelopment Division (HFCRD) *expires* on September 30, 2019. The cost per square foot was \$14.00 (\$121,044 annually and space allocated is 8,646 sq. ft. *No charge is applied to the space allocated for HFA use (5,105 sq. ft.)*).
2. The HFA space is classified as “B” grade office space, according to Broward County Real Property Section which estimates the current value at \$18.00 per square foot, triple net (Attachment 1).

Present Situation

Staff proposes no rental rate change for the next two years, starting October 1, 2019, and ending on September 30, 2021, as follows:

FY 2020 at \$14.00 per square foot or \$121,044

FY 2021 at \$14.00 per square foot or \$121,011

This recommendation is based on the Housing Finance and Community Redevelopment Division, receiving a significant decrease in funding from Florida Housing for the State Housing Initiative Partnership (SHIP) program.

Note: The State Sadowski Act requires that the county collect “doc stamp” revenue on real estate transactions to fund affordable housing on a statewide basis. This year Broward County contributed approximately \$35 million dollars to the fund. Based on the “full funding” formula the county should have received \$22 million dollars in SHIP funding back from the State. Four million dollars of that amount would go to Broward County government. The remainder would go to the entitlement cities in the County. The final State Budget for SHIP funding only allocated \$2.5 million dollars for the whole county. Broward County’s share is approximately \$439,000. The Housing Division operates based on an administrative allowance of 10% of the grant funding. This year there will be only approximately \$43,000 for administration costs. The cost to run the program is \$439,000. Therefore, the overall Division budget is in a deficit condition. As a result a request is being made to hold the current rent level.

Recommendation

Staff recommends that the Board approve the proposed rental term of two years, from October 1, 2019, to September 30, 2021, at a total gross rental of \$241,088 for the two-year term at a cost of \$14.00 per square foot; and execute a Memorandum of Understanding signed by the HFA Chair.

Attachments

1. Memo - Broward County Real Property Section dated March 28, 2019
2. Memorandum of Understanding




Public Works Department – Facilities Management Division – **REAL PROPERTY SECTION**
115 S. Andrews Avenue, Room 326 • Fort Lauderdale, Florida 33301 • 954-357-6808 • FAX 954-357-6292

MEMORANDUM

March 28, 2019

TO: Norman L. Howard, Assistant to the Director
Housing Finance Authority of Broward County
Housing Finance and Community Development Division

THRU: Purvi Bhogaita, Director
Real Property Section 

FROM: C. Kevin Bokoske, MAI, Due Diligence Officer 
Real Property Section

**SUBJECT: Leasing of HFA Office Building
110 NE 3rd Street
Fort Lauderdale, Broward County, Florida**

I have researched and analyzed the office rental market in the central business district (“CBD”) of Fort Lauderdale, in order to form an opinion of what the market rental rate is at 110 NE 3rd Street, the location of the Housing Finance Authority (“HFA”) office space in mid-2015.

The HFA space is classified as “B” grade office space, which is based on my subjective observation and experience, not on an objective or quantifiable checklist of the physical characteristics, locational quality, or other criteria.

We estimate the market rent for this space for 2019 is \$18.00 per square foot, on a triple net basis.

We searched LoopNet for office rental listings in the Fort Lauderdale CBD and the Cypress Creek submarkets, as these properties would compete with the subject for tenants. The search parameters were for space from 1,000 to 5,000 square feet, in order to be comparable to the office property in this assignment. The results confirmed our estimate of \$18.00 per square foot, triple net, for the subject space.

There are sufficient examples shown that illustrate that a typical office tenant would face little difficulty in locating space similar in quality and convenience to the subject property for approximately \$18.00 per square foot.

OPINION OF MARKET RENT: \$18.00 PER S/F, NNN

**LOOPNET - HFA - 110 NE 3RD STREET - FORT LAUDERDALE CBD
MARCH 21, 2019**

L.	Street #	Property Address	Year Built	Total Building Space	Available Space	Ave NNN Rent Per S/F	Remarks
	6300	NE 1st Avenue Fort Lauderdale	1987	31,143	2,080	\$13.00	Class B
	900	SE 3rd Avenue Fort Lauderdale	2000	46,695	6,523	\$23.00	Class B Bank United Bldg
	200	N. Andrews Avenue Fort Lauderdale	1985	23,656	9,300	\$24.00	Class B Opposite City Hall
	6300	NW 5th Way Fort Lauderdale	1982	42,382	8,597	\$16.00	Class B Cypress Creek Office Condos
	2419	E. Commercial Blvd Fort Lauderdale	1987	42,124	6,398	\$17.50	Class B
	5300	N. Federal Highway Fort Lauderdale	1973	10,286	5,143	\$18.50	Class B
9	1425	W. Cypress Creek Rd Fort Lauderdale	1984	52,578	21,839	\$16.00	Class B
	1901	W. Cypress Creek Rd Fort Lauderdale	1987	140,635	9,906	\$15.50	Class B Cypress Executive Center
13	5900	N. Andrews Avenue Fort Lauderdale	Unkn	206,773	6,065	\$17.50	Class A Cypress Financial Center
						\$15.50	Low Mean Median Mode High
						\$18.50	
						\$17.50	
						\$16.00	
						\$24.00	

**REAL ESTATE ASSESSMENT AND TAX COMPARISON
DOWNTOWN OFFICE PROPERTIES
FORT LAUDERDALE, FLORIDA**

No.	Tax Folio Number	Name/Location	Year Built	Land Size - SF/FF	Building Size - SF	FAR	Land Assessment	Improvement Assessment	Total Assessment	Real Estate Taxes
							per Sq.Ft./Fr.Ft.	per Sq.Ft.	per Sq.Ft.	per Sq.Ft.
1	0210-11-0020	500 N.E. Fourth Street Fort Lauderdale	1983	120.58 FF	9,183	76.16	\$144,700	\$492,800	\$637,500	\$11,845.56
							\$1,200.03	\$53.68	\$69.42	\$1.29
2	0210-12-0340	301 N.E. Third Avenue Fort Lauderdale	1990	12,470 SF	19,943	1.60	\$37,410	\$956,930	\$994,340	\$28,420.34
							\$3.00	\$47.98	\$49.86	\$1.43
3	0203-02-1750	400 N. Andrews Fort Lauderdale	1961/1989	109.90 FF	16,397	149.20	\$83,520	\$728,360	\$811,880	\$10,322.68
							\$759.96	\$44.42	\$49.51	\$0.63
4	0210-01-0680 0210-13-0010 0210-01-0830	200 N. Andrews Fort Lauderdale	1984	32,300 SF*	22,994	0.71	\$281,520	\$890,170	\$1,171,690	\$33,486.56
							\$8.72	\$38.71	\$50.96	\$1.46
							MEAN			
Subject	0210-12-0200 0210-12-0210	110 N.E. Third Street Fort Lauderdale	1990	29,000 SF*	16,388	0.57	\$94,100	\$803,830	\$897,930	\$23,921.59
							\$3.24	\$49.05	\$54.79	\$1.46
							228.12 FF	\$412.50		

* Appraiser Calculations
941055-O
ThridTax

SALES COMPARISON APPROACH (continued):**Analysis of Comparable Properties (continued):****Frontage/Exposure:**

The subject property is located on secondary roadway. The subject is similar to all of the comparables in terms of frontage/exposure and no adjustments were warranted.

Age/Condition:

The sales vary in age, and range from average to good condition and the subject was constructed in 1990 with the sales being built between 1982 and 1991. The subject is superior to Sales Two, Three and Four, in terms of age/condition, and the sales required upward adjustments.

Size:

The subject consists of a 12,422 square foot office building. The comparables range in size from 6,300 to 12,000 square feet. Typically, smaller buildings sell for more per square foot than larger buildings. Therefore, Comparables Two and Four were adjusted downward for size.

Site Utility:

The subject is considered to have good site utility. Sales Two, Three and Four have similar site utility as the subject. Sale One, however is located on a triangular shaped lot. The parking spaces in the first floor garage are small. The ingress/egress to the site is fair.

Conclusion:

The adjusted range of the comparables is from \$98.46 to \$119.17.

The sales represent sales of office building to owner/user or partial owner/users. The sales were adjusted for location based on a quantitative method of market rent versus rents in the area of the sales. The sales have some similar physical features as the subject. Sale One has a first floor garage, while the others have surface parking areas. Sale One will be given the most weight due to the physical characteristics and it is a pending contract. However, due to the subject's covered secured parking and site utility a market value per square foot higher than Sale One is reasonable.

Therefore, based on the subject's location, size, age, and floor area, we estimate Market Value by the Sales Comparison Approach to be:

\$105.00 x 12,422 square feet =	\$ 1,304,310
	\$ 1,300,000 (Rd)
Plus excess land:	\$ <u>160,000</u>
Indicated Market Value via	
the Sales Comparison Approach:	\$ 1,460,000

MEMORANDUM OF UNDERSTANDING

Between

Broward County Housing Finance and
Community Redevelopment Division

And

Housing Finance Authority of Broward County

For

The Leasing of Property Located at 110 NE 3rd Street
Fort Lauderdale, Florida 33301

This Memorandum of Understanding covers occupancy of the building at 110 NE 3rd Street, Fort Lauderdale, Florida of 8,646 square feet by the Housing Finance and Community Redevelopment Division for a term of two (2) years, from October 1, 2019 to September 30, 2021.

The parties agree that the Housing Finance and Community Redevelopment Division shall pay to the Housing Finance Authority the sum of \$121,044 (one hundred twenty-one thousand forty-four dollars) for the term from October 1, 2019 to September 30, 2020 and \$121,044 (one hundred twenty-one thousand forty-one dollars) for the term from October 1, 2020 to September 30, 2021. The sum is based on calculations of space occupied as indicated on the allocation table at a below market rate.

Signed:

Milette Manos
Chairperson, Housing Finance
Authority of Broward County

Date: May 8, 2019

Ralph Stone
Director, Housing Finance and
Community Redevelopment Division

Date: May 8, 2019

**Housing Finance Authority of Broward County
May 8, 2019 – Board Meeting**

Agreement for Anthony Brunson P.A. – Consent Agenda

Motion to Approve Resolution of the Housing Finance Authority of Broward County, Florida (“Housing Finance Authority”), approving and authorizing execution of the agreement between Housing Financing Authority and Anthony Brunson, P.A. (“Agreement”); authorizing the proper Officers of the Housing Finance Authority to execute all other documents and do all things necessary or advisable in connection with entering into the Agreement; and providing for severability and an effective date.

Background

At its August 15, 2018 board meeting, the HFA approved the Request for Letters of Interest (RLI) No. 20190930-AS3 for audit services on the single-family and multi-family mortgage revenue bonds.

The RLI was published in the Sun-Sentinel on September 19, 2018. Three (3) firms submitted proposals in response. The firms were: Anthony Brunson P.A., Mauldin & Jenkins, LLC and S. Davis & Associates P.A.

At the December 19, 2018 board meeting, the HFA selected Anthony Brunson, P.A. for a three-year term with provisions for two one-year extensions and authorized staff to proceed with negotiation.

Present Situation

On April 26, 2019, Staff, County Attorney and Anthony Brunson, P.A. negotiated and agreed to the terms and scope of services within the RLI No. 20190930-AS3, including the compensation plan under Articles 4 - *Term and Time of Performance* and 5 - *Compensation*, Exhibit A within the Agreement (Attachment 1).

2019 – 2022 Compensation Plan

Audit Services includes the following: \$57,000 for ten (10) bond issues and each bond issue to be audited annually under this agreement. Total annual audit fees shall be in the amount of \$57,000, excluding fees for additional audit services on additional bonds issues, if any. To the extent that Anthony Brunson, P.A. (the “Auditor”) provides additional services pursuant to the rates set forth in the Agreement as requested by the HFA and hourly fees shall apply to any additional work done by the Auditor.

Recommendation

Authorize the execution of an agreement with Anthony Brunson, P.A. for a three-year term with the option to extend the Agreement for two one-year extensions at the HFA's sole discretion. This Agreement will cover the audit services for the HFA for the Bonds starting October 1, 2019 to September 30, 2022, with the option of two one-year extensions providing for years 2023 and 2024.

The approval of the Broward County Board of Commissioners is required for the HFA to enter into this agreement.

Attachment

1. HFA Resolution (Agreement - Exhibits A and B)

RESOLUTION 2019-004

A meeting of the Housing Finance Authority of Broward County, Florida, was held at 5:30 p.m. on May 8, 2019, at 110 Northeast Third Street, Suite 201, Fort Lauderdale, Florida.

Presiding: _____

Present: _____

Absent: _____

Thereupon, _____ Chair of the Board of the Housing Finance Authority, introduced the following resolution, which was read:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (“HOUSING FINANCE AUTHORITY”), APPROVING AND AUTHORIZING EXECUTION OF THE AGREEMENT BETWEEN HOUSING FINANCING AUTHORITY AND ANTHONY BRUNSON, P.A. (“AGREEMENT”); AUTHORIZING THE PROPER OFFICERS OF THE HOUSING FINANCE AUTHORITY TO EXECUTE ALL OTHER DOCUMENTS AND DO ALL THINGS NECESSARY OR ADVISABLE IN CONNECTION WITH ENTERING INTO THE AGREEMENT; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, on August 15, 2018, the Housing Finance Authority of Broward County, Florida (“Housing Finance Authority”), approved the Request for Letters of Interest (“RLI”) # 20190930-AS-3 to provide the Housing Finance Authority with audit

services for the Housing Finance Authority's single family and multi family mortgage revenue bonds ("Audit Services");

WHEREAS, on December 19, 2018, the Housing Finance Authority approved the final ranking of the qualified accounting firm for RLI # 20190930-AS-3 and selected Anthony Brunson, P.A. ("Brunson"), as the provider of the Audit Services; and

WHEREAS, the Board has determined that it is in the best interest of the Housing Finance Authority to enter into an agreement with Brunson for the provision of the Audit Services.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA:

Section 1. The recitals set forth in the preamble to this Resolution are true, accurate, and deemed as being incorporated herein by this reference as though set forth in full hereunder.

Section 2. The Board hereby approves and authorizes the execution of the Agreement between the Housing Finance Authority and Brunson for Audit Services for the Housing Finance Authority's Single family and Multi family Mortgage Revenue Bonds ("Agreement"), by the Chair or Vice-Chair of the Housing Finance Authority as presented at this meeting and substantially in the form attached hereto as Exhibit A.

Section 3. The officers, agents, and employees of the Housing Finance Authority are hereby authorized and directed to do all acts and things required of them by the Agreement and this Resolution and to execute and deliver any and all additional documents, instruments, certificates, and affidavits necessary or advisable to effectuate the foregoing.

Section 4. Severability.

If any portion of this Resolution is determined by any court to be invalid, the invalid portion will be stricken, and such striking will not affect the validity of the remainder of this Resolution. If any court determines that this Resolution, in whole or in part, cannot be legally applied to any individual, group, entity, property, or circumstance, such determination will not affect the applicability of this Resolution to any other individual, group, entity, property, or circumstance.

Section 5. Effective Date.

This Resolution is effective upon adoption.

ADOPTED THIS 8th day of May, 2019.

Upon motion of _____ , seconded by _____ ,

the foregoing Resolution was adopted by the following votes:

AYES: _____

NAYS: _____

STATE OF FLORIDA)
)ss:
COUNTY OF BROWARD)

I, DANIEL D. REYNOLDS, Secretary of the Housing Finance Authority of Broward County, Florida, DO HEREBY CERTIFY that the foregoing is an accurate copy of the Resolution of the Housing Finance Authority adopted at a meeting held on May 8, 2019, as set forth in the official minutes of the Housing Finance Authority, related to the approval and authorization of the Agreement between the Housing Finance Authority and Brunson for Audit Services.

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

WITNESS my hand and the corporate seal of said Housing Finance Authority, this 8th day of May, 2019.

HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA

By: DANIEL D. REYNOLDS,
Secretary

(SEAL)

EXHIBIT A
AGREEMENT

Housing Finance Authority of Broward County

Dufresne CPA Services, PA – Overview of the April 2019 Financial Reports

The following are items considered to be of note regarding the financial reports for the month of Apr 2019:

- a. Balance sheets (Attachments 1 and 2) changes relate primarily to individual cash and investment account activity, including funds deposited and/or released from the indemnification fund for return of good faith deposits in excess of related expenses, residual balances transferred to the HFA as a result of bond retirements and the transfer of investments from the US Bank Custody Account to the BNY Mellon Custody Account. The whole loan mortgages that had served as security for the 06AB, 07ABC and 07E single family bonds became an asset of the HFA when those bond issues were retired in June, 2018. The transaction was recorded in August, 2018 and appears as a difference on Attachment 2 on page 3.

Cash vs Accrual Basis for P&L Budget to Actual comparison (Attachment 4)

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

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

Index to Attachments

- Attachment 1, Page 2: Balance Sheet (Flux Report – Apr 2019 comparison to Mar 2019)
- Attachment 2, Page 3: Balance Sheet (Flux Report – Apr 2019 comparison to Apr 2018)
- Attachment 3, Page 4: P&L (Flux Report – Apr 2019 comparison to Mar 2019)
- Attachment 4, Page 5: P&L (Flux Report – Apr 2019 comparison to Apr 2018)
- Attachment 5, Page 6: P&L (Flux Report – Budget to Actual)
- Attachment 6, Page 7: Aged Receivables Report
- Attachment 7, Page 8: Wells Fargo Bank Reconciliation Report – Operating
- Attachment 8, Page 9: Cumulative Net Change in Investment Value

Attachment 1
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Balance Sheet (Flux Report)
Estimate
4/30/2019

	Apr-19	Mar-19	\$ Difference	% Difference	Explanation (See criteria below)
Assets					
Cash-Wells Fargo	\$ 370,175	\$ 385,572	(15,397)	-4%	
Cash- LOC	6,294	6,281	13	0.2%	
Indemnification Fund -BNY	506,426	430,789	75,637	15%	2
Cash-BNY Mellon Custody Account	758,230	714,661	43,569	6%	
Total Cash	1,641,125	1,537,303			
Investments-BNY Mellon Custody Account	12,073,899	12,104,466	(30,567)	-0.3%	
Note Receivable-DPA	330,000	330,000	-	NA	
Authority Fees Receivable	82,636	11,632	71,004	86%	1
Interest Receivable	46,323	46,323	-	NA	
Notes Receivable-CDC	200,000	200,000	-	NA	
Notes Receivable - Mt. Olive	211,156	211,156	-	NA	
HFA Mortgage Receivables	9,007	9,041	(34)	-0.4%	
Whole Loan Mortgages Receivable	421,647	422,317	(670)	-0.2%	
Allowance for Doubtful Whole Loan Mortgages	(107,153)	(107,153)	-	NA	
Due from Artspace	548,817	548,817	-	NA	
Utility Deposit	1,925	1,925	-	NA	
HFA Land	621,704	621,704	-	NA	
HFA Buildings	1,036,000	1,036,000	-	NA	
Equipment	90,258	90,258	-	NA	
Capital Assets BOCC (Tagged)	127,474	127,474	-	NA	
Accumulated Depreciation -BOCC	(127,474)	(127,474)	-	NA	
Accumulated Depreciation, HFA	(679,771)	(679,771)	-	NA	
Total Assets	16,527,573	16,384,020			
Deferred Outflows					
Deferred outflows related to pension	209,589	209,589	-	NA	
Total Assets and Deferred outflows	\$ 16,737,163	\$ 16,593,609			
Liabilities					
Accrued Sick/Vacation, ST	\$ 43,000	\$ 43,000	-	NA	
Due to BOCC - Exp reimb	255,763	190,833	64,930	25%	1
Due to BOCC - Artspace project	428,070	428,070	-	NA	
Due to BOCC - Artspace Interest	120,747	120,747	-	NA	
Audit Fees Payable	54,000	54,000	-	NA	
Good Faith Deposits	150,000	75,000	75,000	-100%	2
Net Pension Liability	423,522	423,522	-	NA	
Accrued Sick/Vacation, LT	51,000	51,000	-	NA	
Total Liabilities	1,526,102	1,386,172			
Deferred Inflows					
Deferred inflows related to pension	34,578	34,578	-	NA	
Equity					
Beginning of year	15,045,950	15,045,950			
Current Year Earnings	130,533	126,910			
Total Equity	15,176,483	15,172,860			
Total Liabilities, Deferred Inflows and Equity	\$ 16,737,163	\$ 16,593,609			

Criteria to determine if explanations are required:

Cash account fluctuation explanations provided for >=\$100,000 variance

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

NA No change as compared to prior month

1 Timing of receipts/payments and accruals based on budget

2 Praxis of Deerfield Beach good faith deposit received April 2019

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

Balance Sheet (Flux Report)
Estimate
4/30/2019

	Apr-19	Apr-18	\$ Difference	% Difference	Explanation (See criteria below)
Assets					
Cash-Wells Fargo	\$ 370,175	\$ 945,994	(575,819)	-61%	4
Cash- LOC	6,294	6,168	126	2%	
Indemnification Fund -BNY	506,426	405,090	101,336	25%	6
Cash-BNY Mellon Custody Account	758,230	5,161,852	(4,403,622)	-85%	3
Total Cash	<u>1,641,125</u>	<u>6,519,104</u>			
Investments-BNY Mellon Custody Account	12,073,899	5,664,416	6,409,483	113%	3,4
Note Receivable-DPA	330,000	387,125	(57,125)	-15%	1
Authority Fees Receivable	82,636	-	82,636	100%	2
Interest Receivable	46,323	24,738	21,585	87%	2
Notes Receivable-CDC	200,000	200,000	-	NA	
Notes Receivable - Mt. Olive	211,156	231,156	(20,000)	-9%	
HFA Mortgage Receivables	9,007	9,418	(411)	-4%	
Whole Loan Mortgages Receivable	421,647	-	421,647	100%	5
Allowance for Doubtful Whole Loan Mortgages	(107,153)	-	(107,153)	100%	5
Due from Artspace	548,817	548,817	-	NA	
Utility Deposit	1,925	1,925	-	NA	
HFA Land	621,704	621,704	-	NA	
HFA Buildings	1,036,000	1,036,000	-	NA	
Equipment	90,258	90,258	-	NA	
Capital Assets BOCC (Tagged)	127,474	127,474	-	NA	
Accumulated Depreciation -BOCC	(127,474)	(127,474)	-	NA	
Accumulated Depreciation, HFA	(679,771)	(679,771)	-	NA	
Total Assets	<u>16,527,573</u>	<u>14,654,892</u>			
Deferred Outflows					
Deferred outflows related to pension	209,589	209,589	-	NA	
Total Assets and Deferred outflows	<u>\$ 16,737,163</u>	<u>\$ 14,864,481</u>			
Liabilities					
Accrued Sick/Vacation, ST	\$ 43,000	\$ 43,000	-	NA	
Due to BOCC - Exp reimb	255,763	245,720	10,043	4%	
Due to BOCC - Artspace project	428,070	428,070	-	NA	
Due to BOCC - Artspace Interest	120,747	120,747	-	NA	
Audit Fees Payable	54,000	900	53,100	5900%	2
Good Faith Deposits	150,000	75,000	75,000	100%	6
Net Pension Liability	423,522	423,522	-	NA	
Accrued Sick/Vacation, LT	51,000	51,000	-	NA	
Total Liabilities	<u>1,526,102</u>	<u>1,387,959</u>			
Deferred Inflows					
Deferred inflows related to pension	34,578	34,578	-	NA	
Equity					
Beginning of year	15,045,950	13,207,828			
Current Year Earnings	130,533	234,117			
Total Equity	<u>15,176,483</u>	<u>13,441,945</u>			
Total Liabilities, Deferred Inflows and Equity	<u>\$ 16,737,163</u>	<u>\$ 14,864,482</u>			

Criteria to determine if explanations are required:

Cash account fluctuation explanations provided for >=\$100,000 variance

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

NA No change as compared to prior year

- 1 DPA loan payoffs**
- 2 Timing of receipts/payments and accruals based on budget**
- 3 Cash-BNY Mellon Custody Account used to purchase Investments-BNY Mellon Custody Account**
- 4 Transfer from WF Checking to BNY Mellon Custody in December 2018**
- 5 Audit adjustments recorded based on current BOCC reports**
- 6 Praxis of Deerfield Beach good faith deposit received April 2019**

Attachment 3
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Profit & Loss (Flux Report)
Estimate
4/30/2019

	<u>Apr-19</u>	<u>Mar-19</u>	<u>\$ Difference</u>	<u>% Difference to Prior Month</u>	<u>*Explanation</u>
Income					
Bond Authority Fees	\$ 346,183	\$ 275,178	71,005	26%	1
Bond redemption & other income	43,986	43,986	-	0%	
Compliance Monitoring Fees	6,000	6,000	-	0%	
Application, TEFRA and Closing Fees	8,000	2,500	5,500	220%	2
MCC and Lender Program Income	8,432	7,907	525	7%	
Interest Income, Mortgages	363	312	51	16%	
** Interest Income, BNY Mellon/US Bank	226,930	200,173	26,757	13%	1
* Net Change in Investment Value	87,429	100,424	(12,995)	-13%	1
* Interest Income, FHLB LOC	81	69	12	17%	
Parking Rent Income	6,000	6,000	-	0%	
Total Income	<u>\$ 733,404</u>	<u>\$ 642,549</u>			
Expenses					
Personnel Services, Broward Co	\$ 334,782	\$ 285,096	(49,686)	-17%	1
Other Expenses, Broward County	84,872	69,397	(15,475)	-22%	1
Professional Fees	127,942	111,665	(16,277)	-15%	1
Bank Management Fees	3,476	2,478	(998)	-40%	
Advertising/Marketing	1,224	943	(281)	-30%	
Dues and Membership Fees	2,395	2,395	-	0%	
Conference and Travel Expense	7,025	5,000	(2,025)	-41%	
Building/Land Maintenance	23,550	22,800	(750)	-3%	
Utilities	11,950	10,210	(1,740)	-17%	
Capital Outlay Expense	5,655	5,655	-	0%	
Total Expenses	<u>\$ 602,871</u>	<u>\$ 515,639</u>			
Net Profit/(Loss)	\$ 130,533	\$ 126,910	(3,623)	-3%	

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

- 1** Timing of receipts/payments and accruals based on budget
- 2** Praxis of Deerfield Beach Inducement fee received April 2019

- * Please note that to more accurately reflect the components of interest income certain line descriptions were changed
- ** BNY Mellon was combined with USBank because the USBank assets were transferred to BNY Mellon.

"%Actual to Budget" Column Legend

100% - No amount reported in either of the two months
0% - Current month amount is equal to prior month amount

Attachment 4
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Profit & Loss (Flux Report)
Estimate
4/30/2019

	Apr-19	Apr-18	\$ Difference	% Difference to Prior Year	*Explanation
Income					
Bond Authority Fees	\$ 346,183	\$ 415,666	(69,483)	-17%	2
Bond redemption & other income	43,986	-	43,986	100%	2
Compliance Monitoring Fees	6,000	10,400	(4,400)	-42%	
Application, TEFRA and Closing Fees	8,000	286,000	(278,000)	-97%	2
MCC and Lender Program Income	8,432	9,298	(866)	-9%	
Interest Income, Mortgages	363	379	(16)	-4%	
Interest Income, Wells Fargo	-	696	(696)	100%	
** Interest Income, BNY Mellon/US Bank	226,930	61,791	165,139	267%	1
* Net Change in Investment Value	87,429	(31,070)	118,499	-381%	1
* Interest Income, FHLB LOC	81	46	35	76%	
Parking Rent Income	6,000	7,000	(1,000)	-14%	
Total Income	<u>\$ 733,404</u>	<u>\$ 760,206</u>			
Expenses					
Personnel Services, Broward Co	\$ 334,782	\$ 303,218	(31,564)	-10%	2
Other Expenses, Broward County	84,872	75,139	(9,733)	-13%	2
Professional Fees	127,942	84,003	(43,939)	-52%	2
Bank Management Fees	3,476	3,615	139	4%	
Advertising/Marketing	1,224	988	(236)	-24%	
Dues and Membership Fees	2,395	2,220	(175)	-8%	
Conference and Travel Expense	7,025	5,475	(1,550)	-28%	
Building/Land Maintenance	23,550	38,208	14,658	38%	2
Utilities	11,950	10,867	(1,083)	-10%	
Miscellaneous Expense	-	175	(175)	100%	
Capital Outlay Expense	5,655	2,181	3,474	159%	
Total Expenses	<u>\$ 602,871</u>	<u>\$ 526,090</u>			
Net Profit/(Loss)	\$ 130,533	\$ 234,117	(103,584)	-44%	3

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

- 1** Gain/Loss related to current market conditions and increased balance in Investments-BNY Mellon Custody Account
- 2** Timing of receipts/payments and accruals based on budget
- 3** Professional fees expense increased while income for bond authority fees and application, TEFRA and closing fees decreased

* Please note that to more accurately reflect the components of interest income certain line descriptions were changed

** BNY Mellon was combined with USBank because the USBank assets were transferred to BNY Mellon.

"%Actual to Budget" Column Legend

100% - No amount reported in either of the two years

0% - Current year amount is equal to prior year amount

Attachment 5
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Profit & Loss (Flux Report) Budget to Actual
Estimate
Year to Date As of April 2019

	Selected Period	Budget for Selected Period	\$ Difference	% Difference to budget	*Explanation	Total Annual Budget Amount
Income						
Bond Authority Fees	\$ 346,183	\$ 260,749	85,434	33%	1	\$ 446,998
Bond redemption & other income	43,986	110,998	(67,012)	-60%	1	190,282
Compliance Monitoring Fees	6,000	-	6,000	NA		-
Application, TEFRA and Closing Fees	8,000	-	8,000	NA		-
MCC and Lender Program Income	8,432	11,667	(3,235)	-28%		20,000
Interest Income, Mortgages	363	-	363	NA		-
Interest Income, BNY Mellon/US Bank	226,930	175,000	51,930	30%	1	300,000
Net Change in Investment Value	87,429	-	87,429	NA		-
Interest Income, FHLB LOC	81	-	81	NA		-
Rent Income	-	70,613	(70,613)	100%	1	121,050
Parking Rent Income	6,000	-	6,000	NA		-
Liquidation of Investments	-	29,167	(29,167)	100%	1	50,000
Total Income	\$ 733,404	\$ 658,194				\$ 1,128,330
Expenses						
Personnel Services, Broward Co	\$ 334,782	\$ 347,801	13,019	4%		\$ 596,230
Other Expenses, Broward County	84,872	108,325	(23,453)	-22%	1	185,700
Professional Fees	127,942	111,417	16,525	15%	1	191,000
Audit Expense (BOCC)	-	7,700	(7,700)	100%	1	13,200
Bank Management Fees	3,476	2,333	1,143	49%		4,000
Advertising/Marketing	1,224	2,917	(1,693)	-58%		5,000
Dues and Membership Fees	2,395	3,500	(1,105)	-32%		6,000
Conference and Travel Expense	7,025.00	13,417	(6,392)	-48%	1	23,000
Postage/FedEx	-	117	(117)	100%		200
Building/Land Maintenance	23,550	36,750	(13,200)	-36%	1	63,000
Utilities	11,950	12,250	(300)	-2%		21,000
Capital Outlay Expense	5,655	11,667	(6,012)	-52%	1	20,000
Total Expenses	\$ 602,871	\$ 658,194				\$ 1,128,330
Net Profit/(Loss)	\$ 130,533	\$ -				\$ -

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

1 Timing of receipts/payments and accruals based on budget

NA - No Budget amount

100% - Actual is zero

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

Aged Receivables
Estimate
4/30/2019

Authority fee receivable	Total Due	0 - 30	31 - 60	61 - 90	90+
1996 BANYAN BAY	22,075	22,075	-	-	-
1996 LOS PRADOS	26,416	26,416	-	-	-
2000 SUMMERLAKE	3,564	3,564	-	-	-
2002 LAGUNA POINTE	7,335	7,335	-	-	-
2002 MERIDIAN	5,992	5,992	-	-	-
2015 Crystal Lake	5,622	5,622	-	-	-
2018 NW Gardens	11,632	-	-	11,632	-
Total Authority Fee Receivable	\$ 82,636	\$ 71,005	\$ -	\$ 11,632	\$ -

NOTE: No receivables over 90 days

2784 Broward Housing Finance Authority

110 NE Third Street #300
Fort Lauderdale, FL 33301

Attachment 7

Reconciliation Report

5/1/2019
6:00:25 AM

Page 1

ID#	Date	Memo/Payee	Deposit	Withdrawal
Checking Account: 1-1000 Cash-Wells Fargo				
Date of Bank Statement: 4/30/2019				
Last Reconciled: 3/31/2019				
Last Reconciled Balance: \$396,809.83				
Cleared Checks				
4969	3/27/2019	Zomermaand Financial Advisor		\$5,897.94
4970	3/27/2019	FL ALHFA		\$5,000.00
4971	3/29/2019	Krystal Kleer		\$340.00
GJ000294	4/1/2019	Utility debit		\$465.34
4972	4/11/2019	NALHFA		\$2,025.00
4973	4/11/2019	Dufresne CPA Services, PA		\$10,306.00
4974	4/11/2019	Holmes Lawn Services		\$635.00
4975	4/11/2019	Broward County Board of Coun		\$230.75
4976	4/11/2019	Sun-Sentinel		\$281.30
SC043019	4/11/2019	WF Monthly Srvc Chrg Apr 201		\$204.29
4977	4/24/2019	TECO Peoples Gas		\$95.25
GJ000295	4/30/2019	to record utility debits from WF		\$1,274.38
Total:			\$0.00	\$26,755.25

Cleared Deposits

GJ000293	4/11/2019	"MCC,2nd Mtg P&I,Deerfield In	\$5,936.84	
GJ000292	4/12/2019	MCC fees deposited	\$175.00	
Total:			\$6,111.84	\$0.00

Outstanding Checks

4978	4/24/2019	Broward County Board of Coun		\$20.00
4979	4/25/2019	Zomermaand Financial Advisor		\$5,971.17
Total:			\$0.00	\$5,991.17

Reconciliation

AccountEdge Pro Balance on 4/30/2019:	\$370,175.25
Add: Outstanding Checks:	\$5,991.17
Subtotal:	\$376,166.42
Deduct: Outstanding Deposits:	\$0.00
Expected Balance on Statement:	<u>\$376,166.42</u>

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

	<u>4/30/2018</u>	<u>4/30/2019</u>
BNY Mellon Custody Acct - New Account 11/17	\$ -	\$ 87,429
US Bank Custody Acct	<u>(31,070)</u>	<u>-</u>
	<u>\$ (31,070)</u>	<u>\$ 87,429</u>
Cumulative Net Change in Investment Value		<u>\$ 118,499</u>

NOTE: Change in investment value is attributable to the transfer of MBS to the HFA custody account from the assets remaining after retirement of the single family bond issues 06ABCD, 07ABCD and 07EF.

**Housing Finance Authority of Broward County
May 8, 2019 – Board Meeting**

Multifamily Family (Regency Gardens) - Action Item

1. MOTION TO APPROVE the Credit Underwriting Report

2. MOTION TO APPROVE Resolution providing authorization and/or approval: a) to issue the HFA's Multifamily Mortgage Revenue Note, 2019 Series A-1 and its Subordinate Multifamily Mortgage Revenue Note, 2019 Series A-2 (collectively, the "Notes") in an aggregate amount not to exceed \$15,000,000, b) of the parameters for the award of the sale and the terms of the Notes, c) of the form, execution and delivery of the documents included as Exhibits A-K hereto, d) to execute certain additional agreements, instruments, certifications, and affidavits in connection with the issuance of the Notes, e) to allow the Borrower to place subordinate financing on the Development (as herein defined) and to execute such agreements as may be necessary for such subordinate financing, f) to waive the annual audit fee, g) to take other actions required to issue and deliver the Notes, and h) for the establishment of an effective date; all the foregoing for the purpose of financing the acquisition, rehabilitation, and equipping of a multifamily residential rental development in Broward County, Florida.

Background

1. On August 24, 2018, the Housing Finance Authority ("HFA") received a multifamily bond application (the "Application") from Pompano Beach Leased Housing Associates II, LLLP, a limited liability limited partnership duly organized and existing under the laws of the State of Minnesota (the "Developer") pertaining to the acquisition, rehabilitation, and equipping of a 94-unit development known as Regency Gardens (the "Development"). Within the Application, the Developer was identified as the ownership entity.
2. At its September 19, 2018 meeting, the HFA adopted an Inducement Resolution for the Development, which also authorized HFA staff to hold a TEFRA hearing.
3. The TEFRA hearing was held on April 10, 2019 and the Mayor and City Manager of Pompano Beach were provided notice regarding the potential rehabilitation of the Development prior to the HFA holding a TEFRA hearing.
4. At its March 21, 2018 meeting, the HFA adopted Resolution No. 2018-014 authorizing the HFA's Executive Director to reduce the Good Faith Deposit to an amount not less than \$75,000, if certain conditions are met. The Executive Director approved such reduction for the Development.
5. Subsequent to the submission of the Application, the name of the Development was changed from Regency Gardens to Regency Gardens Apartments.
6. The HFA has tax-exempt carry forward allocation available to fully fund this transaction.

Present Situation

1. The Developer is identified as the Borrower (“Borrower”).
2. As the multifamily Bond audit is no longer required per County Ordinance, the Borrower requested a waiver of the HFA’s Audit Fees. This waiver only pertains to the audit of funds held with the Fiscal Agent. Borrower’s request is addressed within the HFA Resolution.
3. HFA approval of the Credit Underwriting Report (“CUR”) is administrative and additional revisions may be required in conjunction with the delivery of the Notes. Revision to the CUR will be subject to Section 21 of the Resolution.
4. The closing for the financing of this Development is presently scheduled for June 2019.

Recommendation

Request Board approval of the following:

1. Credit Underwriting Report, and
2. HFA Resolution including authorization and/or approval:
 - a. to issue the HFA’s Multifamily Mortgage Revenue Note, 2019 Series A-1 and its Subordinate Multifamily Mortgage Revenue Note, 2019 Series A-2 (the “Notes”) in an aggregate amount not to exceed \$15,000,000,
 - b. of the parameters for the award of the sale and the terms of the Notes,
 - c. of the form, execution and delivery of the documents included as Exhibits A-K hereto,
 - d. to execute certain additional agreements, instruments, certifications, and affidavits in connection with the issuance of the Notes,
 - e. to allow the Borrower to place subordinate financing on the Development (as herein defined) and to execute such agreements as may be necessary for such subordinate financing,
 - f. to waive the annual audit fee,
 - g. to take other actions required to issue and deliver the Notes, and
 - h. for the establishment of an effective date; all the foregoing for the purpose of financing the acquisition, rehabilitation, and equipping of a multifamily residential rental development in Broward County, Florida.

Attachments

1. Credit Underwriting Report (***A copy will be available at the meeting***)

2. HFA Resolution

EXHIBITS (A copy will be available at meeting)

- a. Funding Loan Agreement
- b. Project Loan Agreement
- c. Land Use Restriction Agreement
- d. Assignment of Security Instrument
- e. Assignment of Project Note
- f. Placement Agent Agreement
- g. Fiscal Agent Fee Agreement
- h. Subordinate Loan Agreement
- i. Assignment of Subordinate Mortgage
- j. 2019 Series A-1 Term Sheet
- k. 2019 Series A-2 Term Sheet

RESOLUTION NO. 2019-005

A meeting of the Housing Finance Authority of Broward County, Florida was held at 5:30 p.m. on May 8, 2019, at the offices of the Housing Finance Authority of Broward County, Florida, 110 Northeast Third Street, Suite 201, in the City of Fort Lauderdale, Florida.

Present: _____

Absent: _____

* * * * *

Thereupon, _____ introduced the following resolution which was read:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (THE “HOUSING FINANCE AUTHORITY”) AUTHORIZING THE ISSUANCE IN THE AGGREGATE AMOUNT NOT TO EXCEED \$15,000,000 OF ITS MULTIFAMILY MORTGAGE REVENUE NOTE, 2019 SERIES A-1 (REGENCY GARDENS APARTMENTS) (THE “2019 SERIES A-1 NOTE”) AND ITS SUBORDINATE MULTIFAMILY MORTGAGE REVENUE NOTE, 2019 SERIES A-2 (REGENCY GARDENS APARTMENTS) (THE “2019 SERIES A-2 NOTE AND, TOGETHER WITH THE 2019 SERIES A-1 NOTE, THE “NOTES”) FOR THE PURPOSE OF FINANCING THE ACQUISITION, REHABILITATION, AND EQUIPPING OF REGENCY GARDENS APARTMENTS LOCATED IN BROWARD COUNTY, FLORIDA (THE “PROJECT”); ESTABLISHING PARAMETERS FOR THE AWARD OF THE SALE THEREOF AND ESTABLISHING CRITERIA FOR DETERMINING THE TERMS THEREOF, INCLUDING INTEREST RATES, INTEREST PAYMENT DATES, MATURITY SCHEDULE, AND OTHER TERMS OF SUCH NOTES; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE FOLLOWING DOCUMENTS IN CONNECTION WITH (I) THE 2019 SERIES A-1 NOTE: (A) A FUNDING LOAN AGREEMENT BY AND AMONG THE HOUSING FINANCE AUTHORITY, CITIBANK, N.A., AS INITIAL FUNDING LENDER (THE “FUNDING LENDER”), AND THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS FISCAL AGENT (THE “FISCAL AGENT”); (B) A PROJECT LOAN AGREEMENT BY AND AMONG THE HOUSING FINANCE AUTHORITY, THE FISCAL AGENT, AND POMPANO BEACH LEASED

HOUSING ASSOCIATES II, LLLP (THE “BORROWER”); (C) A LAND USE RESTRICTION AGREEMENT BY AND AMONG THE HOUSING FINANCE AUTHORITY, THE FISCAL AGENT, AND THE BORROWER (THE “LAND USE RESTRICTION AGREEMENT”); (D) AN ASSIGNMENT OF SECURITY INSTRUMENT BY THE HOUSING FINANCE AUTHORITY TO THE FISCAL AGENT; (E) AN ASSIGNMENT OF THE PROJECT NOTE BY THE HOUSING FINANCE AUTHORITY TO THE FISCAL AGENT; (F) A PLACEMENT AGENT AGREEMENT BY AND BETWEEN THE HOUSING FINANCE AUTHORITY AND RAYMOND JAMES & ASSOCIATES, INC. AND RBC CAPITAL MARKETS, LLC, AS PLACEMENT AGENTS (THE “PLACEMENT AGENT AGREEMENT”); AND (G) A FISCAL AGENT FEE AGREEMENT BY AND BETWEEN THE HOUSING FINANCE AUTHORITY AND THE FISCAL AGENT (THE “FISCAL AGENT FEE AGREEMENT”), AND (II) THE 2019 SERIES A-2 NOTE: (A) A SUBORDINATE LOAN AGREEMENT BY AND BETWEEN THE HOUSING FINANCE AUTHORITY AND THE BORROWER; (B) THE LAND USE RESTRICTION AGREEMENT; (C) AN ASSIGNMENT OF SUBORDINATE MORTGAGE AND LOAN DOCUMENTS BY THE HOUSING FINANCE AUTHORITY TO REGENCY GARDENS APARTMENTS, LTD.; (D) THE PLACEMENT AGENT AGREEMENT; AND (E) THE FISCAL AGENT FEE AGREEMENT; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN ADDITIONAL AGREEMENTS NECESSARY OR DESIRABLE IN CONNECTION WITH THE ISSUANCE OF THE NOTES; AUTHORIZING THE HOUSING FINANCE AUTHORITY TO CONSENT TO THE BORROWER PLACING SUBORDINATE FINANCING ON THE PROJECT AND APPROVING THE EXECUTION OF SUCH AGREEMENTS AS MAY BE NECESSARY IN CONNECTION WITH SUCH CONSENT; WAIVING THE FEE FOR SERVICES RELATED TO THE HOUSING FINANCE AUTHORITY’S ANNUAL AUDIT OF THE PROJECT; AUTHORIZING THE PROPER OFFICERS OF THE HOUSING FINANCE AUTHORITY TO DO ALL THINGS NECESSARY OR ADVISABLE IN CONNECTION WITH THE ISSUANCE OF THE NOTES; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

WHEREAS, the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”) is empowered under (i) the laws of the State of Florida, including the Florida Housing Finance Authority Law, Florida Statutes, Sections 159.601 through 159.623, as amended

(the “Act”), and (ii) Ordinance 79-41 enacted by the Board of County Commissioners (the “Board”) of Broward County, Florida (the “County”) on June 20, 1979 (the “Ordinance”), as amended, to issue multifamily housing revenue bonds; and

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

WHEREAS, the Housing Finance Authority desires to issue a multifamily housing revenue note in one or more series in an aggregate amount not to exceed \$15,000,000 (the “Notes”, which shall be comprised of the “2019 Series A-1 Note” and the “2019 Series A-2 Note”) for the purpose of financing the acquisition, rehabilitation, and equipping of a 94-unit multifamily residential rental housing development in Pompano Beach, Broward County, Florida, known as Regency Gardens Apartments (the “Project”); and

WHEREAS, Pompano Beach Leased Housing Associates II, LLLP, a Minnesota limited liability limited partnership (the “Borrower”), has requested the Housing Finance Authority to issue the 2019 Series A-1 Note to provide funds with which Citibank, N.A., a national banking association, as initial funding lender (the “Funding Lender”), will make a loan to the Housing Finance Authority (the “Funding Loan”), and which proceeds will be used by the Housing Finance Authority to make a loan to the Borrower (the “Project Loan”) to finance the acquisition, rehabilitation, and equipping of the Project; and

WHEREAS, in connection with the 2019 Series A-1 Note, the Housing Finance Authority desires to enter into a Funding Loan Agreement (the “Funding Loan Agreement”) by and among the Housing Finance Authority, the Funding Lender, and The Bank of New York Mellon Trust Company, N.A., a national banking association, as fiscal agent (the “Fiscal Agent”), in substantially the form

attached hereto as Exhibit “A”, for the purpose of setting forth the terms, conditions, and covenants (i) upon which the Funding Lender will make the Funding Loan to or on the account of the Housing Finance Authority, which proceeds shall be used in order for the Housing Finance Authority to make the Project Loan to Borrower to finance the acquisition, rehabilitation, and equipping of the Project, and (ii) that are necessary to secure the 2019 Series A-1 Note and protect the rights of the holder of the 2019 Series A-1 Note; and

WHEREAS, in connection with the 2019 Series A-1 Note, the Housing Finance Authority desires to enter into a Project Loan Agreement, among the Housing Finance Authority, the Fiscal Agent, and the Borrower, in substantially the form attached hereto as Exhibit “B”, to evidence the terms and conditions of the Project Loan; and

WHEREAS, in connection with the Notes, the Housing Finance Authority desires to enter into a Land Use Restriction Agreement among the Housing Finance Authority, the Borrower, and the Fiscal Agent, in substantially the form attached hereto as Exhibit “C”, to evidence the terms and conditions upon which the Borrower shall maintain and operate the Project; and

WHEREAS, in connection with the 2019 Series A-1 Note, the Housing Finance Authority desires to enter into an Assignment of Security Instrument made by the Housing Finance Authority to and in favor of the Fiscal Agent, in substantially the form attached hereto as Exhibit “D”, pursuant to which the Housing Finance Authority will assign to the Fiscal Agent its rights in the mortgage securing the Project and various other documents securing the Project Loan; and

WHEREAS, in connection with the 2019 Series A-1 Note, the Housing Finance Authority desires to enter into an Assignment (the “Assignment”) of that certain Project Note to be made by the Borrower to and in favor of the Housing Finance Authority (the “Project Note”), in substantially the form attached hereto as Exhibit “E”, pursuant to which the Housing Finance Authority will assign to the Fiscal Agent its rights in the Project Note evidencing the Project Loan; and

WHEREAS, in connection with the Notes, the Housing Finance Authority desires to enter into a Placement Agent Agreement between the Housing Finance Authority and Raymond James & Associates, Inc. and RBC Capital Markets, LLC, as placement agents (collectively, the “Placement Agents”), in substantially the form attached hereto as Exhibit “F”, to evidence the Placement Agents’ responsibilities and obligations to the Housing Finance Authority in connection with the issuance of the Notes; and

WHEREAS, in connection with the Notes, the Housing Finance Authority desires to enter into a Fiscal Agent Fee Agreement by and between the Housing Finance Authority and the Fiscal Agent, in substantially the form attached hereto as Exhibit “G”, to evidence the Fiscal Agent’s obligations and responsibilities in connection with the issuance of the Notes and the fees payable to Fiscal Agent for its performance thereunder; and

WHEREAS, in connection with the 2019 Series A-2 Note, the Housing Finance Authority desires to enter into a Subordinate Loan Agreement (the “Subordinate Loan Agreement”) by and between the Housing Finance Authority and the Borrower, in substantially the form attached hereto as Exhibit “H”, for the purpose of setting forth the terms, conditions, and covenants (i) upon which the Housing Finance Authority will issue the 2019 Series A-2 Note to Regency Gardens Apartments, Ltd., a Florida limited partnership, and the Seller of the Project (the "Seller"), in order to provide purchase money financing to the Borrower (the “Subordinate Loan”) for a portion of the costs of the acquisition, rehabilitation, and equipping of the Project, (ii) in connection with the Subordinate Loan, and (iii) that are necessary to secure the 2019 Series A-2 Note and protect the rights of the holder of the 2019 Series A-2 Note; and

WHEREAS, in connection with the 2019 Series A-2 Note, the Housing Finance Authority desires to enter into an Assignment of Subordinate Mortgage and Loan Documents made by the Housing Finance Authority to and in favor of the Seller, in substantially the form attached hereto as

Exhibit “I”, pursuant to which the Housing Finance Authority will assign to the Seller its rights in the subordinate mortgage securing the Project and various other documents securing the Subordinate Loan; and

WHEREAS, within the County there is a shortage of housing available at prices or rentals which many persons and families can afford and a shortage of capital for investment in such housing. This shortage constitutes a threat to the health, safety, morals, and welfare of the residents of the County, deprives the County of an adequate tax base, and causes the County to make excessive expenditures for crime prevention and control, public health, welfare and safety, fire and accident protection, and other public services and facilities; and

WHEREAS, the shortage of capital and housing cannot be relieved except through the encouragement of investment by private enterprise and the stimulation of construction of housing through the use of public financing; and

WHEREAS, the Project and the financing thereof will assist in alleviating the shortage of housing in the County and of capital for investment therein, will serve the purposes of the Act and the Project will constitute a “qualified housing development” under the Act; and

WHEREAS, the Housing Finance Authority desires to authorize the execution and delivery of any other documents, instruments, certificates, and affidavits to be executed in connection with the issuance of the Notes; and

WHEREAS, the Housing Finance Authority is not obligated to pay the (i) 2019 Series A-1 Note except from the proceeds derived from the repayment of the Project Loan and other payments received from the Borrower or from other security pledged therefor pursuant to the Funding Loan Agreement, or (ii) 2019 Series A-2 Note except from the proceeds derived from the repayment of the Subordinate Loan and other payments received from the Borrower or from other security pledged therefor pursuant to the Subordinate Loan Agreement. Neither the faith and credit nor the taxing

power of the Housing Finance Authority, the County or the State of Florida (the “State”) or any other political subdivision thereof is pledged to the payment of the principal of or the interest on the Notes; and

WHEREAS, the Housing Finance Authority intends to negotiate the sale of (i) the 2019 Series A-1 Note with the Funding Lender, and (ii) the 2019 Series A-2 Note with the Seller, as hereinafter provided. Additionally, prior to the sale of the Notes, the Funding Lender and the Seller shall provide to the Fiscal Agent and the Housing Finance Authority, respectively, an executed investor letter in the form required by and attached to the Funding Loan Agreement and the Subordinate Loan Agreement, respectively; and

WHEREAS, a notice of public hearing inviting written and oral comments and discussions concerning the issuance of the Notes (the “TEFRA Notice”) was published in the *Sun Sentinel*, a newspaper of general circulation, on March 25, 2019, at least 14 days prior to the date of such hearing, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, on April 10, 2019, a public hearing concerning the issuance of the Notes in an aggregate face amount of not to exceed \$15,000,000 to finance the Project (the “TEFRA Hearing”) was held by the Housing Finance Authority as required by Section 147(f) of the Code; and

WHEREAS, the Housing Finance Authority received from the State of Florida Division of Bond Finance an allocation of 2016 private activity bond volume cap in the amount of \$88,975,637, which has been carried forward pursuant to Section 145(f) of the Code and designated for the issuance of bonds or notes for qualified residential rental projects; and

WHEREAS, the Ordinance requires that all contracts of the Housing Finance Authority in connection with the issuance of the Notes be approved by the Board.

NOW THEREFORE, BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA:

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

Section 2. Ratification of Public Hearing. The Housing Finance Authority hereby ratifies the actions of the Housing Finance Authority staff in (i) publishing the TEFRA Notice in the *Sun Sentinel* on March 25, 2019, and (ii) conducting the TEFRA Hearing on April 10, 2019, all prior to and in connection with the issuance of the Notes.

Section 3. Authorization of the Notes. The Housing Finance Authority hereby authorizes, under the authority of the Act and the Ordinance, and subject to the terms as hereinafter set forth, the issuance of the Notes in one or more series to be designated “Housing Finance Authority of Broward County, Florida Multifamily Mortgage Revenue Note, 2019 Series A-1 (Regency Gardens Apartments)” and “Housing Finance Authority of Broward County, Florida Multifamily Mortgage Revenue Note, 2019 Series A-2 (Regency Gardens Apartments)” in an aggregate principal amount not to exceed \$15,000,000.

Section 4. Details of the Notes. The 2019 Series A-1 Note shall be issued under and secured by the Funding Loan Agreement, by which reference is hereby incorporated into this Resolution as if set forth in full herein. The proceeds of the 2019 Series A-1 Note, together with any commitment fees, shall be applied as provided in the Funding Loan Agreement, and the 2019 Series A-1 Note shall mature in the years and in the amounts, bear interest at such rates, be subject to redemption, and shall have such other characteristics as shall be provided in the Funding Loan Agreement. The 2019 Series A-2 Note shall be issued under and secured by the Subordinate Loan Agreement, by which reference is hereby incorporated into this Resolution as if set forth in full herein. The proceeds of the 2019 Series A-2 Note, together with any commitment fees, shall be applied as provided in the Subordinate Loan Agreement, and the 2019 Series A-2 Note shall mature in the years

and in the amounts, bear interest at such rates, be subject to redemption, and shall have such other characteristics as shall be provided in the Subordinate Loan Agreement.

Section 5. The Notes are Special Obligations of the Housing Finance Authority. The Notes are special obligations of the Housing Finance Authority which is payable solely from moneys derived under (i) the Funding Loan Agreement and the Project Loan Agreement in connection with the 2019 Series A-1 Note, and (ii) the Subordinate Loan Agreement in connection with the 2019 Series A-2 Note. The Notes, together with the interest thereon, are limited obligations of the Housing Finance Authority, and neither the Housing Finance Authority, the County, the State, nor any political subdivision thereof, shall be obligated to pay the Notes or the interest thereon or other costs or payments incident thereto, except from the aforementioned revenues and receipts, and neither the faith and credit nor the taxing power of the County or the State or any political subdivision thereof is pledged to the payment of the Notes or the interest thereon or other costs or payments incident thereto. The Housing Finance Authority has no taxing power. The Notes and obligations arising thereunder do not create or reflect liability of the Housing Finance Authority or any member, official, or employee thereof, except as otherwise described in this Section 5.

Section 6. Execution of Notes. The Chair or Vice Chair and Secretary or Assistant Secretary of the Housing Finance Authority are hereby authorized and directed to execute by manual or facsimile signature, and place the seal of the Housing Finance Authority, in manual or facsimile form, on the Notes. The 2019 Series A-1 Note shall be in substantially the form set forth in the Funding Loan Agreement, with such changes, modifications, and deletions as the officers executing the 2019 Series A-1 Note, with the advice of Nabors, Giblin & Nickerson, P.A. (“Note Counsel”) and the County Attorney’s Office of Broward County (the “County Attorney”), may deem necessary and appropriate, and as are not inconsistent with the Funding Loan Agreement and this Resolution. The 2019 Series A-2 Note shall be in substantially the form set forth in the Subordinate Loan Agreement,

with such changes, modifications, and deletions as the officers executing the 2019 Series A-2 Note, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate, and as are not inconsistent with the Subordinate Loan Agreement and this Resolution. The execution and delivery of the Notes by the aforementioned persons shall be conclusive evidence of the Housing Finance Authority's approval and authorization thereof.

Section 7. Authentication and Delivery of 2019 Series A-1 Note; Delivery of 2019 Series A-2 Note. Upon the execution of the 2019 Series A-1 Note, the Housing Finance Authority shall deliver the 2019 Series A-1 Note to the Fiscal Agent for authentication, and the Fiscal Agent is hereby authorized and directed to authenticate and deliver said 2019 Series A-1 Note to the Funding Lender, subject to the terms for delivery set forth in the Funding Loan Agreement. Upon the execution of the 2019 Series A-2 Note, the Housing Finance Authority shall deliver said 2019 Series A-2 Note to the Seller, subject to the terms for delivery set forth in the Subordinate Loan Agreement.

Section 8. Approval of Funding Loan Agreement. The form and content of the Funding Loan Agreement by and among the Housing Finance Authority, the Fiscal Agent, and the Funding Lender (the "Funding Loan Agreement"), as presented at this meeting and attached hereto as Exhibit "A", is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Funding Loan Agreement, and the Secretary or Assistant Secretary is hereby authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit "A", together with such changes, modifications, and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 9. Approval of Project Loan Agreement. The form and content of the Project Loan Agreement by and among the Housing Finance Authority, the Fiscal Agent, and the Borrower (the “Project Loan Agreement”), as presented at this meeting and attached hereto as Exhibit ”B”, is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Project Loan Agreement, and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority’s seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit “B”, together with such changes, modifications, and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 10. Approval of the Land Use Restriction Agreement. The form and content of the Land Use Restriction Agreement among the Housing Finance Authority, the Borrower, and the Fiscal Agent (the “Land Use Restriction Agreement”), as presented at this meeting and attached hereto as Exhibit “C”, is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Land Use Restriction Agreement, and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority’s seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit “C”, together with such changes, modifications, and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 11. Approval of Assignment of Security Instrument. The form and content of the Assignment of Security Instrument made by the Housing Finance Authority to and in favor of the

Fiscal Agent (the “Assignment of Security Instrument”), as presented at this meeting and attached hereto as Exhibit “D”, is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Assignment of Security Instrument, and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority’s seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit “D”, together with such changes, modifications, and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 12. Approval of Assignment of Project Note. The form and content of the Assignment by the Housing Finance Authority of the Project Note made by the Housing Finance Authority to and in favor of the Fiscal Agent (the “Assignment of Project Note”), as presented at this meeting and attached hereto as Exhibit “E”, is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Assignment of Project Note, and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority’s seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit “E”, together with such changes, modifications, and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 13. Approval of Placement Agent Agreement. The form and content of the Placement Agent Agreement between the Housing Finance Authority and Raymond James & Associates, Inc. and RBC Capital Markets, LLC, as placement agents (the “Placement Agent Agreement”), as presented at this meeting and attached hereto as Exhibit “F”, is hereby authorized

and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Placement Agent Agreement, and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit "F", together with such changes, modifications, and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 14. Appointment of Fiscal Agent. The Bank of New York Mellon Trust Company, N.A., having its designated corporate trust office in Jacksonville, Florida, is hereby appointed Fiscal Agent under the Funding Loan Agreement, and the Housing Finance Authority approves the form and content of the Fiscal Agent Fee Agreement between the Housing Finance Authority and the Fiscal Agent (the "Fiscal Agent Fee Agreement") presented at this meeting and attached hereto as Exhibit "G". The Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Fiscal Agent Fee Agreement, and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority's seal thereon and attest thereto, in substantially the form presented at this meeting and attached hereto as Exhibit "G", with such changes, modifications, deletions, and insertions as the Chair or Vice Chair, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Housing Finance Authority.

Section 15. Approval of Subordinate Loan Agreement. The form and content of the Subordinate Loan Agreement by and between the Housing Finance Authority and the Borrower (the "Subordinate Loan Agreement"), as presented at this meeting and attached hereto as Exhibit "H", is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Subordinate Loan

Agreement, and the Secretary or Assistant Secretary is hereby authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit "H", together with such changes, modifications, and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 16. Approval of Assignment of Subordinate Mortgage. The form and content of the Assignment of Subordinate Mortgage and Loan Documents made by the Housing Finance Authority to and in favor of the Seller (the "Assignment of Subordinate Mortgage"), as presented at this meeting and attached hereto as Exhibit "I", is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Assignment of Subordinate Mortgage, and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit "I", together with such changes, modifications, and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 17. Subordinate Financing. The Housing Finance Authority hereby acknowledges that the Borrower intends to secure subordinate financing for the Project in the form of a loan from (i) the County of affordable housing funds in the approximate principal amount of \$1,500,000 (the "County Loan"), (ii) Great Southern Bank of equity bridge funds in the approximate principal amount of \$4,500,000 (the "Bridge Loan"), and (iii) the City of Pompano Beach, Florida of State Housing Initiatives Partnership (SHIP) Program funds in the approximate principal amount of \$202,977, which existing loan Borrower will assume from the Seller (the "SHIP Loan" and, together with the County

Loan and the Bridge Loan, the “Subordinate Financing”). Given the need for additional affordable rental units in the County, the high development costs associated with the Project, and the favorable financing terms of the Subordinate Financing, the Housing Finance Authority hereby determines that it is in the public interest to consent to such Subordinate Financing in this instance. Accordingly, the Housing Finance Authority (i) authorizes the Chair or Vice Chair of the Housing Finance Authority to consent to such Subordinate Financing and to execute and deliver any agreements that may be necessary in connection with such consent, with the advice of and in such form as Note Counsel and the County Attorney may deem necessary and appropriate, and (ii) directs the Fiscal Agent to, as necessary, consent to such Subordinate Financing and to execute and deliver any agreements that may be necessary in connection with such consent, with the advice of and in such form as Note Counsel and the County Attorney may deem necessary and appropriate.

Section 18. Waiver of Audit Fee. The Ordinance no longer requires an audit of multifamily developments. Accordingly, the Borrower has requested a waiver of the fee required to be paid by the Borrower for the services of the Housing Finance Authority’s auditor to audit the Project and the Notes annually. The Housing Finance Authority waives such audit fee in connection with the Project.

Section 19. Sale of Notes. It is hereby found and determined that due to the characteristics of the financing and the prevailing and anticipated market conditions, it is in the best interest of the Housing Finance Authority to negotiate the sale of the Notes. The negotiated sale of the 2019 Series A-1 Note to Citibank, N.A., or its affiliates, at a price of par pursuant to the terms of the 2019 Series A-1 Term Sheet attached hereto as Exhibit “J”, is hereby approved. Additionally, the negotiated sale of the 2019 Series A-2 Note to the Seller, at a price of par pursuant to the terms of the 2019 Series A-2 Term Sheet attached hereto as Exhibit “K”, is hereby approved. The Chair or Vice Chair and the Secretary or Assistant Secretary are authorized to make any and all changes to the form of the Notes which shall be necessary to conform the same to the 2019 Series A-1 Term Sheet

and/or the 2019 Series A-2 Term Sheet, as applicable, and which they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. The purchase of such Notes shall constitute a "loan to a lending institution" within the meaning of Section 159.608(5), Florida Statutes. Additionally, the Notes shall constitute "Bonds" for purposes of, and as defined under, the Act.

Section 20. Certificated Notes. It is in the best interest of the Housing Finance Authority and the Borrower that the Notes be issued utilizing a certificated form and not utilizing a book-entry system of registration.

Section 21. Further Actions and Ratification of Prior Actions. The officers, agents, and employees of the Housing Finance Authority and the officers, agents, and employees of the Fiscal Agent are hereby authorized and directed to do all acts and things required of them by the provisions of the Notes, the Funding Loan Agreement, the Project Loan Agreement, the Land Use Restriction Agreement, the Assignment of Security Instrument, the Assignment of Project Note, the Placement Agent Agreement, the Fiscal Agent Fee Agreement, the Subordinate Loan Agreement, the Assignment of Subordinate Mortgage (collectively, the "Note Loan Documents") and this Resolution, and to execute and deliver any and all additional documents necessary or advisable to effectuate the foregoing. All actions heretofore undertaken by the officers, agents, and employees of the Housing Finance Authority with respect to (i) the provisions of the Notes and the Note Loan Documents, and (ii) the issuance of the Notes, are hereby ratified and approved.

Section 22. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Funding Loan Agreement, the Project Loan Agreement and the Subordinate Loan Agreement, as applicable.

Section 23. Resolution Effective. This Resolution shall take effect immediately upon its adoption.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

Upon motion of _____, seconded by _____, the foregoing

Resolution was adopted by the following votes:

AYES: _____

NAYS: _____

STATE OF FLORIDA)
)ss:
COUNTY OF BROWARD)

I, DANIEL D. REYNOLDS, Secretary of the Housing Finance Authority of Broward County, Florida, DO HEREBY CERTIFY that the foregoing is an accurate copy of the Resolution of the Housing Finance Authority adopted at a meeting held on May 8, 2019, as set forth in the official minutes of the Housing Finance Authority, related in any way to approval of certain actions to be taken in connection with the proposed issuance of the Multifamily Mortgage Revenue Note, 2019 Series A-1 (Regency Gardens Apartments) and the Multifamily Mortgage Revenue Note, 2019 Series A-2 (Regency Gardens Apartments) of the Housing Finance Authority.

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

WITNESS my hand and the corporate seal of said Housing Finance Authority, this 8th day of May, 2019.

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

By:

DANIEL D. REYNOLDS, Secretary

(SEAL)

EXHIBIT “A”
FORM OF
FUNDING LOAN AGREEMENT
[ATTACHED]

EXHIBIT “B”
FORM OF
PROJECT LOAN AGREEMENT
[ATTACHED]

EXHIBIT “C”
FORM OF
LAND USE RESTRICTION AGREEMENT
[ATTACHED]

EXHIBIT “D”
FORM OF
ASSIGNMENT OF SECURITY INSTRUMENT
[ATTACHED]

EXHIBIT “E”

**FORM OF
ASSIGNMENT OF PROJECT NOTE**

[ATTACHED]

EXHIBIT “F”

**FORM OF
PLACEMENT AGENT AGREEMENT
[ATTACHED]**

EXHIBIT “G”
FORM OF
FISCAL AGENT FEE AGREEMENT
[ATTACHED]

EXHIBIT “H”
FORM OF
SUBORDINATE LOAN AGREEMENT
[ATTACHED]

EXHIBIT “I”

**FORM OF
ASSIGNMENT OF SUBORDINATE MORTGAGE
[ATTACHED]**

EXHIBIT “J”

2019 SERIES A-1 TERM SHEET

[ATTACHED]

EXHIBIT “K”

2019 SERIES A-2 TERM SHEET

[ATTACHED]

**Housing Finance Authority of Broward County
May 8, 2019 – Board Meeting**

Multifamily Family (Praxis of Deerfield Beach) - Action Item

1. MOTION TO APPROVE the Credit Underwriting Report

2. MOTION TO APPROVE Resolution providing authorization and/or approval: a) to issue the HFA's Multifamily Mortgage Revenue Bonds, 2019 Series B (the "Bonds") in an aggregate amount not to exceed \$25,000,000, b) of the parameters for the award of the sale and the terms of the Bonds, c) of the form, execution and delivery of the documents included as Exhibits A-F hereto, d) to execute certain additional agreements, instruments, certifications, and affidavits in connection with the issuance of the Bonds, e) authorizing the negotiated sale of the Bonds and appointment of a Bidding Agent pursuant to the Bond Purchase Agreement, f) to prepare and distribute a Preliminary Official Statement and to prepare distribute and execute a final Official Statement, g) authorizing the appointment of a Trustee, Paying Agent and Registrar of the Bonds, h) to allow the Borrower to place subordinate financing on the Development (as herein defined) and to execute such agreements as may be necessary for such subordinate financing, i) to waive the annual audit fee, j) to take other actions required to issue and deliver the Bonds, and k) for the establishment of an effective date; all the foregoing for the purpose of financing the acquisition, rehabilitation and equipping of a multifamily residential rental development in Broward County, Florida.

Background

1. On November 14, 2018, the Housing Finance Authority ("HFA") received a multifamily bond application (the "Application") from MRK Partners, Inc. (the "Developer") pertaining to the acquisition, rehabilitation, and equipping of a 224-unit development identified as Praxis Apartments (the "Development").
2. Subsequent to the submission of the Application, the name of the Development was change from Praxis Apartments to Praxis of Deerfield Beach.
3. At its December 19, 2018 meeting, the HFA adopted an Inducement Resolution for the Development, which also authorized HFA staff to hold a TEFRA hearing.
4. At its March 21, 2018 meeting, the HFA adopted Resolution No. 2018-014 authorizing the HFA's Executive Director to reduce the Good Faith Deposit to an amount not less than \$75,000, if certain conditions are met. The Executive Director approved such reduction for the Development.
5. The TEFRA hearing was held on April 25, 2019 and the Mayor and City Manager of Deerfield Beach were provided notice regarding the potential rehabilitation of the Development prior to the HFA holding a TEFRA hearing.
6. The HFA has tax-exempt carry forward allocation available to fully fund this transaction.

Present Situation

1. The Developer identified Praxis Venture LP, a Florida limited partnership, as the Borrower (“Borrower”).
2. As the multifamily Bond audit is no longer required per County Ordinance, the Borrower requested a waiver of the HFA’s Audit Fees. This waiver only pertains to the audit of funds held with the Trustee. Borrower’s request is addressed within the HFA Resolution.
3. HFA approval of the Credit Underwriting Report (“CUR”) is administrative and additional revisions may be required in conjunction with the delivery of the Bonds. Revision to the CUR will be subject to Section 17 of the Resolution.
4. The closing for the financing of this Development is presently scheduled for June 2019.

Recommendation

Request Board approval of the following:

1. Credit Underwriting Report, and
2. HFA Resolution including authorization and/or approval:
 - a. to issue the HFA’s Multifamily Mortgage Revenue Bonds, 2019 Series B (the “Bonds”) in an aggregate amount not to exceed \$25,000,000,
 - b. of the parameters for the award of the sale and the terms of the Bonds,
 - c. of the form, execution and delivery of the documents included as Exhibits A-F hereto,
 - d. to execute certain additional agreements, instruments, certifications, and affidavits in connection with the issuance of the Bonds,
 - e. to prepare and distribute a Preliminary Official Statement and to prepare distribute and execute a final Official Statement,
 - f. authorizing the negotiated sale of the Bonds and appointment of a Bidding Agent pursuant to the Bond Purchase Agreement
 - g. authorizing the appointment of a Trustee, Paying Agent and Registrar of the Bonds,
 - h. to allow the Borrower to place subordinate financing on the Development and to execute such agreements as may be necessary for such subordinate financing,
 - i. to waive the annual audit fee,
 - j. to take other actions required to issue and deliver the Bonds, and

- k. for the establishment of an effective date; all the foregoing for the purpose of financing the acquisition, rehabilitation, and equipping of a multifamily residential rental development in Broward County, Florida.

EXHIBITS

1. Credit Underwriting Report (***A copy will be available at the meeting***)
2. HFA Resolution

EXHIBITS (*A copy will be available at the meeting*)

- A. Indenture
- B. Loan Agreement
- C. Land Use Restriction Agreement
- D. Bond Purchase Agreement
- E. Preliminary Official Statement
- F. Trustee Fee Agreement

RESOLUTION NO. 2019-006

A meeting of the Housing Finance Authority of Broward County, Florida was held at 5:30 p.m. on May 8, 2019, at the offices of the Housing Finance Authority of Broward County, Florida, 110 Northeast Third Street, Suite 201, in the City of Fort Lauderdale, Florida.

Present: _____

Absent: _____

* * * * *

Thereupon, _____ introduced the following resolution which was read:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (THE "HOUSING FINANCE AUTHORITY") AUTHORIZING THE ISSUANCE OF ITS NOT TO EXCEED \$25,000,000 MULTIFAMILY HOUSING REVENUE BONDS, 2019 SERIES B (PRAXIS OF DEERFIELD BEACH) (THE "BONDS") FOR THE PURPOSE OF FINANCING THE ACQUISITION, REHABILITATION, AND EQUIPPING OF PRAXIS OF DEERFIELD BEACH LOCATED IN BROWARD COUNTY, FLORIDA (THE "PROJECT"); ESTABLISHING PARAMETERS FOR THE AWARD OF THE SALE THEREOF AND ESTABLISHING CRITERIA FOR DETERMINING THE TERMS THEREOF, INCLUDING INTEREST RATES, INTEREST PAYMENT DATES, MATURITY SCHEDULE, AND OTHER TERMS OF SUCH BONDS; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF (I) A TRUST INDENTURE BY AND BETWEEN THE HOUSING FINANCE AUTHORITY AND THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS TRUSTEE (THE "TRUSTEE"); (II) A LOAN AGREEMENT BY AND BETWEEN THE HOUSING FINANCE AUTHORITY AND PRAXIS VENTURE LP (THE "BORROWER"); (III) A LAND USE RESTRICTION AGREEMENT BY AND AMONG THE HOUSING FINANCE AUTHORITY, THE TRUSTEE, AND THE BORROWER; (IV) A BOND PURCHASE AGREEMENT BY AND AMONG THE HOUSING FINANCE AUTHORITY, RBC CAPITAL MARKETS, LLC AND RAYMOND JAMES & ASSOCIATES, INC., AS BOND PURCHASER (COLLECTIVELY, THE "PURCHASER"), AND THE

BORROWER (THE "BOND PURCHASE AGREEMENT"); AND (V) A TRUSTEE FEE AGREEMENT BY AND BETWEEN THE HOUSING FINANCE AUTHORITY AND THE TRUSTEE; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE HOUSING FINANCE AUTHORITY OF CERTAIN ADDITIONAL AGREEMENTS, INSTRUMENTS, CERTIFICATIONS, AND AFFIDAVITS NECESSARY OR DESIRABLE IN CONNECTION WITH THE ISSUANCE OF THE BONDS; AUTHORIZING THE NEGOTIATED SALE OF THE BONDS TO THE PURCHASER PURSUANT TO THE BOND PURCHASE AGREEMENT; AUTHORIZING THE APPOINTMENT OF A BIDDING AGENT PURSUANT TO THE BOND PURCHASE AGREEMENT; AUTHORIZING THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT FOR THE BONDS AND AUTHORIZING THE PREPARATION, DISTRIBUTION, AND EXECUTION OF A FINAL OFFICIAL STATEMENT IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE BONDS; AUTHORIZING THE APPOINTMENT OF A TRUSTEE, PAYING AGENT, AND REGISTRAR OF THE BONDS; AUTHORIZING THE HOUSING FINANCE AUTHORITY TO CONSENT TO THE BORROWER PLACING SUBORDINATE FINANCING ON THE PROJECT AND APPROVING THE EXECUTION OF SUCH AGREEMENTS AS MAY BE NECESSARY IN CONNECTION WITH SUCH CONSENT; WAIVING THE FEE FOR SERVICES RELATED TO THE HOUSING FINANCE AUTHORITY'S ANNUAL AUDIT OF THE PROJECT; AUTHORIZING THE PROPER OFFICERS OF THE HOUSING FINANCE AUTHORITY TO DO ALL THINGS NECESSARY OR ADVISABLE IN CONNECTION WITH THE ISSUANCE OF THE BONDS; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

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

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

WHEREAS, the Housing Finance Authority desires to issue multifamily housing revenue bonds in an amount not to exceed \$25,000,000 (the “Bonds”) for the purpose of financing the acquisition, rehabilitation, and equipping of a 224-unit multifamily residential rental housing development in Deerfield Beach, Broward County, Florida, known as Praxis of Deerfield Beach (the “Project”); and

WHEREAS, Praxis Venture LP, a Florida limited partnership (the “Borrower”), has requested the Housing Finance Authority to issue its Bonds, the proceeds of which will be used to make a loan to the Borrower (the “Loan”) to finance the acquisition, rehabilitation, and equipping of the Project; and

WHEREAS, the Housing Finance Authority desires to enter into a Trust Indenture between The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee, paying agent, and registrar (the “Trustee”) and the Housing Finance Authority (the “Indenture”), in substantially the form attached hereto as Exhibit “A”, for the purpose of setting forth the terms, conditions, and covenants (i) upon which the Housing Finance Authority will issue the Bonds, which proceeds shall be used in order for the Housing Finance Authority to make the Loan to finance the acquisition, rehabilitation, and equipping of the Project, and (ii) that are necessary to secure the Bonds and protect the rights of the holder of the Bonds; and

WHEREAS, the Housing Finance Authority desires to enter into a Loan Agreement between the Housing Finance Authority and the Borrower (the “Loan Agreement”), in substantially the form attached hereto as Exhibit “B”, to evidence the terms and conditions of the Loan; and

WHEREAS, the Housing Finance Authority desires to enter into a Land Use Restriction Agreement among the Housing Finance Authority, the Borrower, and the Trustee (the “Land Use Restriction Agreement”), in substantially the form attached hereto as Exhibit “C”, to evidence the terms and conditions upon which the Borrower shall maintain and operate the Project; and

WHEREAS, the Housing Finance Authority desires to enter into a Bond Purchase Agreement among the Housing Finance Authority, RBC Capital Markets, LLC and Raymond James & Associates, Inc., as Purchaser of the Bonds (collectively, the “Purchaser”), and the Borrower (the “Bond Purchase Agreement”), in substantially the form attached hereto as Exhibit “D”, to evidence the terms and conditions upon which (i) the Purchaser shall purchase the Bonds, and (ii) RBC Capital Markets, LLC shall act as Bidding Agent for certain Permitted Investments (as defined in the Indenture) to be purchased with amounts on deposits in certain funds under the Indenture; and

WHEREAS, the Housing Finance Authority desires to (i) prepare or cause to be prepared, and distribute or cause to be distributed, a Preliminary Official Statement (the “Preliminary Official Statement”), and (ii) prepare or cause to be prepared, distribute or cause to be distributed, and execute a final Official Statement (the “Official Statement”), each in connection with the issuance and delivery of the Bonds. The Preliminary Official Statement will be in substantially the form attached hereto as Exhibit “E”; and

WHEREAS, the Housing Finance Authority desires to enter into a Trustee Fee Agreement between the Housing Finance Authority and the Trustee (the “Trustee Fee Agreement”), in

substantially the form attached hereto as Exhibit "F", to evidence the Trustee's obligations and responsibilities in connection with the issuance of the Bonds and the fees payable to Trustee for its performance thereunder; and

WHEREAS, within the County there is a shortage of housing available at prices or rentals which many persons and families can afford and a shortage of capital for investment in such housing. This shortage constitutes a threat to the health, safety, morals, and welfare of the residents of the County, deprives the County of an adequate tax base, and causes the County to make excessive expenditures for crime prevention and control, public health, welfare and safety, fire and accident protection, and other public services and facilities; and

WHEREAS, the shortage of capital and housing cannot be relieved except through the encouragement of investment by private enterprise and the stimulation of construction and rehabilitation of housing through the use of public financing; and

WHEREAS, the Project and the financing thereof will assist in alleviating the shortage of housing in the County and of capital for investment therein, will serve the purposes of the Act, and the Project will constitute a "qualified housing development" under the Act; and

WHEREAS, the Housing Finance Authority desires to authorize the execution and delivery of any other documents, instruments, certificates, and affidavits to be executed in connection with the issuance of the Bonds; and

WHEREAS, the Housing Finance Authority is not obligated to pay the Bonds except from the proceeds derived from the repayment of the Loan and other payments received from the Borrower or from other security pledged therefor pursuant to the Indenture. Neither the faith and credit nor the taxing power of the Housing Finance Authority, the County, or the State of Florida

(the "State") or any other political subdivision thereof is pledged to the payment of the principal of or the interest on the Bonds; and

WHEREAS, the Housing Finance Authority intends to negotiate the sale of the Bonds with the Purchaser as provided in the Bond Purchase Agreement; and

WHEREAS, a notice of public hearing inviting written and oral comments and discussions concerning the issuance of the Bonds (the "TEFRA Notice") was published in the *Sun Sentinel*, a newspaper of general circulation, on April 10, 2019, at least 14 days prior to the date of such hearing, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, on April 25, 2019, a public hearing concerning the issuance of the Bonds in an aggregate face amount of not to exceed \$25,000,000 to finance the Project (the "TEFRA Hearing") was held by the Housing Finance Authority, as required by Section 147(f) of the Code; and

WHEREAS, the Housing Finance Authority received from the State of Florida Division of Bond Finance an allocation of 2016 private activity bond volume cap in the amount of \$88,975,637, which has been carried forward pursuant to Section 145(f) of the Code and designated for the issuance of bonds for qualified residential rental projects; and

WHEREAS, the Ordinance requires that all contracts of the Housing Finance Authority in connection with the issuance of the Bonds be approved by the Board.

NOW THEREFORE, BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA:

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

Section 2. Ratification of Public Hearing. The Housing Finance Authority hereby ratifies the actions of the Housing Finance Authority staff in (i) publishing the TEFRA Notice in the *Sun Sentinel* on April 10, 2019, and (ii) conducting the TEFRA Hearing on April 25, 2019, all prior to and in connection with the issuance of the Bonds.

Section 3. Authorization of the Bonds. The Housing Finance Authority hereby authorizes, under the authority of the Act and the Ordinance, and subject to the terms as hereinafter set forth, the issuance of the Bonds to be designated “Housing Finance Authority of Broward County, Florida Multifamily Housing Revenue Bonds, 2019 Series B (Praxis of Deerfield Beach)” in an aggregate principal amount of not to exceed \$25,000,000.

Section 4. Details of Bonds. The Bonds shall be issued under and secured by the Indenture, by which reference is hereby incorporated into this Resolution as if set forth in full herein. The proceeds of the Bonds shall be applied as provided in the Indenture, and the Bonds shall mature in the amounts and at the times, bear interest at such rates, be subject to redemption at the prices and upon the terms, and shall have such other characteristics as shall be provided in the Indenture, attached hereto as Exhibit “A”, and the Bond Purchase Agreement, attached hereto as Exhibit “D”; provided, that (i) the interest rate on the Bonds shall not exceed 6.00% per annum, and (ii) the Bonds shall finally mature not later than 40 years from the date of issuance thereof. The Bonds shall be executed, authenticated and delivered by the officers of the Housing Finance Authority authorized below in substantially the form set forth in the Indenture in fully registered form.

Section 5. The Bonds are Special Obligations of the Housing Finance Authority. The Bonds are special obligations of the Housing Finance Authority which are payable solely from moneys derived under the Indenture and the Loan Agreement. The Bonds, together with the interest

thereon, are limited obligations of the Housing Finance Authority and neither the Housing Finance Authority, the County, the State, nor any political subdivision thereof, shall be obligated to pay the Bonds or the interest thereon or other costs or payments incident thereto, except from the aforementioned revenues and receipts and neither the faith and credit nor the taxing power of the County or the State or any political subdivision thereof is pledged to the payment of the Bonds or the interest thereon or other costs or payments incident thereto. The Housing Finance Authority has no taxing power. The Bonds and obligations arising thereunder do not create or reflect liability of the Housing Finance Authority or any member, official, or employee thereof, except as otherwise described in this Section 5.

Section 6. Execution of Bonds. The Chair or Vice Chair and Secretary or Assistant Secretary of the Housing Finance Authority are hereby authorized and directed to execute by manual or facsimile signature, and place the seal of the Housing Finance Authority, in manual or facsimile form, on the Bonds. The Bonds shall be in substantially the form set forth in the Indenture, with such changes, modifications, and deletions as the officers executing the Bonds, with the advice of Nabors, Giblin & Nickerson, P.A. (“Bond Counsel”) and the County Attorney’s Office of Broward County (the “County Attorney”), may deem necessary and appropriate, and as are not inconsistent with the Indenture and this Resolution. The execution and delivery of the Bonds by the aforementioned persons shall be conclusive evidence of the Housing Finance Authority’s approval and authorization thereof.

Section 7. Authentication and Delivery of the Bonds. Upon the execution of the Bonds, the Housing Finance Authority shall deliver the Bonds to the Trustee for authentication, and the

Trustee is hereby authorized and directed to authenticate and deliver said Bonds to the Purchaser, subject to the terms and conditions for delivery set forth in the Indenture.

Section 8. Approval of Indenture. The form and content of the Indenture, as presented at this meeting and attached hereto as Exhibit "A", is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Indenture, and the Secretary or Assistant Secretary is hereby authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit "A", together with such changes, modifications, and deletions as they, with the advice of Bond Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 9. Approval of Loan Agreement. The form and content of the Loan Agreement, as presented at this meeting and attached hereto as Exhibit "B", is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Loan Agreement, and the Secretary or Assistant Secretary is hereby authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit "B", together with such changes, modifications, and deletions as they, with the advice of Bond Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 10. Approval of the Land Use Restriction Agreement. The form and content of the Land Use Restriction Agreement, as presented at this meeting and attached hereto as Exhibit

"C", is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Land Use Restriction Agreement, and the Secretary or Assistant Secretary is hereby authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit "C", together with such changes, modifications, and deletions as they, with the advice of Bond Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 11. Approval of the Bond Purchase Agreement; Appointment of Bidding Agent. The form and content of the Bond Purchase Agreement, as presented at this meeting and attached hereto as Exhibit "D", is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Bond Purchase Agreement, and the Secretary or Assistant Secretary is hereby authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting and attached hereto as Exhibit "D", together with such changes, modifications, and deletions as they, with the advice of Bond Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority. RBC Capital Markets, LLC is hereby appointed to act as Bidding Agent under the Bond Purchase Agreement for certain Permitted Investments (as defined in the Indenture) to be purchased with amounts on deposits in certain funds under the Indenture.

Section 12. Approval of the Preliminary Official Statement. The form and content, and the preparation and distribution, of the Preliminary Official Statement relating to the Bonds, as presented at this meeting and attached hereto as Exhibit "E", is hereby authorized and approved by the Housing Finance Authority, together with such changes, modifications, and deletions as the Chair or Vice Chair of the Housing Finance Authority, with the advice of Bond Counsel and the County Attorney, may deem necessary and appropriate. The Housing Finance Authority also hereby approves and authorizes the preparation and distribution of a final Official Statement relating to the Bonds, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Official Statement, and the Secretary or Assistant Secretary is hereby authorized to place the Housing Finance Authority's seal thereon and attest thereto, with such changes, modifications, and deletions as they, with the advice of Bond Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 13. Appointment of Trustee, Paying Agent and Registrar. The Bank of New York Mellon Trust Company, N.A., having its designated corporate trust office in Jacksonville, Florida, is hereby appointed Trustee, Paying Agent, and Registrar under the Indenture, and the Housing Finance Authority approves the form and content of the Trustee Fee Agreement presented at this meeting and attached hereto as Exhibit "F". The Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Trustee Fee Agreement, and the Secretary or Assistant Secretary is hereby authorized to place the Housing Finance Authority's seal thereon and attest thereto, in substantially the form presented at this meeting and attached hereto as Exhibit "F", with such changes, modifications, deletions, and insertions as the Chair or Vice Chair, with the

advice of Bond Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Housing Finance Authority.

Section 14. Subordinate Financing. The Housing Finance Authority hereby acknowledges that the Borrower intends to secure subordinate financing for the Project in the form of a loan from (i) Stafford Place Praxis Limited Partnership, the seller of the Project (the "Seller"), in the approximate principal amount of \$2,000,000 (the "Seller Loan"), and (ii) Sterling Bank of equity bridge funds in the approximate principal amount of \$3,600,000 (the "Bridge Loan" and, together with the Seller Loan, the "Subordinate Financing"). Given the need for additional affordable rental units in the County, the high development costs associated with the Project, and the favorable financing terms of the Subordinate Financing, the Housing Finance Authority hereby determines that it is in the public interest to consent to such Subordinate Financing in this instance. Accordingly, the Housing Finance Authority (i) authorizes the Chair or Vice Chair of the Housing Finance Authority to consent to such Subordinate Financing and to execute and deliver any agreements that may be necessary in connection with such consent, with the advice of and in such form as Bond Counsel and the County Attorney may deem necessary and appropriate, and (ii) directs the Trustee to, as necessary, consent to such Subordinate Financing and to execute and deliver any agreements that may be necessary in connection with such consent, with the advice of and in such form as Bond Counsel and the County Attorney may deem necessary and appropriate.

Section 15. Waiver of Audit Fee. The Ordinance no longer requires an audit of multifamily developments. Accordingly, the Borrower has requested a waiver of the fee required to be paid by the Borrower for the services of the Housing Finance Authority's auditor to audit the

Project and the Bonds annually. The Housing Finance Authority waives such audit fee in connection with the Project.

Section 16. Sale of Bonds. It is hereby found and determined that due to the characteristics of the financing and the prevailing and anticipated market conditions, it is in the best interest of the Housing Finance Authority to negotiate the sale of the Bonds. The negotiated sale of the Bonds, upon substantially the terms and conditions set forth in the Bond Purchase Agreement, attached hereto as Exhibit "D", is hereby approved. The Bonds shall be sold (subject to such terms and conditions) in the amounts, at the prices and upon the final terms set forth in the Bond Purchase Agreement as may be approved by the Chair or Vice Chair and attested to by the Secretary; provided, that (a) the purchase price of the Bonds shall be not less than 100% of the original principal amount thereof, and (b) the gross underwriting spread or compensation to be paid to the Purchaser shall not exceed 1.00% of the principal amount of the Bonds.

Section 17. Further Actions and Ratifications of Prior Actions. The officers, agents, and employees of the Housing Finance Authority and the officers, agents, and employees of the Trustee are hereby authorized and directed to do all acts and things required of them by the provisions of the Bonds, the Indenture, the Loan Agreement, the Land Use Restriction Agreement, the Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement, the Trustee Fee Agreement (collectively, the "Bond Documents") and this Resolution, and to execute and deliver any and all additional documents, instruments, certificates, and affidavits necessary or advisable to effectuate the foregoing. All actions heretofore undertaken by the officers, agents, and employees of the Housing Finance Authority with respect to (i) the provisions of the Bonds and the Bond Documents, and (ii) the issuance of the Bonds, are hereby ratified and approved.

Section 18. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Indenture and the Loan Agreement.

Section 19. Resolution Effective. This Resolution shall take effect immediately upon its adoption.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

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

AYES: _____

NAYS: _____

STATE OF FLORIDA)
)ss:
COUNTY OF BROWARD)

I, DANIEL D. REYNOLDS, Secretary of the Housing Finance Authority of Broward County, Florida, DO HEREBY CERTIFY that the foregoing is an accurate copy of the Resolution of the Housing Finance Authority adopted at a meeting held on May 8, 2019, as set forth in the official minutes of the Housing Finance Authority, related in any way to approval of certain actions to be taken in connection with the proposed issuance of Multifamily Housing Revenue Bonds, 2019 Series B (Praxis of Deerfield Beach) of the Housing Finance Authority.

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

WITNESS my hand and the corporate seal of said Housing Finance Authority, this 8th day of May, 2019.

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

By: _____
DANIEL D. REYNOLDS, Secretary

(SEAL)

EXHIBIT "A"
FORM OF
INDENTURE
[ATTACHED]

EXHIBIT "B"

FORM OF

LOAN AGREEMENT

[ATTACHED]

EXHIBIT "C"

FORM OF

LAND USE RESTRICTION AGREEMENT

[ATTACHED]

EXHIBIT "D"

FORM OF

BOND PURCHASE AGREEMENT

[ATTACHED]

EXHIBIT "E"

FORM OF

PRELIMINARY OFFICIAL STATEMENT

[ATTACHED]

EXHIBIT "F"

FORM OF

TRUSTEE FEE AGREEMENT

[ATTACHED]