



November 15, 2019

VIA FEDEX

Brevard County Housing Finance Authority
Attn: Angela Abbott
4420 South Washington Avenue.
Titusville, Florida 3280

Public Resources Advisory Group
Attn: Marianne Edmonds
100 Second Avenue South, Suite 903
St. Petersburg, Florida 33701

Re: The Venue at Viera Senior Living ("The Venue at Viera")

To Whom It May Concern:

As you will recall in September 2018 we submitted an application for the Brevard County Housing Finance Authority Multifamily Revenue Bond Program for a 145-unit "new construction" affordable rental community, located on the southeast corner of the intersection of North Wickham Road and Wyndham Drive, called The Venue at Viera Senior Living. This correspondence is to revise the application for updated project costs resulting in an increased tax-exempt bond request in the amount of \$15,755,000. As such, we have enclosed a revised supplemental application pages reflecting these revisions.

As set forth in the original submission, the community's proposed financing plan also includes 4% Low Income Housing Tax Credits issued by Florida Housing Finance Corporation ("FHFC"). The bonds will have the minimum "affordability" set-asides for the minimum federal period of 15 years. However, in connection with the 4% housing credit requirements, the affordability set-asides will include the new "income averaging" set asides for the minimum federal period (and owner will retain "QC" rights). It is anticipated that the proposed structure of tax-exempt bonds will be a private placement.

November 14, 2019

Attention: Angela Abbott & Marianne Edmonds

Re: The Venue at Viera Senior Living ("The Venue at Viera")

Page 2 of 3

Additionally, as we set forth in our original submission and discussed with the HFA's Board at a prior meeting, we continue to request that the HFA Board grant a reduction of the annual HFA fees to 12.5 bps. As discussed previously, the financing sources only anticipate local HFA bonds with equity from the sale of 4% H.C. As such, the developer anticipates needing to defer almost its entire fee to balance sources of funds with total project costs. In the current environment of rising construction costs, the requested reduction of HFA annual fees to 12.5 bps will assist in the feasibility of the project. Additionally, in the future this requested reduced HFA fee structure of 12.5 bps would also provide flexibility for the bond holder to be a related party to the borrower in the event the private placement financial institution (anticipated to be Capital Bank) needs to be replaced in whole or in part by an affiliate of the principal of the owner to comply with "Program Investment" restrictions that only allow issuer fees up to a limited amount so as to avoid the bonds from becoming an arbitrage bond and thus "taxable". Please note also the owner will be providing guarantees to the private placement financial institution (anticipated to be Capital Bank) to avoid risk of foreclosure due to low debt service coverage ratios which may result from the proposal financing structure.

Additionally, given the private placement structure of the bonds, we would also request the HFA Board to lower the Municipal Advisor Fee.

Our development team has a strong legacy of providing quality affordable housing in Brevard County and within central Florida. Our development team is very experienced and is led by the developer, Atlantic Housing Partners, L.L.P. ("Atlantic Housing") based in Winter Park, Florida. Atlantic's principals (collectively, Mike Sciarrino, Scott Culp and Paul Missigman) have developed over 100 affordable apartment communities in 9 states. The development team also has developed Hammock Harbor Apartments, in Rockledge, in recent years.

The other members of the development team are as follows:

General Contractor: WPGC Construction, L.L.C. (affiliate of the principals of Atlantic Housing)

Management Company: Concord Management, Ltd. (affiliate of Atlantic Housing)



November 14, 2019

Attention: Angela Abbott & Marianne Edmonds

Re: The Venue at Viera Senior Living ("The Venue at Viera")

Page 3 of 3

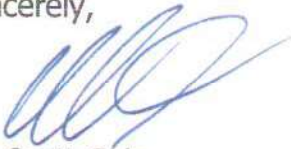
General Partner of Owner Southern Affordable Services, Inc. a 501(c)(3) not-for-profit corporation ("SAS"), which received its IRS 501(c)(3) determination in 2009. SAS is the general partner of the owner of in excess of 4,900 affordable apartment homes throughout Florida.

Initial Limited Partner(s) of Owner Entity: The initial limited partner is SAS ILP, L.L.C.

We are submitting this proposal for the HFA's consideration of our request to reduce its fees as stated above.

We look forward to further discussing our proposal with you. Please do not hesitate to contact us if you have any additional questions.

Sincerely,



W. Scott Culp
Executive Vice President

Enclosures

cc: CF-Corr w HFA

W