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# Florida Housing Finance Corporation Overview

Prepared for the Joint Sunset Review Committee



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# Table of Contents

## Overview of Florida Housing Finance Corporation’s Mission and Programs

|   |    |
|---|----|
| Introduction .....  | 5  |
| What Is Affordable Housing?.....  | 7  |
| Brief History of the Affordable Housing Delivery System .....                           | 7  |
| Florida Funds Affordable Housing .....  | 8  |
| Florida Housing Finance Corporation’s Role in the Financial Market .....                | 9  |
| Summary of Affordable Housing Programs and Initiatives Administered by FL Housing ..... | 10 |
| State and Federal Affordable Housing Resources.....                                     | 17 |
| History of Housing Trust Fund Appropriations.....                                       | 17 |
| How Florida Housing Finance Corporation Makes Resource Allocation Decisions .....       | 20 |
| Process for Allocation and Awards of Program Resources .....                            | 21 |

## Florida Housing Finance Corporation Operations

|   |    |
|---|----|
| Florida Housing Finance Corporation’s Organizational Chart.....   | 31 |
| Florida Housing Finance Corporation’s Operations .....  | 32 |
| Accountability – How Florida Housing Finance Corporation<br>Ensures Program Resources Are Appropriately Used..... | 33 |

## Attachments

|  |  |
|--|--|
| Florida Housing Finance Corporation’s 2007 Annual Report                               |  |
| Florida Housing Finance Corporation’s 2007 Audited Financial Statements                |  |
| Florida Housing Finance Corporation’s Response to Sunset Review Statutory Requirements |  |



# **Overview of Florida Housing Finance Corporation's Mission and Programs**





## INTRODUCTION

Florida Housing Finance Corporation (Florida Housing) is a public corporation of the State of Florida and is the state's housing finance agency. Florida Housing is a financial institution which administers federal and state resources to finance the development of affordable homeowner and rental housing and to assist homebuyers. When the Legislature created Florida Housing's precursor, Florida Housing Finance Agency, in 1980 the Agency was an arm of the Florida Department of Community Affairs (DCA) and its purpose as outlined in Section 420.502, Florida Statutes, was to:

- Better access federal housing initiatives;
- Stabilize the flow of funds for affordable housing;
- Promote affordable housing; and
- Boost Florida's construction industry.

As a result of revisions made by the 1997 Legislature, on January 1, 1998, Florida Housing was created as a public-private entity to reduce bureaucracy, streamline many administrative processes and operate more effectively within the real estate and financial markets. Two changes were particularly important in this regard: accelerated disbursement of trust fund dollars to the private sector and local governments, and elimination of duplicative services in the issuance of bonds. Funds disbursed by Florida Housing in loan closings for developments and homeowner mortgages, which took up to six weeks before Florida Housing was created as a public corporation, were processed through both DCA and the Comptroller. The lengthy process was costly to private sector partners, created construction delays and slowed down implementation of local housing programs. The 1997 legislative changes authorized Florida Housing to disburse funds directly, typically within five business days. The bond issuance process also was streamlined by authorizing Florida Housing to issue bonds directly. Prior to this change, the Division of Bond Finance issued these bonds, requiring both agencies to provide staff for this purpose. Note that the statute still requires the State Board of Administration to approve a fiscal determination for each bond issue carried out by Florida Housing.

Florida Housing is also subject to the Government in the Sunshine Law, the Public Records Act, the Administrative Procedure Act, and audits by the Chief Financial Officer for the State of Florida and the State Auditor General.

Florida Housing is not a department of the executive branch of state government within the scope and meaning of Section 6, Article IV of the State Constitution, but is an instrumentality of the State. Florida Housing is functionally related to DCA; sections 420.0006 and 420.504, Florida Statutes, require Florida Housing and DCA to sign a performance contract outlining the conduct of business by the Corporation.

Section 420.507, Florida Statutes, assigns responsibilities to Florida Housing, which are summarized here:

- To carry out analyses of housing needs within the state and ways of meeting those needs;
- To participate in federal housing assistance and federal community development, insurance, and guarantee programs;
- To develop and administer the state rental and homeownership programs as outlined by statute;
- To designate and administer private activity tax exempt bond allocation received by Florida Housing pursuant to Part VI of Chapter 159 between the single family and multifamily programs;
- To set standards for and monitor compliance of residential housing financed by Florida Housing; and
- To conduct demonstration programs and projects which further the statutory purposes of Florida Housing.

Florida Housing is governed by a nine member board of directors appointed by the Governor and subject to Senate confirmation, with the following interests represented pursuant to Section 420.504 (3), Florida Statutes:

- Residential home builder;
- Commercial builder;
- Banker or mortgage banker;
- Building labor representative;
- Low income advocate;
- Former local government elected official;
- Two Florida citizens who are none of the above; and
- The Secretary of the Florida Department of Community Affairs (ex officio).

The Board meets regularly throughout the year. Day to day operations are managed by Florida Housing's executive director, who is appointed by the DCA Secretary with the advice and consent of the Board, and a staff of approximately 130. An organizational chart is provided later in this document.

As a financial institution, Florida Housing works with private lenders and investors, mortgage and bond insurers, Federal Home Loan Banks, liquidity facility providers, government sponsored entities (GSEs), for profit and nonprofit developers and property managers, local governments, public housing authorities and local housing finance authorities to finance affordable housing. In developing and implementing program priorities, the Florida Housing Board and staff must balance financial and market forces with our mission of serving Floridians who need decent housing. With over 180,000 rental units currently financed and on the ground or in the construction pipeline, Florida Housing has nearly 6.4 billion in assets. These assets are primarily in the form of loans receivable and investments and are restricted by various bond indentures or by statute. Liabilities are comprised mainly of bonds and interest payable.

### **What Is Affordable Housing?**

Affordable housing is defined in terms of the income of the household living in the housing. Housing is generally said to be affordable when a family is spending no more than 30 percent of its income on housing. On the rental side, this includes utilities, while on the homeownership side, principal, interest, taxes and insurance are all part of the equation. A household is said to be severely cost burdened if it is paying 50 percent or more of its income for housing. The federal and state programs administered by Florida Housing define incomes as follows:

- Extremely low income – at or below 30 percent of area median income (AMI);
- Very low income – at or below 50 percent of AMI;
- Low income – at or below 80 percent of AMI; and
- Moderate income – at or below 120 percent of AMI.

The U.S. Department of Housing and Urban Development (HUD) sets income levels annually throughout the country. Florida's 2007 state median income is \$53,300 for a family of four (incomes increase or decrease based on family size).

### **Brief History of the Affordable Housing Delivery System**

Government involvement in affordable housing began in the 1930s in response to the lack of decent housing during the depression. Congress funded public housing initially as a source of short term rental housing for poor families. In Florida, over 115 local and regional public housing authorities manage over 38,000 units, which today serve our lowest income Floridians.

In the late 1950s and 1960s, Congress created a series of housing programs administered by U.S. HUD and the U.S. Department of Agriculture's Office of Rural Development. These programs marked the rise of private sector development of government-funded rental housing. While most of these programs do not fund new units today, there are some 72,000 units existing statewide financed by these programs, often serving some of the state's lowest income households. These early programs were capable of supporting such low incomes, because the federal programs provided both capital funds and continuing operating subsidies to pay the difference between what a household can afford and the cost to operate the units.

The 1970s saw the creation of tenant-based rental vouchers that can be used by families to find housing wherever they choose. This federal program still operates today, providing funding for approximately 75,000 "Section 8" or "Housing Choice" vouchers in Florida each year. Local housing authorities or other entities administer these programs.

The 1980s and '90s marked a deliberate shift in Congress' strategy to finance affordable housing. The federal Low Income Housing Tax Credit was created and the Mortgage Revenue Bond program was modified to attract private investment in affordable housing

rather than simply layering more government funding into developments. The Low Income Housing Tax Credit Program is administered at the state level and the Mortgage Revenue Bond Program is administered at both the state and local level. Both programs are critical components of today's affordable housing framework.

The 1980s also saw the rise of state housing finance agencies throughout the country, and today all 50 states have housing finance agencies.

### **Florida Funds Affordable Housing**

In the first years of its operation, Florida Housing accessed only federal resources to finance housing, but these proved difficult to use on their own. To leverage and augment these programs, the Florida Legislature began appropriating some funding for state programs in the late 1980s. But it was the enactment of the William E. Sadowski Act in 1992 that created a dedicated source of revenue for housing from a portion of documentary stamp taxes on the transfer of real estate. Supported by a coalition of interest groups, including home builders and realtors, this landmark legislation provided both the funding mechanism for state and local programs, as well as a flexible, but accountable framework for local programs to operate. The dedicated revenue comes from:

- A ten-cent increase to the documentary stamp tax paid on the transfer of real estate, which began in August 1992; and
- A re-allocation of ten cents of existing documentary stamp tax revenues from general revenue to the affordable housing trust funds, which began in July 1995.

Approximately 30 percent of these revenues flow into the State Housing Trust Fund and 70 percent flow into the Local Government Housing Trust Fund. The 2005 Legislature adopted a cap restricting the amount of revenue that may flow into the Trust Funds to \$243 million per year, with a mechanism for a small increase over time. The cap went into effect July 1, 2007. At this time all of Florida Housing's state funds are appropriated through the trust funds created by the Sadowski Act; no appropriations are made to us from general revenue.

Sadowski Act funds support a number of state and local programs that operate alongside federal housing programs. Key programs include the State Housing Initiatives Partnership (SHIP) Program, which receives approximately two-thirds of the funding; the State Apartment Incentive Loan Program, which receives about 20 percent of the funding, and other programs, including the Predevelopment Loan Program, the Homeownership Assistance Program, the Affordable Housing Guarantee Program and the Catalyst Training and Technical Assistance Program.

Sadowski funds also support homeless housing programs administered by the Florida Department of Children and Families, compliance monitoring for the SHIP Program, the Florida Housing Data Clearinghouse and the Affordable Housing Study Commission. Summary program descriptions can be found below.

Today, several state agencies operate smaller housing programs, but Florida Housing administers the bulk of affordable housing resources available at the state level. In addition to the 115 public housing authorities in Florida, there are 17 local housing finance authority regions that issue mortgage revenue bonds similar to Florida Housing. All 67 counties and many cities also administer federal and state funds for housing.

### **Florida Housing's Role in the Financial Market**

Florida Housing uses state and federal resources to make loans and guarantees of loans to further our mission. Each resource for financing brings with it certain financial risks. Each bond transaction is structured to provide an array of protections to assure the mortgage and the bonds will be paid. Bond insurance and credit enhancement are the two primary means of protection.

As an issuer of hundreds of millions of dollars of tax exempt bonds each year, Florida Housing understands the necessity of effecting efficient transactions in the bond market to achieve the best interest rate for the bonds sold. These transactions require Florida Housing to establish and maintain good working relationships with the following financial entities:

- The State Board of Administration;
- The Division of Bond Finance;
- The three major rating agencies;
- Credit enhancers;
- Tax credit syndicators;
- Bond investors;
- GSEs;
- Bond insurers;
- Federal Home Loan Banks;
- Liquidity facility providers;
- Guaranteed Investment contract providers; and
- Investment bankers.

Each one of these parties plays a pivotal role in financing affordable housing and bringing tax exempt bond deals to completion.

The Guarantee Program provides credit enhancement for mortgages resulting from Florida Housing and local tax exempt bond transactions. A detailed description of the Guarantee Program and its operations appears in the background materials following this overview. The following descriptions further explain Florida Housing's role in bond sales and the protections against risk employed for multifamily and single family transactions.

For Multifamily Mortgage Revenue Bonds used for rental developments, Florida Housing acts primarily in the capacity of the issuer of the bonds. The transaction is structured so that the development is collateral for and is responsible for the payment of the mortgage, which supports the debt service on the bonds. The transaction includes a credit enhancer, which

guarantees the payment of the loan, and a bond insurer, which guarantees the payment of debt service on the bonds. The Florida Housing Guarantee Program is the credit enhancer on a portfolio of Florida Housing issued bonds.

Since 2002, the Single Family Homeowner Mortgage Revenue Bond has been structured as a mortgage backed securities (MBS) program. Through their guarantees of the loans, Fannie Mae, Freddie Mac and Ginnie Mae assure the bondholders of principal and interest payments. The Florida Housing single family bond indenture owns the Ginnie Mae, Freddie Mac and Fannie Mae securities. From 1985 through 2001, this program was a whole loan program with the various indentures bearing the risk of the loans generated from the bond proceeds. The 1995 indenture, under which bonds are currently sold, is comprised of approximately 90 percent MBS and 10 percent whole loans.

## **SUMMARY OF AFFORDABLE HOUSING PROGRAMS AND INITIATIVES ADMINISTERED BY FLORIDA HOUSING FINANCE CORPORATION**

### **Homeownership**

#### **First Time Homebuyer Program**

Pursuant to Chapter 159, Part VI, Florida Statutes, Florida Housing receives approximately 24 percent of the state private activity bond volume to be used for multifamily and single family mortgage revenue bonds for housing. On the homeownership side, Florida Housing issues tax exempt mortgage revenue bonds, and the proceeds from these bonds are used to originate 30-year, fixed-rate mortgage loans through the First Time Homebuyer Program. First-time homebuyers then benefit from lower mortgage interest rates due to the tax-exempt status of the bonds. Eligible borrowers have to meet certain criteria such as the first-time homebuyer requirement, as defined by the Internal Revenue Code, credit worthiness, and an income level not to exceed program limits. Due to the devastating 2004 and 2005 hurricane seasons and in an effort to encourage hurricane housing recovery, Congress enacted the Gulf Opportunity Zone Act (GO Zone Act), which waives some program requirements in 13 Florida counties, including the requirement that program participants be first-time homebuyers. The GO Zone Act is in effect through December 31, 2010 and applies to the following 13 counties: Brevard, Broward, Collier, Glades, Hendry, Indian River, Lee, Martin, Miami-Dade, Monroe, Okeechobee, Palm Beach and St. Lucie.

#### **Down Payment Assistance Programs**

Funds for down payment assistance and closing costs are often provided in conjunction with the First Time Homebuyer Program through the state funded Homeownership Assistance Program, the federal HOME Investment Partnerships Program, the Florida Housing-funded Homeownership Assistance for Moderate Income Program and indenture-funded four percent cash assistance payments.

#### **Homeownership Pool Program**

The Homeownership Pool (HOP) Program, using federal HOME funds, was recently created to enhance the ability of developers to match qualified homebuyers with purchase assistance. The HOP Program is designed to be noncompetitive, and developers have the ability to reserve funds online on a first-come, first-served basis to provide eligible homebuyers with purchase assistance.

### **Multifamily Development Programs**

#### **Multifamily Mortgage Revenue Bonds**

The Multifamily Mortgage Revenue Bond Program uses both taxable and tax exempt bonds to provide below market rate loans to nonprofit and for profit developers who set aside a certain percentage of their apartment units for low-income families. Proceeds from the sale of these bonds are used to construct or acquire and rehabilitate multifamily rental properties. The Bond Program's application, scoring and ranking criteria encourage increased set-asides for low-income households.

#### **Florida Affordable Housing Guarantee Program**

The Florida Affordable Housing Guarantee Program encourages affordable housing lending by issuing a form of repayment guarantee on the financing of affordable housing. Typically, these transactions represent the construction and/or rehabilitation of multifamily rental housing primarily funded through the issuance of tax exempt and taxable bonds. By guaranteeing the repayment of the underlying mortgage collateralizing the bonds, the Guarantee Program lowers overall borrowing costs and improves the economic viability of affordable housing. In most cases, the Guarantee Program partners with the HUD Risk Sharing program, allowing each party to assume 50 percent of the default risk of the mortgage, and ultimately encourages affordable housing lending activities that may not otherwise take place. Documentary stamp tax collections distributed to the State Housing Trust Fund are used for debt service payment on the bonds issued to capitalize the Guarantee Program. More detailed information is provided in an attachment to this overview.

#### **HOME Investment Partnerships Program**

The federal HOME Program provides non-amortizing, low interest rate loans to developers of affordable housing who acquire, rehabilitate, or construct rental housing for low-income families. Loans are offered at the simple interest rate of zero percent to nonprofit applicants and three percent to for profit applicants. Florida Housing's HOME program is designed for smaller developments in rural areas, but also targets such special needs as migrant farmworker housing, and housing for those with special needs.

#### **State Apartment Incentive Loan Program**

The State Apartment Incentive Loan (SAIL) Program is state-funded and provides non-amortizing, low-interest loans on a competitive basis to developers of affordable rental housing each year. SAIL funds provide gap financing that leverages federal mortgage revenue bonds and allows developers to obtain the full financing needed to construct affordable multifamily units. SAIL dollars are available to individuals, public entities, and



nonprofit or for profit organizations for the construction or substantial rehabilitation of multifamily units. Special consideration is given to properties that target specific demographic groups such as elders, homeless people, farmworkers, and commercial fishing workers. Statutory changes and specific appropriations over the last three years have allowed Florida Housing to begin serving extremely low income households with this program.

### **Elderly Housing Community Loan Program**

A portion of State Apartment Incentive Loan funds is set aside to fund the Elderly Housing Community Loan (EHCL) Program. This program provides loans of up to \$750,000 to make substantial improvements to existing affordable elderly rental housing. The EHCL Program generally has one competitive funding cycle each year and the application period is open for a minimum of 60 days. These funds are available for the purpose of making building preservation, sanitation repairs or improvements required by federal, state or local regulation codes, and for life safety or security related improvements.

### **Low Income Housing Tax Credits**

Through a population-based allocation to all states, the competitive Low Income Housing Tax Credit Program provides for profit and nonprofit organizations with a dollar-for-dollar reduction in federal tax liability in exchange for the acquisition and substantial rehabilitation, substantial rehabilitation alone, or new construction of affordable rental housing units. Affordable housing developers sell these tax credits to large investors and use the cash from the sale to infuse equity into the construction of the property, lessening the need for additional debt. Florida Housing gives special consideration in its application process to properties that target specific demographic groups such as homeless people and farmworkers. Consideration is also given to properties that target geographic designations such as the Florida Keys, rural areas, urban infill areas, and preservation of existing affordable housing.

### **Special Programs**

#### **State Housing Initiatives Partnership Program**

The State Housing Initiatives Partnership (SHIP) Program provides state funds to local governments on a population-based formula as an incentive to produce and preserve affordable housing for very low-, low-, and moderate-income families. These funds are derived from the collection of documentary stamp tax revenues which are deposited into the Local Government Housing Trust Fund. SHIP funds are distributed on an entitlement basis to all 67 counties and 51 Community Development Block Grant entitlement cities in Florida. The minimum allocation per county is \$350,000, and at least 65 percent of funds must be used for homeownership. SHIP dollars may be used to fund such strategies as emergency repairs, new construction, rehabilitation, downpayment and closing cost assistance, impact fees, property acquisition, matching dollars for federal programs, and homeownership counseling. Each participating local government may use up to ten percent of its SHIP funds for administrative expenses.

### **Predevelopment Loan Program**

The state funded Predevelopment Loan Program assists nonprofit and community based organizations, local governments, and public housing authorities with planning, financing, and developing affordable housing. Eligible organizations may apply for a loan of up to \$750,000 for predevelopment activities, such as rezoning, title searches, engineering and legal fees, impact fees, appraisals, feasibility analyses, earnest money deposits, commitment fees, and land acquisition expenses. Technical assistance is also provided.

### **Demonstration Loans**

Florida Housing issues demonstration loans under the authority of Section 420.507(41), Florida Statutes. Demonstration loans are issued through a request for proposals (RFP) process one or more times throughout the year. Each RFP is developed to address a certain type of special needs housing. Demonstration loans have been approved for housing for such populations as homeless people, frail elders, farmworkers, people with disabilities, youth aging out of foster care, and victims of domestic violence.

### **Affordable Housing Catalyst Program**

The Affordable Housing Catalyst Program provides on-site and telephone technical assistance and training statewide on affordable housing programs being implemented in Florida. This technical assistance includes assisting agencies in leveraging those dollars with other public and private funding sources, financing and developing affordable housing, working effectively with lending institutions, implementing regulatory reform, training for boards of directors, implementing rehabilitation and emergency repair programs, assisting with the design and establishment of fiscal and program tracking systems, and compliance requirements of state and federally funded housing programs. Workshops are conducted throughout the year at locations around the state. The program is targeted to local governments and nonprofit organizations.

### **Preservation Rehabilitation Pilot Program**

The 2008 Legislature appropriated \$10 million for a preservation rehabilitation pilot to target rental properties in Pasco, Orange and Palm Beach counties that receive or have received funding from any federal or state housing program. The legislation calls for the funding to be leveraged by intermediaries by at least 4:1, as feasible. Florida Housing is developing the parameters of the pilot to be implemented in late 2008.

### **Hurricane Housing Recovery Programs**

The eight hurricanes that hit Florida in 2004 and 2005 damaged approximately one million homes. As part of Florida's response, Governor Bush created the Hurricane Housing Work Group, which made recommendations in February 2005 for the appropriation of hurricane housing recovery funds. During the 2005 legislative session, the Florida Legislature approved \$250 million in funding for some of these recommendations, including a locally-administered Hurricane Housing Recovery Program (HHRP), funded at \$208 million, and the Rental Recovery Loan Program (RRLP), funded at \$42 million.

In 2006, the Legislature appropriated another \$92.9 million for RRLP and \$15 million to fund two additional hurricane housing recovery programs recommended by the Hurricane Housing Work Group, the Farmworker Housing Recovery Program and the Special Housing Assistance and Development Program. To assist communities with the special strategies designed for hurricane recovery, \$100,000 was appropriated for additional technical assistance.

Florida Housing is in its last year of administering this disaster funding.

### **Hurricane Housing Recovery Program**

The state-funded \$208 million Hurricane Housing Recovery Program was established to enable local governments impacted by the 2004 hurricanes to develop and implement long-term affordable housing strategies for their communities. The Hurricane Housing Work Group created a SHIP-like program with greater flexibility to address recovery needs and identified 28 counties that would be eligible for funding through this program, with recommended funding levels for each county. The Legislature made those funds available on July 1, 2005. Local governments developed and submitted disaster recovery plans to Florida Housing that outlined how their funding would be spent. Local governments are currently in varying stages of rebuilding and recovery using HHRP funds.

### **Rental Recovery Loan Program**

The state-funded Rental Recovery Loan Program has made funds available to affordable housing developers in 2005 and 2006 as a means of leveraging existing federal mortgage revenue bond authority, which is too expensive to use in today's market without additional gap financing. The goal of this program is to facilitate the production of additional affordable rental housing stock in areas hurt by the hurricanes.

### **Farmworker Housing Recovery Program and Special Housing Assistance and Development Program**

The \$15 million in state funds for the Farmworker Housing Recovery Program and the Special Housing Assistance and Development Program provides financing for the construction and rehabilitation of smaller rental developments for farmworkers, with special targeting to migrant farmworkers, and hard-to-serve populations such as people with disabilities, frail elders and homeless people. Funds will be awarded on a competitive basis through an application process to finance housing provided by nonprofits, public housing authorities and other housing providers. Based on the Hurricane Housing Work Group's recommendations, the farmworker funding encourages partnerships with nonprofits, farmers, growers, local governments, trade associations or other organizations that can share in the cost of providing this housing. For farmworkers unaccompanied by their families, rents may be based on "beds" as necessary and paid daily, weekly, or monthly. Loans for both programs may be forgivable in certain situations.

### **Workforce Housing**

#### **Community Workforce Housing Innovation Pilot Program**

The 2006 and 2007 Legislatures provided pilot funding for an affordable housing pilot program called the Community Workforce Housing Innovation Pilot Program (CWHIP). Florida Housing awarded these funds on a competitive basis to public-private entities seeking to build affordable housing for Florida's workforce. The \$50 million appropriated in 2006 was awarded in January 2007 to eleven projects that will provide a total of 991 homes – 774 home ownership units and 217 rental units. The 2007 funding equaled \$62.4 million and was awarded early in 2008 to fund 935 homes, all including green features of some sort.

CWHIP promotes the creation of public-private partnerships to finance, build and manage workforce housing and requires the coordinated efforts of all levels of government as well as private sector developers, financiers, business interests and service providers. The program requires that 50 percent of the units built using CWHIP funds be targeted to "essential services personnel," to be defined in local SHIP plans. In addition, 80 percent of the units built using CWHIP must be available to households earning incomes at or below 140 percent of AMI.

Eligible Counties:

- High cost counties (relative cost to purchase a home compared to incomes);
- High growth counties; and
- Counties willing to make regulatory changes and financial investments in affordable housing.

### **Other Initiatives**

#### **Affordable Housing Study Commission**

In 1986, the Affordable Housing Study Commission was statutorily created as a standing commission to evaluate affordable housing policy issues and programs. Each year the Commission recommends public policy changes to the Governor and Legislature to stimulate community development and revitalization and promote the production, preservation and maintenance of decent, affordable housing for all Floridians. Section 420.609, Florida Statutes, specifies the make-up of the commission, whose 21 members are appointed by the Governor. Florida Housing provides administrative support to the commission.

#### **Web-Based Affordable Rental Locator for the Public ([FloridaHousingSearch.org](http://FloridaHousingSearch.org))**

Florida Housing contracted beginning in 2006 with a service provider to create and manage a free, web-based affordable rental housing locator that will ultimately provide easy, one-stop search capacity for affordable rental housing in Florida, with the goal to list all affordable units in the future. The site provides detailed information on units, amenities, accessible features, and rents, along with mapping capabilities that allow prospective tenants to search for housing near schools or places of employment. The site will become an important resource as the state continues to face active hurricane seasons that leave thousands of people searching for available, affordable housing.

#### **The Florida Housing Data Clearinghouse ([flhousingdata.shimberg.ufl.edu](http://flhousingdata.shimberg.ufl.edu))**

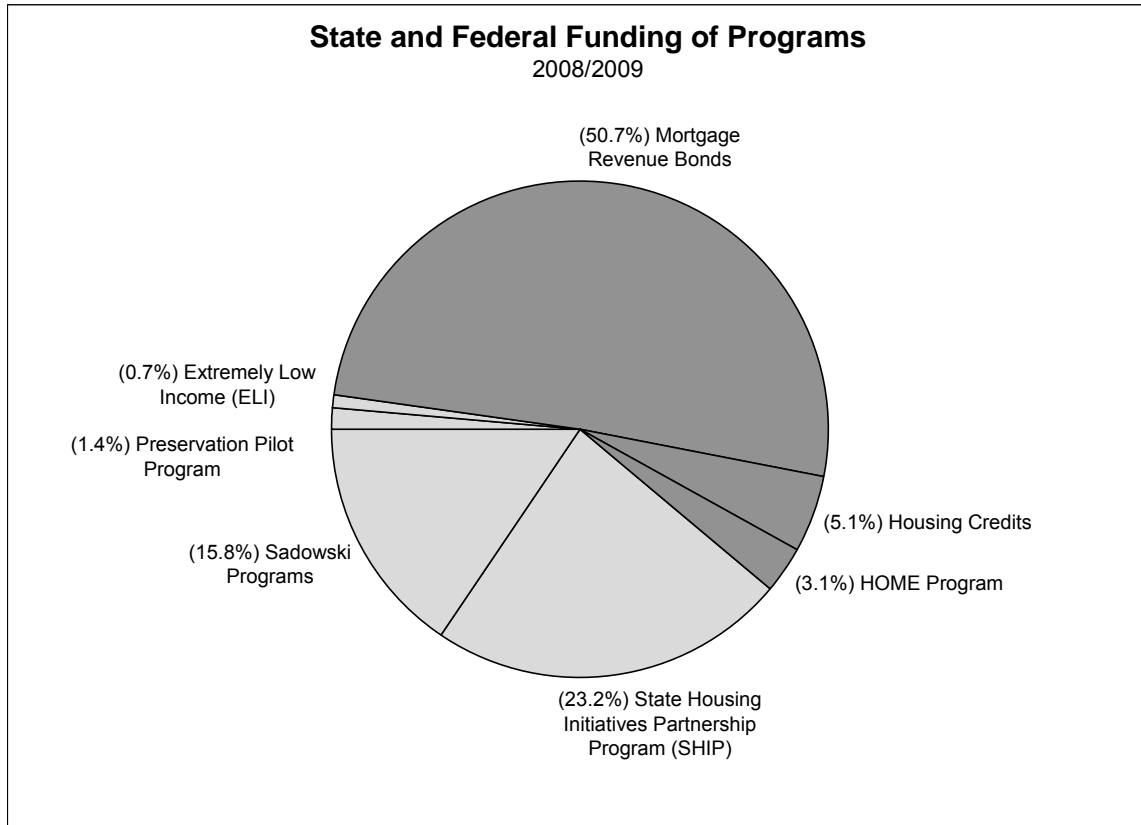
The Housing Data Clearinghouse was created in 2001 to provide the public with access to data on housing need and supply from a variety of sources. The Clearinghouse generally accomplishes this through two main functions: providing housing data and products using data; and building and maintaining a “data warehouse” to store collected information. The Clearinghouse is managed by the Shimberg Center for Affordable Housing at the University of Florida under contract with Florida Housing and is funded through allocations from the State Housing Trust Fund and the Local Government Housing Trust Fund. A range of data and reports are available to a variety of users, including local governments, community-based organizations, developers and state government.

### **Annual Homebuyer Expo**

As part of encouraging homebuyer education and counseling, Florida Housing hosts an annual homebuyer expo in Central Florida. This expo connects prospective first-time homebuyers with affordable housing lenders, Realtors, credit counselors and other organizations. Florida Housing’s 2008 Homebuyer Expo attracted over 100 exhibitors and close to 4,000 consumers in a one-stop shopping atmosphere of affordable housing tools and resources. Consumers have access to free credit reports and counseling, information on local, state and federal affordable housing programs and onsite training and workshops. Florida Housing’s homebuyer expo partners include credit counseling agencies, lending institutions and various local, state and federal agencies.

# STATE AND FEDERAL AFFORDABLE HOUSING RESOURCES

## 2008/2009 State and Federal Affordable Housing Resources Administered by Florida Housing Finance Corporation



Note: Total Funding for 2008/2009 equals: \$716,035,371

### **History of Housing Trust Fund Appropriations**

The table on the next page provides a summary of state appropriations for housing programs from Fiscal Year 2005-06 through the next Fiscal Year 2008-09. A thorough history of housing trust fund appropriations from Fiscal Year 1992-93 through 2008-09 is provided on the following page.

## Four Year History of Housing Trust Fund Appropriations

|  | 2005/2006<br>actual<br>collections | 2006/2007<br>actual<br>collections | 2007/2008<br>actual<br>collections | 2008/2009<br>estimated<br>collections |
|--|------------------------------------|------------------------------------|------------------------------------|---------------------------------------|
| <b>State Housing Trust Fund</b>            | \$ 181,400,000                     | \$ 135,400,000                     | \$ 70,500,000                      | \$ 70,500,000                         |
| <b>Local Government Housing Trust Fund</b> | \$ 424,800,000                     | \$ 317,000,000                     | \$ 172,500,000                     | \$ 172,500,000                        |
| <b>Total collections</b>                   | \$ 606,200,000                     | \$ 452,400,000                     | \$ 243,000,000                     | \$ 243,000,000                        |

Documentary stamp taxes deposited to State and Local Government Housing Trust Funds pursuant to s 201.15 FS

Capped

Capped

|  | 2005/2006             | 2006/2007             | 2007/2008   | 2008/2009                          |
|--|-----------------------|-----------------------|---|------------------------------------|
|  | Budget received       | Budget received       | Budget received   | Budget received                    |
| <b>State Housing Trust Fund<br/>Florida Housing Programs:</b>  |                       |                       | Conference Report<br>on SB 2800 &<br>Conference Report<br>on HB 7009<br>(Special<br>Appropriations) | Conference<br>Report on<br>HB 5001 |
| State Apartment Incentive Loan (SAIL),<br>Homeownership Assistance (HAP), Predevelopment<br>(PLP), HOME Match, Guarantee Fund Debt Service,<br>Housing Data Clearinghouse, Affordable Housing<br>Study Commission, Catalyst Program, ELI, GRSC | \$ 55,906,623         | \$ 70,500,000         | \$ 155,500,000  | \$ 95,500,000                      |
| Administration   | -                     | -                     | -   | -                                  |
| Transfer to GR for Community<br>Contribution Tax Credit Program  |                       |                       |   | 2,500,000                          |
| Affordable Housing for Hurricane<br>Recovery   | 74,500,000            | 62,100,000            | -   | -                                  |
| <b>Total Florida Housing</b>   | <b>\$ 130,406,623</b> | <b>\$ 132,600,000</b> | <b>\$ 155,500,000</b>   | <b>\$ 98,000,000</b>               |
| Sweep to Working Capital Trust Fund  | \$ -                  | \$ -                  | \$ -  | \$ 15,000,000                      |
| <b>Local Government Housing<br/>Trust Fund</b>   |                       |                       |   |                                    |
| SHIP   | \$ 130,886,000        | \$ 166,400,000        | \$ 166,183,500  | \$ 166,183,500                     |
| Compliance Monitoring  | 200,000               | 200,000               | 416,500   | 416,500                            |
| Affordable Housing for Hurricane<br>Recovery   | 175,500,000           | 75,900,000            | -   | -                                  |
| CWHIP  |                       | 50,000,000            | 62,400,000  | -                                  |
| Preservation Pilot Program   |                       |                       |   | 10,000,000                         |
| SAIL   |                       |                       |   | 22,500,000                         |
| <b>Total Florida Housing</b>   | <b>\$ 306,586,000</b> | <b>\$ 292,500,000</b> | <b>\$ 229,000,000</b>   | <b>\$ 199,100,000</b>              |
| Transfer to DCF for Homeless Programs  | \$ 5,900,000          | \$ 7,900,000          | \$ 5,900,000  | \$ 5,900,000                       |
| Sweep to Working Capital Trust Fund  | \$ -                  | \$ -                  | \$ -  | \$ 235,000,000                     |
| <b>Total Florida Housing Appropriation</b>   | <b>\$ 442,892,623</b> | <b>\$ 433,000,000</b> | <b>\$ 390,400,000</b>   | <b>\$ 303,000,000</b>              |
| Continuing programs  | \$ 192,892,623        | \$ 245,000,000        | \$ 328,000,000  | \$ 268,000,000                     |
| Hurricane funding  | \$ 250,000,000        | \$ 138,000,000        | \$ -  | \$ -                               |
| <b>Total Sweeps to General Revenue</b>   | <b>\$ -</b>           | <b>\$ -</b>           | <b>\$ -</b>   | <b>\$ 250,000,000</b>              |



Florida Housing Documentary Stamp Tax Appropriations

|  | 1992 / 1993          | 1993 / 1994          | 1994 / 1995          | 1995 / 1996           | 1996 / 1997           | 1997 / 1998           | 1998 / 1999           | 1999 / 2000           | 2000 / 2001           | 2001 / 2002           |
|--|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>State Housing Trust Fund</b>            |                      |                      |                      |                       |                       |                       |                       |                       |                       |                       |
| State Apartment Incentive Loan (SAIL)      | \$ 11,500,000        | \$ 14,800,000        | \$ 15,200,000        | \$ 23,323,550         | \$ 26,600,000         | \$ 24,230,629         | \$ 30,783,734         | \$ 30,085,000         | \$ 36,470,000         | \$ 48,530,000         |
| Homeownership Assistance (HAP)             | 2,000,000            | 3,000,000            | 3,000,000            | 3,588,400             | 4,000,000             | 3,000,000             | 6,221,600             | 5,000,000             | 6,000,000             | 5,000,000             |
| HOME Investment Partnerships (HOME)        | 2,000,000            | 2,950,000            | 2,000,000            | 744,200               | 2,000,000             | 1,500,000             | 2,488,800             | 2,000,000             | 2,000,000             | 2,000,000             |
| Predevelopment Loan (PLP)                  | 750,000              | 500,000              | 500,000              | 1,794,200             | 2,000,000             | 1,000,000             | 1,244,000             | 1,000,000             | 1,500,000             | 2,000,000             |
| Guarantee Fund Debt Service                | 1,100,000            | 750,000              | 2,000,000            | 2,000,000             | 2,000,000             | 2,000,000             | 2,000,000             | 2,000,000             | 2,000,000             | 3,865,000             |
| Project Independence                       | -                    | -                    | -                    | 750,000               | -                     | -                     | -                     | -                     | -                     | -                     |
| Soldiers to Scholars                       | -                    | -                    | -                    | 300,000               | -                     | -                     | -                     | -                     | -                     | -                     |
| Guarantee Program Feasibility Study        | 100,000              | -                    | -                    | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| SHIP Compliance Monitoring                 | -                    | -                    | -                    | -                     | -                     | 200,000               | -                     | -                     | -                     | -                     |
| <b>TOTAL SHTF</b>                          | <b>\$ 17,450,000</b> | <b>\$ 22,000,000</b> | <b>\$ 22,700,000</b> | <b>\$ 32,500,350</b>  | <b>\$ 36,600,000</b>  | <b>\$ 31,930,629</b>  | <b>\$ 42,738,134</b>  | <b>\$ 40,085,000</b>  | <b>\$ 47,970,000</b>  | <b>\$ 61,395,000</b>  |
| <b>Local Government Housing Trust Fund</b> |                      |                      |                      |                       |                       |                       |                       |                       |                       |                       |
| SHIP                                       | \$ 18,750,000        | \$ 25,000,000        | \$ 26,500,000        | \$ 79,000,000         | \$ 86,581,488         | \$ 86,700,000         | \$ 124,200,000        | \$ 143,890,000        | \$ 136,100,000        | \$ 126,600,000        |
| Department of Children & Families          | -                    | -                    | -                    | -                     | 900,000               | 900,000               | 900,000               | 900,000               | 900,000               | 5,900,000             |
| Hurricane Opal Disaster Relief             | -                    | -                    | -                    | -                     | 1,750,000             | -                     | -                     | -                     | -                     | -                     |
| SHIP Compliance Monitoring                 | -                    | -                    | -                    | -                     | -                     | -                     | 200,000               | 200,000               | 200,000               | 200,000               |
| <b>TOTAL LGHTF</b>                         | <b>\$ 18,750,000</b> | <b>\$ 25,000,000</b> | <b>\$ 26,500,000</b> | <b>\$ 79,000,000</b>  | <b>\$ 89,231,488</b>  | <b>\$ 87,600,000</b>  | <b>\$ 125,300,000</b> | <b>\$ 144,990,000</b> | <b>\$ 137,200,000</b> | <b>\$ 132,700,000</b> |
| <b>Total SHTF &amp; LGHTF</b>              | <b>\$ 36,200,000</b> | <b>\$ 47,000,000</b> | <b>\$ 49,200,000</b> | <b>\$ 111,500,350</b> | <b>\$ 125,831,488</b> | <b>\$ 119,530,629</b> | <b>\$ 168,038,134</b> | <b>\$ 185,075,000</b> | <b>\$ 185,170,000</b> | <b>\$ 194,095,000</b> |

| PROGRAM NAME                                   | 2002 / 2003           | 2003 / 2004           | 2004 / 2005           | 2005 / 2006           | 2006 / 2007           | 2007 / 2008           | 2008 / 2009           | Reallocated      |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------|
| <b>State Housing Trust Fund</b>                |                       |                       |                       |                       |                       |                       |                       |                  |
| State Apartment Incentive Loan (SAIL)          | \$ 66,048,812         | \$ 43,978,769         | \$ 46,658,090         | \$ 48,411,461         | \$ 55,102,200         | \$ 115,000,000        | \$ 50,000,000         | \$ (101,500,900) |
| Homeownership Assistance (HAP)                 | -                     | 3,000,000             | 3,000,000             | -                     | 8,000,000             | 18,087,200            | 20,000,000            | 88,500,900       |
| Predevelopment Loan (PLP)                      | 4,000,000             | 2,000,000             | -                     | -                     | -                     | -                     | -                     | -                |
| Guarantee Fund Debt Service                    | 5,400,000             | 5,400,000             | 5,400,000             | 6,400,000             | 6,400,000             | 6,400,000             | -                     | -                |
| Affordable Housing Study Commission            | -                     | -                     | 48,100                | 280,000               | 175,000               | 175,000               | -                     | -                |
| Catalyst Program                               | -                     | -                     | 672,800               | 672,800               | 672,800               | 672,800               | -                     | -                |
| Housing Data Clearinghouse                     | 126,455               | 129,498               | 127,633               | 142,362               | 150,000               | 165,000               | -                     | -                |
| Hurricane Funding                              | -                     | -                     | -                     | 74,500,000            | 17,000,000            | -                     | -                     | -                |
| Farmworker & Special Needs                     | -                     | -                     | -                     | -                     | 15,000,000            | -                     | -                     | -                |
| ELI  | -                     | -                     | -                     | -                     | 30,000,000            | 15,000,000            | 5,000,000             | 13,000,000       |
| Technical Assistance                           | -                     | -                     | -                     | -                     | 100,000               | -                     | -                     | -                |
| To be allocated by Board                       | -                     | -                     | -                     | -                     | -                     | (7,423,862)           | 20,500,000            | -                |
| <b>TOTAL SHTF</b>                              | <b>\$ 75,575,267</b>  | <b>\$ 54,508,267</b>  | <b>\$ 55,906,623</b>  | <b>\$ 130,406,623</b> | <b>\$ 132,600,000</b> | <b>\$ 148,076,138</b> | <b>\$ 95,500,000</b>  | <b>\$ -</b>      |
| <b>Local Government Housing Trust Fund</b>     |                       |                       |                       |                       |                       |                       |                       |                  |
| SHIP   | \$ 163,443,545        | \$ 130,756,501        | \$ 130,758,367        | \$ 130,726,637        | \$ 166,250,000        | \$ 166,018,500        | \$ 166,018,500        | \$ -             |
| Department of Children & Families              | 5,900,000             | 5,900,000             | 5,900,000             | 5,900,000             | 7,900,000             | 5,900,000             | 5,900,000             | -                |
| SHIP Compliance Monitoring                     | 200,000               | 200,000               | 200,000               | 200,000               | 200,000               | 416,500               | 416,500               | -                |
| Housing Data Clearinghouse                     | 126,455               | 129,499               | 127,633               | 159,363               | 150,000               | 165,000               | 165,000               | -                |
| Hurricane Funding                              | -                     | -                     | -                     | 175,500,000           | 75,900,000            | -                     | -                     | -                |
| Community Workforce Housing Initiative (CWHIP) | -                     | -                     | -                     | -                     | 50,000,000            | 62,400,000            | -                     | -                |
| Preservation Pilot Program                     | -                     | -                     | -                     | -                     | -                     | -                     | 10,000,000            | -                |
| SAIL   | -                     | -                     | -                     | -                     | -                     | -                     | 22,500,000            | -                |
| <b>TOTAL</b>                                   | <b>\$ 169,670,000</b> | <b>\$ 136,986,000</b> | <b>\$ 136,986,000</b> | <b>\$ 312,486,000</b> | <b>\$ 300,400,000</b> | <b>\$ 234,900,000</b> | <b>\$ 205,000,000</b> | <b>\$ -</b>      |
| <b>Total SHTF &amp; LGHTF</b>                  | <b>\$ 245,245,267</b> | <b>\$ 191,494,267</b> | <b>\$ 192,892,623</b> | <b>\$ 442,892,623</b> | <b>\$ 433,000,000</b> | <b>\$ 382,976,138</b> | <b>\$ 300,500,000</b> | <b>\$ -</b>      |

## **HOW FLORIDA HOUSING FINANCE CORPORATION MAKES RESOURCE ALLOCATION DECISIONS**

Florida Housing targets funding to specific populations and geographic areas of the state based on a number of factors. Federal and state programs target all or a portion of funds to households at or below income levels set by each program. For instance, the federal Low Income Housing Tax Credit Program requires that a minimum of 40 percent of rental units in an apartment complex be set aside for families with incomes at or below 60 percent of AMI, or 20 percent of units at 50 percent of AMI. Other federal rental programs are similar.

Based on housing need data, Florida Housing may adopt stricter set-asides and require even lower income households to be targeted. Moreover, Florida Housing has targeted funds to geographic areas of particular concern, such as the Florida Keys, Front Porch Florida communities, rural areas, or urban infill areas, based on need and state priorities.

Statutory requirements for the state-funded SAIL Program specify how funds will be distributed across counties by population size and across demographic populations, including homeless people, elders, farmworkers, commercial fishing workers and families. The SAIL statute requires Florida Housing to carry out a rental market study every three years to make the above determinations, and Florida Housing has also found the study useful in setting funding priorities for other rental programs. Attachment 1 on page 23 shows a summary of some of the key data from the last study – the number of lower income renter households by county groups that paid more than 40 percent of their income for rental housing in 2007, the last year the rental market study was prepared.

On the homeownership side, Florida Housing follows federal targeting requirements tied to income, allowing us to provide financing to households with incomes as high as 115 percent of AMI (note that some federal eligibility requirements have been waived for households in the “Wilma GO Zone” to promote hurricane housing recovery – through 2010, households in these areas with incomes at or below 140 percent of AMI may participate in the First Time Home Buyer Program, and other eligibility requirements have also been changed for this area of the state).

Florida Housing also relies on external and staff-generated need studies to continually measure needs and impacts across the state. For example, data provided in Attachment 2 were compiled by the Shimberg Center for Affordable Housing at the University of Florida and analyzed by Florida Housing staff to assist us in comparing households’ abilities to purchase homes in each county throughout the state. This information helped Florida Housing establish “high cost areas” as required to implement the Community Workforce Housing Innovation Pilot Program.

Along with the Governor, Legislature and others, Florida Housing also relies on in-depth studies of current state policy concerns that are carried out by Florida’s Affordable Housing Study Commission. These annual reports include analysis along with policy and program

recommendations for local and state legislative and administrative implementation. Attachment 3 provides an example of recent data compilation carried out by the Commission for its 2006 report on preserving affordable multifamily rental housing.

Continuing input from stakeholders provides context and direction to Florida Housing's Board and staff. Interested parties are encouraged to provide comments and critiques of our programs by mail, phone, personal contact, and public meetings that are held regularly each year as we modify programs to respond to changing policies and market conditions. Florida Housing staff also attends conferences and meetings to learn about issues impacting the financing and development of affordable housing and monitor stakeholder concerns.

Florida Housing's Board and staff are constantly analyzing data and seeking input on financial and economic conditions and trends and balancing this information with the range of housing needs to provide a set of balanced programs to finance affordable housing in an economically feasible manner.

### **Process for Allocation and Awards of Program Resources**

The Florida Housing Board and staff strive to allocate resources in a fair, open and rational way that is stable, predictable and user-friendly for the many participants in our programs and processes.

On the rental side, once the Board of Directors has approved modifications to program rules and attendant funding applications created through a public process (generally done each year to respond to changing market conditions), they are filed with the Department of State and become formal administrative rules of the corporation.

The competitive rental application and scoring process were redesigned several years ago to be transparent and to ensure that applicants have an opportunity to comment on and participate in the scoring process as it moves forward pursuant to Chapter 120, Florida Statutes. In 2002, the application was substantially redesigned to make it less complicated to complete, to focus the scoring more on substance rather than form, to create a framework that was better suited for using from year to year as policy changes were implemented and to allow for the applications to be submitted online. While the opportunities for applicants to comment on and challenge scoring at various stages throughout the process have created a longer scoring period, the result has been that the overall process is less likely to be impacted by administrative hearings on the back end. Typically Florida Housing's Universal Application Cycle for its primary rental programs opens in February and final awards are made by the Board in August each year.

On the homeownership side, participating lenders throughout the state originate mortgages through the First Time Home Buyer Program to homebuyers on a first come, first served basis according to federal and state regulations and indenture criteria. Through Florida Housing's Home Ownership Pool Program, builders must apply to reserve downpayment assistance for their buyers.

The allocation process for the state-funded SHIP Program is spelled out in statute. SHIP funds are distributed to counties and eligible cities on a population-based formula. Locales must follow statutory and administrative rule requirements in the disbursement of funds, but the program's premise is to allow local governments to set their own priorities within these guidelines according to local need.

From time to time, Florida Housing also uses a Request for Proposals process to award funding to develop housing. This process is used most often when the need arises to fund housing that is not traditionally served through mainstream funding channels. An example is Florida Housing's RFP in early 2006 for housing for youth aging out of foster care.

All of these allocation processes are set up to meet statutory and administrative rule requirements, taking public comment into consideration on the front end and providing the opportunity for applicants to comment on and even challenge the scoring process and funding awards on the back end.

**Attachment 1: Number of Renter Households in Florida Estimated to Have Cost Burdens of More than 40% in 2007**

| County Groups   | 0-30% AMI      |                  | 30.01-80% AMI  |                  | 80.01-120% AMI |                  | 120%+ AMI     |                  | TOTAL HOUSEHOLDS |                  |                 |
|---|----------------|------------------|----------------|------------------|----------------|------------------|---------------|------------------|------------------|------------------|-----------------|
|   | Cost Burdened  | Total Households | Cost Burdened  | Total Households | Cost Burdened  | Total Households | Cost Burdened | Total Households | Cost Burdened    | Total Households | % Cost Burdened |
| Baker, Bradford, Citrus, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Sumter, Suwannee & Union counties | 3,553          | 4,920            | 3,841          | 10,904           | 51             | 7,824            | 0             | 7,236            | 7,445            | 30,884           | 24.1%           |
| Flagler, Volusia & Putnam counties  | 7,031          | 11,292           | 10,235         | 23,635           | 636            | 11,681           | 140           | 13,943           | 18,042           | 60,551           | 29.8%           |
| Lee & Collier counties  | 7,410          | 10,386           | 16,125         | 37,122           | 1,290          | 20,892           | 454           | 22,595           | 25,279           | 90,995           | 27.8%           |
| Martin, St Lucie, Indian River & Okeechobee counties  | 5,765          | 8,375            | 8,775          | 16,316           | 1,662          | 14,016           | 528           | 11,628           | 16,730           | 50,335           | 33.2%           |
| Okaloosa, Escambia & Santa Rosa counties  | 11,306         | 15,799           | 7,696          | 28,572           | 1,110          | 13,675           | 174           | 14,318           | 20,286           | 72,364           | 28.0%           |
| Broward County  | 26,921         | 34,789           | 43,659         | 77,588           | 5,731          | 48,783           | 1,371         | 52,735           | 77,682           | 213,895          | 36.3%           |
| Alachua & Marion counties   | 6,132          | 9,029            | 7,434          | 18,484           | 918            | 10,870           | 44            | 14,272           | 14,528           | 52,655           | 27.6%           |
| Clay, Duval, Nassau & St. Johns counties  | 19,184         | 30,551           | 19,248         | 62,295           | 1,075          | 31,579           | 206           | 30,981           | 39,713           | 155,406          | 25.6%           |
| DeSoto, Glades, Hardee, Hendry, Highlands & Polk counties   | 8,195          | 9,917            | 12,631         | 27,330           | 738            | 17,146           | 0             | 19,880           | 21,564           | 74,273           | 29.0%           |
| Brevard County  | 8,404          | 10,667           | 11,340         | 24,774           | 1,302          | 9,462            | 164           | 10,925           | 21,210           | 55,828           | 38.0%           |
| Miami Dade & Monroe counties  | 50,667         | 77,502           | 78,493         | 124,417          | 12,335         | 73,321           | 2,539         | 80,820           | 144,034          | 356,060          | 40.5%           |
| Lake, Orange, Osceola & Seminole counties   | 27,652         | 36,117           | 48,556         | 95,425           | 4,101          | 57,944           | 479           | 54,299           | 80,788           | 243,785          | 33.1%           |
| Bay, Holmes, Jackson, Walton & Washington counties  | 4,061          | 5,464            | 3,982          | 11,738           | 315            | 6,045            | 0             | 8,112            | 8,358            | 31,359           | 26.7%           |
| Charlotte, Manatee & Sarasota counties  | 11,187         | 13,762           | 14,455         | 31,252           | 1,260          | 15,560           | 632           | 20,049           | 27,534           | 80,623           | 34.2%           |
| Calhoun, Franklin, Gadsden, Gulf, Jefferson, Leon, Liberty, Madison, Taylor & Wakulla counties                    | 5,853          | 8,679            | 3,731          | 16,803           | 356            | 8,229            | 0             | 9,839            | 9,940            | 43,550           | 22.8%           |
| Hernando, Hillsborough, Pasco and Pinellas counties   | 39,562         | 55,246           | 51,556         | 113,462          | 2,613          | 71,865           | 1,478         | 72,992           | 95,209           | 313,565          | 30.4%           |
| Palm Beach County   | 17,988         | 25,867           | 25,349         | 50,695           | 1,994          | 27,242           | 1,235         | 32,182           | 46,566           | 135,986          | 34.2%           |
| <b>TOTAL</b>  | <b>260,871</b> | <b>368,362</b>   | <b>367,106</b> | <b>770,812</b>   | <b>37,487</b>  | <b>446,134</b>   | <b>9,444</b>  | <b>476,806</b>   | <b>674,908</b>   | <b>2,062,114</b> |                 |
|   | <b>70.8%</b>   |                  | <b>47.6%</b>   |                  | <b>8.4%</b>    |                  | <b>2.0%</b>   |                  | <b>32.7%</b>     |                  |                 |

Source: Prepared by Florida Housing Finance Corporation, Sept 2007, from 2001 and 2005 American Community Survey PUMS, Census Bureau; 2000 STF3-PUMS, Census Bureau; Affordable Housing Needs Assessment, Florida Housing Data Clearinghouse.

**Notes:**

- Cost burden refers to those households that spend more than 40 percent of their income on rent and utilities.
- Percentages at the bottom of the page represent the proportion of cost burdened renter households in each income category compared to the total number of rental households in that same income category.
- Note that, of renters in the 0-60 % AMI category -- the general category served by FHFC's rental programs, fully 65.8% are cost burdened.

## Attachment 2: 2006 Gap Between Buying Power and Median Sales Price, by County for Homesteaded Single Family Homes

County property appraiser data are the source for this chart. These data include all single family sales in a year, unlike other data sources which often do not compile all sales (e.g., non-Realtor sales, new home sales). At this time, county appraiser data appear to be the most comprehensive and consistent source of information across the state for the purposes of this pilot program.

| County              | Median Income for Family of 4 | Buying Power (Income x 3) | Median Sales Price | Gap Between Buying Power and Sales Price |
|---------------------|-------------------------------|---------------------------|--------------------|--|
| Monroe County       | \$61,000                      | \$183,000                 | \$525,000          | \$342,000                                |
| Collier County      | \$66,100                      | \$198,300                 | \$455,000          | \$256,700                                |
| Palm Beach County   | \$64,400                      | \$193,200                 | \$399,000          | \$205,800                                |
| Martin County       | \$54,600                      | \$163,800                 | \$348,500          | \$184,700                                |
| Miami-Dade County   | \$55,900                      | \$167,700                 | \$345,000          | \$177,300                                |
| Broward County      | \$60,600                      | \$181,800                 | \$339,000          | \$157,200                                |
| Walton County       | \$45,500                      | \$136,500                 | \$285,000          | \$148,500                                |
| Manatee County      | \$58,400                      | \$175,200                 | \$320,000          | \$144,800                                |
| St. Johns County    | \$60,300                      | \$180,900                 | \$320,000          | \$139,100                                |
| Orange County       | \$57,400                      | \$172,200                 | \$294,000          | \$121,800                                |
| Franklin County     | \$37,400                      | \$112,200                 | \$225,000          | \$112,800                                |
| Seminole County     | \$57,400                      | \$172,200                 | \$284,000          | \$111,800                                |
| Lee County          | \$56,000                      | \$168,000                 | \$275,000          | \$107,000                                |
| Sumter County       | \$44,500                      | \$133,500                 | \$231,650          | \$98,150                                 |
| Sarasota County     | \$58,400                      | \$175,200                 | \$266,500          | \$91,300                                 |
| Osceola County      | \$57,400                      | \$172,200                 | \$263,000          | \$90,800                                 |
| Hillsborough County | \$54,400                      | \$163,200                 | \$252,500          | \$89,300                                 |
| <b>Florida</b>      | <b>\$54,800</b>               | <b>\$164,400</b>          | <b>\$251,200</b>   | <b>\$86,800</b>                          |
| St. Lucie County    | \$54,600                      | \$163,800                 | \$249,000          | \$85,200                                 |
| Lake County         | \$57,400                      | \$172,200                 | \$256,000          | \$83,800                                 |
| Pasco County        | \$54,400                      | \$163,200                 | \$239,600          | \$76,400                                 |
| Flagler County      | \$55,500                      | \$166,500                 | \$241,700          | \$75,200                                 |
| Nassau County       | \$60,300                      | \$180,900                 | \$256,000          | \$75,100                                 |
| Hendry County       | \$41,800                      | \$125,400                 | \$195,000          | \$69,600                                 |
| Volusia County      | \$50,300                      | \$150,900                 | \$220,000          | \$69,100                                 |
| Indian River County | \$55,500                      | \$166,500                 | \$235,000          | \$68,500                                 |
| Charlotte County    | \$50,800                      | \$152,400                 | \$215,000          | \$62,600                                 |
| Pinellas County     | \$54,400                      | \$163,200                 | \$225,000          | \$61,800                                 |
| Polk County         | \$49,500                      | \$148,500                 | \$210,000          | \$61,500                                 |
| Marion County       | \$44,900                      | \$134,700                 | \$195,950          | \$61,250                                 |
| Levy County         | \$36,800                      | \$110,400                 | \$170,000          | \$59,600                                 |
| Bay County          | \$51,600                      | \$154,800                 | \$210,000          | \$55,200                                 |
| Alachua County      | \$54,500                      | \$163,500                 | \$218,300          | \$54,800                                 |
| Brevard County      | \$57,300                      | \$171,900                 | \$225,000          | \$53,100                                 |
| Clay County         | \$60,300                      | \$180,900                 | \$233,100          | \$52,200                                 |
| Santa Rosa County   | \$51,900                      | \$155,700                 | \$204,900          | \$49,200                                 |
| Columbia County     | \$42,900                      | \$128,700                 | \$177,850          | \$49,150                                 |
| Okeechobee County   | \$42,300                      | \$126,900                 | \$172,250          | \$45,350                                 |
| DeSoto County       | \$41,600                      | \$124,800                 | \$170,000          | \$45,200                                 |

(continued on next page)

**Attachment 2: 2006 Gap Between Buying Power and Median Sales Price, by County for Homesteaded Single Family Homes, *continued***

| County            | Median Income for Family of 4 | Buying Power (Income x 3) | Median Sales Price | Gap Between Buying Power and Sales Price |
|-------------------|-------------------------------|---------------------------|--------------------|--|
| Citrus County     | \$44,000                      | \$132,000                 | \$175,000          | \$43,000                                 |
| Glades County     | \$40,700                      | \$122,100                 | \$165,000          | \$42,900                                 |
| Okaloosa County   | \$57,800                      | \$173,400                 | \$215,000          | \$41,600                                 |
| Highlands County  | \$43,400                      | \$130,200                 | \$171,550          | \$41,350                                 |
| Gulf County       | \$43,300                      | \$129,900                 | \$163,000          | \$33,100                                 |
| Baker County      | \$52,500                      | \$157,500                 | \$189,000          | \$31,500                                 |
| Hernando County   | \$54,400                      | \$163,200                 | \$192,900          | \$29,700                                 |
| Suwannee County   | \$40,800                      | \$122,400                 | \$151,225          | \$28,825                                 |
| Union County      | \$44,500                      | \$133,500                 | \$162,250          | \$28,750                                 |
| Leon County       | \$58,500                      | \$175,500                 | \$204,000          | \$28,500                                 |
| Lafayette County  | \$42,400                      | \$127,200                 | \$153,500          | \$26,300                                 |
| Duval County      | \$60,300                      | \$180,900                 | \$206,000          | \$25,100                                 |
| Putnam County     | \$41,500                      | \$124,500                 | \$145,000          | \$20,500                                 |
| Wakulla County    | \$49,400                      | \$148,200                 | \$167,800          | \$19,600                                 |
| Hamilton County   | \$36,500                      | \$109,500                 | \$119,000          | \$9,500                                  |
| Liberty County    | \$41,100                      | \$123,300                 | \$128,750          | \$5,450                                  |
| Bradford County   | \$46,900                      | \$140,700                 | \$145,000          | \$4,300                                  |
| Gilchrist County  | \$54,500                      | \$163,500                 | \$167,450          | \$3,950                                  |
| Hardee County     | \$39,000                      | \$117,000                 | \$118,750          | \$1,750                                  |
| Escambia County   | \$51,900                      | \$155,700                 | \$155,150          | -\$550                                   |
| Jackson County    | \$44,000                      | \$132,000                 | \$131,400          | -\$600                                   |
| Madison County    | \$38,200                      | \$114,600                 | \$110,000          | -\$4,600                                 |
| Washington County | \$39,500                      | \$118,500                 | \$113,000          | -\$5,500                                 |
| Taylor County     | \$41,800                      | \$125,400                 | \$115,000          | -\$10,400                                |
| Dixie County      | \$37,400                      | \$112,200                 | \$100,000          | -\$12,200                                |
| Gadsden County    | \$58,500                      | \$175,500                 | \$157,500          | -\$18,000                                |
| Calhoun County    | \$38,500                      | \$115,500                 | \$95,000           | -\$20,500                                |
| Jefferson County  | \$58,500                      | \$175,500                 | \$154,250          | -\$21,250                                |
| Holmes County     | \$41,300                      | \$123,900                 | \$84,000           | -\$39,900                                |

Source: County Property Appraiser data, Florida Department of Revenue, compiled by The Shimberg Center for Affordable Housing

**NOTES:**

1. Data cover single family sales by county in 2006 for those properties claiming homestead exemption in the following year.
2. Median incomes are provided by the U.S. Dept of Housing and Urban Development for each year. Median incomes refer to the median income for a family of four by Metropolitan Statistical Area (MSA) or non-MSA county.
3. Buying power assumes the family can obtain a mortgage at today's levels of approximately three times (3x) the amount of a family's income. This assumption is an estimate only and does not take into consideration a family's debt obligations, i.e., it assumes zero debt (maximum buying power).
4. The formula for the gap between buying power and median sales price subtracts buying power (i.e., what the family can afford) from the median sales price to determine how much subsidy a family would need to purchase a median price single family home. Then counties were placed in order from those with the largest gap to those with the smallest gap.

Attachment 3: From the Affordable Housing Study Commission's 2006 Report

**TABLE 1 - When Are AFFORDABILITY PERIODS in Florida's Housing Stock Projected to Expire?**

| PROGRAM   | Total # Units        | Mortgage Already Satisfied <sup>1</sup>  | Next 5 Years   | Next 10 Years  | Next 15 Years  | Next 25 Years  | Next 35 Years  | 36+ Years         |
|---|----------------------|--|----------------|----------------|----------------|----------------|----------------|-------------------|
| <b>FEDERALLY ADMINISTERED PROGRAMS</b>                                    |                      | <b>By 2005</b>   | <b>By 2010</b> | <b>By 2015</b> | <b>By 2020</b> | <b>By 2030</b> | <b>By 2040</b> | <b>After 2040</b> |
| <b>HUD Programs</b>   | <b>52,328</b>        | <b>151</b>   | <b>1,142</b>   | <b>12,553</b>  | <b>4,185</b>   | <b>13,078</b>  | <b>7,953</b>   | <b>994</b>        |
| Section 202   | 24,510               | 0  | 205            | 3,997          | 3,518          | 10,310         | 5,703          | 777               |
| Section 236   | 8,025                | 151  | 136            | 7,294          | 188            | 0              | 256            | 0                 |
| Section 811   | 745                  | 0  | 0              | 0              | 0              | 0              | 528            | 217               |
| Section 221(d)(3) & (4) <sup>2</sup>                                      | 7,471                | 0  | 801            | 1,262          | 479            | 2,768          | 1,466          | 0                 |
| Section 8 (project-based) ONLY <sup>3</sup>                               | 11,577               | <i>This rental assistance is generally provided now via 1-5 year contracts to properties</i> |                |                |                |                |                |                   |
| Rental Assistance (all other HUD types) <sup>4</sup>                      | 16,845               |  |                |                |                |                |                |                   |
| <b>Rural Development</b>  | <b>19,872</b>        | <b>1,945</b>   | <b>4,131</b>   | <b>3,738</b>   | <b>5,540</b>   | <b>3,814</b>   | <b>704</b>     | <b>0</b>          |
| Section 514/516   | 3,934                | 1,355  | 865            | 445            | 221            | 816            | 232            | 0                 |
| Section 515   | 15,938               | 590  | 3,266          | 3,293          | 5,319          | 2,998          | 472            | 0                 |
| Section 521 (project-based rental assistance)                             | 11,171               | <i>This rental assistance is provided via 4-5 year contracts to properties</i>               |                |                |                |                |                |                   |
| <b>STATE ADMINISTERED PROGRAMS</b>  | <b>Total # Units</b> | <b>Affordability Period Expired</b>  | <b>By 2010</b> | <b>By 2015</b> | <b>By 2020</b> | <b>By 2030</b> | <b>By 2040</b> | <b>After 2040</b> |
| <b>Florida Housing Finance Corporation<sup>5</sup></b>                    | <b>155,769</b>       | <b>13,567</b>  | <b>7,257</b>   | <b>755</b>     | <b>582</b>     | <b>24,878</b>  | <b>24,796</b>  | <b>83,934</b>     |
| <b>LOCALLY ADMINISTERED PROGRAMS</b>                                      | <b>Total # Units</b> | <b>Affordability Period Expired</b>  | <b>By 2010</b> | <b>By 2015</b> | <b>By 2020</b> | <b>By 2030</b> | <b>By 2040</b> | <b>After 2040</b> |
| <b>Local Bonds<sup>6</sup></b>  | <b>48,297</b>        | <b>40</b>  | <b>992</b>     | <b>440</b>     | <b>52</b>      | <b>8,457</b>   | <b>12,779</b>  | <b>18,847</b>     |
| Minus Duplication (Units supported by more than one program) <sup>7</sup> | -38,592              | 0  | -564           | -296           | -1,398         | -6,682         | -9,007         | -18,090           |
| <b>TOTAL UNITS EXPIRING OVER TIME<sup>8</sup></b>                         | <b>237,674</b>       | <b>15,703</b>  | <b>12,958</b>  | <b>17,190</b>  | <b>8,961</b>   | <b>43,545</b>  | <b>37,225</b>  | <b>85,685</b>     |

Source: Compiled by the Shimberg Center for Affordable Housing and Florida Housing Finance Corporation, 2005 (updated 2006).



## TABLE 1 - NOTES

<sup>1</sup> "Mortgage already satisfied" means that the mortgage period is complete and the loan has been paid off. These units generally remain part of the affordable housing stock due to the continuing presence of some type of project-based rental assistance.

<sup>2</sup> Mortgage insurance and credit enhancement programs are generally not included here because they simply provide additional support to units financed by the programs listed in this table. The notable exception is the Section 221(d) program in its earlier years, which then provided below market interest rate loans, but now functions solely as a credit enhancement program for bond developments. Note that the unit total for this program includes 695 units with unknown expiration dates. Another 1,954 units also financed through Florida Housing programs are not included in this section, but are included in the Florida Housing unit count later in the table.

<sup>3</sup> In most cases, project-based rental assistance is provided IN ADDITION to some type of mortgage assistance. However, the 11,577 units in this section receive project-based Section 8 alone without any subsidized mortgage or other program assistance. Therefore, their affordability is solely dependent on their Section 8 contracts being renewed, and no attempt is made to show their expiration periods here, for reasons stated in Note #4.

<sup>4</sup> Includes all other HUD project-based rental assistance that is provided in addition to some other type of mortgage or program assistance, including Sections 202, 236, 811, 221(d), 515, Florida Housing, etc. As such, this total adds no additional units to the overall HUD Program unit count, but it does provide perspective on the number of units that are likely serving residents with extremely low incomes. Because most of these contract periods now run five years or less and are typically renewed, no attempt is made to show expiration information over time.

<sup>5</sup> Units financed through all Florida Housing Finance Corporation's mainstream rental programs are simply summarized here, because so many of these units are funded by more than one program. Table 3. provides a break out of units by program.

<sup>6</sup> The Local Bond total shown includes 6,690 units with no available data to determine expiration. The majority of these units, 6,518, are funded only with Local Bonds.

<sup>7</sup> The duplication total includes 2,383 units that receive project-based Section 8 rental assistance AND programmatic assistance from Florida Housing Finance Corporation. Thus while they are part of the total duplication count, they are not categorized by expiration date in cells to the right of the total. It is likely that these units are in older properties that have been refinanced through Florida Housing programs, maintaining the project-based Section 8 rental assistance on the units.

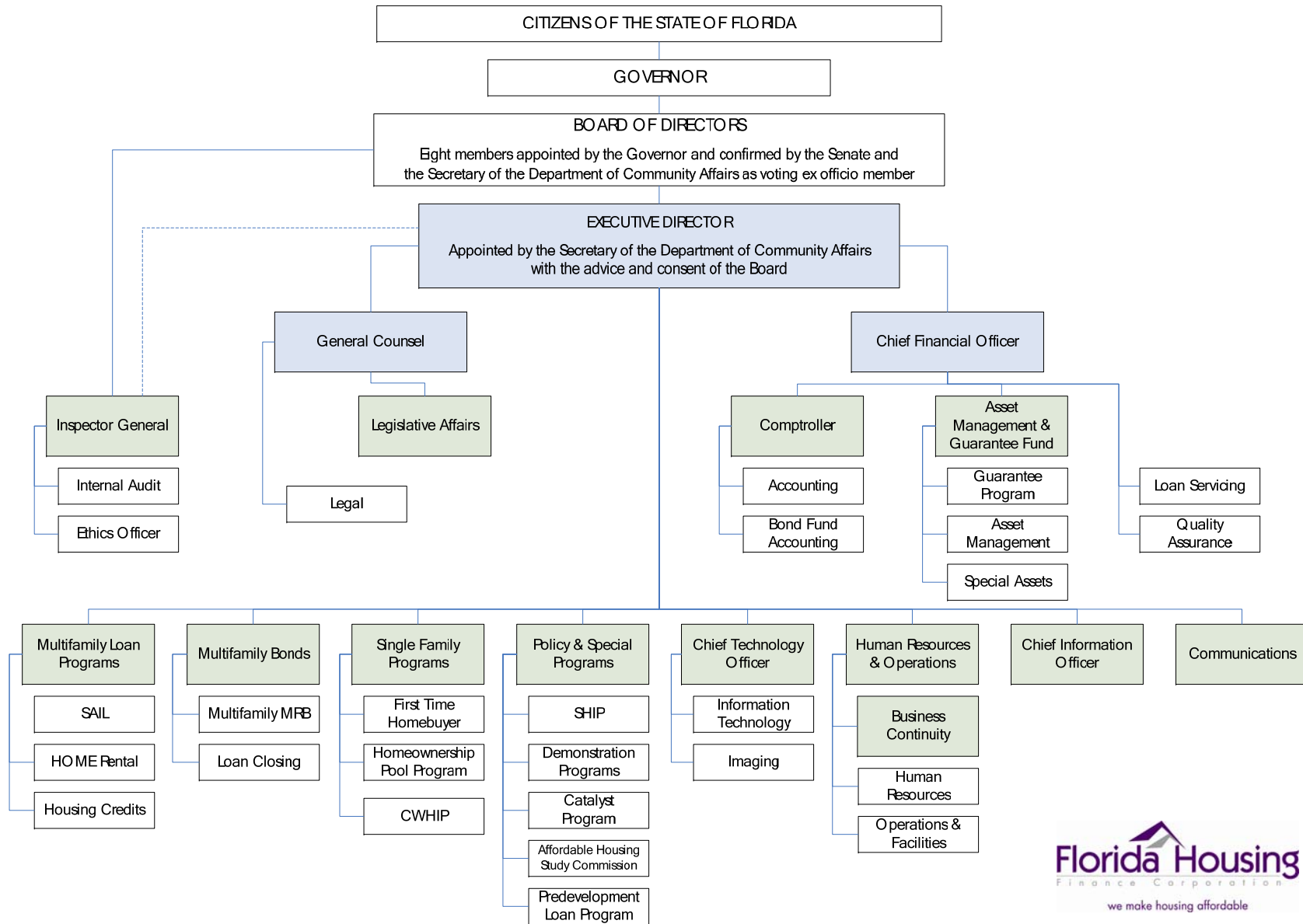
<sup>8</sup> To obtain the totals at the bottom of the table, the numbers in BOLD are summarized, then duplication from program overlap is accounted for by subtracting units funded by more than one program to get the final totals. The overall total number of units is different from the final sum of the subtotals in each expiration period, because a number of units in the total column are not included in the year columns to the right, as outlined in the notes above. The grand total in this table is less than Table 2., because this table does not include public housing, which is owned by government entities and is part of the affordable housing stock until it is demolished. Tenant-based Housing Choice Vouchers (Section 8), which are generally used in the private market, are not included in either table.



**FLORIDA HOUSING  
FINANCE CORPORATION  
OPERATIONS**



# Florida Housing Finance Corporation Organization Chart



## **Florida Housing Finance Corporation's Operations**

In addition to its approximately 130 staff, Florida Housing outsources a number of functions to assist us with the complex real estate and investment transactions we must carry out to administer the housing programs under our purview. Through competitive Requests for Proposals, Florida Housing contracts for the following services:

- Affordable housing locator;
- Arbitrage rebate;
- Auditing;
- Bond counsel;
- Cash flow verification agent;
- Credit underwriting, loan servicing, financial and compliance monitoring;
- Housing Data Clearinghouse;
- Environmental engineering and consultant services;
- Investment bankers;
- Financial advisor;
- Foreclosure prevention counseling training and technical assistance;
- Guaranteed investment contract broker;
- Investment manager;
- Management company;
- Master servicer;
- Real estate brokerage;
- SHIP/HHRP compliance monitoring;
- Technical assistance for predevelopment and development;
- Special counsel;
- Structuring agent; and
- Trustee.

## **Florida Housing Finance Corporation's Operating Budget**

Annually, Florida Housing expends just over \$20 million to administer over \$716 million in program resources. Florida Housing generates funds for its operations primarily from federal administrative funds, fees and investment income. Florida Housing has statutory authority to use 5 percent of funds appropriated from the State Housing Trust Fund for administration, but chooses instead to use all funds for program purposes, other than the funds used for the Affordable Housing Study Commission and the Florida Housing Data Clearinghouse. The largest source of revenue is program fees, comprised mainly of bond issuer fees. Reimbursement of administrative fees from the federal government is the next largest component of revenue. The federally funded HOME program allows for up to 10 percent of each annual allocation to be used for administration. Investment income consists of earnings on funds not restricted by bond indentures or by statute. Administrative fees are compliance monitoring and administrative fees collected primarily from Low Income Housing Tax Credit developments. These fees are paid by developments upon allocation of

credits and the proceeds are used to pay for ongoing compliance monitoring for the entire affordability period.

Since 2000, operating revenues in excess of expenses have been channeled into demonstration programs such as housing for victims of domestic violence, people with disabilities and farmworkers.

## **ACCOUNTABILITY – HOW FLORIDA HOUSING FINANCE CORPORATION ENSURES PROGRAM RESOURCES ARE APPROPRIATELY USED**

### **Multifamily Rental Process**

The rental funding process begins with rule making and then is followed by application submission, scoring, applicant appeals and, finally, approval of final scores and rankings by Florida Housing's Board of Directors.

After the Board approves the final scores and rankings, developments are invited to enter the credit underwriting process. Developments are assigned to one of three independent credit underwriters under contract with Florida Housing. The credit underwriter provides a comprehensive analysis of:

- The applicant;
- The real estate;
- The economics of the development;
- The ability of the applicant and the development team to proceed; and
- The evidence of need for affordable housing in order to determine that the development meets the program requirements.

The underwriter then determines a recommended loan amount or Low Income Housing Tax Credit allocation amount, if any.

At the beginning of the credit underwriting process, a full appraisal is ordered by Florida Housing's underwriter or by third party credit enhancers, first mortgagors or syndicators from an independent appraiser qualified for the geographic area and development type. The underwriter reviews the appraisal to evaluate the proposed property's financial feasibility.

A separate market study is also completed by a disinterested party who is approved by the underwriter. The underwriter considers the market study, the development's financial impact on developments in the area previously funded by Florida Housing, and whether the market exists to support both the demographic and income restriction set-asides committed to in the application when making their recommendation.

Independent professionals approved by the credit underwriter complete necessary environmental studies. In addition, a construction consultant with construction, architectural

and engineering experience is engaged by the underwriter to independently review the construction contract, plans, specifications, and costs to determine whether the costs are reasonable and that the developer intends to provide features and amenities committed to in the application.

The general contractor for the proposed development is required to provide a guaranteed maximum price or stipulated sum construction contract, which may include change orders for changes in costs or changes in the scope of work, or both, if all parties agree. All change orders are reviewed and approved by Florida Housing's servicer prior to disbursement of funds. Payment and performance bonds (or approved alternate security for the general contractor's performance, such as a letter of credit) are issued in the name of the general contractor, from a company rated at least "A" by AMBest & Co.

Credit underwriting report drafts are reviewed and approved by Florida Housing staff and applicants are allowed to comment prior to finalization of the report. Final credit underwriting reports are approved by Florida Housing's Board of Directors before loan closing may proceed.

Prior to loan closing, the underwriter provides a letter to Florida Housing indicating that all loan closing conditions listed in the credit underwriting report have been met. Attached to the letter is an approved final sources and uses and a draw schedule. At loan closing, Florida Housing receives construction completion guarantees and operating deficit guarantees. The developer signs personal guarantees for these.

Florida Housing's servicer performs construction loan servicing duties and verifies that the developer is in compliance with all provisions of the construction loan documents. A physical inspection of the development is conducted by the servicer or their construction consultant prior to approval of each draw request. All draw requests from developers for loan proceeds are reviewed and approved by Florida Housing's servicer prior to disbursement of funds by the bond trustee or Florida Housing.

Once the development is completed, Florida Housing's compliance monitoring agents visit every development at least every year for the portion of our portfolio with state funds, and at least once every three years (as required by federal regulations) for those properties with Low Income Housing Tax Credits only that are in their first 15 years of the housing credit compliance period. (Note that the private investors in these developments monitor these properties more often to ensure compliance with Section 42 of the Internal Revenue Code to protect against recapture of the tax credits by the IRS.) The monitors ensure compliance with applicable federal and state statutes and rules, and with the loan closing documents.

If problems are found, Florida Housing works with the developments until the problems are cured. If exigent health and safety issues are not promptly cured, Florida Housing notifies local code enforcement. Chronic noncompliance of a property may result in the suspension of the developer's ability to participate in Florida Housing's funding application cycles.



Moreover, Florida Housing reports Low Income Housing Tax Credit properties that are in noncompliance and that have not cured these deficiencies to the IRS, which places the development's tax credits at risk of recapture, as noted above.

Florida Housing's staff and servicers also receive and review audited financial statements for each property annually as a part of our permanent loan servicing and asset management processes.

State funds are used to leverage other federal resources, such as Low Income Housing Tax Credits and tax exempt Mortgage Revenue Bonds. When these federal resources are brought into a transaction, they bring additional investor oversight – primarily through the tax credit syndicators and credit enhancers who bear a significant amount of risk in these transactions and who also engage in their own credit underwriting and monitoring process.

### **Single Family Homeownership Process**

In Florida Housing's Single Family construction programs, the process for credit underwriting and construction loan servicing work in the same way that it does for our multifamily process. Applications for Florida Housing's down payment assistance loans by builders on behalf of homebuyers are also reviewed by our servicers who verify income and purchase price limits. Funds are not released until Florida Housing has sign-off from the servicer.

In Florida Housing's down payment assistance programs which are coupled with the First Time Home Buyer Program, our Master Servicer provides our "bond compliance" function. They review each loan made by participating lenders to make sure that it complies with federal and state income and purchase price limits as well as the requirement that the borrower be a first time homebuyer.

### **State Housing Initiatives Partnership (SHIP) Program**

Local jurisdictions submit their Local Housing Assistance Plans (LHAP) to Florida Housing which then reviews the plans to ensure that they meet the broad statutory guidelines and the requirements of the program rules. Florida Housing must approve an LHAP before a local government may receive any SHIP funding.

Local jurisdictions are required by rule to send Florida Housing annual reports of how they have spent their money or how they have encumbered it to be spent. Each annual report is reviewed by Florida Housing staff to ensure compliance with statute and rule. Local jurisdictions are also required each year to send Florida Housing their audited financial statements and their Florida Single Audit Act reports. These are reviewed by Florida Housing staff and the compliance monitors.

Compliance monitoring agents visit every local government at least once every three years for local jurisdictions receiving smaller allocations, and at least every other year for the jurisdictions that get about \$500,000 or more. The compliance monitoring reviews include a

sampling of files and of physical properties, a review of the local jurisdictions' processes for income qualification and an audit of their processes for tracking SHIP funds.

If problems are found during a review, the monitors do follow-up reviews and annual reviews again the next year. In many instances, Florida Housing also sends in technical assistance providers to assist the local jurisdiction with formulating and implementing a corrective action plan. When funds have been found to have been misused, the local jurisdiction has reimbursed that amount of funds. If technical assistance and/or training fail to correct the problems and a pattern of violations is established, Florida Housing has statutory authority to suspend or possibly terminate disbursement of funds to the local jurisdiction.

Technical assistance visits, phone consultation or training can be triggered either by Florida Housing, its compliance monitors or the local jurisdiction at any time during this entire process. The nonprofit Florida Housing Coalition is under contract to provide technical assistance to local governments. Florida Housing's Inspector General may also audit local governments at any time.

### **Quality Assurance Reviews**

Quality Assurance Reviews are performed by Florida Housing to determine compliance with contract requirements for credit underwriting, loan servicing, compliance monitoring and bond trustee services. Reviews of other programs are also performed to determine compliance with program criteria.

### **Inspector General Audits**

Florida Housing's Inspector General monitors all aspects of internal and external operations. If conditions exist requiring an audit, the Inspector General performs a more formal examination of the program or issue.

### **Audited Financial Statements**

Florida Housing contracts with an independent audit firm to carry out annual audits of the financial statements. The independent auditor opines on the financial statements; internal control over financial reporting and on compliance and other matters; and compliance and internal control applicable to each major federal award program.

### **Other Oversight**

Florida Housing is also subject to audits by the Auditor General, the State of Florida Chief Financial Officer, DCA, Florida's Office of Program Policy Analysis and Government Accountability, HUD and the Internal Revenue Service at their discretion.



# LIVING IN FLORIDA

Florida Housing Finance Corporation  
2007 Annual Report

*“Living in Florida”*

WE MAKE ~~HOUSING~~ AFFORDABLE

Florida Housing’s mission is to help our fellow Floridians obtain safe, decent affordable housing that might otherwise be unavailable.

# TABLE OF CONTENTS

|   |       |
|---|-------|
| <b>2007 Summary of Programs</b> . . . . .   | 3     |
| <b>From the Chairman and Executive Director</b> . . . . .                                       | 5     |
| <b>2007 Board of Directors</b> . . . . .  | 6     |
| <br>  |       |
| <b>Florida Housing Responds to the Foreclosure Problem</b> . . . . .                            | 8     |
| <br>  |       |
| <b>Homeownership Programs</b>   |       |
| First Time Homebuyer Program . . . . .  | 12    |
| Down Payment Assistance . . . . .   | 15    |
| Homeownership Pool Program . . . . .  | 16    |
| <br>  |       |
| <b>Special Needs Housing Website</b> . . . . .  | 18    |
| <b>FloridaHousingSearch.org</b> - Florida Housing's Affordable Rental Housing Locator . . . . . | 19    |
| <br>  |       |
| <b>Community Workforce Housing Innovation Pilot Program</b> . . . . .                           | 21    |
| <br>  |       |
| <b>Rental Housing Programs</b>  |       |
| State Apartment Incentive Loan . . . . .  | 24    |
| Elderly Housing Community Loan . . . . .  | 25    |
| Multifamily Mortgage Revenue Bonds . . . . .  | 27    |
| Low-Income Housing Tax Credits . . . . .  | 28    |
| HOME Investment Partnerships . . . . .  | 31    |
| Florida Affordable Housing Guarantee Program . . . . .  | 32    |
| <br>  |       |
| <b>Special Programs and Hurricane Housing Recovery</b>  |       |
| State Housing Initiatives Partnership . . . . .   | 36    |
| Predevelopment Loan Program . . . . .   | 37    |
| Affordable Housing Catalyst Program . . . . .   | 39    |
| Hurricane Housing Recovery Program . . . . .  | 40    |
| Tenant-Based Rental Assistance . . . . .  | 42    |
| HOME Again Program . . . . .  | 43    |
| <br>  |       |
| <b>Florida Housing Staff and Annual Report Credits</b> . . . . .                                | 44    |
| <br>  |       |
| <b>2007 Program Charts and Demographics</b>   |       |
| Total Rental Units Funded by Florida Housing Since 1982 . . . . .                               | 46    |
| 2007 Program Demographics (SAIL and HAP) . . . . .  | 47    |
| State Apartment Incentive Loan . . . . .  | 47    |
| Elderly Housing Community Loan . . . . .  | 47    |
| Multifamily Mortgage Revenue Bonds . . . . .  | 47    |
| Low-Income Housing Tax Credits (9 percent & 4 percent) . . . . .                                | 48    |
| HOME Investment Partnerships . . . . .  | 48    |
| Predevelopment Loan Program . . . . .   | 48    |
| Homeownership Pool Program . . . . .  | 48    |
| First Time Homebuyer Program . . . . .  | 49    |
| Down Payment Assistance . . . . .   | 49    |
| Hurricane Housing Recovery Program . . . . .  | 50    |
| HOME Again . . . . .  | 51    |
| Tenant-Based Rental Assistance . . . . .  | 51    |
| Rental Properties Awarded Funding in 2007 . . . . .   | 52-55 |
| State Housing Initiatives Partnership . . . . .   | 56-57 |
| Community Workforce Housing Innovation Pilot Program . . . . .                                  | 58    |



2007 **SUMMARY**  
OF PROGRAMS

## Homeownership Programs

## Total Units

## Set-Aside Units

| <b>Total Units Funded in 2007<sup>1</sup></b>                | <b>15,260</b> ..... | <b>15,260</b> |
|--|---------------------|---------------|
| First Time Homebuyer Program                                 | 4,699 .....         | 4,699         |
| Down Payment Assistance                                      | 2,445 .....         | 2,445         |
| <i>HOME Investment Partnerships</i>                          | 805 .....           | 805           |
| <i>HAP Down Payment Assistance<sup>2</sup></i>               | 1,344 .....         | 1,344         |
| <i>Homeownership Assistance for Moderate Income (HAMI)</i>   | 296 .....           | 296           |
| Homeownership Pool Program (HOP)                             | 220 .....           | 220           |
| CWHIP <sup>2</sup>   | 835 .....           | 835           |
| HOME Again   | 122 .....           | 122           |
| State Housing Initiatives Partnership (SHIP) <sup>2, 3</sup> | 7,662 .....         | 7,662         |
| Hurricane Housing Recovery Program (HHRP) <sup>2, 4</sup>    | 1,722 .....         | 1,722         |
| Predevelopment Loan Program (PLP) <sup>2</sup>               | 59 .....            | 59            |

## Rental Programs

## Total Units

## Set-Aside Units

| <b>Total Units Funded in 2007<sup>1</sup></b>                | <b>7,956</b> ..... | <b>7,570</b> |
|--|--------------------|--------------|
| Multifamily Mortgage Revenue Bonds (MMRB)                    | 2,241 .....        | 1,860        |
| Low Income Housing Tax Credits (9 percent)                   | 1,988 .....        | 1,967        |
| Low Income Housing Tax Credits (4 percent)                   | 2,553 .....        | 2,420        |
| State Apartment Incentive Loan (SAIL) <sup>2</sup>           | 3,124 .....        | 2,754        |
| Elderly Housing Community Loan (EHCL) <sup>2</sup>           | 1,157 .....        | 1,157        |
| CWHIP <sup>2</sup>   | 120 .....          | 120          |
| HOME Investment Partnerships                                 | 31 .....           | 31           |
| State Housing Initiatives Partnership (SHIP) <sup>2, 3</sup> | 1,400 .....        | 1,400        |
| Hurricane Housing Recovery Program (HHRP) <sup>2, 4</sup>    | 238 .....          | 238          |
| Predevelopment Loan Program (PLP) <sup>2</sup>               | 224 .....          | 135          |

### Notes:

<sup>1</sup> The number of units is equivalent to the number of households served. Total Units Funded does not include PLP units because these units have received only predevelopment funding and not construction financing. In order to serve lower income households, resources from more than one program are sometimes combined. Therefore, grand totals for rental and homeownership programs are lower due to program overlap. If funding was provided this year for units already funded in a recent prior year, these units were not counted in this year's grand totals.

<sup>2</sup> This program is funded by revenues from documentary stamp taxes.

<sup>3</sup> SHIP information is from the most recently closed year (2004-2005). Pursuant to Florida Law, local governments have three years to expend funds. On the rental side, local governments often use SHIP funds as local contribution for rental developments financed with Florida Housing's programs. We estimate that approximately half of SHIP rental units actually overlap other rental programs in this summary.

<sup>4</sup> HHRP information is from the most recent annual reports from participating local governments. Like the SHIP program, local governments have three years to expend funds. Like SHIP, local governments are contributing HHRP funds to develop rental units financed with Florida Housing's programs. We estimate that approximately half of HHRP rental units overlap other rental programs in this summary.

\* While the Affordable Housing Guarantee Program continues to guarantee over 26,000 units throughout Florida, no new units were guaranteed in 2007.







# FROM THE **CHAIRMAN** & EXECUTIVE DIRECTOR

Florida Housing Finance Corporation is pleased to present the 2007 Annual Report. This report provides summaries of the many programs we administer to fulfill our mission of helping Floridians obtain safe, decent affordable housing that might otherwise be unavailable to them.

The last several years have proven to be very challenging on many fronts—from the decline in the housing market to the rise in foreclosures, and the dramatic increase in development costs and operations. Last year, we became part of a new administration led by Gov. Charlie Crist and he has expressed an understanding that affordable housing is important to Florida's well being. The state entities had to find ways to do more with less as our state experienced significant funding challenges. And, the problem remains that there is still a significant gap between the costs to build and operate housing, and what most people can afford to pay to buy or rent their homes.

Yet, Florida Housing's Board of Directors and staff continued our work to increase affordable housing opportunities for Floridians, ensure that Florida Housing's programs are well matched to the housing needs of Floridians, and communicate the importance of affordable housing to Florida's communities.

In each of the past three years, Florida Housing has realized a steady increase in the cumulative number of first time homebuyer (FTHB) loans purchased by our trustees; however, 2007 proved to be our most successful year yet. With more than \$640 million in loans purchased last year, we surpassed the amount of loans purchased in 2004, 2005 and 2006 combined! We attribute this "flight to quality" to the declining use of sub-prime lending practices and increasing knowledge of prospective homebuyers about our loan products.

Last year, Florida Housing formed partnerships with five major insurance companies to provide reduced mortgage insurance premiums to homebuyers who use our programs to purchase their homes. It is our hope that this will result in long-term cost savings to our homebuyers and make purchasing a home even more within reach.

Florida Housing continues to work diligently on behalf of special needs individuals and their families to foster the development and operation of affordable housing that addresses the financial needs, resources, and preferences of these households. This year, we developed and launched a special needs website that serves as a comprehensive clearinghouse of Florida Housing's homeownership assistance, and affordable rental housing programs and related services that are pertinent to special needs households. It focuses on resources that are particularly relevant to special needs housing developers, operators and consumers.

Florida ended 2007 ranking second highest in the number of foreclosure fillings in the nation. Unfortunately, this number is projected to rise as interest rates reset on these adjustable rate mortgages. In response to this crisis, Florida Housing began implementing a strategy to provide foreclosure prevention and intervention services to borrowers who find themselves in this situation. The reality is that most lenders do not want to foreclose and are willing to work with the homeowners. Using this premise, our strategy includes building capacity of non-profit organizations/agencies to provide foreclosure counseling services before foreclosure becomes inevitable for the homeowner. Our goal is to help homeowners—who, in fact, can be helped—to stay in their homes, thereby establishing strong neighborhoods across the state and contributing to Florida's overall economy.

Our state has always been viewed as one of the premier places in the nation to reside. As you review the 2007 Annual Report, we hope that you find its contents informative and that you "enjoy the view." Featured herein are samplings of the many images that remind us why we choose to live here. At Florida Housing, we not only make housing affordable, but also make "living in Florida" affordable.

 **Lynn Stultz, Chairman**  
Florida Housing Finance Corporation

 **Steve Auger, Executive Director**  
Florida Housing Finance Corporation

# 2007 **BOARD** OF DIRECTORS



**Vice Chairman David E. Oellerich** (this page)  
Commercial Building Industry Representative

Zully Ruiz (left)  
Residential Builder Representative

Stuart Scharaga (center)  
One of Two Citizen Representatives

Ken Fairman (right)  
Representative of Those Areas of Labor Engaged  
in Home Building

Tom Pelham (not pictured)  
Secretary of the Department of Community Affairs -  
Ex-Officio

Sandra Terry (not pictured)  
Low-Income Advocate







# FLORIDA HOUSING RESPONDS TO THE FORECLOSURE PROBLEM

During the last few months, the nation has focused increased attention on mortgage defaults and foreclosures, which are climbing at an unprecedented pace throughout the country and, particularly, in the State of Florida. According to a recent study by RealtyTrac, 72 of Florida's zip codes fell within the top 500 for total foreclosure filings in the United States. All major economic forecasts are predicting a dramatic increase in foreclosures during the next two years.

Foreclosures are devastating on families. Borrowers who are foreclosed upon have few options because their credit is effectively destroyed. It is difficult for people with foreclosures to rent an apartment, because most property owners pull credit reports. If a borrower goes into foreclosure due to a job loss, getting a new job may be more difficult because some employers pull credit reports prior to employment.

Most experts in the field agree that the majority of today's foreclosures are the result of aggressive subprime lending practices. Many banks and mortgage brokers, large and small, have been part of the subprime lending business, and many of these entities have now exited the business or have gone under because of unwise business practices. At the end of 2007, it was clear that many parts of the financial industry have contributed to this problem, particularly because of permissive or negligent credit requirements. Homeowners, who initially benefitted from subprime loans as the housing market rose, either gambled that the market would continue to inflate or, in some cases, were uneducated about the risks in making a subprime loan.

In December 2007, Florida had \$78.7 billion in subprime loans, the second highest in the nation. More than 20 percent were seriously delinquent. At the end of 2007, Florida had an estimated 10 percent of the nation's

subprime loans, but more than 11 percent of the nation's seriously delinquent subprime loans.

The subprime mortgage problem has impacted the world's economy and will continue to be a problem through 2009 and potentially into 2010. The Mortgage Bankers Association estimates that mortgage originations fell 14 percent in 2007 and will probably decline 34 percent in 2008.

Solutions to the subprime problem must be wide ranging and integrated to ensure that the economy recovers, and that homeowners with subprime mortgages have the best support possible to manage their personal situations. A number of federal and state strategies to provide relief to homeowners are in the works, including one proposal for a federal economic stimulus package that would lift the restriction on refinancing mortgages with tax-exempt bonds and provide additional bond allocation to states during the next three years.

Florida Housing uses tax-exempt bonds in its First Time Homebuyer Program with great success and has watched with interest as several states moved forward in 2007 with aggressive refinancing strategies to assist troubled borrowers with taxable bonds. New York, Massachusetts and Ohio made strong commitments in this regard, but have made few loans because the homes in question have lost too much value or the borrowers accumulated excessive debt, undermining the homeowners' credit and making a new mortgage too risky to provide. Overall, state housing finance agencies have found this strategy to be unworkable for most borrowers in trouble.

Lenders do reach out to borrowers once a mortgage is delinquent. However, most borrowers never respond to these efforts. Industry studies show that borrowers who are delinquent in their mortgage payments

rarely contact their lending institutions. However, many borrowers can avoid foreclosure if they are aware of the options available to them or aware of their rights. Options for borrowers include: refinancing; forbearance (i.e., postponement of loan payments by a lender for a temporary period); interest-rate modification; short sale (i.e., sale of a home at less than what is owed on the mortgage); or deed in lieu of foreclosure.

After evaluating various strategies to address the foreclosure crisis, Florida Housing decided to focus on foreclosure prevention. In the summer of 2007, we began work on a Foreclosure Prevention Strategy to provide support to non-profit agencies statewide in the provision of foreclosure counseling and intervention services. The strategy will involve marketing efforts to borrowers who face delinquent mortgages and collaboration with lenders, servicers, counseling agencies, and local governments throughout the state to address the growing level of delinquent mortgages.

To assist the state in this work, Florida Housing expects to take advantage of a national foreclosure mitigation program created by Congress and funded with \$180 million. Funding will be provided through competitive grants to HUD-approved housing counseling intermediaries and state housing finance agencies. If successful, Florida Housing will use these funds to assist homeowners through a network of local housing counseling agencies that have a proven track record of providing foreclosure prevention services.

However, there are not enough of these agencies to provide services throughout the state. Recognizing this, we also expect to conduct regional trainings throughout the state and technical assistance will be provided to support the work of fledging agencies. We expect to begin implementation of this strategy in early 2008.

Florida Housing Finance Corporation has never participated in subprime lending. We make low-interest, fixed-rate mortgages and purchase assistance available to homebuyers within a defined income bracket (see the homeownership program descriptions elsewhere in this annual report), and require documentation of the borrower's income and credit before loan closing. In addition, we require homebuyers to attend homebuyer education classes and we encourage interested homebuyers who don't have acceptable credit to obtain credit counseling that will help prepare them for homeownership. As of December 31, 2007, 0.76 percent of the 12,247 currently active loans originated by Florida Housing were 90-plus days delinquent and 0.79 percent were in foreclosure. Florida Housing recognizes that not all Floridians are candidates for homeownership. Our affordable housing programs provide a range of housing types, both rental and homeowner, to ensure that all residents have decent, affordable housing options that are appropriate for them.

## What is a “subprime” loan?

*Typically, subprime loans are made to borrowers who do not qualify for the best interest rates because of problems with their credit. During the last few years, the nature of subprime loans has expanded to include a variety of exotic products, including interest-only and negative-amortization loans. Many of these loans were made without adequate documentation of income and credit. Many of today’s subprime delinquencies and foreclosures stem from these products or adjustable rate mortgages that were offered at initial low teaser rates. While the borrower was capable of paying the lower rates, the interest rate hikes that are set to occur two to three years later often put the mortgage payment out of reach for the homeowner. With the rising property values of a couple years ago, borrowers simply would have sold their homes or refinanced them when the interest rates reset. In today’s declining market, lower property values have made these options impossible.*

*While all subprime loans are not “predatory” loans, predatory lending is often targeted to higher-risk borrowers who are not financially savvy. Predatory lending practices include lending terms that the borrower can never meet, prepayment penalties and high fees for a variety of services, needed or not, related to these loans.*



# **HOMEOWNERSHIP** PROGRAMS



First Time Homebuyer Program

Down Payment Assistance

Homeownership Pool Program



# FIRST TIME **HOMEBUYER** PROGRAM

Florida Housing issues bonds under the Single Family Mortgage Revenue Bond Program and the proceeds from these bonds are used to originate 30- and 40-year fixed-rate mortgage loans through the First Time Homebuyer Program. First-time homebuyers then benefit from lower mortgage interest rates due to the tax-exempt status of the bonds. Eligible borrowers have to meet certain criteria such as the first-time homebuyer requirement (as defined by the Internal Revenue Code), credit worthiness and an appropriate income level not exceeding program limits.

## **Program Summary**

- ▶ \$634,366,900 in first mortgages were provided.
- ▶ 4,699 first-time homebuyers purchased homes. Of those homebuyers, the Community Spot Loan program helped 800 people in the education, healthcare and protective services fields purchase their first homes.
- ▶ Incomes Served - First time homebuyers earning up to 115 percent of area median income (AMI), or 140 percent of AMI in targeted areas, could be eligible for this program.
- ▶ Funding Source - Bond cap allocation through the U.S. Treasury











# DOWN PAYMENT ASSISTANCE

Florida Housing often provides funds for down payment and closing cost assistance in conjunction with a first mortgage through the First Time Homebuyer Program. Down payment assistance is available through the Homeownership Assistance Program (HAP), Homeownership Assistance for Moderate Income (HAMI) and Cash Assistance programs.

Due to the record level of use of down payment programs during 2007, the amount of down payment assistance available for use substantially decreased. As a result, we reduced the amounts of down payment offered per household. The HOME Down Payment Assistance was discontinued, but the amount of assistance available through the HAP program was increased from \$7,500 to \$10,000 per household.

In light of the changes to the down payment assistance programs, the 4 percent Cash Assistance program has increased in popularity among homebuyers. In return for the cash assistance, the borrower pays a slightly higher interest rate on the mortgage. In this low interest rate environment, the program has been of value to the homebuyer.

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## Homeownership Assistance Program

Up to \$10,000 is available through the HAP program to assist first-time homebuyers with down payment and closing costs. HAP loans are zero percent interest, non-amortizing second mortgage loans, which means the homebuyer does not make any monthly payments. Instead, the loan is repaid if the homebuyer sells the home, transfers ownership, satisfies or refinances the first mortgage, or ceases to occupy the home. This program targets applicants whose incomes are at or below 80 percent of area median income (AMI).

### Program Summary

- ▶ In 2007, 1,344 households received assistance through this program.
- ▶ Incomes Served - Up to 80 percent of AMI.
- ▶ Funding Source - State Housing Trust Fund

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## Cash Assistance

First-time homebuyers may also be eligible for down payment and closing cost assistance through the Cash Assistance option. In this case, the eligible consumer opts for a slightly higher interest rate on their first mortgage and up to 4 percent of the first mortgage amount will be applied toward down payment and closing costs.

### Program Summary

- ▶ In 2007, 3,837 households received assistance through this program.
- ▶ Incomes Served - Up to program limits
- ▶ Funding Source - Single Family program bond funds

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## Homeownership Assistance for Moderate Income (HAMI)

Up to \$5,000 is available to assist first-time homebuyers with down payment and closing costs through the HAMI program. This program enables borrowers with moderate incomes to receive down payment and closing cost assistance. Unlike HOME and HAP, HAMI is an amortized loan that is offered at a fixed interest rate the same as the first mortgage with level monthly payments for a 10-year term. First-time homebuyers may be eligible for this loan if their incomes exceed the limits of the HOME and HAP loans, but do not exceed the maximum annual income limits for the First Time Homebuyer Program.

### Program Summary

- ▶ In 2007, 296 households received assistance through this program.
- ▶ Incomes Served - 80.01 percent up to program limits
- ▶ Funding Source - Prior Single Family program revenue funds

# HOMEOWNERSHIP POOL PROGRAM

Florida Housing debuted the Homeownership Pool Program (HOP) in 2007. The HOP program allows newly constructed homes to be more affordable by enhancing the ability and process of developers to match qualified homebuyers with down payment assistance. Florida Housing held rule development workshops throughout Florida in early 2007. Input from developers, local governments and other stakeholders was garnered during these workshops to develop the HOP program. The end result is a program that is designed to be a non-competitive, on going program where developers, by way of an online system, have the ability to reserve funds for eligible homebuyers to provide purchase assistance on a first-come, first-served basis. The HOP Program opened for member applications on August 1, 2007.

*Initial funding for the HOP program amounted to \$10 million and was split into four different pools:*

- 1. One pool for community housing development organizations;*
- 2. One pool for self-help efforts;*
- 3. One pool for homes located in HOME "participating jurisdictions," that is, areas that receive HOME entitlement funds; and*
- 4. One pool for homes located in areas outside of HOME "participating jurisdictions" (areas generally more rural in nature).*

## **Program Summary**

- ▶ 220 households assisted
- ▶ \$8,982,977 in closed loans







# SPECIAL NEEDS HOUSING

## WEBSITE

Florida Housing Finance Corporation has continued to expand its focus and efforts to assist households with individuals who have special needs. These special needs households may have members who are frail elders, individuals with disabilities, youth aging out of foster care, and/or persons experiencing homelessness. During the past year, Florida Housing has increasingly worked with its sister agencies, housing providers, consumers and other stakeholders to provide greater affordable housing options for these households. Often, these households need housing with temporary or long-term supportive services, commonly referred to as supportive housing. Supportive housing is a combination of affordable housing and other services to help people live more stable, productive lives in their communities. Supportive housing may be provided solely by one entity; however, it is usually a collaboration of resources from affordable housing providers and supportive services agencies. Members of these households also may require specialized features or amenities to assist them with activities of daily living, such as wheelchair accessibility or transportation services.

Developing and operating affordable housing that addresses the financial resources, needs and preferences of special needs households is complex, and often requires additional funding and community supports. Traditional and non-traditional affordable housing providers are asking Florida Housing to help develop a greater awareness and understanding of the resources available to serve these households.

Individuals or families with special needs may have difficulty finding housing that is safe, affordable and permanent. In addition, many of these households have low or extremely low incomes, and require financial assistance to access and maintain appropriate housing. They also have a lack of awareness and information about the resources available to them.

Our objective is to work with special needs consumers, providers and stakeholders to develop a comprehensive solution to effectively pool affordable housing and services resources to assist people with special needs. One approach to meet this objective has been to launch Florida Housing's Special Needs Housing website. The purpose of the website, which was launched in October, is to provide a comprehensive clearinghouse of Florida Housing's homeownership assistance, and affordable rental housing programs and related resources that are pertinent to special needs households. Although the Web site is very informative for all users, its targeted users are special needs households, as well as affordable housing developers, lenders, rental property managers, and supportive services providers interested in serving these households. It is our hope that this web-based tool builds capacity among special needs providers and assists consumers to find housing options and make informed decisions regarding the optimal housing choice for them.

### **Features of the Special Needs Housing website include:**

- ▶ Detailed information about the range of Florida Housing programs that can assist eligible organizations build new or substantially rehabilitate housing;
- ▶ Information on training and technical assistance available for non-profit organizations that want to learn about housing development and operations;
- ▶ Other affordable housing resources for non-profit and for-profit developers;
- ▶ Florida Housing affordable homeownership and rental resources for consumers; and
- ▶ Search engines that tailor requests for Florida Housing program and resource information, as well as available affordable rental units across Florida.

**To access Florida Housing's Special Needs Housing Website, go to [www.floridahousing.org/specialneeds](http://www.floridahousing.org/specialneeds) or [www.floridahousing.org](http://www.floridahousing.org) and select "Special Needs Housing."**





# FloridaHousingSearch.org

## FLORIDA HOUSING'S AFFORDABLE RENTAL HOUSING LOCATOR

FloridaHousingSearch.org is a free website that allows people to search for affordable rental units that were built with Florida Housing funds. First introduced in August 2006, the site is part of the on-going efforts of Florida Housing to respond to affordable rental housing needs. In addition, the site helps to address the increased need for comprehensive information and referral resources following natural disasters, when it is common for thousands of people to be displaced (as was the case following the 2004 and 2005 hurricane seasons).

Florida Housing collaborates with state agencies and affordable housing stakeholders to ensure that this bilingual website (it is available in English and Spanish) is easy to access by consumers and eligible housing providers; comprehensive, accurate and regularly updated; and flexible to eventually include all affordable rental housing—even units not funded by Florida Housing.

As of December 31, 2007, in addition to listing Florida Housing-funded projects, the locator lists affordable rentals in Hillsborough, Miami-Dade, Pinellas and Sarasota counties. This means that the website's database is populated with more than 75,000 units statewide by nearly 4,200 housing providers. On the average, about 10 percent of the total number of units will be listed as available to lease. The housing providers range from private landlords having one or two units in a neighborhood to large developers managing hundreds of apartments throughout the state. Florida Housing continues to promote the site to funded providers that have not yet registered their eligible units.

Individuals can access the information online 24 hours a day, 365 days a year. Searches can be done using a wide variety of search criteria with special mapping features, resulting in apartment listings with a multitude of important information about each unit. In addition, the site connects people to other housing and community resources through website links, and provides helpful tools for renters such as an affordability calculator, rental checklist, and renter rights and responsibilities information. The site currently receives more than 65,000 visitors per month. Upon full implementation, it is projected the site will receive an average of 150,000 visitors per month.

Socialserve.com, the site's servicer, also provides a bilingual call center to assist consumers and providers who do not have access to the internet. The call center is open weekdays and its staff assists consumers who are searching for rental units, in addition to property managers who want to list and/or update their properties or units. The call center handles nearly 5,000 calls per month.

### **The next steps in the development and implementation of Florida's affordable housing locator are as follows:**

- ▶ Continue working with housing providers to register their Florida Housing-funded rental units on the locator;
- ▶ Develop and implement a long-term strategy for supporting the inclusion of all affordable rental units in every county throughout the state;
- ▶ Maintain and enhance consumers' awareness about [Floridahousingsearch.org](http://Floridahousingsearch.org); and
- ▶ Regularly evaluate the use and usefulness of the locator to maintain an effective and current affordable housing tool and resource.





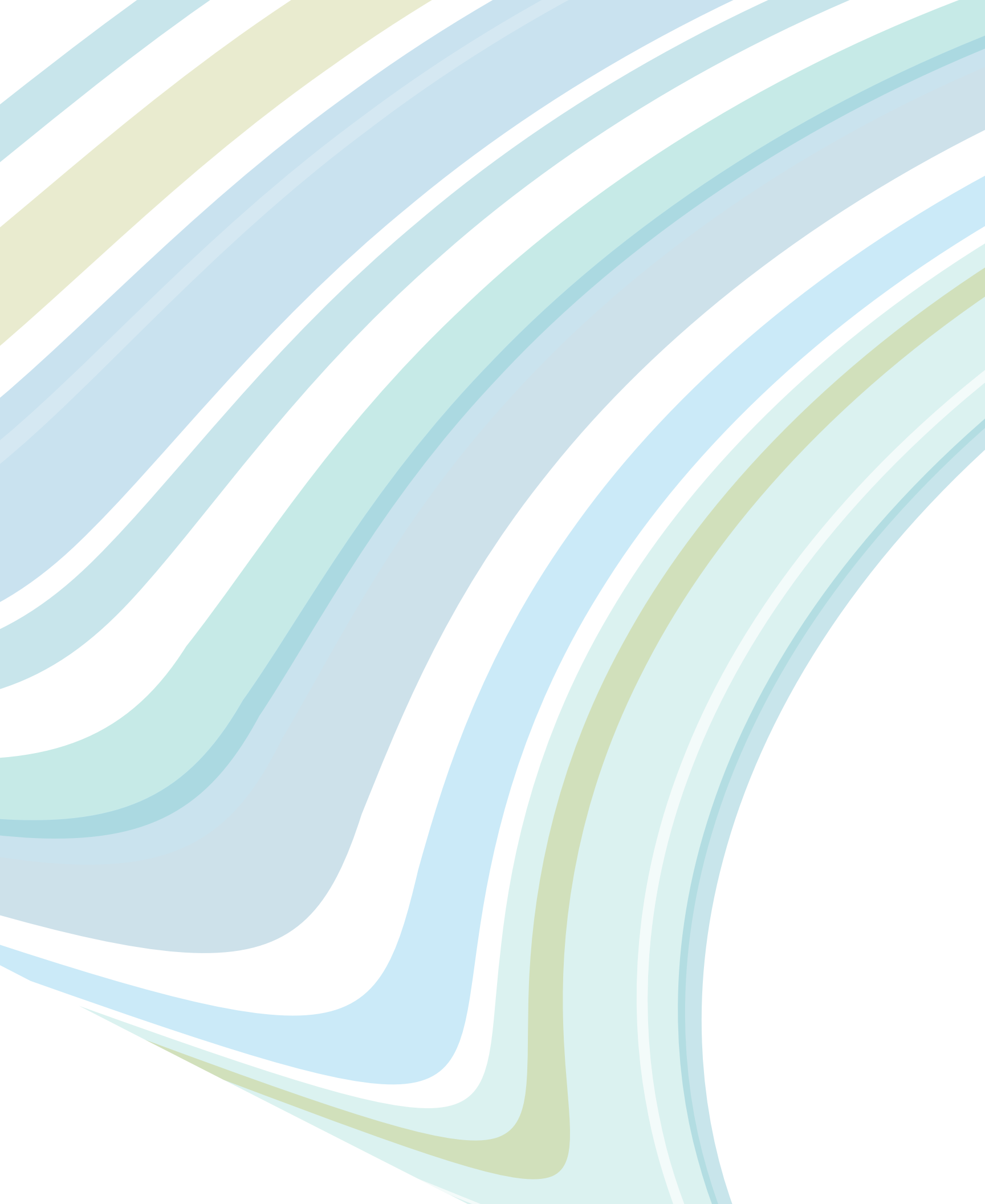
# COMMUNITY **WORKFORCE HOUSING** INNOVATION PILOT PROGRAM

In 2006, the Florida legislature created the Community Workforce Housing Innovation Pilot Program (CWHIP) which focused on addressing some of the affordable housing challenges the state currently faces. The program was funded at \$50 million. The 2007 Legislature again funded CWHIP at \$62.4 million. "CWHIP" targets households earning higher incomes than traditionally served through other affordable housing programs, and creates homeowner or rental housing for essential services personnel, such as teachers, firefighters, healthcare providers and others as defined by local governments. Households earning up to 140 percent of area median income (AMI) may be served through this program (150 percent of AMI in the Florida Keys).

The purpose of this pilot program is to promote the creation of public-private partnerships to finance, build and manage workforce housing. It requires the coordinated efforts of all levels of government as well as private sector developers, financiers, business interests and service providers. The program encourages development of innovative local regulatory incentives, such as land use strategies, and involvement of non-traditional partners, such as school districts and private sector employers.

## **Program Summary**

- ▶ Florida Housing issued a request for proposals (RFP) in October 2006, making \$50 million available to public-private partnerships around the state for workforce housing. Eleven developments were selected for participation in the CWHIP program in April 2007. A total of 955 units were funded—835 homeowner and 120 rental units.
- ▶ Florida Housing opened the application cycle for the 2007 CWHIP appropriation of \$62.4 million on December 31, 2007.





# **RENTAL** HOUSING PROGRAMS

State Apartment Incentive Loan

Elderly Housing Community Loan

Multifamily Mortgage Revenue Bond

Low-Income Housing Tax Credit

HOME Investment Partnership

Florida Affordable Housing Guarantee Program



# STATE APARTMENT INCENTIVE LOAN

The State Apartment Incentive Loan (SAIL) program provides low-interest loans on a competitive basis to developers of affordable rental housing each year. SAIL funds provide gap financing that allow developers to obtain the full financing needed to construct affordable multifamily units. SAIL dollars are available to public entities and non-profit or for-profit organizations for the construction or substantial rehabilitation of multifamily units. Special consideration is given to properties that target specific demographic groups such as the elderly, homeless people, farmworkers and commercial fishing workers.

## **Program Summary**

- ▶ \$123,534,924 was provided toward the construction of affordable housing developments.
- ▶ 3,124 total units were awarded funding.
- ▶ Of the total units, 2,754 were set aside as affordable.
- ▶ Incomes Served - A minimum of 20 percent of the units must be set aside for households earning up to 50 percent of area median income (AMI) or, when SAIL is used in conjunction with Housing Credits, a minimum of 40 percent of the units must serve households earning no more than 60 percent of AMI.
- ▶ Funding Source - State Housing Trust Fund



## ELDERLY HOUSING COMMUNITY LOAN

A portion of State Apartment Incentive Loan program funding is set aside for the Elderly Housing Community Loan (EHCL) program. This program provides up to \$750,000 in loans per development to make substantial improvements to existing affordable elderly rental housing. The EHCL program generally has one competitive funding cycle each year and the application period is open for a minimum of 30 days. These funds are available for the purpose of making building preservation, sanitation repairs or improvements required by federal, state or local regulation codes, and for life safety or security related improvements.

### **Program Summary**

- ▶ \$2,426,975 in total funding was provided.
  
- ▶ 1,157 total units benefited from the program.
  
- ▶ Funding Source - State Housing Trust Fund









# MULTIFAMILY MORTGAGE REVENUE BONDS

The Multifamily Mortgage Revenue Bond program uses both taxable and tax-exempt bonds to provide below market rate loans to non-profit and for-profit developers who set aside a certain percentage of their apartment units for low-income families. Proceeds from the sale of these bonds are used to construct or acquire and rehabilitate multifamily rental properties. The Bond program's application scoring and ranking criteria encourage increased set-asides for low-income households. Special consideration is given to properties that target specific needs such as HOPE VI communities.

#### **Program Summary**

- ▶ \$162,340,000 was provided toward affordable housing development.
- ▶ 2,241 total units were created.
- ▶ Of the total units, 1,820 were set aside as affordable.
- ▶ Incomes Served - A minimum of 20 percent of the units must be set aside for households earning up to 50 percent of area median income (AMI) or less, or a minimum of 40 percent set aside for households earning up to 60 percent of AMI or less. Due to competition for funds and a combination of funding sources, most funded properties set aside higher percentages of units for a range of AMIs up to 60 percent.
- ▶ Funding Source - Bond cap allocation through the U.S. Treasury

# LOW-INCOME HOUSING TAX CREDITS

The competitive (9%)\* and noncompetitive (4%)\* Low-Income Housing Tax Credit program (Housing Credits) provides for-profit and non-profit organizations with equity based on a dollar-for-dollar reduction in federal tax liability for investors in exchange for the acquisition and rehabilitation, rehabilitation or new construction of affordable rental housing units. Special consideration is given to properties that target specific demographic groups such as the elderly, homeless people and farmworkers. Consideration is also given to properties that target specific geographic areas such as the Florida Keys, rural areas, urban infill areas, and Front Porch Florida communities.

*\*Affordable housing developments that are at least 50 percent funded by tax-exempt bond financing are eligible to receive an allocation of non-competitive (4%) Housing Credits. Competitive (9%) Housing Credits are available for housing developments not receiving tax-exempt bond financing. The Internal Revenue Service (IRS) establishes the 9 percent and 4 percent rates. The amount of Housing Credits allocated toward a development is determined by a formula that multiplies the eligible costs of construction by the percentage of units or floor space set aside for low-income tenants, and that number is then multiplied by the rate established by the IRS. A developer sells its Housing Credit award to investors for a current rate of about .90 on the dollar, multiplied by 10 years (the period for which the credit can be taken).*

## Program Summary

- ▶ **\$33,282,778 in competitive (9%) Housing Credits was allocated.**  
*(a portion of these funds are from commitments of 2008 Housing Credits)*
  - 1,988 total units were created.
  - Of the total units, 1,967 are set aside as affordable.
  
- ▶ **\$11,780,590 in non-competitive (4%) Housing Credits was allocated.**
  - 2,553 total units created.
  - Of the total units, 2,420 are set aside as affordable.
  
- ▶ **Incomes Served - A minimum of 20 percent of the units must be set aside for households earning up to 50 percent of area median income (AMI), or a minimum of 40 percent of the units must be set aside for households earning up to 60 percent of AMI.**
  
- ▶ **Funding Source - Federal tax credits from the U.S. Treasury**











## HOME INVESTMENT PARTNERSHIPS

The HOME Investment Partnerships Program provides non-amortizing, low-interest rate loans to developers of affordable housing who acquire, rehabilitate, or construct housing for low-income families. Loans are offered through the annual Universal Application Cycle at the simple interest rate of zero percent to non-profit applicants and 1.5 percent to for-profit applicants. Florida Housing's HOME Rental program is designed for smaller developments in rural areas.

### **Program Summary**

- ▶ \$3,973,270 in total funding was provided.
- ▶ 31 total units was created.
- ▶ Of the total units, 31 are set aside as affordable.
- ▶ Incomes Served - A minimum of 20 percent of HOME-assisted units must be set aside for households earning up to 50 percent of area median income (AMI), with the balance of the HOME-assisted units for households earning up to 60 percent of AMI.
- ▶ Funding Source - U.S. Department of Housing and Urban Development



# FLORIDA AFFORDABLE HOUSING **GUARANTEE** PROGRAM

The Florida Affordable Housing Guarantee Program (Guarantee Program) encourages affordable housing lending by issuing guarantees on financing for affordable housing. This program provides guarantees on taxable and tax-exempt bonds, and creates a security mechanism that allows lenders to sell affordable housing loans in the secondary market. It also encourages affordable housing lending activities that would not otherwise have taken place. Most of the units in this portfolio are partially guaranteed by the U.S. Department of Housing and Urban Development (HUD) Risk Sharing Program.

## **Program Summary**

*Total units in the Guarantee Program portfolio, as of December 31, 2007 were 25,704 comprised as follows:*

- ▶ Risk-Sharing: 17,728
  
- ▶ Non-Risk Sharing: 7,976
  
- ▶ Incomes Served - The program serves households earning up to 120 percent of area median income (AMI). However, the income levels served are generally lower based on income restrictions set by the programs providing the primary financing.
  
- ▶ Funding Sources - State Housing Trust Fund and bonds issued pursuant to Section 420.5092, Florida Statutes





# SPECIAL PROGRAMS **AND** HURRICANE HOUSING RECOVERY

State Housing Initiatives Partnership

Predevelopment Loan Program

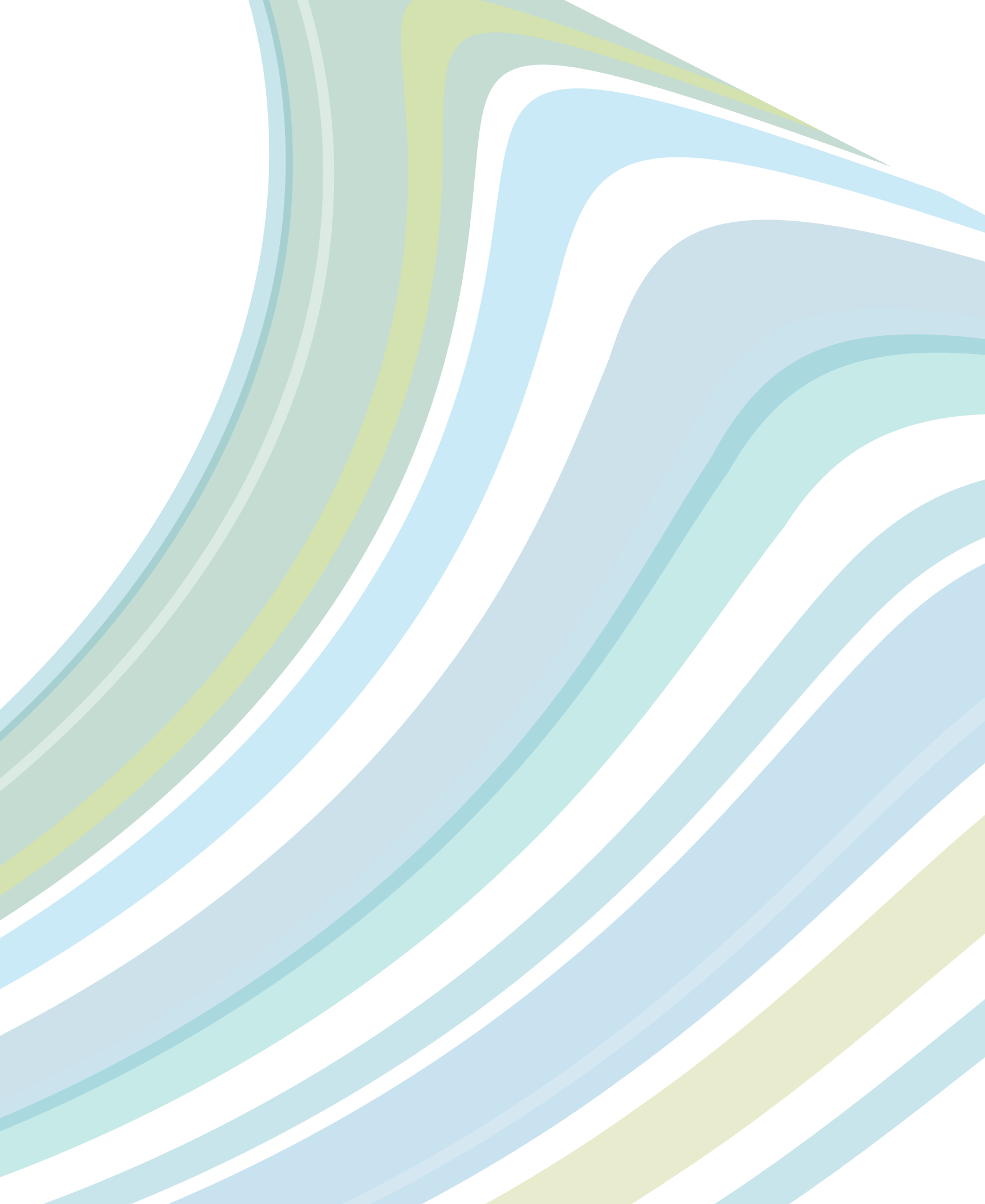
Affordable Housing Catalyst Program

Hurricane Housing Recovery Program

Tenant-Based Rental Assistance

HOME Again







# STATE HOUSING INITIATIVES PARTNERSHIP

The State Housing Initiatives Partnership (SHIP) program provides funds to local governments using a population-based formula as an incentive to produce and preserve affordable housing for very low-, low-, and moderate-income families. These funds are derived from the collection of documentary stamp tax revenues, which are deposited into the Local Government Housing Trust Fund. Currently, SHIP funds are distributed on an entitlement basis to all 67 counties and 51 Community Development Block Grant (CDBG) entitlement cities in Florida.\* The minimum allocation per county is \$350,000; also, a minimum of 65 percent of a local government's SHIP funds must be targeted to homeownership. SHIP dollars may be used to fund emergency repairs; new construction; rehabilitation; down payment and closing cost assistance; impact fees; construction and gap financing; mortgage buy-downs; acquisition of property for affordable housing; matching dollars for federal housing grants and programs; and homeownership counseling. Each participating local government may use up to 10 percent of its SHIP funds for administrative expenses.

## Program Summary

- ▶ In 2004-05, \$130,758,367 was distributed to local governments.\*
- ▶ Local government homeownership activities totaled \$154,254,940, with 7,662 homeownership units assisted.\*\*
- ▶ Local government rental housing activities totaled \$12,442,775, with 1,400 rental housing units assisted.

*\*SHIP information is from the most recently closed year (Fiscal Year 2004-05). Pursuant to Florida law, local governments have three years to expend funds. In 2004-05, only 48 entitlement cities were eligible for SHIP funds. Totals for rental and homeownership funding are higher than the total distribution from the state because local governments use program income, recaptured funds and other SHIP income to fund housing.*

*\*\*Amount includes funds expended from program income and recaptured funds.*



# PREDEVELOPMENT LOAN PROGRAM

The Predevelopment Loan Program (PLP) assists non-profit and community-based organizations, local governments, and public housing authorities with affordable housing predevelopment planning and financing. Eligible organizations may apply for a loan of up to \$500,000 without site acquisition or up to \$750,000 with site acquisition for predevelopment activities such as rezoning, title searches, engineering fees, legal fees, impact fees, commitment fees, administrative costs, soil tests, appraisals, feasibility analyses, earnest money deposits, insurance fees, audit fees, and marketing expenses. Technical assistance is provided with these loans at no cost to the applicant.

## Program Summary

- ▶ For homebuyers, \$943,500 was provided toward predevelopment activities associated with homeownership development; this equates to 59 single-family units that received predevelopment financing through PLP, with all 59 units to be set aside as affordable for homebuyers.
- ▶ For rental housing, \$2,500,000 was provided; this equates to 224 rental units that received predevelopment financing through PLP, with 135 to be set aside as affordable.











# AFFORDABLE HOUSING **CATALYST** PROGRAM

The Affordable Housing Catalyst Program provides technical assistance and training to local governments and non-profits throughout the state on the State Housing Initiatives Partnership (SHIP) and other affordable housing programs. This technical assistance—which is provided on-site and/or via the telephone—includes assisting agencies in leveraging program dollars with other public and/or private funding sources; training on formulating local and regional public/private partnerships; working effectively with lending institutions; implementing regulatory reform; training for non-profit boards of directors; implementing rehabilitation and emergency repair programs; developing volunteer programs; assisting with the design and establishment of fiscal and program tracking systems; and compliance requirements of state and federally funded housing programs. Workshops are conducted throughout the year at various locations statewide. Currently, Florida Housing contracts with the Florida Housing Coalition (a non-profit organization), to provide this training and technical assistance. The Florida Housing Coalition's technical assistance team consists of a highly skilled and geographically dispersed network of professional staff who are knowledgeable in all areas of affordable housing development.

## **Program Summary**

The Catalyst Program provides a variety of workshops and one-on-one on-site training for local governments and non-profit developers of affordable single-family and multifamily housing as follows:

- ▶ Planning for a community's affordable housing needs
- ▶ Serving the needs of extremely low-income households
- ▶ Homebuyer counseling and training
- ▶ Bond financing for rental development
- ▶ The development process
- ▶ Community land trusts
- ▶ A quantitative analysis of the SHIP program
- ▶ Creating and sustaining affordable housing for long-term affordability
- ▶ Income compliance and program management
- ▶ Manufactured housing
- ▶ Alternative funding sources
- ▶ Underwriting: What to expect after you are funded
- ▶ Planning, financing and developing affordable housing for ownership
- ▶ Understanding the income qualification process
- ▶ The pre-development process
- ▶ Planning, financing and developing affordable rental housing
- ▶ Foreclosure prevention
- ▶ Housing counseling certification
- ▶ Developing housing for extremely low-income households

# HURRICANE HOUSING **RECOVERY** PROGRAM

The Hurricane Housing Recovery Program (HHRP) was established to enable local governments impacted by the 2004 hurricanes to develop and implement long-term affordable housing strategies for their communities. The Governor's 2005 Hurricane Housing Work Group identified 28 counties that would be eligible for funding through this program. Those counties were classified in three tiers based on the level of damage each sustained from the hurricanes. The tiers were used to determine funding levels for each county. Local governments developed and submitted hurricane housing assistance plans to Florida Housing that outlined how their funding would be expended; funds were made available on July 1, 2005. Local governments are scheduled to complete the expenditure of the HHRP funds in 2008.

## **Program Summary**

- ▶ HHRP was developed to assist households with incomes up to 120 percent of the area median income (AMI); 15 percent of program funds were reserved for extremely low-income households. The program is much like the State Housing Initiatives Partnership (SHIP) program.
  
- ▶ **Eligible Activities include the following:**
  - Repair and replacement of site-built housing;
  - Land acquisition;
  - Construction and development financing;
  - Down payment, closing costs, and purchase price assistance for site-built and post-1994 manufactured homes where the wind load rating is sufficient for the location;
  - The acquisition of building materials for home repair and construction;
  - Housing re-entry assistance, such as security deposits, utility deposits, temporary storage of household furnishings and rental assistance; and
  - Community collaboration activities to develop affordable housing.
  
- ▶ Funds allocated totaled \$207,480,000.
  
- ▶ To date, \$60,542,926 has been expended for homeownership units and \$81,221,744 has been encumbered for homeownership units.
  
- ▶ For rental units, \$4,082,188 has been expended and \$43,095,136 encumbered, to date.
  
- ▶ According to reports from local governments on expended and encumbered funds, the total HHRP funds should assist in constructing and rehabilitating approximately 10,000 units.







## TENANT-BASED **RENTAL** ASSISTANCE

Florida Housing has set aside nearly \$22 million from its Federal HOME (HOME Investment Partnership) program toward temporary rental assistance for emergency housing in response to the devastation caused by hurricanes Charley, Frances, Ivan and Jeanne. HOME Tenant-Based Rental Assistance (TBRA) funds were granted to qualifying Public Housing Authorities (PHAs) that administer the HUD Section 8 Housing Choice Voucher Program. TBRA provides decent, safe and sanitary housing to eligible families with preference given to those that have been displaced by the hurricanes.

Eligible households include those who have incomes at or below 80 percent of area median income, adjusted for family size, as established by HUD. For each fiscal year, at least 90 percent of the eligible households assisted through HOME TBRA must be at or below 60 percent of area median income. Rental assistance is limited to an initial 12-month period, but in no event will assistance be extended beyond an additional one year.

### **Program Summary**

- ▶ \$21,580,000 has been encumbered to date.
- ▶ \$13,686,236 has been disbursed as of December 31, 2007.





## HOME AGAIN

In response to the devastating 2004 hurricane season, Florida Housing created the HOME Again program, providing funding statewide to help hurricane-impacted homeowners with the repair, reconstruction or replacement of their damaged homes. The allocation focused on the most intensively storm-impacted areas of the state and provided local governments and non-profit organizations home repair or replacement funding—on a reimbursement basis—on behalf of homeowners in communities that were declared state or federal disaster areas.

The program provided up to \$50,000 per project to homeowners whose gross annual incomes did not exceed 80 percent of area median income (AMI), living in single-family detached housing, a condominium unit or town home, or a manufactured housing unit. In 2007, all available funding was awarded to successful applicants, many of whom have provided rehabilitation assistance to homeowners in their local communities.

### Program Summary

- ▶ \$15,063,418 in total funds have been encumbered.
- ▶ \$11,071,930 has been disbursed to date.
- ▶ 246 hurricane-impacted homes have been repaired or replaced.

# FLORIDA HOUSING STAFF

## 2007 Annual Report

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Contributing Editor: Nancy Muller

Art Direction/Production: Jenifer Stern

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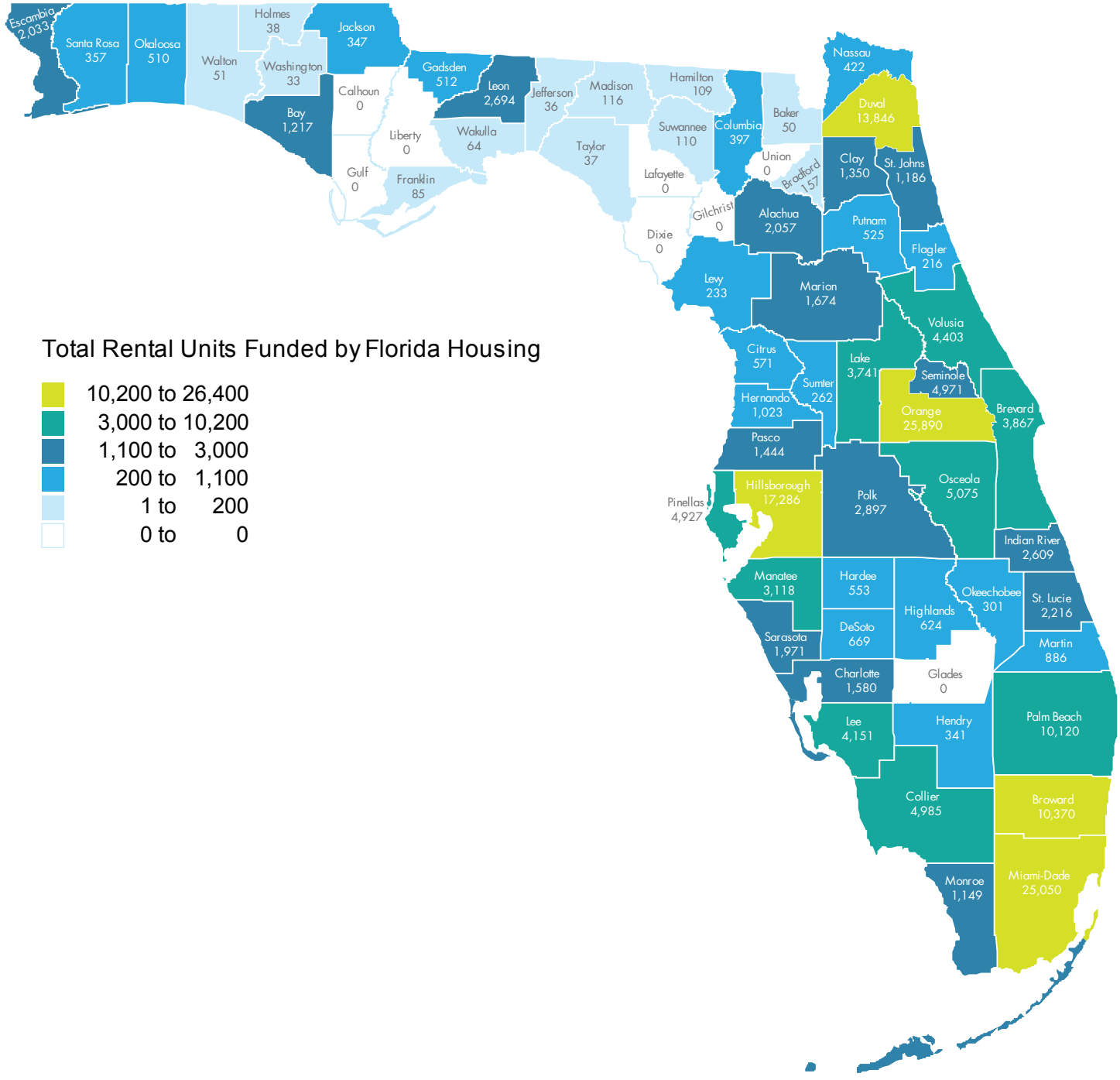




**2007** PROGRAM  
CHARTS

## Total Rental Units Funded by Florida Housing Since 1982 ▼

This map is color coded to display a by-county count of all of the multifamily rental units that have received an allocation of resources through Florida Housing’s rental programs since 1982, and currently provide affordable housing or are in the construction pipeline. A majority of these units serve households earning 60 percent of area median income (AMI) or less.



## 2007 Program Demographics ▼

### State Apartment Incentive Loan (SAIL)\*

Number of people served in 2007 (all existing units) .....97,006

#### By age

0-17 .....39,858  
 18-54 .....47,604  
 55-6 .....3,140  
 62+ .....6,387

#### By Ethnicity

Caucasian .....17,080  
 African American .....37,647  
 Hispanic .....34,277  
 Other .....7,988

#### By Specific Target

Number of homeless households served .....262  
 Number of farmworker/commercial fishing worker households served .....823  
 Number of units in rural communities .....2,188  
 Elderly households served in set-aside units .....4,013

#### Average amount of rent charged based on unit size

Efficiency .....\$329  
 1 Bedroom .....\$474  
 2 Bedrooms .....\$583  
 3 Bedrooms .....\$657  
 4 Bedrooms .....\$676  
 Average household size .....2.40  
 Average household income .....\$22,809

*\* SAIL demographic information is based on reports from 261 out of 285 developments. These are all of the currently leasing SAIL developments funded over the life of the program. This is a snapshot of residents as of November 15, 2007.*

#### SAIL for 2007 Only

Number of units funded in 2007 .....3,124  
 Set-aside units .....2,754  
 Average estimated development cost per unit .....\$180,228

#### Geographic Distribution

County Size ..... Allocation Amount ..... Set-Aside Units

Large .....\$70,314,924 .....1,775  
 Medium .....\$46,940,000 .....875  
 Small .....\$6,280,000 .....104

### Homeownership Assistance Program (HAP)

#### Down Payment Assistance in 2007

Number of loans closed and households served in 2007 .....1,344

#### By Household size

1-2 persons .....944  
 3-4 persons .....312  
 5+ persons .....88

#### By Age

15-54 .....1,254  
 55-61 .....57  
 62+ .....33

#### By Income

0-30 percent Area Median Income (AMI)37  
 31-50 percent AMI .....327  
 51-80 percent AMI .....906  
 Over 80 percent AMI .....74  
 Average sales price .....\$135,690  
 Average HAP loan amount .....\$9,442

#### By Ethnicity

Caucasian .....751  
 Caucasian & Hispanic .....127  
 Caucasian & African American .....6  
 African American .....380  
 African American & Hispanic .....29  
 Asian .....17  
 Asian & Caucasian .....4  
 Other .....30

## 2007 Multifamily Programs ▼

### State Apartment Incentive Loan (SAIL)

| County        | Development                        | Funding Amount       | Total Units  | Set-Aside Units |
|---------------|------------------------------------|----------------------|--------------|-----------------|
| Brevard       | Hammock Harbor - Phase I           | \$5,000,000          | 96           | 67              |
|               | Malabar Cove - Phase I             | \$4,000,000          | 76           | 54              |
| Duval         | Owens Pointe                       | \$5,000,000          | 96           | 68              |
|               | Pine Grove                         | \$5,000,000          | 168          | 168             |
|               | Willow Lakes                       | \$5,000,000          | 304          | 304             |
| Hendry        | Pollywog Creek Commons II          | \$1,680,000          | 24           | 24              |
| Hernando      | Mariner's Cay                      | \$4,700,000          | 160          | 160             |
| Highlands     | Highland Palms                     | \$2,640,000          | 52           | 52              |
| Hillsborough  | Autumn Place                       | \$5,000,000          | 120          | 120             |
|               | Fairview Cove - Phase I            | \$5,000,000          | 88           | 62              |
|               | Fountains on Falkenburg - Phase II | \$3,290,000          | 47           | 33              |
|               | Hunt Club Apartments               | \$5,000,000          | 96           | 96              |
|               | St. James Place                    | \$5,000,000          | 126          | 126             |
| Lake          | Timber Trace                       | \$4,050,000          | 116          | 116             |
|               | Rolling Acres - Phase I            | \$5,000,000          | 88           | 61              |
|               | Rolling Acres - Phase II           | \$2,390,000          | 35           | 25              |
| Lee           | Southwinds Cove                    | \$5,000,000          | 112          | 79              |
|               | Renaissance Preserve Senior        | \$6,150,000          | 120          | 120             |
| Miami-Dade    | Dr. Barbara Carey-Shuler Manor     | \$2,974,924          | 90           | 90              |
|               | Madison View                       | \$5,000,000          | 120          | 120             |
|               | Mirabella                          | \$5,000,000          | 204          | 142             |
|               | Valencia Pointe                    | \$5,000,000          | 148          | 104             |
| Monroe        | Sea Grape II                       | \$1,960,000          | 28           | 28              |
| Orange        | Fountains at Millenia - Phase III  | \$5,000,000          | 82           | 66              |
| Palm Beach    | Green Cay Village                  | \$5,000,000          | 160          | 160             |
| Pasco         | Hudson Ridge                       | \$4,700,000          | 168          | 168             |
| Seminole      | Oviedo Town Centre - Phase III     | \$5,000,000          | 72           | 51              |
| Volusia       | Cape Morris Cove - Phase I         | \$5,000,000          | 128          | 90              |
| <b>Totals</b> |                                    | <b>\$123,534,924</b> | <b>3,124</b> | <b>2,754</b>    |

### Elderly Housing Community Loan (EHCL)

| County        | Development                   | Funding Amount     | Total Units  | Set-Aside Units |
|---------------|-------------------------------|--------------------|--------------|-----------------|
| Hillsborough  | Tampa Presbyterian Community  | \$474,800          | 210          | 210             |
| Orange        | Plymouth Apartments           | \$597,384          | 196          | 196             |
| Palm Beach    | Lake Worth Towers             | \$750,000          | 195          | 195             |
| Pinellas      | Creekside I                   | \$107,242          | 55           | 55              |
|               | Creekside II                  | \$75,069           | 37           | 37              |
|               | Heritage Presbyterian Housing | \$103,776          | 400          | 400             |
| Volusia       | Casa San Pablo                | \$318,704          | 64           | 64              |
| <b>Totals</b> |                               | <b>\$2,426,975</b> | <b>1,157</b> | <b>1,157</b>    |

### Multifamily Mortgage Revenue Bonds (MMRB)

| County        | Development                        | Funding Amount       | Total Units  | Set-Aside Units |
|---------------|------------------------------------|----------------------|--------------|-----------------|
| Duval         | Owens Pointe - Phase I             | \$11,600,000         | 96           | 68              |
|               | Pine Grove                         | \$11,000,000         | 168          | 143             |
|               | Pinewood Pointe                    | \$9,700,000          | 136          | 116             |
|               | Willow Lakes                       | \$9,800,000          | 304          | 258             |
| Hernando      | Mariner's Cay                      | \$12,500,000         | 160          | 136             |
| Hillsborough  | Autumn Place                       | \$8,000,000          | 120          | 102             |
|               | Fairview Cove - Phase I            | \$11,800,000         | 88           | 62              |
|               | Fountains on Falkenburg - Phase II | \$6,400,000          | 47           | 33              |
|               | St. James Place                    | \$7,400,000          | 126          | 108             |
|               | Timber Trace                       | \$5,800,000          | 116          | 99              |
| Miami-Dade    | Madison View                       | \$13,250,000         | 120          | 102             |
|               | Mirabella                          | \$15,400,000         | 204          | 142             |
|               | Valencia Pointe                    | \$10,500,000         | 148          | 104             |
| Palm Beach    | Boynton Bay                        | \$17,690,000         | 240          | 204             |
| Pasco         | Hudson Ridge                       | \$11,500,000         | 168          | 143             |
| <b>Totals</b> |                                    | <b>\$162,340,000</b> | <b>2,241</b> | <b>1,820</b>    |

## 2007 Multifamily Programs ▼

### Low-Income Housing Tax Credits - 9 percent

| County        | Development                      | Funding Amount      | Total Units  | Set-Aside Units |
|---------------|----------------------------------|---------------------|--------------|-----------------|
| Bay           | Pana Villa                       | \$930,070           | 72           | 72              |
| Brevard       | Silver Sands <sup>1</sup>        | \$1,185,650         | 72           | 72              |
| Broward       | Dixie Court III <sup>2</sup>     | \$1,730,000         | 100          | 100             |
| Gadsden       | Gadsden Arms                     | \$1,070,000         | 100          | 100             |
| Highlands     | Highland Palms <sup>1</sup>      | \$833,661           | 52           | 52              |
| Hillsborough  | Country Oaks                     | \$822,093           | 148          | 148             |
| Lee           | Elmwood Terrace                  | \$1,498,680         | 116          | 116             |
| Manatee       | Bradenton Village II             | \$675,474           | 36           | 36              |
| Miami-Dade    | Biscayne Court                   | \$1,566,967         | 60           | 60              |
|               | Camacol Tower <sup>2</sup>       | \$2,561,000         | 100          | 100             |
|               | Dr. Barbara Carey-Shuler Manor   | \$2,561,000         | 90           | 90              |
|               | Everett Stewart, Sr. Village     | \$2,561,000         | 90           | 90              |
|               | Sunrise Commons                  | \$2,100,000         | 106          | 106             |
|               | The Emerald                      | \$2,435,000         | 124          | 124             |
|               | Village Carver II <sup>1</sup>   | \$2,561,000         | 90           | 90              |
| Monroe        | Sea Grape II                     | \$700,000           | 28           | 28              |
| Pasco         | Banyan Senior                    | \$1,436,183         | 96           | 96              |
| Pinellas      | St. Giles Manor                  | \$1,590,000         | 106          | 106             |
| Polk          | Kathleen Pointe                  | \$1,155,000         | 80           | 80              |
|               | Manor at West Bartow             | \$1,155,000         | 100          | 100             |
| Sarasota      | Janie Poe Revitalization-Phase I | \$1,155,000         | 86           | 65              |
| Volusia       | Pine Haven                       | \$1,000,000         | 136          | 136             |
| <b>Totals</b> |                                  | <b>\$33,282,778</b> | <b>1,988</b> | <b>1,967</b>    |

<sup>1</sup> Received a binding commitment for 2008.

<sup>2</sup> Received a partial allocation in 2007 and a binding commitment for 2008.

### Low-Income Housing Tax Credits - 4 percent

| County        | Development                     | Funding Amount      | Total Units  | Set-Aside Units |
|---------------|---------------------------------|---------------------|--------------|-----------------|
| Brevard       | Palmetto Ridge Estates          | \$931,905           | 192          | 192             |
| Broward       | Palms of Deerfield Beach        | \$452,938           | 56           | 56              |
|               | Tallman Pines II                | \$340,000           | 24           | 24              |
|               | Woodsdale Oaks                  | \$445,114           | 172          | 172             |
| Clay          | Briarwood                       | \$249,602           | 102          | 102             |
| Duval         | Christine Cove                  | \$366,970           | 96           | 96              |
|               | Kimbers Cove                    | \$923,150           | 288          | 288             |
|               | Pinewood Pointe                 | \$452,308           | 136          | 136             |
| Indian River  | Heritage Villas - Indian River  | \$366,934           | 116          | 116             |
| Lake          | Club at Eustis Village          | \$592,856           | 96           | 67              |
|               | Rolling Acres Phase II          | \$203,206           | 35           | 25              |
|               | Southwinds Cove                 | \$635,102           | 112          | 79              |
| Miami-Dade    | Cutler Hammock                  | \$665,334           | 262          | 262             |
| Orange        | Fountains at Millenia Phase III | \$421,680           | 82           | 58              |
|               | Marbella Pointe                 | \$806,895           | 120          | 120             |
| Palm Beach    | Boynton Bay                     | \$1,269,663         | 240          | 240             |
|               | Green Cay Village               | \$1,200,000         | 160          | 160             |
| Pinellas      | Clear Harbor                    | \$420,868           | 84           | 84              |
|               | Greenview Manor                 | \$127,192           | 52           | 52              |
| Volusia       | Cape Morris Cove Phase I        | \$908,873           | 128          | 91              |
| <b>Totals</b> |                                 | <b>\$11,780,590</b> | <b>2,553</b> | <b>2,420</b>    |

### HOME Investment Partnerships

| County        | Development  | Funding Amount     | Total Units | Set-Aside Units |
|---------------|--------------|--------------------|-------------|-----------------|
| Charlotte     | Marian Manor | \$3,973,270        | 31          | 31              |
| <b>Totals</b> |              | <b>\$3,973,270</b> | <b>31</b>   | <b>31</b>       |

## 2007 Single Family Programs ▼

### Homeownership Pool Program

| County        | Closed Loans       | Number of Homebuyers Served |
|---------------|--------------------|-----------------------------|
| Bay           | \$306,314          | 6                           |
| Brevard       | \$116,450          | 3                           |
| Charlotte     | \$188,450          | 5                           |
| Citrus        | \$34,500           | 1                           |
| Clay          | \$153,459          | 3                           |
| Collier       | \$118,750          | 3                           |
| Duval         | \$930,048          | 29                          |
| Gadsden       | \$1,164,995        | 29                          |
| Gulf          | \$284,062          | 7                           |
| Highlands     | \$38,250           | 1                           |
| Hillsborough  | \$226,800          | 5                           |
| Lee           | \$70,000           | 1                           |
| Leon          | \$764,820          | 24                          |
| Miami-Dade    | \$301,585          | 6                           |
| Okaloosa      | \$719,984          | 15                          |
| Palm Beach    | \$171,987          | 3                           |
| Pinellas      | \$304,450          | 8                           |
| Santa Rosa    | \$48,650           | 1                           |
| St. Johns     | \$2,781,404        | 63                          |
| Volusia       | \$78,943           | 2                           |
| Wakulla       | \$179,076          | 5                           |
| <b>Totals</b> | <b>\$8,982,977</b> | <b>220</b>                  |

Note: As of December 31, 2007, an additional \$10,471,135 of HOP funds was reserved in the name of 230 additional homebuyers. These loans will be closed in 2008 when construction is completed.

## 2007 Special Programs ▼

### Predevelopment Loan Program (PLP)

#### Homeownership Loans Approved for Funding in 2007

| County        | Development          | Funding Amount   | Total Units | Set-Aside Units |
|---------------|----------------------|------------------|-------------|-----------------|
| Hillsborough  | Westshore Landings I | \$500,000        | 43          | 43              |
| Lee           | Lehigh Oaks III      | \$443,500        | 16          | 16              |
| <b>Totals</b> |                      | <b>\$943,500</b> | <b>59</b>   | <b>59</b>       |

#### Rental Loans Approved for Funding in 2007

| County        | Development                      | Funding Amount     | Total Units | Set-Aside Units |
|---------------|----------------------------------|--------------------|-------------|-----------------|
| Charlotte     | Taylor Road Homes                | \$500,000          | 9           | 6               |
| Duval         | Andy's Place                     | \$500,000          | 65          | 39              |
| Highlands     | North Central Heights            | \$500,000          | 40          | 24              |
| Monroe        | Homes of Hope at Poinciana Plaza | \$500,000          | 50          | 30              |
| Nassau        | St. Peter's Square               | \$500,000          | 60          | 36              |
| <b>Totals</b> |                                  | <b>\$2,500,000</b> | <b>224</b>  | <b>135</b>      |

## 2007 Single Family Programs ▼

### Homes Funded Through the First Time Homebuyer Program & Down Payment Assistance in 2007

| Overall Program Performance <sup>1</sup> |                 |                      |                        | HAP <sup>2</sup> |                      |                     | HOME <sup>3</sup> |                     |                     | HAMI <sup>4</sup> |                     |                    |
|--|-----------------|----------------------|------------------------|------------------|----------------------|---------------------|-------------------|---------------------|---------------------|-------------------|---------------------|--------------------|
| County                                   | Number of Loans | First Mortgage       | Downpayment Assistance | Number of Loans  | First Mortgage       | Assistance Amount   | Number of Loans   | First Mortgage      | Assistance Amount   | Number of Loans   | First Mortgage      | Assistance Amount  |
| Alachua                                  | 81              | \$9,293,689          | \$460,995              | 35               | \$3,440,940          | \$331,000           | 9                 | \$957,037           | \$114,995           | 3                 | \$380,832           | \$15,000           |
| Baker                                    | 17              | \$2,244,630          | \$50,000               | 5                | \$514,587            | \$45,000            | -                 | -                   | -                   | 1                 | \$141,000           | \$5,000            |
| Bay                                      | 85              | \$10,783,877         | \$254,355              | 14               | \$1,526,123          | \$110,161           | 6                 | \$604,498           | \$89,994            | 11                | \$1,444,447         | \$54,200           |
| Bradford                                 | 11              | \$1,079,404          | \$48,600               | 3                | \$299,678            | \$27,500            | 1                 | \$80,332            | \$10,000            | 3                 | \$266,107           | \$11,100           |
| Brevard                                  | 362             | \$54,428,614         | \$786,927              | 43               | \$5,391,876          | \$421,939           | 18                | \$2,170,127         | \$329,988           | 7                 | \$1,352,052         | \$35,000           |
| Broward                                  | 217             | \$36,900,769         | \$1,827,982            | 51               | \$7,930,618          | \$483,000           | 58                | \$8,410,701         | \$1,269,982         | 15                | \$2,575,850         | \$75,000           |
| Calhoun                                  | 1               | \$90,842             | \$10,000               | 1                | \$90,842             | \$10,000            | -                 | -                   | -                   | -                 | -                   | -                  |
| Charlotte                                | 7               | \$789,914            | \$84,999               | 5                | \$634,892            | \$45,000            | 2                 | \$155,022           | \$39,999            | -                 | -                   | -                  |
| Citrus                                   | 24              | \$2,508,729          | \$62,500               | 7                | \$670,800            | \$62,500            | -                 | -                   | -                   | -                 | -                   | -                  |
| Clay                                     | 142             | \$20,232,106         | \$1,186,530            | 38               | \$5,341,536          | \$352,500           | 36                | \$4,175,168         | \$754,030           | 16                | \$2,465,101         | \$80,000           |
| Collier                                  | 24              | \$3,870,457          | \$177,500              | 13               | \$1,685,940          | \$127,500           | 2                 | \$202,300           | \$50,000            | -                 | -                   | -                  |
| Columbia                                 | 10              | \$1,473,065          | \$20,000               | 1                | \$118,100            | \$10,000            | -                 | -                   | -                   | 2                 | \$355,355           | \$10,000           |
| DeSoto                                   | 16              | \$1,475,959          | \$184,994              | 4                | \$442,527            | \$35,000            | 12                | \$1,033,432         | \$149,994           | -                 | -                   | -                  |
| Dixie                                    | 1               | \$72,065             | \$10,000               | 1                | \$72,065             | \$10,000            | -                 | -                   | -                   | -                 | -                   | -                  |
| Duval                                    | 995             | \$129,817,719        | \$8,416,392            | 350              | \$43,517,115         | \$3,365,700         | 240               | \$27,033,743        | \$4,690,692         | 72                | \$11,194,939        | \$360,000          |
| Escambia                                 | 357             | \$36,603,468         | \$1,986,973            | 117              | \$11,166,467         | \$1,042,050         | 58                | \$4,948,232         | \$734,223           | 44                | \$5,104,145         | \$210,700          |
| Flagler                                  | 4               | \$502,686            | \$49,999               | 1                | \$114,200            | \$10,000            | 2                 | \$249,000           | \$39,999            | -                 | -                   | -                  |
| Gadsden                                  | 50              | \$6,466,398          | \$209,567              | 16               | \$1,791,331          | \$149,570           | 4                 | \$558,710           | \$54,997            | 1                 | \$191,835           | \$5,000            |
| Gilchrist                                | 2               | \$195,864            | \$10,000               | 1                | \$88,711             | \$10,000            | -                 | -                   | -                   | -                 | -                   | -                  |
| Gulf                                     | 2               | \$285,280            | -                      | -                | -                    | -                   | -                 | -                   | -                   | -                 | -                   | -                  |
| Hardee                                   | 9               | \$967,420            | \$10,000               | 1                | \$56,840             | \$10,000            | -                 | -                   | -                   | -                 | -                   | -                  |
| Hendry                                   | 5               | \$809,679            | \$10,000               | 1                | \$103,350            | \$10,000            | -                 | -                   | -                   | -                 | -                   | -                  |
| Hernando                                 | 8               | \$1,112,333          | \$10,000               | 1                | \$64,198             | \$5,000             | -                 | -                   | -                   | 1                 | \$157,000           | \$5,000            |
| Highlands                                | 5               | \$408,826            | \$45,000               | 3                | \$233,205            | \$30,000            | 1                 | \$94,141            | \$10,000            | 1                 | \$81,480            | \$5,000            |
| Hillsborough                             | 70              | \$9,745,278          | \$341,746              | 15               | \$2,100,510          | \$147,500           | 8                 | \$629,875           | \$154,246           | 8                 | \$1,300,229         | \$40,000           |
| Holmes                                   | 3               | \$389,503            | \$17,500               | 1                | \$130,500            | \$7,500             | -                 | -                   | -                   | 2                 | \$259,003           | \$10,000           |
| Indian River                             | 51              | \$6,737,031          | \$181,247              | 11               | \$1,287,547          | \$107,500           | 4                 | \$333,100           | \$63,747            | 2                 | \$262,000           | \$10,000           |
| Jackson                                  | 1               | \$60,062             | \$7,500                | 1                | \$60,062             | \$7,500             | -                 | -                   | -                   | -                 | -                   | -                  |
| Jefferson                                | 3               | \$357,864            | \$12,331               | 1                | \$110,269            | \$7,331             | -                 | -                   | -                   | 1                 | \$74,095            | \$5,000            |
| Lake                                     | 34              | \$4,620,066          | \$409,995              | 9                | \$1,269,295          | \$85,000            | 15                | \$1,561,242         | \$324,995           | -                 | -                   | -                  |
| Lee                                      | 124             | \$18,300,402         | \$597,495              | 29               | \$3,498,169          | \$277,500           | 13                | \$1,368,485         | \$274,995           | 9                 | \$1,511,261         | \$45,000           |
| Leon                                     | 345             | \$42,487,447         | \$1,639,145            | 125              | \$13,648,314         | \$1,191,160         | 33                | \$3,637,180         | \$417,985           | 6                 | \$702,900           | \$30,000           |
| Levy                                     | 7               | \$696,224            | \$25,000               | 3                | \$263,251            | \$25,000            | 0                 | -                   | -                   | -                 | -                   | -                  |
| Madison                                  | 2               | \$214,400            | \$10,000               | 1                | \$150,800            | \$10,000            | 0                 | -                   | -                   | -                 | -                   | -                  |
| Manatee                                  | 121             | \$17,674,800         | \$1,189,982            | 27               | \$3,772,511          | \$260,000           | 44                | \$5,237,541         | \$919,982           | 2                 | \$288,000           | \$10,000           |
| Marion                                   | 42              | \$4,485,333          | \$136,499              | 12               | \$1,170,560          | \$112,500           | 1                 | \$54,000            | \$14,999            | 2                 | \$296,060           | \$9,000            |
| Martin                                   | 11              | \$1,681,900          | \$30,000               | 3                | \$311,700            | \$30,000            | 0                 | -                   | -                   | -                 | -                   | -                  |
| Miami-Dade                               | 108             | \$15,467,138         | \$884,492              | 25               | \$3,220,960          | \$244,500           | 27                | \$2,303,057         | \$579,992           | 12                | \$1,960,416         | \$60,000           |
| Nassau                                   | 23              | \$3,466,926          | \$187,496              | 5                | \$793,132            | \$47,500            | 7                 | \$898,876           | \$134,996           | 1                 | \$170,950           | \$5,000            |
| Okaloosa                                 | 73              | \$11,304,084         | \$265,470              | 21               | \$2,998,220          | \$188,540           | 2                 | \$220,641           | \$39,999            | 9                 | \$1,727,406         | \$36,931           |
| Okeechobee                               | 5               | \$703,190            | \$24,999               | 1                | \$86,600             | \$10,000            | 1                 | \$90,000            | \$14,999            | -                 | -                   | -                  |
| Orange                                   | 220             | \$31,931,394         | \$2,119,333            | 86               | \$11,807,577         | \$823,231           | 60                | \$7,221,438         | \$1,266,102         | 6                 | \$880,000           | \$30,000           |
| Osceola                                  | 33              | \$5,601,476          | \$219,997              | 8                | \$1,253,920          | \$75,000            | 7                 | \$1,076,029         | \$129,997           | 3                 | \$530,310           | \$15,000           |
| Palm Beach                               | 128             | \$21,463,716         | \$456,097              | 12               | \$1,491,358          | \$111,100           | 15                | \$1,755,486         | \$329,997           | 3                 | \$648,000           | \$15,000           |
| Pasco                                    | 55              | \$6,548,472          | \$447,496              | 16               | \$1,608,482          | \$157,500           | 13                | \$1,188,904         | \$269,996           | 4                 | \$540,300           | \$20,000           |
| Pinellas                                 | 155             | \$17,363,568         | \$1,297,923            | 54               | \$5,543,918          | \$520,000           | 36                | \$3,140,375         | \$725,734           | 11                | \$1,403,060         | \$52,189           |
| Polk                                     | 74              | \$11,783,503         | \$195,000              | 15               | \$2,075,326          | \$140,000           | 2                 | \$261,300           | \$20,000            | 7                 | \$1,108,969         | \$35,000           |
| Putnam                                   | 25              | \$2,914,390          | \$67,498               | 4                | \$417,418            | \$37,500            | 2                 | \$125,078           | \$29,998            | -                 | -                   | -                  |
| Santa Rosa                               | 108             | \$14,717,640         | \$424,616              | 31               | \$3,373,233          | \$290,900           | 6                 | \$713,988           | \$74,997            | 15                | \$2,045,785         | \$58,719           |
| Sarasota                                 | 58              | \$8,218,644          | \$527,497              | 21               | \$3,040,933          | \$197,500           | 15                | \$1,670,375         | \$329,997           | -                 | -                   | -                  |
| Seminole                                 | 62              | \$8,168,426          | \$607,491              | 20               | \$2,429,555          | \$187,500           | 20                | \$1,968,003         | \$409,991           | 2                 | \$347,392           | \$10,000           |
| St. Johns                                | 106             | \$14,478,371         | \$509,992              | 28               | \$4,076,170          | \$255,000           | 12                | \$1,484,876         | \$219,992           | 7                 | \$1,198,837         | \$35,000           |
| St. Lucie                                | 100             | \$15,276,882         | \$279,995              | 15               | \$1,376,350          | \$140,000           | 7                 | \$562,600           | \$124,995           | 3                 | \$361,800           | \$15,000           |
| Sumter                                   | 5               | \$579,233            | \$37,500               | 4                | \$441,193            | \$37,500            | -                 | -                   | -                   | -                 | -                   | -                  |
| Suwannee                                 | 3               | \$270,107            | \$7,500                | 1                | \$102,007            | \$7,500             | -                 | -                   | -                   | -                 | -                   | -                  |
| Taylor                                   | 6               | \$552,378            | \$20,000               | 1                | \$68,240             | \$10,000            | 1                 | \$84,500            | \$10,000            | -                 | -                   | -                  |
| Volusia                                  | 47              | \$6,850,447          | \$119,999              | 11               | \$1,570,138          | \$100,000           | 1                 | \$86,000            | \$14,999            | 1                 | \$162,400           | \$5,000            |
| Wakulla                                  | 46              | \$5,625,855          | \$167,499              | 13               | \$1,466,965          | \$122,500           | 4                 | \$366,195           | \$44,999            | -                 | -                   | -                  |
| Walton                                   | 8               | \$976,623            | \$23,300               | 2                | \$117,208            | \$14,400            | -                 | -                   | -                   | 2                 | \$277,030           | \$8,900            |
| Washington                               | 2               | \$240,334            | \$4,195                | -                | -                    | -                   | -                 | -                   | -                   | 1                 | \$81,588            | \$4,195            |
| <b>TOTALS</b>                            | <b>4,699</b>    | <b>\$634,366,900</b> | <b>\$29,407,138</b>    | <b>1,344</b>     | <b>\$162,428,332</b> | <b>\$12,689,582</b> | <b>805</b>        | <b>\$88,711,587</b> | <b>\$15,281,622</b> | <b>296</b>        | <b>\$43,847,934</b> | <b>\$1,435,934</b> |

<sup>1</sup> These three columns show the cumulative number of loans, first mortgage amounts and down payment assistance provided by the First Time Homebuyer Program complemented by the HOME, HAP and HAMI programs in each county. The totals at the bottom of these three columns show grand total information, while the HAP, HOME and HAMI column totals to the right provide subtotals for each of the down payment assistance strategies complementing the First Time Homebuyer Program. Of these, 1,392 first mortgages include 4 percent of the loan amount in cash assistance. Because of this assistance, these homebuyers are not eligible to receive down payment assistance second mortgage loans through Florida Housing's Down Payment Assistance programs.

<sup>2</sup> These three columns show the performance of the HAP program by number of loans closed, the total amount of the first mortgages associated with HAP funding and the total amount of HAP funding used for down payment assistance in each county.

<sup>3</sup> These three columns show the performance of the HOME program by number of loans closed, the total amount of the first mortgages associated with HOME funding and the total amount of HOME funding used for down payment assistance in each county.

<sup>4</sup> These three columns show the performance of the HAMI program by number of loans closed, the total amount of the first mortgages associated with HAMI funding and the total amount of HAMI funding used for down payment assistance in each county.

## 2007 Housing Recovery Programs ▼

### Hurricane Housing Recovery Program (HHRP)

| Local Government        | Total Allocation*    | Encumbered and Expended Funds** |              |                     |              | Households Served with Expended Funds*** |                 |              |                 |
|-------------------------|----------------------|---------------------------------|--------------|---------------------|--------------|--|-----------------|--------------|-----------------|
|                         |                      | Homeownership                   |              | Rental              |              | Extremely Low Income                     | Very Low Income | Low Income   | Moderate Income |
|                         |                      | Funding                         | Units        | Funding             | Units        |  |                 |              |                 |
| Bradford County         | \$504,633            | \$435,311                       | 6            | \$-                 | -            | 2  | -               | 2            | -               |
| Brevard County          | \$11,690,205         | \$6,241,302                     | 87           | \$4,244,135         | 306          | -  | 21              | 19           | -               |
| City of Cocoa           | \$1,003,681          | \$866,870                       | 28           | \$-                 | -            | -  | 5               | 10           | 2               |
| City of Titusville      | \$1,471,765          | \$441,000                       | 20           | \$810,000           | 96           | -  | -               | -            | 6               |
| City of Melbourne       | \$2,449,030          | \$1,680,798                     | 46           | \$450,000           | 75           | 41                                       | 28              | 12           | -               |
| City of Palm Bay        | \$2,950,181          | \$2,490,504                     | 78           | \$75,000            | 88           | -  | 87              | 23           | 9               |
| Charlotte County        | \$19,119,964         | \$4,209,803                     | 160          | \$14,787,834        | 541          | 43                                       | 29              | 30           | 29              |
| DeSoto County           | \$10,863,526         | \$9,233,998                     | 261          | \$-                 | -            | 10                                       | 17              | 31           | 14              |
| Dixie County            | \$602,452            | \$530,801                       | 19           | \$-                 | -            | 4  | 7               | 5            | 3               |
| Escambia County         | \$23,816,315         | \$12,712,301                    | 718          | \$9,795,417         | 1,173        | 338                                      | 228             | 219          | 19              |
| Glades County           | \$510,592            | \$442,960                       | 21           | \$-                 | -            | -  | 2               | 3            | 5               |
| Hardee County           | \$7,899,860          | \$6,679,609                     | 177          | \$106,818           | 87           | 36                                       | 52              | 54           | 39              |
| Hendry County           | \$649,599            | \$552,159                       | 24           | \$-                 | -            | -  | 1               | 4            | 4               |
| Highlands County        | \$3,102,466          | \$2,783,844                     | 248          | \$-                 | -            | 20                                       | 99              | 86           | 1               |
| Indian River County     | \$14,563,228         | \$13,834,567                    | 452          | \$-                 | -            | 33                                       | 53              | 41           | 28              |
| Lake County             | \$1,030,922          | \$905,745                       | 29           | \$-                 | -            | 13                                       | 5               | 1            | -               |
| Lee County              | \$3,337,194          | \$1,432,694                     | 28           | \$2,048,823         | 110          | 2  | 3               | 1            | -               |
| Levy County             | \$510,883            | \$435,194                       | 29           | \$-                 | -            | 4  | 2               | 1            | 1               |
| Marion County           | \$1,192,495          | \$1,117,663                     | 32           | \$-                 | -            | 6  | 6               | 6            | -               |
| City of Ocala           | \$202,071            | \$193,395                       | 21           | \$-                 | -            | 8  | 3               | 2            | -               |
| Martin County           | \$8,806,758          | \$6,731,219                     | 297          | \$850,000           | 16           | 31                                       | 55              | 57           | 21              |
| Okaloosa County         | \$1,338,847          | \$1,204,962                     | 81           | \$-                 | -            | 13                                       | 23              | 24           | 10              |
| Okeechobee County       | \$7,173,464          | \$4,616,710                     | 64           | \$1,868,420         | 49           | 2  | 12              | 9            | 6               |
| Orange County           | \$4,510,643          | \$2,910,643                     | 280          | \$1,300,000         | 264          | 36                                       | 142             | 118          | 7               |
| City of Orlando         | \$1,347,335          | \$1,190,464                     | 409          | \$-                 | -            | -  | -               | -            | -               |
| Osceola County          | \$2,832,939          | \$1,957,998                     | 20           | \$450,000           | 30           | -  | -               | -            | -               |
| City of Kissimmee       | \$2,482,143          | \$1,831,681                     | 29           | \$417,732           | 12           | -  | -               | -            | -               |
| Palm Beach County       | \$4,485,784          | \$3,077,000                     | 160          | \$950,329           | 118          | 25                                       | 41              | 82           | 9               |
| City of Boynton Beach   | \$1,000,000          | \$858,784                       | 63           | \$-                 | -            | -  | 11              | 19           | 7               |
| City of Delray Beach    | \$1,000,000          | \$1,000,000                     | 23           | \$-                 | -            | -  | -               | -            | -               |
| City of West Palm Beach | \$2,050,000          | \$1,738,535                     | 65           | \$-                 | -            | 3  | 5               | 8            | 2               |
| Polk County             | \$14,712,521         | \$8,989,447                     | 201          | \$3,918,700         | 493          | 2  | 11              | 24           | 25              |
| City of Lakeland        | \$2,302,126          | \$1,889,614                     | 73           | \$98,132            | 1            | 2  | 11              | 29           | 22              |
| City of Winter Haven    | \$697,412            | \$459,674                       | 8            | \$148,000           | 98           | -  | 1               | 2            | 2               |
| Putnam County           | \$1,052,106          | \$1,008,964                     | 35           | \$-                 | -            | 11                                       | 5               | 5            | 3               |
| Santa Rosa County       | \$14,573,991         | \$10,363,856                    | 359          | \$2,500,000         | 105          | 60                                       | 67              | 93           | 27              |
| Seminole County         | \$2,199,761          | \$1,988,447                     | 134          | \$-                 | -            | 10                                       | 20              | 20           | -               |
| St. Lucie County        | \$7,296,658          | \$6,627,346                     | 462          | \$-                 | -            | 9  | 51              | 13           | 1               |
| City of Port St. Lucie  | \$7,296,658          | \$4,613,176                     | 192          | \$1,883,038         | 63           | -  | 33              | 49           | 36              |
| City of Fort Pierce     | \$7,296,657          | \$6,717,712                     | 191          | \$249,470           | 134          | 80                                       | 72              | 54           | 28              |
| Sumter County           | \$579,639            | \$392,228                       | 33           | \$113,477           | 25           | 19                                       | 16              | 14           | 4               |
| Volusia County          | \$2,984,100          | \$2,675,769                     | 32           | \$-                 | -            | 2  | -               | -            | -               |
| City of Daytona Beach   | \$994,698            | \$733,494                       | 85           | \$112,000           | 2            | 18                                       | 25              | 11           | 2               |
| City of Deltona         | \$994,698            | \$966,431                       | 177          | \$-                 | -            | 7  | 59              | 101          | 2               |
| <b>Totals</b>           | <b>\$207,480,000</b> | <b>\$141,764,670</b>            | <b>5,957</b> | <b>\$47,177,324</b> | <b>3,886</b> | <b>890</b>                               | <b>1,308</b>    | <b>1,282</b> | <b>374</b>      |

\*This was a one-time appropriation in 2005.

\*\*Pursuant to Florida Law, local governments have three years to expend these funds—through June 2008. The homeownership and rental columns include both committed and expended funds.

\*\*\*Of these households served, 3,075 are homeownership units and 779 are rental units.

## 2007 Housing Recovery Programs ▼

### HOME Again

| County        | Total Funding Encumbered | Total Disbursed in 2007 |                   | Total Disbursed to Date |                   |
|---------------|--------------------------|-------------------------|-------------------|-------------------------|-------------------|
|               |                          | Funding                 | Households Served | Funding                 | Households Served |
| Alachua       | \$900,000                | \$274,564               | 10                | \$575,903               | 16                |
| Brevard       | \$1,799,948              | \$165,924               | 4                 | \$1,578,131             | 33                |
| Charlotte     | \$1,784,531              | \$599,170               | 13                | \$1,093,134             | 26                |
| DeSoto        | \$2,000,000              | \$1,022,500             | 21                | \$1,077,500             | 22                |
| Escambia      | \$2,000,000              | \$791,310               | 15                | \$1,514,588             | 32                |
| Hardee        | \$1,050,000              | \$190,397               | 7                 | \$626,189               | 17                |
| Highlands     | \$703,721                | \$703,721               | 15                | \$703,721               | 15                |
| Hillsborough  | \$250,000                | \$16,621                | 1                 | \$16,621                | 1                 |
| Jefferson     | \$300,000                | \$300,000               | 6                 | \$300,000               | 6                 |
| Lee           | \$300,000                | \$55,000                | 3                 | \$65,725                | 4                 |
| Okaloosa      | \$254,576                | \$195,901               | 4                 | \$254,576               | 6                 |
| Okeechobee    | \$1,000,000              | \$313,712               | 6                 | \$830,005               | 16                |
| Polk          | \$1,495,000              | \$555,000               | 10                | \$1,215,000             | 22                |
| St. Lucie     | \$1,032,003              | \$708,279               | 7                 | \$1,027,199             | 26                |
| Sumter        | \$193,637                | --                      | --                | \$193,637               | 4                 |
| <b>Totals</b> | <b>\$15,063,418</b>      | <b>\$5,892,100</b>      | <b>122</b>        | <b>\$11,071,930</b>     | <b>246</b>        |

\*HOME funds are used to fund this temporary disaster program, started in 2005. The program will end in 2008.  
 \*In some cases, municipalities and non-profit organizations in these counties are administering these funds.

### Tenant-Based Rental Assistance (TBRA)

| County        | Encumbered          | Disbursed           |
|---------------|---------------------|---------------------|
| Alachua       | \$500,000           | \$280,055           |
| Brevard       | \$500,000           | \$326,669           |
| Broward       | \$2,164,000         | \$951,649           |
| Charlotte     | \$250,000           | \$153,186           |
| Escambia      | \$50,000            | \$25,805            |
| Flagler       | \$1,056,000         | \$727,448           |
| Indian River  | \$500,000           | \$225,876           |
| Leon          | \$1,000,000         | \$717,180           |
| Manatee       | \$3,083,000         | \$2,374,921         |
| Marion        | \$425,000           | \$320,146           |
| Miami-Dade    | \$50,000            | \$8,394             |
| Palm Beach    | \$10,000,000        | \$6,693,970         |
| Pasco         | \$50,000            | \$50,000            |
| Sarasota      | \$500,000           | \$288,740           |
| St. Lucie     | \$550,000           | \$231,018           |
| Sumter        | \$402,000           | \$230,105           |
| Volusia       | \$500,000           | \$81,074            |
| <b>Totals</b> | <b>\$21,580,000</b> | <b>\$13,686,236</b> |

#### Total Number of Households Served by Income Range

|              |               |               |
|--------------|---------------|---------------|
| 0-30% of AMI | 31-50% of AMI | 51-80% of AMI |
| 1,112        | 499           | 60            |

\*HOME funds are being used to fund this temporary program. The program was started in 2005. This table shows activities from inception through 2007.



## Rental Properties Awarded Funding in 2007 ▼

| County       | Development                        | SAIL        | HC 9%       | HC 4%     | MMRB         | HOME        | RRLP | EHCL      |
|--------------|------------------------------------|-------------|-------------|-----------|--------------|-------------|------|-----------|
| Bay          | Pana Villa                         |             | \$930,070   |           |              |             |      |           |
| Brevard      | Hammock Harbor - Phase I           | \$5,000,000 |             |           |              |             |      |           |
|              | Malabar Cove - Phase I             | \$4,000,000 |             |           |              |             |      |           |
|              | Palmetto Ridge Estates             |             |             | \$931,905 | 2005         |             | 2005 |           |
|              | Silver Sands <sup>2</sup>          |             | \$1,185,650 |           |              |             |      |           |
| Broward      | Dixie Court III <sup>3</sup>       |             | \$1,730,000 |           |              |             |      |           |
|              | Palms of Deerfield Beach           |             |             | \$452,938 |              |             |      |           |
|              | Tallman Pines II                   |             |             | \$340,000 | 2006         |             | 2006 |           |
|              | Woodsdale Oaks                     | 1990        | 1990        | \$445,114 |              |             |      |           |
| Charlotte    | Marian Manor                       |             |             |           |              | \$3,973,270 |      |           |
|              | Taylor Road Homes                  |             |             |           |              |             |      |           |
| Clay         | Brianwood                          | 2006        |             | \$249,602 | 2006         |             |      |           |
| Duval        | Andy's Place                       |             |             |           |              |             |      |           |
|              | Christine Cove                     | 2005        |             | \$366,970 |              |             |      |           |
|              | Kimbers Cove                       |             |             | \$923,150 |              |             |      |           |
|              | Owens Pointe - Phase I             | \$5,000,000 |             |           | \$11,600,000 |             |      |           |
|              | Pine Grove                         | \$5,000,000 |             |           | \$11,000,000 |             |      |           |
|              | Pinewood Pointe                    |             | 1990        | \$452,308 | \$9,700,000  |             |      |           |
|              | Willow Lakes                       | \$5,000,000 |             |           | \$9,800,000  |             |      |           |
| Gadsden      | Gadsden Arms                       |             | \$1,070,000 |           |              |             |      |           |
| Hendry       | Pollywog Creek Commons II          | \$1,680,000 |             |           |              |             |      |           |
| Hernando     | Mariner's Cay                      | \$4,700,000 |             |           | \$12,500,000 |             |      |           |
| Highlands    | Highland Palms <sup>2</sup>        | \$2,640,000 | \$833,661   |           |              |             |      |           |
|              | North Central Heights              |             |             |           |              |             |      |           |
| Hillsborough | Autumn Place                       | \$5,000,000 |             |           | \$8,000,000  |             |      |           |
|              | Country Oaks                       |             | \$822,093   |           |              |             |      |           |
|              | Fairview Cove - Phase I            | \$5,000,000 |             |           | \$11,800,000 |             |      |           |
|              | Fountains on Falkenburg - Phase II | \$3,290,000 |             |           | \$6,400,000  |             |      |           |
|              | Hunt Club                          | \$5,000,000 |             |           |              |             |      |           |
|              | St. James Place                    | \$5,000,000 |             |           | \$7,400,000  |             |      |           |
|              | Tampa Presbyterian Community       |             |             |           |              |             |      | \$474,800 |
|              | Timber Trace                       | \$4,050,000 |             |           | \$5,800,000  |             |      |           |
| Indian River | Heritage Villas - Indian River     | 2006        |             | \$366,934 | 2006         |             |      |           |
| Lake         | Club at Eustis Village             | 2006        |             | \$592,856 |              |             |      |           |
|              | Rolling Acres - Phase I            | \$5,000,000 |             |           |              |             |      |           |
|              | Rolling Acres - Phase II           | \$2,390,000 |             | \$203,206 |              |             |      |           |
|              | Southwinds Cove                    | \$5,000,000 |             | \$635,102 |              |             |      |           |
| Lee          | Elmwood Terrace                    |             | \$1,498,680 |           |              |             |      |           |
|              | Renaissance Preserve Senior        | \$6,150,000 |             |           |              |             |      |           |
| Manatee      | Bradenton Village II               |             | \$675,474   |           |              |             |      |           |
| Miami-Dade   | Biscayne Court                     |             | \$1,566,967 |           |              |             |      |           |
|              | Camacol Tower <sup>3</sup>         |             | \$2,561,000 |           |              |             |      |           |
|              | Cutler Hammock                     | 1990        | 1990        | \$665,334 | 2006         |             |      |           |

|  | PLP       | Local Bonds <sup>1</sup> | Income Restrictions by Percentage of Area Median Income |                 |             |        | Demographic Target | Estimated Total Development Cost |              |
|--|-----------|--------------------------|---|-----------------|-------------|--------|--------------------|----------------------------------|--------------|
|  |           |                          | Total Units   | Set-Aside Units | 35% or Less | 36-50% |                    |                                  | 51-60%       |
|  |           |                          | 72  | 72              | 7           |        | 65                 | Family                           | \$9,938,201  |
|  |           |                          | 96  | 67              | 5           |        | 62                 | Family                           | \$23,787,490 |
|  |           |                          | 76  | 54              | 8           |        | 46                 | Family                           | \$19,077,998 |
|  |           |                          | 192   | 192             | 48          |        | 144                | Family                           | \$22,648,200 |
|  |           |                          | 72  | 72              | 14          |        | 58                 | Family                           | \$12,079,821 |
|  |           | 2006                     | 100   | 100             | 20          |        | 80                 | Family                           | \$19,697,629 |
|  |           |                          | 56  | 56              |             |        | 56                 | Family                           | \$10,891,686 |
|  |           |                          | 24  | 24              | 4           |        | 20                 | Family                           | \$13,560,679 |
|  |           | \$7,525,000              | 172   | 172             |             | 35     | 137                | Elderly                          | \$12,565,099 |
|  | 2004      |                          | 31  | 31              |             | 7      | 24                 | Family                           | \$6,624,530  |
|  | \$500,000 |                          | 9   | 6               |             |        | 6                  | Family                           | \$1,819,000  |
|  |           |                          | 102   | 102             |             |        | 102                | Family                           | \$12,629,040 |
|  | \$500,000 | 2004                     | 60  | 39              |             |        | 39                 | Family                           | \$19,025,495 |
|  |           |                          | 96  | 96              |             | 57     | 39                 | Elderly                          | \$14,971,979 |
|  |           | 2004                     | 288   | 288             | 14          |        | 274                | Family                           | \$33,120,179 |
|  |           |                          | 96  | 68              | 10          |        | 58                 | Family                           | \$23,160,123 |
|  |           |                          | 168   | 168             | 17          | 84     | 67                 | Family                           | \$26,962,551 |
|  |           |                          | 136   | 136             |             |        | 136                | Family                           | \$14,761,721 |
|  |           |                          | 304   | 304             | 30          | 122    | 152                | Family                           | \$23,859,732 |
|  |           |                          | 100   | 100             | 10          |        | 90                 | Family                           | \$14,518,627 |
|  |           |                          | 24  | 24              |             | 5      | 19                 | Farmworker                       | \$4,387,713  |
|  |           |                          | 160   | 160             | 16          |        | 144                | Family                           | \$26,992,455 |
|  |           |                          | 52  | 52              |             | 10     | 42                 | Family                           | \$10,460,578 |
|  | \$500,000 |                          | 40  | 24              |             |        | 24                 | Family                           | \$7,596,750  |
|  |           |                          | 120   | 120             | 12          |        | 108                | Family                           | \$20,425,292 |
|  |           |                          | 148   | 148             | 15          |        | 133                | Family                           | \$11,763,168 |
|  |           |                          | 88  | 62              | 9           |        | 53                 | Family                           | \$23,424,744 |
|  |           |                          | 47  | 33              | 5           |        | 28                 | Elderly                          | \$12,601,866 |
|  |           | \$6,110,000              | 96  | 96              | 10          |        | 86                 | Family                           | \$19,148,349 |
|  |           |                          | 126   | 126             | 13          |        | 113                | Family                           | \$17,955,579 |
|  |           |                          | 210   | 210             |             |        |                    | Elderly                          | \$150,900    |
|  |           |                          | 116   | 116             | 12          |        | 104                | Family                           | \$14,748,735 |
|  |           |                          | 116   | 116             |             |        | 116                | Family                           | \$16,305,855 |
|  |           | 2006                     | 96  | 67              |             |        | 67                 | Family                           | \$14,890,777 |
|  |           |                          | 88  | 61              | 4           |        | 57                 | Family                           | \$17,652,574 |
|  |           | \$3,200,000              | 35  | 25              | 4           |        | 21                 | Elderly                          | \$6,831,109  |
|  |           | \$10,000,000             | 112   | 79              | 6           |        | 73                 | Family                           | \$20,885,372 |
|  |           |                          | 116   | 116             | 23          |        | 93                 | Family                           | \$17,518,822 |
|  |           | \$10,000,000             | 120   | 120             | 12          |        | 108                | Elderly                          | \$18,361,505 |
|  |           |                          | 36  | 36              | 4           |        | 32                 | Family                           | \$7,164,420  |
|  |           |                          | 60  | 60              | 12          |        | 48                 | Family                           | \$16,728,092 |
|  |           |                          | 100   | 100             | 20          |        | 80                 | Family                           | \$26,859,685 |
|  |           |                          | 262   | 262             |             |        | 262                | Elderly                          | \$19,273,822 |

## Rental Properties Awarded Funding in 2007 *(continued)* ▼

| County        | Development                       | SAIL                 | HC 9%               | HC 4%               | MMRB                 | HOME               | RRLP      | EHCL               |
|---------------|-----------------------------------|----------------------|---------------------|---------------------|----------------------|--------------------|-----------|--------------------|
| Miami-Dade    | Dr. Barbara Carey-Shuler Manor    | \$2,974,924          | \$2,561,000         |                     |                      |                    |           |                    |
|               | The Emerald                       |                      | \$2,435,000         |                     |                      |                    |           |                    |
|               | Everett Stewart, Sr. Village      |                      | \$2,561,000         |                     |                      |                    |           |                    |
|               | Madison View                      | \$5,000,000          |                     |                     | \$13,250,000         |                    |           |                    |
|               | Mirabella                         | \$5,000,000          |                     |                     | \$15,400,000         |                    |           |                    |
|               | Sunrise Commons                   |                      | \$2,100,000         |                     |                      |                    |           |                    |
|               | Valencia Pointe                   | \$5,000,000          |                     |                     | \$10,500,000         |                    |           |                    |
|               | Village Carver II <sup>2</sup>    |                      | \$2,561,000         |                     |                      |                    |           |                    |
| Monroe        | Homes of Hope at Poinciana Plaza  |                      |                     |                     |                      |                    |           |                    |
|               | Sea Grape II                      | \$1,960,000          | \$700,000           |                     |                      |                    |           |                    |
| Nassau        | St. Peter's Square                |                      |                     |                     |                      |                    |           |                    |
| Orange        | Fountains at Millenia - Phase III | \$5,000,000          |                     | \$421,680           |                      |                    |           |                    |
|               | Marbella Pointe<br>2006           |                      |                     | \$806,895           |                      |                    |           |                    |
|               | Plymouth Apartments               |                      |                     |                     |                      |                    |           | \$597,384          |
| Palm Beach    | Boynton Bay                       | 1990                 | 1990                | \$1,269,663         | \$17,690,000         |                    |           |                    |
|               | Green Cay Village                 | \$5,000,000          |                     | \$1,200,000         |                      |                    |           |                    |
|               | Lake Worth Towers                 |                      |                     |                     |                      |                    |           | \$750,000          |
| Pasco         | Banyan Senior                     |                      | \$1,436,183         |                     |                      |                    |           |                    |
|               | Hudson Ridge                      | \$4,700,000          |                     |                     | \$11,500,000         |                    |           |                    |
| Pinellas      | Clear Harbor                      | 2006                 |                     | \$420,868           | 2006                 |                    |           |                    |
|               | Creekside I                       |                      |                     |                     |                      |                    |           | \$107,242          |
|               | Creekside II                      |                      |                     |                     |                      |                    |           | \$75,069           |
|               | Greenview Manor                   |                      |                     | \$127,192           | 2006                 |                    |           |                    |
|               | Heritage Presbyterian Housing     |                      |                     |                     |                      |                    |           | \$103,776          |
|               | St. Giles Manor                   |                      | \$1,590,000         |                     |                      |                    |           |                    |
| Polk          | Kathleen Pointe                   |                      | \$1,155,000         |                     |                      |                    |           |                    |
|               | Manor at West Bartow              |                      | \$1,155,000         |                     |                      |                    |           |                    |
| Sarasota      | Janie Poe Revitalization-Phase I  |                      | \$1,155,000         |                     |                      |                    |           |                    |
| Seminole      | Oviedo Town Centre - Phase III    | \$5,000,000          |                     |                     |                      |                    |           |                    |
| Volusia       | Cape Morris Cove - Phase I        | \$5,000,000          |                     | \$908,873           |                      |                    |           |                    |
|               | Casa San Pablo                    |                      |                     |                     |                      |                    |           | \$318,704          |
|               | Pine Haven                        |                      | \$1,000,000         |                     |                      |                    |           |                    |
| <b>Totals</b> |                                   | <b>\$123,534,924</b> | <b>\$33,282,778</b> | <b>\$11,780,590</b> | <b>\$162,340,000</b> | <b>\$3,973,270</b> | <b>--</b> | <b>\$2,426,975</b> |

\* When a development has received funding in a prior year, that year is included in the appropriate column. In order to serve lower income households, resources from more than one program are sometimes combined.

SAIL = State Apartment Incentive Loan Program; HC 9 percent = Low-Income Housing Tax Credit (9 percent); HC 4 percent = Low-Income Housing Tax Credit (4 percent); MMRB = Multifamily Mortgage Revenue Bonds; HOME = Home Investment Partnerships Program; RRLP = Rental Recovery Loan Program; EHCL = Elderly Housing Community Loan; PLP = Predevelopment Loan Program

<sup>1</sup> Local Bonds that have received Florida Housing financing have been included on this chart because local housing finance authorities provide a major source of multifamily financing throughout the state by issuing local mortgage revenue bonds. Developers often combine these local bonds with financing through Florida Housing's programs.

<sup>2</sup> Received a binding commitment for 2008.

<sup>3</sup> Received a partial allocation in 2007 and a binding commitment for 2008.

|             | PLP          | Local Bonds <sup>1</sup> | Total Units  | Set-Aside Units | Income Restrictions by Percentage of Area Median Income |            |             |           | Demographic Target | Estimated Total Development Cost |
|-------------|--------------|--------------------------|--------------|-----------------|---|------------|-------------|-----------|--------------------|----------------------------------|
|             |              |                          |              |                 | 35% or Less   | 36-50%     | 51-60%      | Above 60% |                    |                                  |
| 2005        |              |                          | 90           | 90              | 18  |            | 72          |           | Homeless           | \$29,749,235                     |
|             |              |                          | 124          | 124             | 19  |            | 105         |           | Family             | \$25,635,093                     |
|             |              |                          | 90           | 90              | 18  |            | 72          |           | Family             | \$27,875,221                     |
|             |              |                          | 120          | 120             | 12  |            | 108         |           | Family             | \$25,984,427                     |
|             |              |                          | 204          | 142             | 20  |            | 122         |           | Family             | \$29,598,431                     |
|             |              |                          | 106          | 106             | 21  |            | 85          |           | Family             | \$25,032,701                     |
|             |              |                          | 148          | 104             | 15  |            | 89          |           | Family             | \$19,393,138                     |
|             |              |                          | 90           | 90              | 18  |            | 72          |           | Family             | \$25,576,547                     |
| \$500,000   |              |                          | 50           | 30              |   |            | 30          |           | Family             | \$8,500,000                      |
|             |              |                          | 28           | 28              | 6   |            | 22          |           | Family             | \$9,600,176                      |
| \$500,000   |              |                          | 60           | 36              |   |            | 36          |           | Family             | \$18,646,000                     |
| 2006        | \$7,500,000  |                          | 82           | 66              | 8   |            | 58          |           | Family             | \$15,753,459                     |
|             |              |                          | 120          | 120             |   |            | 120         |           | Family             | \$20,074,902                     |
|             |              |                          | 196          | 196             |   |            |             |           | Elderly            | \$648,729                        |
|             | \$12,070,000 |                          | 240          | 240             |   |            | 240         |           | Elderly            | \$28,587,870                     |
|             |              |                          | 160          | 160             |   |            | 160         |           | Family             | \$23,588,354                     |
|             |              |                          | 195          | 195             |   |            |             |           | Elderly            | \$301,820                        |
|             |              |                          | 96           | 96              | 19  |            | 77          |           | Family             | \$16,469,613                     |
|             |              |                          | 168          | 168             | 17  |            | 151         |           | Family             | \$26,932,290                     |
|             |              |                          | 84           | 84              |   |            | 84          |           | Family             | \$12,122,862                     |
|             |              |                          | 55           | 55              |   |            |             |           | Elderly            | \$112,887                        |
|             |              |                          | 37           | 37              |   |            |             |           | Elderly            | \$79,021                         |
|             |              |                          | 52           | 52              |   |            | 52          |           | Elderly            | \$4,209,560                      |
|             |              |                          | 400          | 400             |   |            |             |           | Elderly            | \$109,227                        |
|             |              |                          | 106          | 106             | 11  |            | 95          |           | Family             | \$18,770,473                     |
|             |              |                          | 80           | 80              |   | 8          | 72          |           | Family             | \$15,928,106                     |
|             |              |                          | 100          | 100             |   | 20         | 80          |           | Family             | \$13,905,951                     |
|             |              |                          | 86           | 65              | 17  |            | 48          |           | Family             | \$16,367,200                     |
|             |              |                          | 72           | 51              | 8   |            | 43          |           | Family             | \$19,109,517                     |
|             | \$18,500,000 |                          | 128          | 90              | 13  |            | 77          |           | Family             | \$32,599,778                     |
|             |              |                          | 64           | 64              |   |            |             |           | Elderly            | \$335,478                        |
|             |              |                          | 136          | 136             | 18  |            | 118         |           | Family             | \$16,980,411                     |
| \$2,500,000 | \$74,905,000 |                          | <b>8,385</b> | <b>7,881</b>    | <b>622</b>  | <b>348</b> | <b>5735</b> | <b>19</b> |                    | <b>\$1,216,406,419</b>           |

# State Housing Initiatives Partnership (SHIP) Allocation and Distribution of Funds for 2004-2005\*

| Local Government                | 2004-2005 State Annual Distribution* | Homeownership      |             | Rental             |             | Income Level Served |                |           |                |
|---------------------------------|--------------------------------------|--------------------|-------------|--------------------|-------------|---------------------|----------------|-----------|----------------|
|                                 |                                      | Total Expenditures | Total Units | Total Expenditures | Total Units | Extremely Low Units | Very Low Units | Low Units | Moderate Units |
| Alachua County***               | \$853,156                            | \$931,349          | 40          | -                  | -           | -                   | 25             | 15        | -              |
| City of Gainesville             | \$875,981                            | \$1,009,511        | 78          | -                  | -           | -                   | 39             | 29        | 10             |
| Baker County                    | \$350,000                            | \$815,963          | 35          | -                  | -           | -                   | 23             | 11        | 1              |
| Bay County                      | \$890,720                            | \$1,231,098        | 70          | -                  | -           | -                   | 22             | 36        | 12             |
| City of Panama City             | \$275,144                            | \$300,447          | 27          | -                  | -           | -                   | 11             | 16        | -              |
| Bradford County                 | \$350,000                            | \$367,912          | 22          | -                  | -           | -                   | 9              | 10        | 3              |
| Brevard County                  | \$2,166,095                          | \$2,376,644        | 186         | 244,725            | 204         | -                   | 295            | 88        | 7              |
| City of Cocoa                   | \$121,852                            | \$166,505          | 5           | -                  | -           | -                   | 2              | 2         | 1              |
| City of Melbourne               | \$548,336                            | \$840,938          | 20          | 60,000             | 108         | 59                  | 57             | 12        | -              |
| City of Palm Bay                | \$633,481                            | \$774,670          | 71          | 25,000             | 22          | -                   | 46             | 43        | 4              |
| City of Titusville              | \$314,471                            | \$354,129          | 12          | -                  | -           | -                   | 7              | 5         | -              |
| Broward County                  | \$4,839,497                          | \$5,493,615        | 151         | 521,626            | 27          | -                   | 15             | 94        | 69             |
| City of Deerfield Beach         | \$480,920                            | \$499,836          | 27          | -                  | -           | -                   | 10             | 9         | 8              |
| City of Ft. Lauderdale          | \$1,257,209                          | \$1,752,730        | 57          | -                  | -           | -                   | 27             | 30        | -              |
| City of Hollywood               | \$1,060,297                          | \$2,181,738        | 53          | -                  | -           | -                   | 27             | 17        | 9              |
| City of Lauderhill              | \$430,430                            | \$536,433          | 47          | -                  | -           | -                   | 16             | 29        | 2              |
| City of Margate                 | \$401,398                            | \$457,390          | 23          | -                  | -           | 6                   | 2              | 11        | 4              |
| City of Miramar                 | \$713,176                            | \$731,064          | 27          | -                  | -           | -                   | 11             | 10        | 6              |
| City of Pembroke Pines***       | \$1,101,951                          | \$1,293,119        | 16          | -                  | -           | -                   | 7              | 3         | 6              |
| City of Plantation              | \$623,555                            | \$811,882          | 25          | -                  | -           | -                   | 9              | 11        | 5              |
| City of Pompano Beach           | \$641,227                            | \$678,388          | 55          | -                  | -           | -                   | 38             | 14        | 3              |
| City of Sunrise                 | \$650,063                            | \$755,255          | 61          | -                  | -           | 9                   | 17             | 33        | 2              |
| City of Tamarac                 | \$422,856                            | \$482,446          | 15          | -                  | -           | -                   | 7              | 6         | 2              |
| Calhoun County                  | \$350,000                            | \$313,309          | 22          | -                  | -           | -                   | 16             | 5         | 1              |
| Charlotte County/Punta Gorda*** | \$4,711,380                          | \$4,505,646        | 153         | 590,000            | 60          | 4                   | 51             | 102       | 56             |
| Citrus County                   | \$947,386                            | \$1,270,848        | 75          | -                  | -           | -                   | 22             | 38        | 15             |
| Clay County                     | \$1,169,272                          | \$1,422,157        | 85          | -                  | -           | -                   | 39             | 38        | 8              |
| Collier County/Naples           | \$2,186,578                          | \$3,398,126        | 251         | -                  | -           | -                   | 117            | 134       | -              |
| Columbia County                 | \$445,548                            | \$548,570          | 77          | -                  | -           | -                   | 44             | 18        | 15             |
| DeSoto County                   | \$1,141,000                          | \$1,168,999        | 32          | -                  | -           | -                   | 20             | 11        | 1              |
| Dixie County                    | \$350,000                            | \$324,511          | 21          | -                  | -           | -                   | 16             | 3         | 2              |
| Duval County/Jacksonville       | \$6,153,420                          | \$6,928,832        | 453         | -                  | -           | -                   | 292            | 106       | 55             |
| Escambia County/Pensacola       | \$2,275,353                          | \$1,992,843        | 270         | 170,000            | 2           | 5                   | 134            | 117       | 16             |
| Flagler County                  | \$476,275                            | \$568,051          | 13          | -                  | -           | 3                   | 2              | 8         | -              |
| Franklin County                 | \$350,000                            | \$369,677          | 40          | -                  | -           | -                   | 18             | 12        | 10             |
| Gadsden County                  | \$367,036                            | \$313,731          | 28          | -                  | -           | -                   | 22             | 4         | 2              |
| Gilchrist County                | \$350,000                            | \$416,676          | 14          | -                  | -           | -                   | 11             | 2         | 1              |
| Glades County***                | \$350,000                            | \$354,852          | 8           | -                  | -           | -                   | -              | 4         | 4              |
| Gulf County                     | \$350,000                            | \$500,424          | 30          | -                  | -           | -                   | 10             | 13        | 7              |
| Hamilton County                 | \$350,000                            | \$343,723          | 21          | -                  | -           | 6                   | 6              | 6         | 3              |
| Hardee County                   | \$993,000                            | \$1,016,056        | 102         | -                  | -           | 1                   | 35             | 38        | 28             |
| Hendry County***                | \$350,000                            | \$347,032          | 8           | -                  | -           | -                   | 2              | 3         | 3              |
| Hernando County***              | \$1,060,033                          | \$2,011,328        | 70          | -                  | -           | -                   | 17             | 35        | 18             |
| Highlands County                | \$687,939                            | \$757,582          | 269         | -                  | -           | -                   | 156            | 108       | 5              |
| Hillsborough County***          | \$5,665,870                          | \$6,037,165        | 204         | 1,250,000          | 24          | -                   | 81             | 120       | 27             |
| City of Tampa                   | \$2,368,547                          | \$2,260,601        | 58          | 675,000            | 48          | -                   | 33             | 67        | 6              |
| Holmes County                   | \$350,000                            | \$392,620          | 39          | -                  | -           | -                   | 27             | 5         | 7              |
| Indian River County             | \$916,659                            | \$1,575,182        | 54          | -                  | -           | -                   | 23             | 17        | 14             |
| Jackson County                  | \$377,279                            | \$393,046          | 62          | -                  | -           | -                   | 36             | 17        | 9              |
| Jefferson County                | \$350,000                            | \$564,440          | 25          | -                  | -           | -                   | 13             | 10        | 2              |
| Lafayette County                | \$350,000                            | \$367,944          | 22          | -                  | -           | -                   | 9              | 5         | 8              |
| Lake County***                  | \$1,800,834                          | \$2,551,559        | 110         | -                  | -           | 1                   | 25             | 78        | 6              |
| Lee County                      | \$2,402,063                          | \$1,804,729        | 56          | 757,878            | 23          | -                   | 45             | 34        | -              |
| City of Cape Coral              | \$898,282                            | \$1,236,169        | 103         | -                  | -           | -                   | 48             | 55        | -              |
| City of Ft. Myers               | \$391,728                            | \$605,073          | 20          | -                  | -           | -                   | 8              | 11        | 1              |
| Leon County                     | \$700,339                            | \$782,704          | 36          | -                  | -           | -                   | 11             | 17        | 8              |
| City of Tallahassee             | \$1,219,977                          | \$1,184,164        | 167         | 85,000             | 2           | -                   | 115            | 54        | -              |
| Levy County***                  | \$350,000                            | \$397,819          | 29          | -                  | -           | -                   | 10             | 10        | 9              |



| Local Government                 | 2004-2005 State Annual Distribution* | Homeownership        |              | Rental             |              | Income Level Served |                |              |                |
|----------------------------------|--------------------------------------|----------------------|--------------|--------------------|--------------|---------------------|----------------|--------------|----------------|
|                                  |                                      | Total Expenditures   | Total Units  | Total Expenditures | Total Units  | Extremely Low Units | Very Low Units | Low Units    | Moderate Units |
| Liberty County                   | \$350,000                            | \$299,468            | 13           | -                  | -            | -                   | 11             | 2            | -              |
| Madison County                   | \$350,000                            | \$337,919            | 31           | -                  | -            | -                   | 15             | 9            | 7              |
| Manatee County                   | \$1,758,126                          | \$2,054,774          | 74           | 11,000             | 13           | -                   | 33             | 37           | 17             |
| City of Bradenton                | \$390,910                            | \$1,293,357          | 52           | -                  | -            | -                   | 17             | 23           | 12             |
| Marion County                    | \$1,752,760                          | \$1,978,065          | 74           | 452,500            | 30           | 30                  | 9              | 30           | 35             |
| City of Ocala                    | \$351,899                            | \$332,857            | 31           | -                  | -            | 5                   | 9              | 17           | -              |
| Martin County                    | \$1,012,248                          | \$1,278,734          | 65           | -                  | -            | -                   | 27             | 22           | 16             |
| Miami-Dade County                | \$7,477,610                          | \$8,489,603          | 160          | 500,000            | 22           | 22                  | 45             | 91           | 24             |
| City of Hialeah                  | \$1,098,512                          | \$1,237,150          | 31           | -                  | -            | -                   | 17             | 12           | 2              |
| City of Miami***                 | \$1,755,411                          | \$2,025,172          | 24           | -                  | -            | 7                   | 4              | 9            | 4              |
| City of Miami Beach              | \$426,156                            | \$429,075            | 13           | -                  | -            | -                   | 4              | 3            | 6              |
| City of North Miami              | \$282,632                            | \$305,525            | 14           | -                  | -            | -                   | 6              | 5            | 3              |
| Monroe County                    | \$616,242                            | \$998,089            | 27           | -                  | -            | -                   | 4              | 3            | 20             |
| Nassau County***                 | \$486,518                            | \$643,602            | 36           | 121,630            | -            | -                   | 21             | 10           | 5              |
| Okaloosa County/Ft. Walton Beach | \$1,360,450                          | \$1,196,215          | 92           | 35,000             | 1            | -                   | 47             | 46           | -              |
| Okeechobee County                | \$350,000                            | \$439,233            | 23           | -                  | -            | -                   | 9              | 11           | 3              |
| Orange County                    | \$5,817,947                          | \$6,545,406          | 386          | 226,664            | 90           | -                   | 129            | 176          | 171            |
| City of Orlando                  | \$1,502,988                          | \$1,138,079          | 171          | 462,382            | 102          | -                   | 149            | 67           | 57             |
| Osceola County                   | \$1,578,928                          | \$2,063,249          | 37           | -                  | -            | -                   | 14             | 23           | -              |
| Palm Beach County                | \$6,823,859                          | \$9,733,468          | 260          | 868,143            | 304          | -                   | 227            | 280          | 57             |
| City of Boca Raton               | \$565,877                            | \$882,515            | 32           | -                  | -            | 4                   | 7              | 17           | 4              |
| City of Boynton Beach            | \$480,274                            | \$732,329            | 33           | -                  | -            | -                   | 16             | 11           | 6              |
| City of Delray Beach             | \$465,857                            | \$547,530            | 18           | -                  | -            | -                   | 9              | 8            | 1              |
| City of West Palm Beach          | \$674,907                            | \$1,528,745          | 46           | -                  | -            | -                   | 22             | 19           | 5              |
| Pasco County                     | \$2,807,898                          | \$5,297,070          | 272          | 24,024             | 36           | -                   | 79             | 143          | 86             |
| Pinellas County                  | \$3,769,263                          | \$2,602,011          | 144          | 3,251,540          | 49           | 28                  | 79             | 52           | 34             |
| City of Clearwater               | \$820,106                            | \$1,021,485          | 45           | -                  | -            | 8                   | 10             | 22           | 5              |
| City of Largo                    | \$534,364                            | \$764,197            | 17           | 286,323            | 64           | -                   | 36             | 41           | 4              |
| City of St. Petersburg***        | \$1,879,728                          | \$2,280,726          | 104          | 148,100            | 1            | -                   | 35             | 49           | 21             |
| Polk County                      | \$2,958,835                          | \$3,186,830          | 175          | 56,247             | 103          | 59                  | 88             | 85           | 46             |
| City of Lakeland                 | \$662,318                            | \$759,290            | 71           | -                  | -            | -                   | 22             | 37           | 12             |
| City of Winter Haven             | \$200,644                            | \$249,612            | 11           | -                  | -            | -                   | 5              | 3            | 3              |
| Putnam County                    | \$551,380                            | \$722,887            | 32           | -                  | -            | -                   | 10             | 18           | 4              |
| Santa Rosa County                | \$967,851                            | \$1,012,134          | 87           | -                  | -            | -                   | 37             | 37           | 13             |
| Sarasota County / Sarasota       | \$2,603,070                          | \$3,903,857          | 148          | 250,000            | 8            | 22                  | 36             | 98           | -              |
| Seminole County                  | \$2,947,864                          | \$2,196,577          | 51           | 1,134,108          | 40           | -                   | 56             | 35           | -              |
| St. Johns County                 | \$1,056,625                          | \$926,249            | 53           | -                  | -            | -                   | 31             | 19           | 3              |
| St. Lucie County                 | \$525,698                            | \$549,473            | 14           | -                  | -            | -                   | 10             | 3            | 1              |
| City of Ft. Pierce               | \$290,500                            | \$316,390            | 85           | 75,000             | 1            | -                   | 39             | 45           | 2              |
| City of Port St. Lucie           | \$772,973                            | \$918,980            | 38           | -                  | -            | 4                   | 7              | 16           | 11             |
| Sumter County                    | \$486,518                            | \$577,450            | 23           | 5,789              | 13           | -                   | 21             | 11           | 4              |
| Suwannee County                  | \$350,000                            | \$404,787            | 59           | -                  | -            | -                   | 39             | 10           | 10             |
| Taylor County***                 | \$350,000                            | \$344,815            | 23           | -                  | -            | -                   | 8              | 10           | 5              |
| Union County                     | \$350,000                            | \$340,660            | 28           | -                  | -            | -                   | 18             | 4            | 6              |
| Volusia County                   | \$2,462,931                          | \$3,257,816          | 125          | 113,747            | 2            | -                   | 37             | 73           | 17             |
| City of Daytona Beach            | \$484,777                            | \$461,586            | 25           | 41,350             | 1            | -                   | 11             | 10           | 5              |
| City of Deltona                  | \$570,264                            | \$619,724            | 24           | -                  | -            | -                   | 11             | 11           | 2              |
| Wakulla County                   | \$350,000                            | \$354,254            | 33           | -                  | -            | -                   | 10             | 12           | 11             |
| Walton County                    | \$367,036                            | \$425,368            | 44           | -                  | -            | -                   | 29             | 10           | 5              |
| Washington County                | \$350,000                            | \$381,306            | 38           | -                  | -            | -                   | 12             | 18           | 8              |
| <b>Totals</b>                    | <b>\$130,758,367</b>                 | <b>\$154,254,940</b> | <b>7,662</b> | <b>12,442,775</b>  | <b>1,400</b> | <b>283</b>          | <b>3,854</b>   | <b>3,540</b> | <b>1,218</b>   |

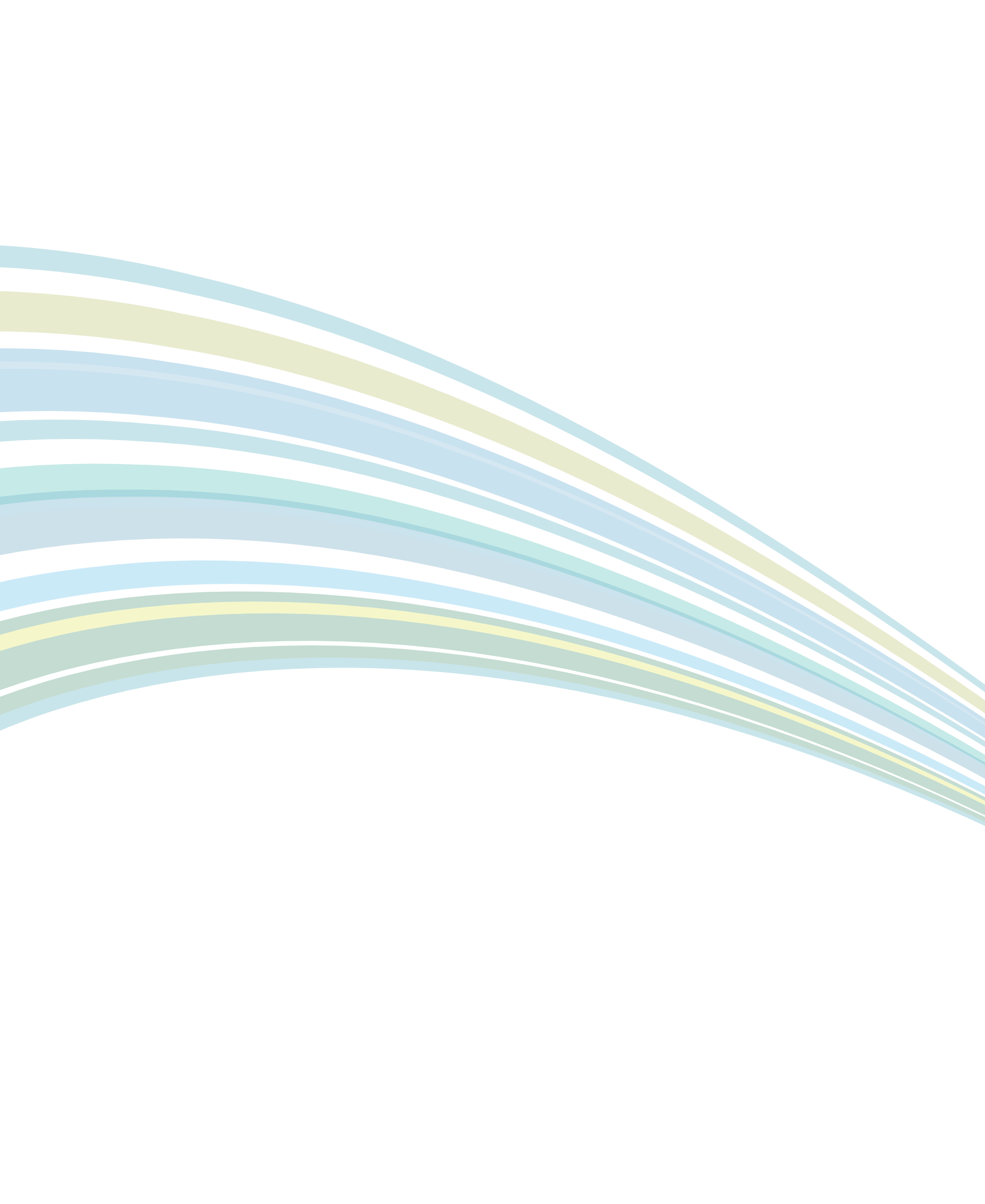
\*These SHIP funds are from the most recent closed year (Fiscal Year 2004-2005). Pursuant to Florida Law, local governments have three years to expend funds.

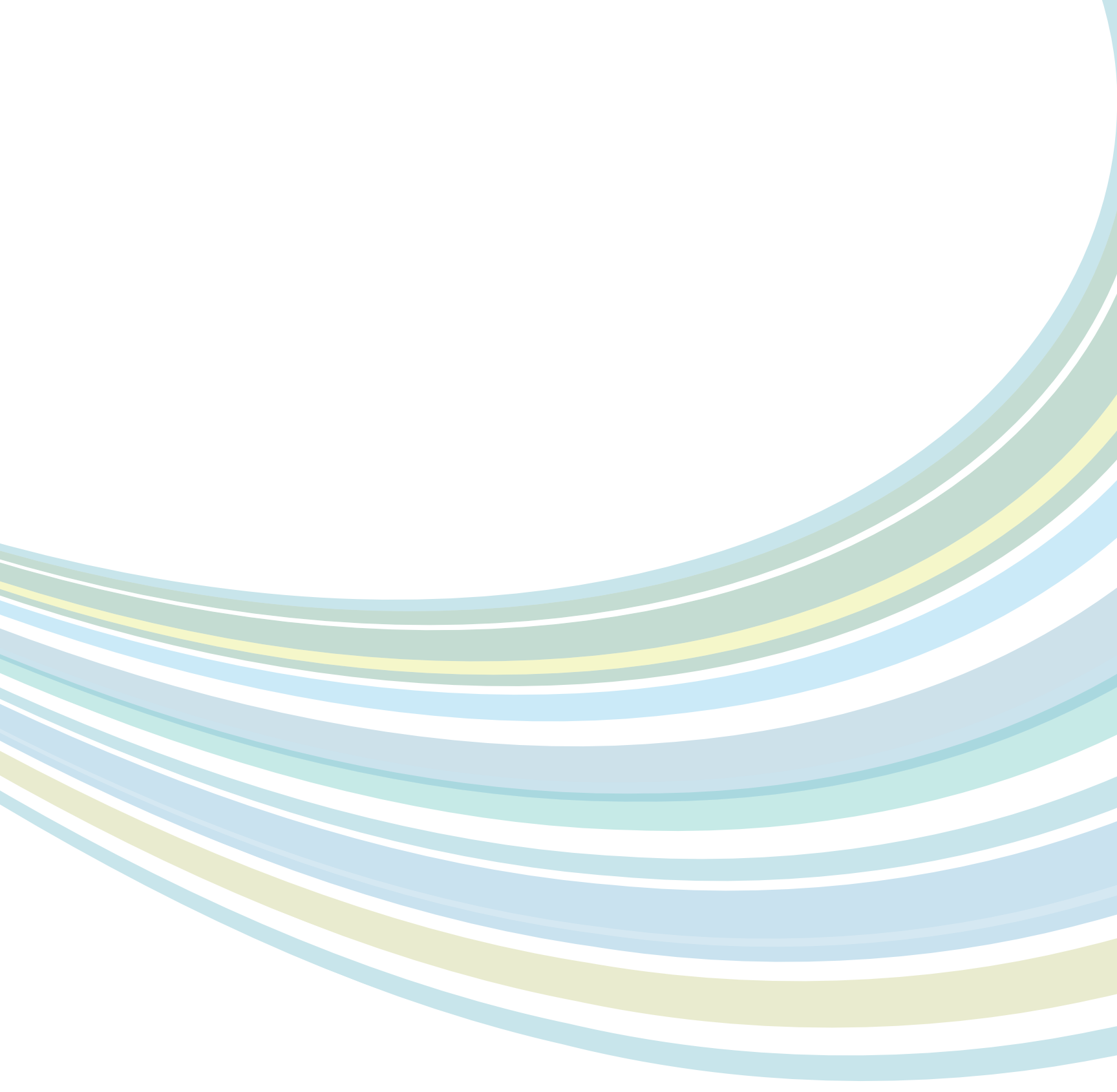
\*\*Annual distribution amount does not include program income, recaptured funds, carry forward funds or other funds that local governments also use to fund housing through the SHIP program. The homeownership and rental expenditures, when taken together, are higher for this reason.

\*\*\*These local governments have been approved for expenditure extensions. To ensure that the best estimates of final expenditures and total units are provided, the homeownership and rental expenditure columns for these local governments show data on both expended and encumbered funds (i.e., what a local government has committed the funding for). The number of units shows data for expended funds only. This provides a good estimate of total final expenditures. Note that income served information is not yet available for the encumbered units, so these totals are lower than overall homeownership and rental totals.

## 2007 Community Workforce Housing Innovation Pilot Program ▼

| County        | Development                                    | Targeted Population  | Tenure               | # of Units | Funding Amount      | Estimated Total Development Cost | Key Partners  |
|---------------|--|--|----------------------|------------|---------------------|----------------------------------|---|
| Highlands     | Ridgeview Subdivision/<br>Villas at Kenilworth | Essential services personnel earning at or below 140% AMI  | Homeownership        | 100        | \$5,000,000         | \$16,803,930                     | Highlands County Board of County Commissioners; National Development Foundation; Caribbean Real Estate Developers, LLC; William Dailey Construction, Inc.   |
| Hillsborough  | Westshore Landings One                         | Families employed within the Westshore Business District of Tampa earning at or below 140% AMI   | Homeownership        | 57         | \$4,000,000         | \$10,941,207                     | Westshore Community Development Corporation; Hillsborough County Board of County Commissioners  |
| Martin        | Village of Quillen                             | Teachers and other school board personnel earning at or below 140% AMI   | Homeownership        | 50         | \$5,000,000         | \$15,400,455                     | Indiantown Holdings, LLC; Indiantown Non-Profit Housing, Inc.; Martin County; Treasure Coast Regional Planning Council; Western Martin County Indiantown Chamber of Commerce  |
| Osceola       | The Preserve                                   | Teachers earning at or below 140% AMI  | Rental               | 120        | \$5,000,000         | \$15,390,000                     | Osceola County School Board; Foundation for Osceola Education, Inc.; St. Cloud Preserve, LLC  |
| Palm Beach    | Midtown Delray                                 | Essential services personnel earning at or below 140% AMI  | Homeownership        | 32         | \$5,000,000         | \$12,835,815                     | Midtown Delray, LLC; City of Delray Beach; Delray Beach Community Land Trust; Delray Beach Chamber of Commerce  |
| Palm Beach    | Merry Place at Pleasant City                   | Essential services personnel earning at or below 140% AMI  | Homeownership        | 115        | \$5,000,000         | \$27,283,373                     | West Palm Beach Housing Authority; Banc of America Community Development Corporation  |
| Palm Beach    | The Preserve at Boynton Beach                  | Educational, health and public safety employees, including teachers, police officers, nurses and firefighters earning at or below 140% AMI | Homeownership        | 60         | \$5,000,000         | \$13,520,917                     | Boynton Village, LLC; Boynton Beach Community Redevelopment Agency  |
| Sarasota      | Boulevard of the Arts Residences               | Essential services personnel earning between 80% & 100% AMI  | Homeownership        | 28         | \$2,560,000         | \$8,277,357                      | Sarasota County; Community Housing Trust  |
| Sarasota      | Hatton Street Houses                           | Essential services personnel earning between 80% & 100% AMI  | Homeownership        | 40         | \$2,440,000         | \$10,401,648                     | Sarasota County; Community Housing Trust  |
| St. Johns     | Homes of West Augustine                        | Essential services personnel at or below 140% AMI  | Homeownership        | 111        | \$5,000,000         | \$18,434,544                     | Housing Finance Authority of St. Johns County; St. Johns County; St. Johns County Community Redevelopment Agency; Habitat for Humanity St. Augustine/St. Johns County; Brunson Custom Homes; Central Florida Community Development Corporation; Cope Homes; Covenant Homes of St. Augustine; E & C Construction of St. Augustine; Gemini Development; Pennyworth Homes; Storm Safe Homes/High Strength Structures |
| Walton        | Wolf Creek Village                             | Essential services personnel earning between 60% & 140% AMI  | Homeownership        | 242        | \$5,000,000         | \$29,342,500                     | Walton County Workforce Housing Corporation; Walton County  |
|               |  |  | <b>Homeownership</b> | <b>835</b> | <b>\$44,000,000</b> | <b>\$163,241,746</b>             |   |
|               |  |  | <b>Rental</b>        | <b>120</b> | <b>\$5,000,000</b>  | <b>\$15,390,000</b>              |   |
| <b>Totals</b> |  |  |                      | <b>955</b> | <b>\$49,000,000</b> | <b>\$178,631,746</b>             |   |





227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301

For more information on Florida Housing and its programs, please visit our website at [www.floridahousing.org](http://www.floridahousing.org) or call (850) 488-4197.



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**EXECUTIVE DIRECTOR**

Stephen P. Auger

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FLORIDA HOUSING FINANCE CORPORATION  
(A Component Unit of the State of Florida)

TABLE OF CONTENTS

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|  | Page  |
|--|-------|
| INDEPENDENT AUDITORS' REPORT   | 1-2   |
| MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED<br>DECEMBER 31, 2007 (UNAUDITED)   | 4-9   |
| FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2007:   |       |
| Balance Sheet  | 12    |
| Statement of Revenues, Expenses, and Changes in Net Assets   | 13    |
| Statement of Cash Flows  | 14-15 |
| Notes to Financial Statements  | 16-49 |
| COMPLIANCE SECTION:  |       |
| Schedule of Expenditures of Federal Awards for the Year Ended<br>December 31, 2007   | 52    |
| Notes to Schedule of Expenditures of Federal Awards for the Year<br>Ended December 31, 2007  | 53    |
| Independent Auditors' Report on Internal Control Over Financial Reporting<br>and on Compliance and Other Matters Based on an Audit of Financial<br>Statements Performed in Accordance With Government Auditing Standards | 55-56 |
| Independent Auditors' Report on Compliance with Requirements Applicable<br>to Each Major Federal Program and on Internal Control Over Compliance<br>with OMB Circular A-133  | 57-58 |
| Schedule of Findings and Questioned Costs for the Year Ended<br>December 31, 2007  | 59-60 |
| Response from Management   | 61    |

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Florida Housing Finance Corporation  
Tallahassee, Florida

We have audited the accompanying balance sheet of Florida Housing Finance Corporation ("Florida Housing") (a component unit of the state of Florida) as of December 31, 2007 and the related statement of revenue, expenses, and changes in net assets, and the statement of cash flows for the year then ended. These financial statements are the responsibility of the management of Florida Housing. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the respective financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of Florida Housing's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the respective financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of Florida Housing at December 31, 2007, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Notes 7 and 10, certain multifamily mortgage loans receivable are in default due to noncompliance with terms of their bond documents. As discussed in Note 1, these bonds are not general or special obligations of Florida Housing or of the state of Florida and Florida Housing has no liability for such debt except to the extent of any outstanding guarantees by the Guarantee Program for these loans, therefore, no provision other than provisions for losses in the Guarantee Program have been made for the effects, if any, of the resolution of these default conditions.

Management's discussion and analysis as listed in the table of contents is not a required part of the financial statements, but is supplementary information required by the Governmental

Accounting Standards Board. This supplementary information is the responsibility of Florida Housing's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit such information, and we do not express an opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards, as listed in the table of contents, is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. This schedule is also the responsibility of the management of Florida Housing. Such schedule has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the 2007 basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2008, on our consideration of internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

A handwritten signature in cursive script that reads "Deloitte & Touche LLP".

June 6, 2008

MANAGEMENT'S DISCUSSION  
AND ANALYSIS

# FLORIDA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Florida)

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2007 (UNAUDITED)

---

As management of the Florida Housing Finance Corporation ("Florida Housing"), we offer readers of Florida Housing's financial statements this narrative overview and analysis of Florida Housing's financial activities for the year ended December 31, 2007. This overview and analysis is required by accounting principles generally accepted in the United States of America ("GAAP") in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* ("GASB 34").

### FINANCIAL HIGHLIGHTS

- As a result of operations in 2007, net assets increased \$350.0 million, to \$2.0 billion as of December 31, 2007. This increase consists of increases in bond programs (\$64.1 million) and in the State and Federal programs (\$288.2 million), with an offsetting decrease in the Operating Fund (\$2.3 million).
- Bonds outstanding, net as of December 31, 2007, were \$4.1 billion, an increase of \$542.9 million from December 31, 2006. The change consists of a net increase in single family bonds outstanding (\$483.4 million) and a net increase in multifamily bonds (\$65.9 million), with an offsetting decrease in Guarantee Program bonds outstanding (\$6.4 million).
- Loans receivable, net increased by \$100.4 million, to \$3.0 billion in 2007. The overall increase is comprised of increases in State and Federal programs (\$73.5 million) and in mortgage loans outstanding in the Multifamily Housing Revenue bond programs (\$41.5 million), with offsetting decreases in mortgage loans outstanding in the Operating Fund (\$2.8 million) and the single family bond programs (\$11.8 million).
- The change in net assets for all programs and funds increased \$77.3 million. The primary components of the change include increases in the State and Federal programs of \$29.2 million and the single family bond programs of \$41.3 million.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements consist of two parts: Management's discussion and analysis and the financial statements. Florida Housing is a component unit of the state of Florida and follows enterprise fund reporting. Therefore, the financial statements are presented in a manner similar to that of a private business, using the economic resources measurement focus and the accrual basis of accounting.

The financial statements report information for all of Florida Housing's programs and operations. The Balance Sheet includes all of Florida Housing's assets and liabilities. All of the revenues and expenses of Florida Housing are accounted for in the Statement of Revenues, Expenses, and Changes in Net Assets.



## FINANCIAL ANALYSIS OF FLORIDA HOUSING

### Balance Sheet

The following table summarizes the assets, liabilities, and net assets as of December 31, (in millions):

|   | 2007              | 2006              |
|---|-------------------|-------------------|
| Non-capital assets:                     |                   |                   |
| Current assets                          | \$ 1,265.5        | \$ 996.6          |
| Noncurrent assets:                      |                   |                   |
| Investments                             | 2,215.1           | 1,697.7           |
| Loans receivable—net                    | 2,906.8           | 2,776.8           |
| Deferred finance charges—net            | 19.2              | 15.1              |
| <b>Total non-capital assets</b>         | <b>6,406.6</b>    | <b>5,486.2</b>    |
| Capital assets—net                      | 0.2               | 0.3               |
| <b>Total assets</b>                     | <b>\$ 6,406.8</b> | <b>\$ 5,486.5</b> |
| <br>                                    |                   |                   |
| Current liabilities                     | \$ 160.0          | \$ 174.4          |
| Noncurrent liabilities:                 |                   |                   |
| Bonds payable—net                       | 4,033.9           | 3,461.5           |
| Deferred fee income—net                 | 54.8              | 54.7              |
| Other liabilities                       | 8.1               | 8.2               |
| Due to developers                       | 131.9             | 119.6             |
| Due to State of Florida                 | 24.8              | 24.8              |
| <b>Total liabilities</b>                | <b>4,413.5</b>    | <b>3,843.2</b>    |
| <br>                                    |                   |                   |
| Net assets:                             |                   |                   |
| Invested in capital assets              | 0.2               | 0.3               |
| Restricted                              | 1,896.5           | 1,544.2           |
| Unrestricted                            | 96.6              | 98.8              |
| <b>Total net assets</b>                 | <b>1,993.3</b>    | <b>1,643.3</b>    |
| <br>                                    |                   |                   |
| <b>Total liabilities and net assets</b> | <b>\$ 6,406.8</b> | <b>\$ 5,486.5</b> |

Florida Housing's net assets increased by \$350.0 million, or 21.3%, from the December 31, 2006, balance. This is primarily due to documentary stamp tax collections that will be used to generate loans in the State programs.

Total loans receivable, net increased \$100.4 million in 2007. The largest components of this change were an increase in mortgage loans outstanding in the State and Federal Programs, offset by a decrease in the Single Family Homeowner Bond Program. Loans receivable in the State and Federal Programs increased by \$73.5 million, to \$680.8 million, primarily in the HOME Investment Partnerships Program and the State Apartment Incentive Loan ("SAIL") Program. Loans receivable in the Single Family Homeowner Mortgage program decreased by \$11.8 million, to \$165.5 million due to the repayment of loans in the program's whole loan portfolio. New loans originated in the program are securitized, and therefore do not offset these repayments but are increases to the investment balance.

Current liabilities decreased \$14.4 million, to \$160.0 million, primarily due to a decrease of \$37.6 million in bonds payable due within one year in the Multifamily Mortgage Revenue bond program. This decrease is offset by an \$8.1 million increase in the amount of bonds payable due within one year in the Single Family Homeowner Mortgage bond program.

Bonds payable, net increased \$542.9 million, to \$4.1 billion, in 2007. Single family bonds outstanding showed a net increase of \$483.3 million comprised of increases due to issuance and related premiums on the 2007 single family bonds (\$578.3 million) and accreted interest on capital appreciation bonds (\$1.2 million) offset by principal payments on bonds (\$96.2 million). The Guarantee Program bonds outstanding decreased by \$6.4 million due to principal repayments. The \$65.9 million net increase in multifamily bonds outstanding is comprised of increases due to bond issuances (\$186.6 million) and accreted interest on capital appreciation bonds (\$0.3 million), offset by principal payments on bonds (\$121.0 million). Multifamily bond principal repayments of \$31.0 million resulted from early retirement of bonds.

Net assets of the bond programs and the State and Federal programs are classified as restricted as the uses of the funds are directed by trust indentures and state statute, respectively.

Florida Housing's Board of Directors authorized the designation of unrestricted net assets in the Operating Fund for demonstration loans and associated costs, support of the single family bond program, and future operating and capital expenditures, including the funding of compliance monitoring for housing credit developments from which partial or no monitoring fees were collected. As of December 31, 2007, the total amount designated is \$96.6 million.

### Statements of Revenues, Expenses, and Changes in Net Assets

The following table summarizes the revenues, expenses, and changes in net assets for the years ended December 31, (in millions):

|                                      | 2007            | 2006            |
|--------------------------------------|-----------------|-----------------|
| Operating revenues:                  |                 |                 |
| Interest on loans                    | \$ 145.4        | \$ 144.6        |
| Investment income                    | 189.3           | 93.0            |
| Other income                         | 19.8            | 19.3            |
| HUD administrative fees              | 4.2             | 4.1             |
| <b>Total operating revenues</b>      | <b>358.7</b>    | <b>261.0</b>    |
| Operating expenses:                  |                 |                 |
| Interest expense                     | 199.0           | 175.7           |
| Payments to other governments        | 154.3           | 304.1           |
| Provision for uncollectible loans    | 22.9            | 22.7            |
| General and administrative expenses  | 46.7            | 36.9            |
| Housing assistance payments          | 13.3            | 15.7            |
| <b>Total operating expenses</b>      | <b>436.2</b>    | <b>555.1</b>    |
| Nonoperating revenues (expenses):    |                 |                 |
| HUD program receipts                 | 44.3            | 55.7            |
| State documentary stamp tax receipts | 387.4           | 519.0           |
| Transfers to state agencies          | (4.2)           | (7.9)           |
| <b>Total nonoperating revenues</b>   | <b>427.5</b>    | <b>566.8</b>    |
| <b>Change in net assets</b>          | <b>\$ 350.0</b> | <b>\$ 272.7</b> |

Total operating revenues increased \$97.7 million from the prior year. This is primarily due to a \$96.3 million increase in investment income, primarily in the Single Family Homeowner Mortgage bond and State and Federal programs.

Investment income increased \$96.3 million in 2007. The overall increase was comprised of an increase in investment income for the bond programs (\$72.0 million), the State and Federal programs (\$22.6 million), and the Operating Fund (\$1.7 million). Unrealized gain on investments in 2007 was \$25.2 million, compared to a \$7.4 million unrealized loss recorded in 2006. Additionally, actual income earned from investments increased \$63.7 million from 2006, a result of the gradual rise in interest rates and the increase in cash and investment balances.

Total operating expenses decreased \$118.9 million, to \$436.2 million in 2007. Components of the decrease include decreases in the payment of State Housing Initiatives Partnership ("SHIP") funds to local governments (\$46.6 million), Hurricane Housing Recovery Program ("HHRP") payments to local governments (\$103.1 million), and payments for the Section 8 program (\$3.3 million). These are offset by increases in interest expense (\$23.3 million), provision for uncollectible loans (\$0.2 million), general and administrative expense (\$9.8 million), and housing assistance payments for the HOME Tenant-Based Rental Assistance program (\$0.8 million). The increase in bond interest expense is due to the increase in outstanding bond balances as described above. The decrease in SHIP payments was due to a change in the funds release schedule for the state fiscal year 2007-08 compared to 2006-07. The decrease in HHRP disbursements is due to winding down this program which was funded from a one-time appropriation in state fiscal year 2005-06.

Net nonoperating revenues decreased \$139.3 million from \$566.8 million in 2006 to \$427.5 million in 2007. State documentary stamp tax collections decreased by \$131.6 million compared to 2006 collections due to the continued slowdown in the Florida real estate market.

For the bond programs, loan related interest earnings (\$133.5 million) and investment income (\$127.8 million) are the primary components of total revenues. Bond interest expense (\$199.0 million) is the largest expense item.

Florida Housing's revenues in the Operating Fund were primarily generated from investment income (\$8.1 million), issuer fees (\$7.4 million), and administrative fees for federal programs (\$4.2 million). General and administrative expenses (\$16.7 million), which include operating expenses and program administration (credit underwriting, servicing, and monitoring), and rental assistance payments to Section 8 properties (\$6.3 million) comprise the bulk of expenses in the Operating Fund.

Nonoperating revenues, including documentary stamp tax receipts of \$387.4 million, investment income (\$53.3 million) and federal program funds (\$37.9 million) make up the majority of the revenues and transfers in the State and Federal programs. Payments to local governments through SHIP and HHRP (\$154.3 million) are the largest component of expenses. The decrease in payments to other governments in SHIP and HHRP (\$149.8 million) and the increase in investment income (\$22.6 million), offset by the decreases in documentary stamp tax receipts (\$131.6 million) and federal program receipts (\$7.5 million) are primarily responsible for the increase in change in net assets in the state and federal programs.

## DEBT ADMINISTRATION

At year-end, Florida Housing had total bonded debt outstanding of \$4.1 billion, net of discounts. This represents a net increase of \$542.9 million during 2007, resulting from the issuance of bonds and premiums (\$764.9 million) and accreted interest on capital appreciation bonds (\$1.6 million), offset by principal payments on bonds (\$223.6 million). More detailed information about Florida Housing's debt is presented in Note 10 to the financial statements.

## OTHER FINANCIAL INFORMATION

An analysis of Florida Housing's overall financial position as a result of this year's operations shows a continuance of Florida Housing's financial strength and a continued increase in its net assets.

While Florida Housing's financial position continues to be strong, the last year has proven challenging on many fronts for Florida with the decline in the general housing market, the rise in residential foreclosures and the rise in development operating costs. One indication of the impact is that Florida ended 2007 ranking second highest in the number of foreclosure filings in the nation. Foreclosures are projected to rise with continued interest rate resets of adjustable rate mortgages over the next 18 to 24 months. State of Florida revenue estimates indicate this condition will continue to impact the collection of documentary stamp taxes; however, the amount collected is expected to exceed the statutory cap on deposits to the housing trust funds of \$243 million.

Florida Housing's single family loans are fixed rate mortgages for homebuyers within a programmatically defined income bracket and which require homebuyer education before loan closing. These requirements have kept the whole loan portfolio foreclosures under 2%. Whole loans make up approximately 10% of the combined whole loan and MBS portfolio. Florida Housing is not at risk for foreclosures in the MBS portion of the portfolio.

The properties enhanced by Florida Housing's Guarantee Program are not immune to the impact of the recent changes in the financial and real estate markets. Factors which are important for the stable functioning of the Guarantee Program considering current market conditions include the HUD Risk Sharing Program, the seasoning of the properties in the portfolio, the lack of any multifamily claims in the history of the program, the size of the net assets of the program, and the statutory availability of documentary stamp taxes when certain conditions exist. The combination of these factors and deal-specific conditions mitigate the risks to the Guarantee Program.

For those transactions in the conduit debt portfolio that are not enhanced by the Guarantee Program, the impact of the credit condition of the capital markets that began in 2007 has been minimal to date. The general rise in operating costs has similarly affected the properties in our conduit debt portfolio. Florida Housing's bonds, both multifamily and single family, continue to sell and remarket, although at higher rates as is the case with all housing bonds marketed.

The Board-approved 2007 operating budget of \$19.9 million was adequate to fund operations. Actual total operating expenses of \$16.6 million were 16.8% less than the total budget.

The budget approved by the legislature for state fiscal year 2008-2009 contains \$294.2 million in appropriations for Florida Housing programs, a \$5.9 million transfer to the Department of



Children and Families for homeless programs, a \$2.5 million transfer to General Revenue for the Community Contribution Tax Credit Program and \$0.4 million for compliance monitoring.

The initial tax-exempt bond allocation for 2008 is \$363.5 million, an increase of \$3.5 million from the 2007 initial allocation. The per capita allocation increased from \$80 in 2007 to \$85 in 2008; the remainder of the increase is due to an increase in Florida's population.

Please contact Barbara E. Goltz, Chief Financial Officer, at (850) 488-4197 with your comments, questions or requests for additional information.

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## FINANCIAL STATEMENTS

FLORIDA HOUSING FINANCE CORPORATION  
(A Component Unit of the State of Florida)

BALANCE SHEET  
AS OF DECEMBER 31, 2007

ASSETS

CURRENT ASSETS:

|                                    |                      |
|------------------------------------|----------------------|
| Cash and cash equivalents          | \$ 225,289,183       |
| Investments—net                    | 902,878,952          |
| Interest receivable on investments | 14,432,555           |
| Interest receivable on loans       | 27,133,024           |
| Loans receivable—net               | 72,902,359           |
| Documentary stamp taxes receivable | 20,408,720           |
| Other assets                       | 2,480,536            |
| Total current assets               | <u>1,265,525,329</u> |

NONCURRENT ASSETS:

|                              |                      |
|------------------------------|----------------------|
| Investments—net              | 2,215,045,849        |
| Loans receivable—net         | 2,906,828,610        |
| Deferred finance charges—net | 19,211,572           |
| Capital assets—net           | 211,412              |
| Total noncurrent assets      | <u>5,141,297,443</u> |

TOTAL ASSETS \$ 6,406,822,772

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

|  |                    |
|--|--------------------|
| Accounts payable and other liabilities | \$ 16,239,287      |
| Accrued interest payable               | 65,600,114         |
| Accrued arbitrage rebate               | 309,178            |
| Collateralized bank loan               | 95,000             |
| Bonds payable—net                      | 72,788,299         |
| Deferred fee income—net                | 4,927,352          |
| Total current liabilities              | <u>159,959,230</u> |

NONCURRENT LIABILITIES:

|                              |                      |
|------------------------------|----------------------|
| Bonds payable—net            | 4,033,949,288        |
| Deferred fee income—net      | 54,808,357           |
| Other liabilities            | 8,120,403            |
| Due to developers            | 131,896,470          |
| Due to state of Florida      | 24,824,125           |
| Total noncurrent liabilities | <u>4,253,598,643</u> |
| Total liabilities            | <u>4,413,557,873</u> |

COMMITMENTS AND CONTINGENCIES (Note 16)

NET ASSETS:

|                            |                      |
|----------------------------|----------------------|
| Invested in capital assets | 211,412              |
| Restricted                 | 1,896,472,302        |
| Unrestricted               | 96,581,185           |
| Total net assets           | <u>1,993,264,899</u> |

TOTAL LIABILITIES AND NET ASSETS \$ 6,406,822,772

The accompanying notes to the financial statements are an integral part of these statements.



FLORIDA HOUSING FINANCE CORPORATION  
(A Component Unit of the State of Florida)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2007

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|                                   |                         |
|-----------------------------------|-------------------------|
| OPERATING REVENUES:               |                         |
| Interest on loans                 | \$ 145,431,475          |
| Investment income                 | 189,268,923             |
| Other income                      | 19,823,071              |
| HUD administrative fees           | <u>4,178,877</u>        |
| Total operating revenues          | <u>358,702,346</u>      |
| OPERATING EXPENSES:               |                         |
| Interest expense                  | 199,032,363             |
| Payments to other governments     | 154,358,073             |
| Provision for uncollectible loans | 22,861,575              |
| General and administrative        | 46,708,228              |
| Housing assistance payments       | <u>13,269,272</u>       |
| Total operating expenses          | <u>436,229,511</u>      |
| OPERATING LOSS                    | <u>(77,527,165)</u>     |
| NONOPERATING REVENUES (EXPENSES): |                         |
| HUD program receipts              | 44,341,486              |
| Documentary stamp tax receipts    | 387,365,720             |
| Transfers to state agencies       | <u>(4,247,951)</u>      |
| Total nonoperating revenues       | <u>427,459,255</u>      |
| CHANGE IN NET ASSETS              | 349,932,090             |
| NET ASSETS:                       |                         |
| Beginning of year                 | <u>1,643,332,809</u>    |
| End of year                       | <u>\$ 1,993,264,899</u> |

The accompanying notes to the financial statements are an integral part of these statements.

FLORIDA HOUSING FINANCE CORPORATION  
(A Component Unit of the State of Florida)

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2007

|   |                        |
|---|------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES:                     |                        |
| Interest received on conduit debt fund investments        | \$ 75,296,891          |
| Cash received from interest on loans receivable           | 159,546,177            |
| Cash received from maturities of loans receivable         | 142,160,422            |
| Cash received from HUD for administrative fees            | 3,298,518              |
| Cash received from other revenues                         | 24,380,814             |
| Cash payments for issuance of loans                       | (259,780,426)          |
| Interest paid on conduit debt                             | (167,567,369)          |
| Cash payments for operating expenses                      | (43,407,113)           |
| Housing assistance payments                               | (13,269,272)           |
| Payments to other governments                             | (154,358,073)          |
|   | <u>(233,699,431)</u>   |
| Net cash used in operating activities                     |                        |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:          |                        |
| Proceeds from issuance of bonds                           | 764,970,641            |
| Principal payments—bonds                                  | (222,503,405)          |
| Interest paid   | (13,690,743)           |
| Payment of bond issuance costs                            | (6,031,435)            |
| Repayments on collateralized bank loan—net                | (1,748,401)            |
| Cash received from HUD for programs                       | 44,341,486             |
| State documentary stamp tax receipts                      | 397,226,626            |
| Transfers to state agencies                               | (4,247,951)            |
|   | <u>958,316,818</u>     |
| Net cash provided by noncapital financing activities      |                        |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: |                        |
| Purchase of property and equipment                        | <u>(103,517)</u>       |
| CASH FLOWS FROM INVESTING ACTIVITIES:                     |                        |
| Purchases of investments                                  | (6,595,646,587)        |
| Proceeds from the sale and maturity of investments        | 5,481,175,528          |
| Interest received on investments                          | 71,119,824             |
|   | <u>(1,043,351,235)</u> |
| Net cash used in investing activities                     |                        |
| NET DECREASE IN CASH AND CASH EQUIVALENTS                 | (318,837,365)          |
| CASH AND CASH EQUIVALENTS—Beginning of year               | <u>544,126,548</u>     |
| CASH AND CASH EQUIVALENTS—End of year                     | <u>\$ 225,289,183</u>  |

FLORIDA HOUSING FINANCE CORPORATION  
(A Component Unit of the State of Florida)

STATEMENT OF CASH FLOWS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2007

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|  |                         |
|--|-------------------------|
| RECONCILIATION OF OPERATING LOSS TO NET CASH   |                         |
| USED IN OPERATING ACTIVITIES:  |                         |
| Operating loss   | \$ (77,527,165)         |
| Adjustments to reconcile operating loss to<br>net cash used in operating activities: |                         |
| Fair value of investments  | (25,163,662)            |
| Accreted interest on capital appreciation bonds                                      | 1,555,726               |
| Provision for uncollectible loans  | 22,861,575              |
| Amortization and depreciation  | (12,244,093)            |
| Loans forgiven   | 1,317,252               |
| Interest received on investments   | (71,119,824)            |
| Interest paid  | 13,690,743              |
| Changes in assets and liabilities which (used) provided cash:                        |                         |
| Interest receivable on investments   | (3,670,679)             |
| Interest receivable on loans   | 455,241                 |
| Loans receivable   | (126,570,266)           |
| Other assets   | (826,601)               |
| Accounts payable and other liabilities   | 1,693,584               |
| Accrued interest payable   | 15,353,742              |
| Accrued arbitrage rebate   | (259,456)               |
| Deferred fee income  | 14,433,738              |
| Due to developers  | <u>12,320,714</u>       |
| NET CASH USED IN OPERATING ACTIVITIES  | <u>\$ (233,699,431)</u> |

The accompanying notes to the financial statements are an integral part of these statements.

# FLORIDA HOUSING FINANCE CORPORATION

## (A Component Unit of the State of Florida)

### NOTES TO FINANCIAL STATEMENTS

#### AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2007

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#### 1. REPORTING ENTITY

The Florida Housing Finance Corporation ("Florida Housing") was created by Chapter 420, Part V, Florida Statutes as a public corporation. On January 1, 1998, Florida Housing assumed all the rights, responsibilities, and obligations of its predecessor, the Florida Housing Finance Agency (the "Agency").

In 1980, the Agency, a public body corporate and politic with no taxing power, was established as a state agency within the Florida Department of Community Affairs by the Florida Housing Finance Agency Act (the "Act"). The Agency was created to finance housing for low, moderate, and middle income persons. Under the Act, the Agency was authorized to borrow money through the issuance of bonds, notes, or other obligations to finance multifamily housing developments and single family residential housing.

Florida Housing is a discretely presented component unit of the state of Florida for financial reporting purposes. The accompanying component unit financial statements present the financial position, results of operations, and cash flows of the proprietary fund, which includes all programs controlled by Florida Housing.

Based on the criteria in Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity*, Florida Housing has determined that there are no component units that meet the criteria for inclusion in Florida Housing's financial statements.

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, Florida Housing has elected not to adopt any Financial Accounting Standards Board ("FASB") Statements issued after November 30, 1989, unless so directed by the GASB.

Bonds and other obligations issued by Florida Housing (other than the Guarantee Program capitalizing bond issues) are conduit debt and are payable, both as to principal and interest, solely from the assets and income of the various programs which are pledged under the resolutions authorizing the particular issues. These issues do not constitute an obligation, either general or special, of Florida Housing, the state of Florida, or of any local government therein. Neither the faith, credit and revenues, nor the taxing power of the state of Florida or any local government therein shall be pledged to the payment of the principal or interest on the obligations. Conduit debt outstanding, net of unamortized premium and discount, was \$3.8 billion as of December 31, 2007.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Florida Housing's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units engaged in business-type activities. The significant accounting policies of Florida Housing are described below:

***Basis of Presentation***—Florida Housing accounts for its activities through the use of an enterprise fund. An enterprise fund is used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Florida Housing's accounting records are organized using subfunds to account separately in the general ledger for the bond programs, Guarantee Program, certain state and federally funded programs and the operations of Florida Housing. The operations of each program are accounted for within a separate set of self-balancing accounts recording cash and other financial resources, together with related liabilities, net assets, revenues, expenses, and transfers.

***Basis of Accounting***—Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. The financial statements are prepared on the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when incurred, regardless of the timing of related cash flows.

***Financial Statement Presentation***—Florida Housing distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with Florida Housing's ongoing operations. The principal operating revenues of Florida Housing are interest income on loans and investment income. Florida Housing also recognizes as revenues program and administrative fees. Operating expenses include interest expense, provision for uncollectible loans, administrative expenses, and payments made to third parties under the various programs administered by Florida Housing. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

***Cash and Cash Equivalents***—Florida Housing considers all uninvested amounts held by the trustees to be cash and all investments with an original maturity of three months or less to be cash equivalents.

***Investments***—Investments are stated at fair value, which is based on quoted market prices. Fair value of Florida Housing's share of the state investment pool is determined by the fair value per share of the pool's underlying portfolio.

***Loans Receivable***—Loans receivable are carried at their uncollected principal balances. Servicing of loans is provided by various approved and qualified private lending institutions and servicing organizations on behalf of Florida Housing. Servicing costs on single family bond loans are recorded as a reduction of interest income. Such costs range from 0.24% to 0.32% annually of the unpaid principal balance of the loans.

***Allowance for Loan Losses***—The determination of the allowance for loan losses is based on an evaluation of the loan portfolio, current economic conditions, and other factors



relevant to a determination of the collectibility of the loans and reflects an amount which, in management's judgment, is adequate to provide for potential losses. Additions to the allowance for loan losses are made by provisions charged to current operations.

***Deferred Finance Charges and Bond Discounts and Premiums***—In connection with the issuance of Florida Housing's bonds, certain related costs are deferred and amortized over the life of the related issue using the straight-line method. Discounts and premiums on bonds payable are amortized over the life of the related issue using the straight-line method. The use of the straight-line method does not materially differ from the effective interest method.

***Capital Assets***—Capital assets are stated at cost less accumulated depreciation. Florida Housing capitalizes assets with an initial cost of \$1,000 or more. Assets are capitalized in one of the following four categories: furniture (seven-year life), equipment (five-year life), computer equipment (three-year life) or leasehold improvements (ten-year life). Depreciation on capital assets is computed using the straight-line method over the estimated useful lives. When assets are retired or otherwise disposed, the costs and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the results from operations in the period of disposal.

***Compensated Absences***—Employees earn the right to be compensated during absences for annual and sick leave. Within the limits of Florida Housing's policy, unused annual leave benefits will be paid to all eligible employees upon separation of service. Also, within the limits of Florida Housing's policy, eligible executive staff members are paid for unused sick leave benefits upon separation. The cost of annual and sick leave benefits are accrued in the period they are earned. The compensated absences amounts are based on current salary rates and are included in accounts payable and other liabilities.

***Interest Income***—Interest on mortgage loans and investments is recorded as income when earned, except on state and federally funded loans and loans in the Operating Fund where interest is recorded as income on an as-collected basis. Interest income on mortgage loans is recorded net of servicer fees.

***Fee Income***—Through 2001, in connection with the financing of single family mortgage loans, Florida Housing charged a nonrefundable fee to participating lenders for the purpose of securing a commitment for permanent mortgage loans for single family units equal to 0.5% to 3.0% of the principal balance of loan participation commitments. Such fees were deferred and are amortized over the life of the loans using the straight-line method, which approximates the effective interest method. Loans are presented net of deferred fee income in accordance with FASB Statement No. 91, *Accounting for Nonrefundable Fees and Costs Associated With Originating or Acquiring Loans and Initial Direct Costs of Leases—an amendment of FASB Statements No. 13, 60, and 65*. Certain administrative and monitoring fees collected under the various programs are deferred and amortized over the life of the loan or set-aside period.

***Related Party Transactions***—Board members are prohibited from participation in Florida Housing's programs during and for two years following their board terms.

***New Accounting Pronouncements***—In June 2004, the GASB issued GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement establishes standards for the measurement, recognition, and display of other postemployment benefits expenses/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers. The provisions of this statement are effective for periods beginning after December 15, 2006. The adoption of GASB Statement No. 45 did not have a material impact on the financial position, results of operations, or cash flows of Florida Housing.

In September 2006, the GASB issued GASB Statement 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. This statement establishes criteria that governments will use to ascertain whether the proceeds received should be reported as revenue or as a liability. This statement also provides additional guidance for sales of receivables and future revenues within the same financial reporting entity. The requirements of this statement are effective for fiscal periods beginning after December 15, 2006. The adoption of GASB Statement No. 48 did not have a material impact on the financial position, results of operations, or cash flows of Florida Housing.

In November 2006, the GASB issued GASB Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. This statement addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current and potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The requirements of this statement are effective for fiscal periods beginning after December 15, 2007. Management believes GASB Statement No. 49 will not have a material impact on the financial position, results of operations, or cash flows of Florida Housing.

In May 2007, the GASB issued GASB Statement 50, *Pension Disclosures—an amendment of GASB Statements No. 25 and No. 27*. This statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits and, in doing so, enhances information disclosed in notes to financial statements or presented as required supplementary information by pension plans and by employers that provide pension benefits. The requirements of this statement are effective for fiscal periods beginning after June 15, 2007. Management believes GASB Statement No. 50 will not have a material impact on the financial position, results of operations, or cash flows of Florida Housing.

### 3. DESCRIPTION OF PROGRAMS

***Operating***—Florida Housing's Operating Fund, which includes the operating subfund and the bond management subfund, collects program fees from the various bond issues, housing credit fees, and administrative fees associated with federal and state housing programs. Expenses are those incurred in operating Florida Housing and the administration of its various programs.

*The various bond programs of Florida Housing are as follows:*

***Single Family Home Ownership Program***—The Single Family Home Ownership Program includes private placements made to Fannie Mae, the GNMA Collateralized Home Ownership Mortgage Revenue Program, and the GNMA-Fannie Mae Home Ownership Revenue Program. The bond proceeds were committed by Florida Housing to purchase GNMA certificates to the extent mortgage loans were originated by participating lenders under this program. The mortgage loans provided single family residences for persons of low to middle income within the state of Florida.

The GNMA Collateralized Home Ownership Mortgage Revenue Program and GNMA-Fannie Mae Home Ownership Revenue Program purchased GNMA and Fannie Mae certificates representing undivided interests in qualifying mortgage loans for single family residences located in the state of Florida with the proceeds of bond issues under the programs.

***Single Family Homeowner Mortgage Revenue Bond Program***—The Homeowner Program issues revenue bonds to finance the origination of home mortgages for persons of low, moderate or middle income within the state of Florida. Certain bond issues have been refunded with subsequent bond issues under the program.

***Multifamily Mortgage Revenue Bond Programs***—Due to the similarity of program operations, the Multifamily Mortgage Revenue Bond, FHA-Insured, Floating Rate, and GNMA-Collateralized issues are presented as one program.

***Multifamily Mortgage Revenue Bond Program***—The Multifamily Mortgage Revenue Bond Program issues Multifamily Mortgage Revenue Bonds to finance the construction or acquisition of multifamily housing developments located in the state of Florida and intended for occupancy in part by persons of low, moderate, or middle income. Certain bond issues have been refunded with subsequent bond issues under the program.

***Multifamily FHA-Insured Bonds***—Proceeds from the sale of the Multifamily FHA-Insured bonds were used to make mortgage loans insured by the FHA for eleven developments receiving housing assistance payments pursuant to the federal Section 8 program. Of these eleven loans, one remains outstanding.

***Multifamily Floating Rate Monthly Bonds***—The Multifamily Floating Rate Monthly bonds were issued to make multifamily loans to finance the acquisition and construction of multifamily rental housing developments located in the state of Florida and intended for occupancy in part by persons of low, moderate, and middle income. Principal and interest on the bonds are payable from mortgage loan payments and other sources of funds including letters of credit.

***Multifamily GNMA-Collateralized Bonds***—The Multifamily GNMA-Collateralized bonds were issued to make GNMA-collateralized mortgage loans for multifamily housing developments located in the state of Florida and intended for occupancy by persons of low, moderate, or middle income. The mortgages are guaranteed by the GNMA.

*Florida Housing administers the following programs that represent initiatives funded at the federal and state level to provide affordable housing to Florida's low and moderate income families:*

***State Housing Trust Fund Programs***—The State Housing Trust Fund was created to provide a stable source of funding for affordable housing in Florida. Through an increased documentary stamp tax implemented in 1992, the trust fund provides funding for homeownership and rental housing through regular Florida Housing programs, for technical assistance and for the Affordable Housing Study Commission. Funds from the State Housing Trust Fund may also be used as a match for a federal program and for debt service on Guarantee Fund bonds. For the year ended December 31, 2007, approximately \$112.0 million in documentary stamp tax revenue had been transferred to Florida Housing for use in these programs.

***Florida Homeownership Assistance Program***—The Florida Homeownership Assistance Program (“HAP”) was created, as part of the State Housing Incentive Partnership Act of 1988, for the purpose of assisting low-income persons in purchasing a home by reducing the amount of down payments and closing costs.

The Florida Assist Program provides HAP funds to low-income homebuyers with up to \$10,000 for down payments and closing costs. These non-interest bearing, nonamortizing second mortgage loans are used with the Single Family Homeowner Mortgage Revenue Bond Program.

The Homeownership Pool (HOP) Program was created to match qualified homebuyers with purchase assistance. The HOP Program is an ongoing, noncompetitive program that allows developers to reserve funds for eligible homebuyers to provide non-interest bearing, nonamortizing deferred second mortgage loans on a first-come, first-served basis.

For the year ended December 31, 2007, approximately \$14.3 million in loans were closed by Florida Housing.

***State Apartment Incentive Loan Program***—The State Apartment Incentive Loan (“SAIL”) Program provides low-interest loans on a competitive basis to developers of affordable rental housing. SAIL funds provide gap financing that allows developers to obtain the full financing needed to construct affordable multifamily units. SAIL dollars are available to individuals, public entities, and nonprofit or for-profit organizations for the construction or substantial rehabilitation of multifamily units. Special consideration is given to properties that target demographic groups such as the elderly, homeless people, farmworkers, and commercial fishing workers.

A portion of the SAIL Program funding is set aside for the Elderly Housing Community Loan (EHCL) Program. Up to \$750,000 per loan is available to make substantial improvements to existing affordable elderly housing.

For the year ended December 31, 2007, approximately \$31.9 million in loans were closed by Florida Housing.

***Predevelopment Loan Program***—The Predevelopment Loan Program (“PLP”) assists nonprofit and community-based organizations, local governments, and public housing authorities with planning, financing, and developing affordable housing. Eligible organizations may apply for a loan of up to \$750,000 as of November 2007 (\$500,000 previously) for predevelopment activities such as rezoning, title searches, legal fees, impact fees, administrative costs, soil tests, engineering fees, appraisals, feasibility analyses, audit fees, earnest money deposits, insurance fees, commitment fees, administrative costs, marketing expenses, and acquisition expenses. Technical assistance is also provided.

For the year ended December 31, 2007, approximately \$1.4 million in loans were closed by Florida Housing.

***State Housing Initiatives Partnership Program***—The State Housing Initiatives Partnership (“SHIP”) Program was created in 1992 as part of the William E. Sadowski Affordable Housing Act. This program provides funds to all 67 counties and 51 entitlement cities on a population-based formula as an incentive to produce and preserve affordable housing for very low, low and moderate income families. The minimum allocation per county is \$350,000 and at least 65% of funds must be used for homeownership. Under their Local Government Housing Assistance Plans, counties and eligible cities may fund such strategies as emergency repairs, new construction, rehabilitation, down payment and closing cost assistance, impact fees, property acquisition, matching dollars for federal programs and homeownership counseling.

For the year ended December 31, 2007, Florida Housing disbursed \$119.2 million under this program.

***Hurricane Housing Recovery Program***—The Hurricane Housing Recovery Program (“HHRP”) was created by the 2005 Legislature as a locally administered program designed to accommodate the specific housing needs of hurricane affected communities. The program provides special incentives and requirements to focus on home ownership, community collaborations, and recovery plans and to assist those with extremely low incomes. A funding formula that weights both the extent and the intensity of housing damage in a county was used to allocate funds to 28 eligible counties. For the year ended December 31, 2007, \$35.1 million in program funds were disbursed.

***Rental Recovery Loan Program***—The Rental Recovery Loan Program (“RRLP”) was created by the 2005 Legislature to facilitate the production of additional affordable rental housing stock in areas impacted by the 2004 hurricanes. Funds were made available to affordable housing developers in 2005 and 2006 as a means of leveraging existing federal rental financing programs, such as Multifamily Mortgage Revenue Bonds and Housing Credits. For the year ended December 31, 2007, \$33.8 million in loans were closed.

***Affordable Housing Guarantee Program***—The Guarantee Program encourages affordable housing lending activities through the issuance of guarantees on obligations incurred in obtaining financing for affordable housing. The program does not directly provide funds for developments; rather it facilitates such efforts by reducing lender risk through the issuance of guarantees on mortgage loans. The program issues commitments to guarantee obligations for both single family homes and multifamily developments. The program receives state documentary stamp tax revenue to use toward debt service on its outstanding



bonds, which totaled \$258.0 million at December 31, 2007. In addition, the program has statutory authority to utilize up to 50% of the amounts distributed to the State Housing Trust Fund during the ensuing state fiscal year for claims payment obligations if payment of the obligations from amounts on deposit in the Guarantee Program will result in a downgrade in the program's claims payment ratings.

The Guarantee Program's potential loss is limited to the amount of its outstanding guarantees. In order to mitigate risk inherent in the program's portfolio of guarantees, the Guarantee Program participates in the Department of Housing and Urban Development ("HUD") Risk Sharing Program. On November 9, 1994, Florida Housing and HUD entered into a Risk Sharing Agreement providing for HUD's assumption ("endorsement") of 50% of the Guarantee Program's post-construction obligation on specific multifamily developments financed by Florida Housing or local housing finance authority bonds. As of December 31, 2007, total participation under the Risk Sharing Program consisted of 68 guarantees totaling \$416.4 million.

As required by the HUD Risk Sharing Program, and in accordance with Section 24 CFR 266.110(b), a percentage of funds on deposit in the Guarantee Program is segregated from the corpus in a dedicated account (the "HUD Dedicated Risk Account") as a reserve to offset future potential claims in connection with guarantees issued under the HUD Risk Sharing Program. As of December 31, 2007, the balance of the HUD Dedicated Risk Account was \$9.2 million.

***HOME Investment Partnerships Program***—The HOME Investment Partnerships Program and the HOME Disaster Relief Program, (collectively referred to as "HOME") were established pursuant to HUD Regulations, 24 CFR Part 92 (1992). HOME funds are available to eligible housing providers and individuals in the form of loans, interest subsidies, and other forms of investment approved by Florida Housing. For the year ended December 31, 2007, approximately \$34.1 million in loans were closed by Florida Housing.

***Other programs administered by Florida Housing:***

***Housing Credit Program***—The Housing Credit Program provides qualified owners and developers of rental property a federal income tax credit for providing low income rental housing. The United States Treasury Department has authorized Florida Housing to allocate the tax credits within the state of Florida with the stipulation that 10% of the total annual allocation be disbursed to nonprofit organizations. The program was permanently extended by Congress in 1993.

For the year 2007, Florida Housing allocated \$52.5 million in housing credits, including National Pool allocation and returned credits.

***Demonstration Loans***—Demonstration loans provide the opportunity for developers of special needs housing to access funding that is not available through other Florida Housing programs. The specific requirements, loan amounts, and terms are generally determined through the development of a Request for Proposal when a need for special needs housing is determined and funds are available. For the year 2007, one loan for approximately \$0.5 million was closed by Florida Housing.

**Affordable Housing Demonstration Loan Program**—The Affordable Housing Demonstration Loan Program was implemented in June 1986 as part of the Affordable Housing Act. The purpose of the program was to encourage the production of suitable housing for persons of very low and moderately low income. Funds were available to both developers and individuals only as a second mortgage to finance up to one-third of a development or home's cost at interest rates from 0% to 3%. Although loans are no longer made under the program, Florida Housing is responsible for the administration of the program.

#### 4. CASH AND CASH EQUIVALENTS

As of December 31, 2007, Florida Housing had the following cash and cash equivalents:

|               | <u>Credit Rating</u> | <u>Fair Value</u>     |
|---------------|----------------------|-----------------------|
| Cash          | -                    | \$ 17,358,412         |
| Money Markets | AAA - AA             | 206,274,692           |
| Money Markets | Unrated              | <u>1,656,079</u>      |
|               |                      | <u>\$ 225,289,183</u> |

Cash on deposit in the bond and government programs is held in trust by financial institutions in the name of Florida Housing and is entirely insured by federal depository insurance or collateral held by the financial institutions' trust departments or agents in Florida Housing's name pursuant to Section 280.04, Florida Statutes.

#### 5. INVESTMENTS

Florida Housing is authorized to invest in securities permitted under Section 215.47, Florida Statutes, including direct obligations of the United States of America or any agency thereof, interest-bearing or demand deposits with any qualified depository institution, and commercial paper of prime quality. It is also authorized to invest in contracts for the purchase and sale of government obligations as described in the Florida Housing Act. All investments of Florida Housing are recorded at fair value with changes in fair value recorded as a component of investment income.

Certain funds in the State Housing Trust Fund and the Local Government Housing Trust Fund are held by the State Treasury in a general pool of investments. Florida Housing also has invested certain funds associated with single family bond issues and a portion of its pooled investments in the Operating Fund and State and Federal Funds with the State Treasury in Special Purpose Investment Accounts ("SPIAs"). Pursuant to Section 17.61, Florida Statutes, these SPIAs allow statutorily created organizations to invest in the Treasury investment portfolio. Statutes enumerate the various types of authorized deposits and investments, which include time deposits, federal government obligations, repurchase agreements, and reverse repurchase agreements through securities lending programs. Florida Housing's share of this investment pool is \$520.5 million at December 31, 2007, which is the fair value of the pool share. Fair value is based on quoted market prices. No allocation will be made as to Florida Housing's share of the types of investments or their risk categories. Florida Housing's share of the assets and liabilities arising from the reverse repurchase agreements will likewise not be carried on the balance sheet since the State Treasury operates on a pooled basis and to do so may give the misleading impression that Florida Housing itself has entered into such agreements. For further information, refer to the

State of Florida Comprehensive Annual Financial Report or publications of the Office of the State Chief Financial Officer.

As of December 31, 2007, Florida Housing had the following investments and maturities (in thousands):

| Investment Type         | Credit Rating | Investment Maturities (in years) |                   |                   |                     | Total Fair Value    |
|-------------------------|---------------|----------------------------------|-------------------|-------------------|---------------------|---------------------|
|                         |               | Less Than 1                      | 1-5               | 6-10              | More Than 10        |                     |
| Ginnie Mae MBS          | -             | \$ -                             | \$ 11             | \$ 1,395          | \$ 642,284          | \$ 643,690          |
| Fannie Mae MBS          | AAA           | -                                | 729               | 5,575             | 561,625             | 567,929             |
| Freddie Mac MBS         | AAA           | 10                               | 6,487             | 178               | 60,706              | 67,381              |
| Investment Agreements   | AAA - A-      | 166,558                          | 213,011           | 279,224           | 82,568              | 741,361             |
| State Treasury          | AA-           | 520,537                          | -                 | -                 | -                   | 520,537             |
| U.S. Treasury           | -             | 36,103                           | 101,475           | -                 | -                   | 137,578             |
| Agencies                | -             | 125,767                          | 64,200            | -                 | -                   | 189,967             |
| Corporate Bonds         | AAA - BB+     | 53,904                           | 81,095            | -                 | -                   | 134,999             |
| Asset-Backed Securities | AAA           | -                                | 11,924            | -                 | 16,037              | 27,961              |
| CMBS                    | AAA           | -                                | -                 | -                 | 50,985              | 50,985              |
| MBS                     | AAA           | -                                | -                 | -                 | 27,137              | 27,137              |
| CD                      | A-            | -                                | 985               | -                 | -                   | 985                 |
| Municipal Bonds         | AAA           | -                                | 7,415             | -                 | -                   | 7,415               |
|                         |               | <u>\$ 902,879</u>                | <u>\$ 487,332</u> | <u>\$ 286,372</u> | <u>\$ 1,441,342</u> | <u>\$ 3,117,925</u> |

**Interest Rate Risk**—Interest rate risk is the risk that the market value of securities in the portfolio will fall due to decreases in market interest rates. Florida Housing’s investment policy, which covers the pooled investments in the Operating Fund and the State and Federal Funds, seeks to minimize interest rate risk by structuring the portfolio to meet ongoing program and operational cash requirements without having to sell securities in the open market. Interest rate risk is also minimized by maintaining a very short duration portfolio. Investments in bond funds are structured to meet the cash requirements of the specific issue. Interest rate risk is often minimized by the use of guaranteed investment contracts.

**Credit Risk**—Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Florida Housing’s investment policy, which covers the pooled investments in the Operating Fund and the State and Federal Funds, limits the purchase of securities to those rated in the four highest categories by a major rating agency. Certain types of investments are further limited up to the one or two highest rating categories. Investments in the bond funds are governed by their respective indentures; Florida Housing does not have a separate investment policy covering them.

**Custodial Credit Risk**—Custodial credit risk is the risk that, in the event of the failure of the counterparty, Florida Housing will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. All securities owned by Florida Housing are either in the custody of the related bond indenture trustees or held in Florida Housing’s name by a party other than the issuer of the security.

**Concentration of Credit Risk**—Concentration of credit risk is the increased risk of loss associated with a lack of diversification, or the ownership of securities from one issuer. Florida Housing’s investment policy, which covers the pooled investments in the Operating Fund and the State and Federal Funds, limits securities from a single corporate issuer to no more than 5% of the portfolio. Investments in the bond funds are governed by their

respective indentures; Florida Housing does not have a separate investment policy covering them.

The following table provides information on issuers in which Florida Housing has investments representing more than 5% of its total investments. This table represents combined investments of all funds at December 31, 2007:

| <u>Investment</u> | <u>%</u> | <u>Fair Value</u> |
|-------------------|----------|-------------------|
| Fannie Mae        | 18.21%   | \$ 567,928,667    |
| State Treasury    | 16.69%   | 520,537,003       |
| Trinity Funding   | 8.77%    | 273,391,278       |

## 6. RESERVE FUND REQUIREMENTS

Cash and investments held to satisfy various reserve requirements at December 31, 2007, were as follows:

| <u>Program</u> | <u>Reserve Requirements</u> | <u>On Deposit</u>    | <u>Surety Bonds</u>  | <u>Excess</u>     |
|----------------|-----------------------------|----------------------|----------------------|-------------------|
| Homeowner      | \$ 7,630,184                | \$ 2,275,383         | \$ 5,487,218         | \$ 132,417        |
| Multifamily    | 33,008,352                  | 33,044,585           | -                    | 36,233            |
| Guarantee      | 39,138,076                  | 29,138,295           | 10,000,000           | 219               |
|                | <u>\$ 79,776,612</u>        | <u>\$ 64,458,263</u> | <u>\$ 15,487,218</u> | <u>\$ 168,869</u> |

## 7. LOANS RECEIVABLE

Loans receivable, net of allowance for loan losses, discounts, and deferred fees were as follows at December 31, 2007:

|                                   |                         |
|-----------------------------------|-------------------------|
| Single family bond mortgage loans | \$ 170,051,801          |
| Multifamily bond mortgage loans   | 2,124,090,405           |
| State and federal loans           | 846,220,412             |
| Operating loans                   | 18,296,176              |
|                                   | <u>3,158,658,794</u>    |
| Less:                             |                         |
| Allowance for loan losses         | (171,477,886)           |
| Loan discounts                    | (1,777,468)             |
| Deferred fee income               | (5,672,471)             |
|                                   | <u>2,979,730,969</u>    |
| Less current portion              | (72,902,359)            |
|                                   | <u>\$ 2,906,828,610</u> |

The single family and multifamily bond program loans are pledged as collateral for the payment of principal and interest on bond indebtedness. Substantially all of the multifamily bond mortgage loans have an interest rate equal to the interest rate on the bonds plus expenses.

Certain single family bond mortgage loans are secured by first liens on single family residential property. Interest rates on the single family bond mortgage loans range from 3.0% to 10.95%. Under Florida Housing's program guidelines, all conventionally financed single family bond mortgage loans with an initial loan-to-value ratio of greater than 80% are insured by private mortgage insurance carriers. The mortgage insurers, together with the approximate percentage of single family bond mortgage loans insured outstanding at December 31, 2007, (exclusive of Fannie Mae and GNMA guaranteed loans) are as follows: FHA (47.3%), Commonwealth Mortgage Assurance Company (Radian Guaranty, Inc.) (17.2%), VA (11.5%), Rural Housing Authority (5.9%), and General Electric Mortgage Insurance Company (3.5%). Approximately 14.6% of single family bond mortgage loans outstanding at December 31, 2007, are uninsured.

Under the multifamily bond programs, mortgage loans are collateralized by various methods, including first liens on multifamily rental properties, letters of credit, surety bonds, and guarantees provided by the Florida Housing Guarantee Program and third parties. Approximately \$68.1 million of the outstanding multifamily bond mortgage loans at December 31, 2007, are secured, in part, by irrevocable direct-pay letters of credit provided by banking and savings and loan institutions. Approximately \$1.7 billion of the outstanding multifamily bond mortgage loans at December 31, 2007 are secured, in part, by insurance as follows: Guarantee Program/HUD (29.4%), Fannie Mae (19.6%), Freddie Mac (12.5%), and various other companies (16.5%). Approximately 22.0% of the multifamily bond mortgage loans are uninsured.

Certain multifamily mortgage loans receivable are in default due to noncompliance with terms of their bond documents (see Note 10). As described in Note 1, these bonds are not general or special obligations of Florida Housing or of the state of Florida and Florida Housing has no liability for such debt except to the extent of any outstanding guarantees by the Guarantee Program for these loans, therefore, no provision other than provisions for losses in the Guarantee Program have been made for the effects, if any, of the resolution of these default conditions. Any loss resulting from the insufficiency of the available assets and credit enhancement to satisfy the obligations of a specific bond issue will be sustained by the specific bondholder.

State and federally funded loans are primarily second mortgages made on both single family residential property and multifamily housing developments. Interest rates range from 0% to 9%. Most loans made under the SAIL program contain interest payment provisions based upon the developments' cash flows with deferral of interest payment until positive cash flow is generated. Principal is due at maturity.



## 8. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2007 is as follows:

|                                | <u>Beginning<br/>Balance</u> | <u>Increases</u>   | <u>Decreases</u> | <u>Ending Balance</u> |
|--------------------------------|------------------------------|--------------------|------------------|-----------------------|
| Capital assets:                |                              |                    |                  |                       |
| Furniture                      | \$ 169,884                   | \$ -               | \$ -             | \$ 169,884            |
| Equipment                      | 230,682                      | -                  | (1,425)          | 229,257               |
| Computer equipment             | 2,744,939                    | 103,516            | (28,509)         | 2,819,946             |
| Leasehold improvements         | 155,917                      | -                  | -                | 155,917               |
| Total capital assets           | <u>3,301,422</u>             | <u>103,516</u>     | <u>(29,934)</u>  | <u>3,375,004</u>      |
| Accumulated depreciation:      |                              |                    |                  |                       |
| Furniture                      | (144,845)                    | (7,935)            | -                | (152,780)             |
| Equipment                      | (212,636)                    | (8,664)            | 1,425            | (219,875)             |
| Computer equipment             | (2,559,870)                  | (153,651)          | 28,509           | (2,685,012)           |
| Leasehold improvements         | (90,333)                     | (15,592)           | -                | (105,925)             |
| Total accumulated depreciation | <u>(3,007,684)</u>           | <u>(185,842)</u>   | <u>29,934</u>    | <u>(3,163,592)</u>    |
| Capital assets—net             | <u>\$ 293,738</u>            | <u>\$ (82,326)</u> | <u>\$ -</u>      | <u>\$ 211,412</u>     |

Depreciation expense for the year ended December 31, 2007 was \$185,842.

## 9. COLLATERALIZED BANK LOAN

In April 1998, Florida Housing entered into a line of credit agreement with the Federal Home Loan Bank (the "Bank") to capture available single family tax-exempt bond allocations. In 2005, the annual line of credit renewal amended the agreement to remove the \$100 million maximum borrowing limitation. All advances under this agreement are fully collateralized with cash, which may be replaced with other types of collateral in a form and amount acceptable to the Bank. The line of credit bears interest at the investment rate on the cash collateral account (4.12% at December 31, 2007) plus seven basis points. The agreement renews each October for an additional 12-month period. As a result, the collateralized bank loan is classified as a current liability.

During 2007, Florida Housing utilized the agreement to redeem bonds from:

Single Family Home Ownership Program:

|                |    |         |
|----------------|----|---------|
| 1987 Series G1 | \$ | 225,000 |
| 1996 Series G2 |    | 155,000 |

Single Family Homeowner Mortgage Program:

|                     |                      |
|---------------------|----------------------|
| 1996 Series 2       | 170,000              |
| 1996 Series 3       | 50,000               |
| 1997 Series 2       | 2,683,716            |
| 1998 Series 2       | 1,263,250            |
| 1999 Series 2 and 3 | 147,060              |
| 1999 Series 7 and 8 | 574,721              |
| 2000 Series 4 and 5 | 1,402,620            |
| 2000 Series 11      | 2,204,317            |
| 2002 Series 2 and 3 | 2,772,945            |
| 2003 Series 1 and 2 | 2,282,936            |
| 2003 Series 5       | 3,881,238            |
| 2004 Series 2       | 4,633,656            |
| 2004 Series 6       | 2,990,877            |
| 2005 Series 1       | 2,424,466            |
| 2005 Series 2 and 3 | 4,004,965            |
| 2006 Series 1       | 1,230,000            |
| 2006 Series 2 and 3 | 1,153,357            |
| 2006 Series 4 and 5 | 534,619              |
| 2006 Series 6       | 25,000               |
|                     | <u>\$ 34,809,743</u> |

Collateralized bank loan activity for the year ended December 31, 2007 was as follows:

| <u>Beginning<br/>Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending<br/>Balance</u> |
|------------------------------|------------------|-------------------|---------------------------|
| \$ 1,843,401                 | \$ 34,809,743    | \$ (36,558,144)   | \$ 95,000                 |

The outstanding balance of \$95,000 at December 31, 2007 relates to the Single Family Home Ownership Program.

## 10. BONDS PAYABLE

At December 31, 2007 bonds payable consist of the following:

| <u>Description</u>                               | <u>Issue Date</u> | <u>Due Dates</u> | <u>Interest Rates</u> | <u>Balance Outstanding</u> |
|--|-------------------|------------------|-----------------------|----------------------------|
| <i>Single Family Home Ownership Fund</i>         |                   |                  |                       |                            |
| 1987 Series G1, G2 Term Bonds                    | 12/16/1987        | 2017 - 2018      | 8.63%                 | \$ 1,285,000               |
| 1991 Series G1, G2 Term Bonds                    | 09/26/1991        | 2023             | Floating              | 3,073,000                  |
| 1992 Series G1 Term Bonds                        | 06/30/1992        | 2025             | Floating              | <u>8,520,801</u>           |
| Total Single Family Home Ownership bonds payable |                   |                  |                       | <u>12,878,801</u>          |
| <i>Single Family Homeowner Mortgage Fund</i>     |                   |                  |                       |                            |
| 1996 Series 1, 2 Term Bonds                      | 07/01/1996        | 2016 - 2028      | 6.05% - 6.35%         | 3,575,000                  |
| 1996 Series 2 Serial Bonds                       | 07/01/1996        | 2008 - 2011      | 5.85% - 6.05%         | <u>415,000</u>             |
|  |                   |                  |                       | 3,990,000                  |
| 1996 Series 3 Serial Bonds                       | 09/01/1996        | 2008 - 2014      | 5.60% - 6.05%         | 1,550,000                  |
| 1996 Series 3 Term Bonds                         | 09/01/1996        | 2016 - 2028      | 6.20% - 6.35%         | <u>4,850,000</u>           |
|  |                   |                  |                       | 6,400,000                  |
| 1997 Series 1, 2, 3 Term Bonds                   | 06/01/1997        | 2014 - 2029      | 5.625% - 5.90%        | 19,825,000                 |
| 1998 Series 1 Serial Bonds                       | 05/15/1998        | 2008 - 2014      | 4.70% - 5.15%         | 9,310,000                  |
| 1998 Series 1, 2 Capital Appreciation Bonds      | 05/15/1998        | 2017 - 2029      | Floating              | 7,727,806                  |
| 1998 Series 2, 3 Term Bonds                      | 05/15/1998        | 2019 - 2021      | 4.75% - 5.35%         | 4,455,000                  |
| 1998 Series 3 Term Bonds                         | 05/15/1998        | 2016             | Floating              | <u>3,550,000</u>           |
|  |                   |                  |                       | 25,042,806                 |
| 1999 Series 1, 2 Serial Bonds                    | 02/15/1999        | 2008 - 2012      | 4.30% - 4.65%         | 5,205,000                  |
| 1999 Series 1, 2 Term Bonds                      | 02/15/1999        | 2013 - 2021      | 4.60% - 5.15%         | 15,660,000                 |
| 1999 Series 2 Capital Appreciation Bonds         | 02/15/1999        | 2030             | Floating              | 6,751,928                  |
| 1999 Series 3 Term Bonds                         | 02/15/1999        | 2013             | Floating              | <u>2,395,000</u>           |
|  |                   |                  |                       | 30,011,928                 |
| 1999 Series 6, 7, 9 Term Bonds                   | 09/01/1999        | 2012 - 2021      | 5.75% - 7.03%         | 10,045,000                 |
| 1999 Series 7 Serial Bonds                       | 09/01/1999        | 2008 - 2012      | 5.10% - 5.50%         | 1,740,000                  |
| 1999 Series 7 Capital Appreciation Bonds         | 09/01/1999        | 2030             | Floating              | 2,806,736                  |
| 1999 Series 8 Term Bonds                         | 09/01/1999        | 2013             | Floating              | 870,000                    |
| 2000 Series 1, 2 Term Bonds                      | 07/01/2000        | 2017 - 2021      | 5.75% - 5.85%         | <u>700,000</u>             |
|  |                   |                  |                       | 16,161,736                 |
| 2000 Series 3, 4, 7 Term Bonds                   | 02/01/2000        | 2017 - 2031      | 5.85% - 6.25%         | 11,485,000                 |
| 2000 Series 4 Serial Bonds                       | 02/01/2000        | 2008 - 2012      | 5.55% - 5.85%         | 335,000                    |
| 2000 Series 4 Capital Appreciation Bonds         | 02/01/2000        | 2030 - 2032      | Floating              | 3,528,533                  |
| 2000 Series 5 Term Bonds                         | 02/01/2000        | 2012             | Floating              | <u>1,690,000</u>           |
|  |                   |                  |                       | 17,038,533                 |
| 2000 Series 10, 11 Serial Bonds                  | 10/15/2000        | 2008 - 2013      | 4.95% - 5.20%         | 3,630,000                  |
| 2000 Series 10, 11, 12 Term Bonds                | 10/15/2000        | 2017 - 2032      | 5.50% - 7.14%         | <u>28,030,000</u>          |
|  |                   |                  |                       | 31,660,000                 |
| 2002 Series 1, 2 Serial Bonds                    | 11/13/2002        | 2008 - 2017      | 3.85% - 4.85%         | 5,390,000                  |
| 2002 Series 2, 3 Term Bonds                      | 11/13/2002        | 2023 - 2034      | 5.00% - 5.40%         | <u>19,305,000</u>          |
|  |                   |                  |                       | 24,695,000                 |

## 10. BONDS PAYABLE (continued)

| Description                   | Issue Date | Due Dates   | Interest Rates | Balance<br>Outstanding |
|-------------------------------|------------|-------------|----------------|------------------------|
| 2003 Series 1, 2 Serial Bonds | 06/19/2003 | 2008 - 2017 | 2.50% - 4.00%  | 7,680,000              |
| 2003 Series 2 Term Bonds      | 06/19/2003 | 2022 - 2035 | 4.50% - 5.00%  | 23,695,000             |
|                               |            |             |                | 31,375,000             |
| 2003 Series 5 Serial Bonds    | 11/18/2003 | 2008 - 2013 | 3.10% - 4.35%  | 3,565,000              |
| 2003 Series 5 Term Bonds      | 11/18/2003 | 2023 - 2035 | 4.90% - 5.05%  | 28,645,000             |
|                               |            |             |                | 32,210,000             |
| 2004 Series 1, 2 Serial Bonds | 03/24/2004 | 2008 - 2016 | 2.20% - 4.20%  | 7,640,000              |
| 2004 Series 2 Term Bonds      | 03/24/2004 | 2024 - 2036 | 4.70% - 5.00%  | 45,400,000             |
|                               |            |             |                | 53,040,000             |
| 2004 Series 3 Serial Bonds    | 10/07/2004 | 2008 - 2015 | 2.50% - 3.95%  | 7,485,000              |
| 2004 Series 4 Term Bonds      | 10/07/2004 | 2023 - 2026 | 4.75% - 5.50%  | 19,415,000             |
|                               |            |             |                | 26,900,000             |
| 2004 Series 5, 6 Serial Bonds | 01/11/2005 | 2008 - 2016 | 2.95% - 4.45%  | 5,380,000              |
| 2004 Series 6 Term Bonds      | 01/11/2005 | 2020 - 2036 | 4.50% - 5.10%  | 36,660,000             |
|                               |            |             |                | 42,040,000             |
| 2005 Series 1 Serial Bonds    | 06/16/2005 | 2008 - 2015 | 3.30% - 4.30%  | 4,800,000              |
| 2005 Series 1 Term Bonds      | 06/16/2005 | 2025 - 2036 | 4.45% - 5.00%  | 41,865,000             |
|                               |            |             |                | 46,665,000             |
| 2005 Series 2, 3 Serial Bonds | 11/17/2005 | 2008 - 2017 | 3.55% - 4.25%  | 8,120,000              |
| 2005 Series 3 Term Bonds      | 11/17/2005 | 2025 - 2036 | 4.75% - 5.00%  | 49,270,000             |
|                               |            |             |                | 57,390,000             |
| 2006 Series 1 Serial Bonds    | 03/23/2006 | 2008 - 2016 | 3.65% - 4.38%  | 7,800,000              |
| 2006 Series 1 Term Bonds      | 03/23/2006 | 2020 - 2037 | 4.55% - 5.00%  | 65,870,000             |
|                               |            |             |                | 73,670,000             |
| 2006 Series 2 Serial Bonds    | 05/24/2006 | 2008 - 2016 | 3.85% - 4.70%  | 9,520,000              |
| 2006 Series 2, 3 Term Bonds   | 05/24/2006 | 2021 - 2038 | 4.50% - 5.50%  | 88,955,000             |
|                               |            |             |                | 98,475,000             |
| 2006 Series 4 Serial Bonds    | 08/17/2006 | 2008 - 2016 | 3.90% - 4.75%  | 17,960,000             |
| 2006 Series 4, 5 Term Bonds   | 08/17/2006 | 2021 - 2037 | 4.70% - 5.75%  | 156,425,000            |
|                               |            |             |                | 174,385,000            |
| 2006 Series 6 Serial Bonds    | 12/18/2006 | 2008 - 2016 | 3.70% - 4.20%  | 12,050,000             |
| 2006 Series 6 Term Bonds      | 12/18/2006 | 2021 - 2037 | 4.45% - 5.75%  | 107,925,000            |
|                               |            |             |                | 119,975,000            |
| 2007 Series 1 Serial Bonds    | 03/13/2007 | 2009 - 2017 | 3.80% - 4.375% | 8,565,000              |
| 2007 Series 1 Term Bonds      | 03/13/2007 | 2022 - 2048 | 4.55% - 4.85%  | 51,935,000             |
| 2007 Series 1 PAC Term Bond   | 03/13/2007 | 2048        | 5.95%          | 49,500,000             |
|                               |            |             |                | 110,000,000            |
| 2007 Series 2 Serial Bonds    | 05/03/2007 | 2008 - 2017 | 3.75% - 4.40%  | 9,060,000              |
| 2007 Series 2 Term Bonds      | 05/03/2007 | 2022 - 2048 | 4.70% - 4.85%  | 94,455,000             |
| 2007 Series 2 PAC Term Bonds  | 05/03/2007 | 2048        | 6.00%          | 71,485,000             |
|                               |            |             |                | 175,000,000            |

## 10. BONDS PAYABLE (continued)

| Description  | Issue Date              | Due Dates   | Interest Rates | Balance<br>Outstanding |
|--|-------------------------|-------------|----------------|------------------------|
| 2007 Series 3 Term Bonds (AMT)                                     | 07/18/2007              | 2027 - 2048 | 5.00% - 5.15%  | 80,500,000             |
| 2007 Series 3 Prem PAC Bonds                                       | 07/18/2007              | 2048        | 6.25%          | 59,500,000             |
| 2007 Series 4 Serial Bonds Fed Taxable                             | 07/18/2007              | 2008 - 2017 | 5.44% - 5.95%  | 18,935,000             |
| 2007 Series 4 Taxable PAC Bonds                                    | 07/18/2007              | 2048        | 5.99%          | 16,065,000             |
|  |                         |             |                | <u>175,000,000</u>     |
| 2007 Series 5 Serial Bonds   | 10/10/2007              | 2009 - 2017 | 3.85% - 4.50%  | 8,960,000              |
| 2007 Series 5 Term Bonds   | 10/10/2007              | 2022 - 2048 | 4.95% - 5.75%  | 91,040,000             |
|  |                         |             |                | <u>100,000,000</u>     |
| Total Single Family Homeowner Mortgage bonds payable               |                         |             |                | 1,490,950,003          |
| Unamortized bond premium   |                         |             |                | <u>31,536,081</u>      |
| Net Single Family Homeowner Mortgage bonds payable                 |                         |             |                | <u>1,522,486,084</u>   |
| <br><i>Guarantee Fund</i>  |                         |             |                |                        |
| 1993 Series A Term Bond  | 06/29/1993              | 2034        | Floating       | 53,000,000             |
| 1999 Series A Term Bonds   | 09/01/1999              | 2044        | Floating       | 47,250,000             |
| 2000 Series A Term Bonds   | 10/12/2000              | 2045        | Floating       | 64,750,000             |
| 2002 Series A Term Bonds   | 04/18/2002              | 2047        | Floating       | 93,000,000             |
|  |                         |             |                | <u>258,000,000</u>     |
| Total Guarantee Fund bonds payable                                 |                         |             |                | 258,000,000            |
| Unamortized bond discount  |                         |             |                | <u>(394,824)</u>       |
| Net Guarantee Fund bonds payable                                   |                         |             |                | <u>257,605,176</u>     |
| <br><b>Multifamily Housing Revenue Fund</b>                        |                         |             |                |                        |
| <i>Multifamily Loan Revenue Bonds Floating Rate Monthly Demand</i> |                         |             |                |                        |
| 1984 D Term Bonds  | 06/01/1984              | 2012        | Floating       | 9,610,000              |
| <br><i>Multifamily GNMA Secured Fund</i>                           |                         |             |                |                        |
| 1989 Series I Term Bonds   | 12/20/1989              | 2031        | 7.65%          | 6,330,000              |
| <br><i>Multifamily FHA Insured Fund</i>                            |                         |             |                |                        |
| 1992 Series A Term Bonds   | 12/01/1992              | 2014 - 2024 | 6.35% - 6.40%  | 1,180,000              |
| <br><i>Multifamily Housing Revenue Bonds</i>                       |                         |             |                |                        |
| 1985 Series B Term Bonds   | <sup>2</sup> 05/01/1988 | 2011        | Floating       | 6,980,000              |
| 1985 Series FF Term Bonds  | 10/01/1985              | 2026        | Floating       | 9,350,000              |
| 1985 Series PP Term Bonds  | 12/19/1985              | 2012        | Floating       | 16,500,000             |
| 1985 Series SS Term Bonds  | 12/17/1985              | 2017        | Floating       | 20,000,000             |
| 1985 Series TT Term Bonds  | 12/17/1985              | 2029        | Floating       | 6,200,000              |
| 1985 Series XX Term Bonds  | 12/17/1985              | 2025        | Floating       | 8,500,000              |



## 10. BONDS PAYABLE (continued)

| Description                   | Issue Date | Due Dates   | Interest Rates | Balance<br>Outstanding |
|-------------------------------|------------|-------------|----------------|------------------------|
| 1985 Series GGG Term Bonds    | 12/30/1985 | 2013        | Floating       | 12,700,000             |
| 1987 Series A Term Bonds      | 02/01/1987 | 2008        | Floating       | 11,640,000             |
| 1989 Series A Term Bonds      | 01/01/1989 | 2009        | 8.30%          | 21,079,921             |
| 1989 Series J Term Bonds      | 12/19/1989 | 2011        | Floating       | 24,150,000             |
| 1990 Series A Term Bonds      | 08/01/1990 | 2008        | Floating       | 9,540,000              |
| 1990 Series E Term Bonds      | 09/28/1990 | 2020        | 7.00%          | 1,915,000              |
| 1994 Series A Term Bonds      | 03/01/1994 | 2024        | 6.25%          | 11,847,795             |
| 1995 Series C1 Term Bonds     | 01/15/1995 | 2014 - 2035 | 6.75% - 7.00%  | 12,445,000             |
| 1995 Series F Term Bonds      | 11/01/1995 | 2015 - 2035 | 6.05% - 6.25%  | 6,610,000              |
| 1995 Series G1 Serial Bonds   | 10/15/1995 | 2008 - 2010 | 5.60% - 5.90%  | 510,000                |
| 1995 Series G1 Term Bonds     | 10/15/1995 | 2015 - 2035 | 6.05% - 6.25%  | 11,750,000             |
|                               |            |             |                | 12,260,000             |
| 1995 Series J Term Bonds      | 11/01/1995 | 2015 - 2035 | 5.95% - 6.20%  | 11,505,000             |
| 1995 Series K Serial Bonds    | 11/15/1995 | 2008 - 2010 | 5.50% - 5.70%  | 445,000                |
| 1995 Series K Term Bonds      | 11/15/1995 | 2015 - 2035 | 5.875% - 6.10% | 10,185,000             |
|                               |            |             |                | 10,630,000             |
| 1995 Series L Term Bonds      | 12/19/1995 | 2025        | Floating       | 9,550,000              |
| 1995 Series M Term Bonds      | 12/19/1995 | 2025        | Floating       | 5,970,000              |
| 1996 Series C1 Serial Bonds   | 03/15/1996 | 2008        | 5.75%          | 115,000                |
| 1996 Series C1, C2 Term Bonds | 03/15/1996 | 2016 - 2036 | 6.10% - 6.20%  | 12,515,000             |
|                               |            |             |                | 12,630,000             |
| 1996 Series E Term Bonds      | 07/01/1996 | 2026        | 6.35%          | 4,915,000              |
| 1996 Series F Term Bonds      | 07/10/1996 | 2026        | Floating       | 12,900,000             |
| 1996 Series G Term Bonds      | 07/15/1996 | 2016 - 2036 | 6.20% - 6.50%  | 7,000,000              |
| 1996 Series H Serial Bonds    | 08/01/1996 | 2008        | 5.75%          | 170,000                |
| 1996 Series H Term Bonds      | 08/01/1996 | 2011 - 2017 | 6.00% - 6.10%  | 8,580,000              |
|                               |            |             |                | 8,750,000              |
| 1996 Series J Term Bonds      | 09/01/1996 | 2016 - 2036 | 6.00% - 6.30%  | 3,980,000              |
| 1996 Series L Term Bonds      | 09/01/1996 | 2016 - 2036 | 6.05% - 6.25%  | 7,470,000              |
| 1996 Series M Serial Bonds    | 09/01/1996 | 2008 - 2009 | 5.60% - 5.70%  | 165,000                |
| 1996 Series M Term Bonds      | 09/01/1996 | 2015 - 2036 | 6.00% - 6.25%  | 5,785,000              |
|                               |            |             |                | 5,950,000              |
| 1996 Series N Term Bonds      | 09/01/1996 | 2010 - 2036 | 5.85% - 6.30%  | 9,845,000              |
| 1996 Series O Term Bonds      | 09/01/1996 | 2010 - 2036 | 5.90% - 6.30%  | 11,010,000             |

## 10. BONDS PAYABLE (continued)

| Description                           | Issue Date              | Due Dates   | Interest Rates | Balance<br>Outstanding |
|---------------------------------------|-------------------------|-------------|----------------|------------------------|
| 1996 Series P Term Bonds              | 09/20/1996              | 2026        | Floating       | 6,850,000              |
| 1996 Series T Term Bonds              | 12/01/1996              | 2018 - 2036 | 5.85% - 6.05%  | 7,025,000              |
| 1996 Series U Term Bonds              | 12/19/1996              | 2029        | Floating       | 10,190,000             |
| <sup>3</sup> 1997 Series A Term Bonds | 04/01/1997              | 2017 - 2037 | 6.10% - 6.25%  | 14,595,000             |
| 1997 Series B Term Bonds              | 06/01/1997              | 2017 - 2030 | 5.80% - 5.90%  | 8,020,000              |
| 1997 Series C Serial Bonds            | 05/15/1997              | 2008 - 2010 | 5.25% - 5.45%  | 535,000                |
| 1997 Series C Term Bonds              | 05/15/1997              | 2017 - 2039 | 5.75% - 6.00%  | 13,950,000             |
|                                       |                         |             |                | 14,485,000             |
| 1997 Series D Term Bonds              | 06/01/1997              | 2017 - 2030 | 5.90% - 5.95%  | 6,750,000              |
| 1997 Series E Term Bonds              | 06/01/1997              | 2030        | 8.00%          | 1,395,000              |
| 1997 Series F Term Bonds              | 06/15/1997              | 2017 - 2039 | 5.80% - 6.00%  | 13,695,000             |
| 1997 Series G Serial Bonds            | 07/15/1997              | 2008 - 2012 | 5.05% - 5.25%  | 1,000,000              |
| 1997 Series G Term Bonds              | 07/15/1997              | 2020 - 2037 | 5.50% - 5.70%  | 12,170,000             |
|                                       |                         |             |                | 13,170,000             |
| 1997 Series H Serial Bonds            | 07/15/1997              | 2008 - 2012 | 5.05% - 5.25%  | 665,000                |
| 1997 Series H Term Bonds              | 07/15/1997              | 2020 - 2037 | 5.50% - 5.70%  | 7,830,000              |
|                                       |                         |             |                | 8,495,000              |
| 1997 Series I1, I2 Term Bonds         | 12/01/1997              | 2008 - 2037 | 4.80% - 6.25%  | 11,630,000             |
| 1997 Series J1, J2 Term Bonds         | 12/01/1997              | 2009 - 2038 | 4.90% - 6.30%  | 19,110,000             |
| <sup>3</sup> 1997 Series L Term Bonds | 12/01/1997              | 2008 - 2037 | 4.70% - 5.45%  | 13,110,000             |
| 1998 Series A Term Bonds              | 03/01/1998              | 2030        | 5.45%          | 13,060,000             |
| 1998 Series B Term Bonds              | 06/01/1998              | 2038        | 6.61%          | 15,590,000             |
| 1998 C Series C Term Bonds            | 06/01/1998              | 2038        | 6.61%          | 8,310,000              |
| 1998 Series D Serial Bonds            | 06/01/1998              | 2008 - 2015 | 4.70% - 5.25%  | 2,420,000              |
| 1998 Series D Term Bonds              | 06/01/1998              | 2018 - 2031 | 5.30% - 5.375% | 10,055,000             |
|                                       |                         |             |                | 12,475,000             |
| 1998 Series G Term Bonds              | 07/01/1998              | 2038        | 6.60%          | 16,070,000             |
| 1998 Series H Term Bonds              | 07/01/1998              | 2038        | 7.25%          | 3,324,436              |
| 1998 Series I1 Term Bonds             | 08/01/1998              | 2009 - 2033 | Floating       | 17,440,000             |
| 1998 Series J Term Bonds              | <sup>2</sup> 10/01/1998 | 2028        | Floating       | 4,925,000              |
| 1998 Series K Term Bonds              | <sup>2</sup> 10/30/1998 | 2032        | 6.375%         | 16,500,000             |
| 1998 Series L Term Bonds              | <sup>2</sup> 10/01/1998 | 2032        | 6.50%          | 12,190,000             |
| 1998 Series M                         | <sup>2</sup> 10/01/1998 | 2032        | 6.125%         | 17,175,000             |

## 10. BONDS PAYABLE (continued)

| <u>Description</u>                             | <u>Issue Date</u> | <u>Due Dates</u> | <u>Interest Rates</u> | <u>Balance Outstanding</u> |
|--|-------------------|------------------|-----------------------|----------------------------|
| 1998 Series O Serial Bonds                     | 11/01/1998        | 2008 - 2010      | 4.70% - 4.90%         | 980,000                    |
| 1998 Series O Term Bonds                       | 11/01/1998        | 2018 - 2028      | 5.25% - 5.30%         | 10,895,000                 |
|  |                   |                  |                       | <u>11,875,000</u>          |
| 1998 Series P Serial Bonds                     | 12/01/1998        | 2008 - 2031      | 4.35% - 5.20%         | 10,110,000                 |
| 1998 Series Q1 Term Bonds                      | 12/01/1998        | 2018 - 2038      | 5.10% - 5.25%         | 12,875,000                 |
| 1998 Series R1 Serial Bonds                    | 12/01/1998        | 2008 - 2021      | 4.25% - 5.10%         | 4,260,000                  |
| 1998 Series R1, R2 Terms Bonds                 | 12/01/1998        | 2026 - 2032      | 5.10% - 5.20%         | 5,820,000                  |
|  |                   |                  |                       | <u>10,080,000</u>          |
| 1998 Series S Term Bonds                       | 12/28/1998        | 2031             | 4.80%                 | 9,952,000                  |
| 1998 Series T1, T2 Term Bonds                  | 12/10/1998        | 2039             | 6.50%                 | 14,260,000                 |
| 1998 Series U1 Term Bonds                      | 12/16/1998        | 2039             | 6.45%                 | 11,455,000                 |
| 1999 Series A Serial Bonds                     | 04/15/1999        | 2008 - 2018      | 4.55% - 5.15%         | 2,550,000                  |
| 1999 Series A Term Bonds                       | 04/15/1999        | 2021 - 2039      | 5.20% - 5.40%         | 11,070,000                 |
|  |                   |                  |                       | <u>13,620,000</u>          |
| 1999 Series B1, B2 Term Bonds                  | 04/21/1999        | 2010 - 2032      | 4.55% - 6.20%         | 12,210,000                 |
| 1999 Series C1, C2 Term Bonds                  | 07/01/1999        | 2009 - 2039      | 5.50% - 7.50%         | 9,545,000                  |
| 1999 Series C1 Capital Appreciation Term Bonds | 07/01/1999        | 2029             | Floating              | 1,846,657                  |
|  |                   |                  |                       | <u>11,391,657</u>          |
| 1999 Series D1, D2 Term Bonds                  | 07/21/1999        | 2009 - 2032      | 5.38% - 7.10%         | 14,360,000                 |
| 1999 Series E1, E2 Term Bonds                  | 08/12/1999        | 2011 - 2039      | 5.65% - 7.63%         | 13,375,000                 |
| 1999 Series E1 Capital Appreciation Term Bonds | 08/12/1999        | 2029             | Floating              | 2,234,402                  |
|  |                   |                  |                       | <u>15,609,402</u>          |
| 1999 Series F1, F2 Term Bonds                  | 08/25/1999        | 2014 - 2039      | 5.90% - 7.35%         | 10,500,000                 |
| 1999 Series F1 Capital Appreciation Term Bonds | 08/25/1999        | 2029             | Floating              | 1,639,269                  |
|  |                   |                  |                       | <u>12,139,269</u>          |
| 1999 Series G1, G2 Term Bonds                  | 08/25/1999        | 2032             | Floating              | 12,850,000                 |
| 1999 Series H1 Serial Bonds                    | 09/29/1999        | 2013 - 2020      | 5.55% - 5.70%         | 2,385,000                  |
| 1999 Series H1, H2 Term Bonds                  | 09/29/1999        | 2008 - 2032      | 5.85% - 7.40%         | 8,770,000                  |
|  |                   |                  |                       | <u>11,155,000</u>          |
| 1999 Series I1, I2 Term Bonds                  | 08/31/1999        | 2032             | Floating              | 14,465,000                 |
| 1999 Series J1 Serial Bonds                    | 09/14/1999        | 2009             | 5.30%                 | 55,000                     |
| 1999 Series J1, J2 Term Bonds                  | 09/14/1999        | 2009 - 2032      | 5.30% - 7.25%         | 7,425,000                  |
|  |                   |                  |                       | <u>7,480,000</u>           |
| <sup>3</sup> 1999 Series L1, L2 Term Bonds     | 09/29/1999        | 2010 - 2039      | 5.35% - 7.30%         | 12,810,000                 |
| 1999 Series M1 Serial Bonds                    | 09/29/1999        | 2008 - 2021      | 5.05% - 5.70%         | 3,295,000                  |
| 1999 Series M1, M2 Term Bonds                  | 09/29/1999        | 2027 - 2039      | 5.80% - 6.00%         | 10,790,000                 |
|  |                   |                  |                       | <u>14,085,000</u>          |

## 10. BONDS PAYABLE (continued)

| Description                                      | Issue Date              | Due Dates   | Interest Rates | Balance<br>Outstanding |
|--|-------------------------|-------------|----------------|------------------------|
| 1999 Series N1 Term Bonds                        | 09/21/1999              | 2008 - 2039 | 5.00% - 5.90%  | 7,430,000              |
| 1999 Series O1, O2 Term Bonds                    | 09/27/1999              | 2010 - 2041 | 6.00% - 7.80%  | 10,535,000             |
| 1999 Series P Term Bonds                         | 09/24/1999              | 2032        | Floating       | 7,135,000              |
| 1999 Series Q1, Q2 Term Bonds                    | 09/27/1999              | 2014 - 2039 | 5.75% - 7.85%  | 13,275,000             |
| 1999 Series R Term Bonds                         | 09/28/1999              | 2008 - 2032 | 5.00% - 6.00%  | 7,880,000              |
| <sup>3</sup> 2000 Series A1, A2 Term Bonds       | 02/25/2000              | 2010 - 2040 | 6.40% - 8.47%  | 15,490,000             |
| 2000 Series B Term Bonds                         | 03/28/2000              | 2030        | 6.90%          | 16,350,000             |
| 2000 Series C1, C2 Term Bonds                    | 05/01/2000              | 2015 - 2040 | 6.20% - 8.50%  | 15,985,000             |
| 2000 Series D1 Serial Bonds                      | 10/01/2000              | 2008 - 2014 | 4.95% - 5.40%  | 5,075,000              |
| 2000 Series D1, D2 Term Bonds                    | 10/01/2000              | 2020 - 2030 | 5.50% - 8.25%  | 26,940,000             |
|  |                         |             |                | 32,015,000             |
| 2000 Series E1, E2 Term Bonds                    | 06/13/2000              | 2033        | Floating       | 10,755,000             |
| 2000 Series F1, F2 Term Bonds                    | 06/01/2000              | 2017 - 2041 | 6.00% - 8.25%  | 10,755,000             |
| 2000 Series G Term Bonds                         | <sup>2</sup> 06/20/2000 | 2011        | Floating       | 8,085,000              |
| 2000 Series H1 Serial Bonds                      | 10/04/2000              | 2015 - 2020 | 5.50% - 5.70%  | 2,135,000              |
| 2000 Series H1, H2 Term Bonds                    | 10/04/2000              | 2015 - 2033 | 5.70% - 7.88%  | 11,775,000             |
|  |                         |             |                | 13,910,000             |
| 2000 Series I Term Bonds                         | 09/01/2000              | 2032        | Floating       | 13,365,000             |
| 2000 Series J1, J2 Term Bonds                    | 09/01/2000              | 2015 - 2042 | 5.70% - 8.10%  | 13,150,000             |
| 2000 Series K1, K2 Term Bonds                    | 10/01/2000              | 2017 - 2042 | 5.70% - 7.95%  | 17,230,000             |
| 2000 Series L1 Serial Bonds                      | 11/16/2000              | 2020 - 2024 | 5.65% - 5.85%  | 925,000                |
| 2000 Series L1, L2 Term Bonds                    | 11/16/2000              | 2008 - 2040 | 5.75% - 7.75%  | 7,710,000              |
|  |                         |             |                | 8,635,000              |
| 2000 Series M1, M2 Term Bonds                    | 11/09/2000              | 2013 - 2040 | 5.70% - 7.75%  | 16,160,000             |
| 2000 Series N1, N2 Term Bonds                    | 12/12/2000              | 2008 - 2041 | 5.75% - 7.70%  | 15,900,000             |
| 2000 Series O1, O2 Term Bonds                    | 11/30/2000              | 2008 - 2040 | 5.85% - 7.65%  | 18,840,000             |
| <sup>3, 4, 5</sup> 2000 Series P1 Serial Bonds   | 11/17/2000              | 2009 - 2017 | 5.00% - 5.65%  | 2,565,000              |
| <sup>3, 4, 5</sup> 2000 Series P1, P2 Term Bonds | 11/17/2000              | 2009 - 2034 | 5.85% - 7.55%  | 11,860,000             |
|  |                         |             |                | 14,425,000             |
| 2000 Series Q1, Q2 Term Bonds                    | 11/21/2000              | 2008 - 2041 | 5.75% - 7.80%  | 12,645,000             |
| 2000 Series R1, R2 Term Bonds                    | 12/06/2000              | 2010 - 2033 | 5.75% - 7.85%  | 9,185,000              |
| 2000 Series S Term Bonds                         | 12/14/2000              | 2008 - 2041 | 4.70% - 5.85%  | 10,855,000             |

## 10. BONDS PAYABLE (continued)

| Description                                | Issue Date              | Due Dates   | Interest Rates | Balance Outstanding |
|--|-------------------------|-------------|----------------|---------------------|
| 2000 Series U1 Serial Bonds                | 12/20/2000              | 2023 - 2025 | 5.50% - 5.60%  | 705,000             |
| 2000 Series U1, U2 Term Bonds              | 12/20/2000              | 2008 - 2041 | 5.60% - 7.40%  | 11,250,000          |
|  |                         |             |                | 11,955,000          |
| 2000 Series V1, V2 Term Bonds              | 12/28/2000              | 2017 - 2041 | 5.38% - 7.55%  | 7,815,000           |
| 2000 Series W1, W2 Term Bonds              | 12/29/2000              | 2028 - 2041 | 5.60% - 6.75%  | 12,720,000          |
| 2001 Series A1, A2 Term Bonds              | 01/01/2001              | 2011 - 2041 | 5.25% - 7.45%  | 13,840,000          |
| <sup>3</sup> 2001 Series E1, E2 Term Bonds | 07/01/2001              | 2014 - 2041 | 5.20% - 7.25%  | 19,315,000          |
| 2001 Series F1, F2 Term Bonds              | 11/01/2001              | 2009 - 2041 | 5.00% - 6.35%  | 18,100,000          |
| 2001 Series G Term Bonds                   | 11/01/2001              | 2031        | 6.90%          | 10,240,000          |
| 2001 Series H1, H2 Term Bonds              | 11/01/2001              | 2021 - 2041 | 5.25% - 6.30%  | 16,505,000          |
| 2001 Series IA, IB Serial Bonds            | 11/19/2001              | 2031        | Floating       | 14,685,000          |
| 2001 Series JA, JB Serial Bonds            | 11/19/2001              | 2031        | Floating       | 11,270,000          |
| 2001 Series KA, KB Serial Bonds            | 11/19/2001              | 2031        | Floating       | 20,235,000          |
| 2001 Series L Term Bonds                   | 12/01/2001              | 2008 - 2035 | 4.00% - 5.38%  | 8,120,000           |
| 2001 Series O1, O2 Term Bonds              | 12/01/2001              | 2009 - 2043 | 5.25% - 7.15%  | 6,715,000           |
| 2002 Series A1, A2 Term Bonds              | 01/08/2002              | 2035        | Floating       | 13,420,000          |
| 2002 Series B1 Term Bonds                  | 01/24/2002              | 2008 - 2034 | 3.80% - 5.30%  | 8,560,000           |
| 2002 Series C1 Term Bonds                  | 01/30/2002              | 2008 - 2042 | 5.30% - 7.00%  | 16,290,000          |
| 2002 Series D1 Term Bonds                  | 02/28/2002              | 2008 - 2042 | 5.20% - 7.00%  | 18,255,000          |
| 2002 Series E1 Term Bonds                  | 03/06/2002              | 2008 - 2042 | 5.13% - 6.85%  | 15,195,000          |
| 2002 Series F1, F2 Term Bonds              | 07/19/2002              | 2016 - 2035 | 5.45% - 7.00%  | 10,630,000          |
| 2002 Series G Term Bonds                   | 07/16/2002              | 2020 - 2035 | 4.88% - 5.40%  | 13,515,000          |
| 2002 Series H1, H2 Term Bonds              | 07/31/2002              | 2012 - 2042 | 5.20% - 6.00%  | 12,470,000          |
| 2002 Series I1, I2 Term Bonds              | 10/16/2002              | 2035        | 5.61%          | 2,771,800           |
| 2002 Series J1, J2 Term Bonds              | <sup>2</sup> 10/30/2002 | 2032        | Floating       | 22,300,000          |
| 2002 Series K1, K2 Term Bonds              | 10/30/2002              | 2035        | Floating       | 16,500,000          |
| 2002 Series L1, L2 Term Bonds              | 12/09/2002              | 2034        | Floating       | 9,245,000           |
| 2002 Series M1 Term Bonds                  | <sup>2</sup> 11/14/2002 | 2032        | Floating       | 6,300,000           |
| 2002 Series N1, N2 Term Bonds              | <sup>2</sup> 11/14/2002 | 2032        | Floating       | 9,850,000           |



## 10. BONDS PAYABLE (continued)

| Description                       | Issue Date              | Due Dates   | Interest Rates | Balance<br>Outstanding |
|-----------------------------------|-------------------------|-------------|----------------|------------------------|
| 2002 Series O1 Serial Bonds       | 11/26/2002              | 2017 - 2042 | 4.80% - 5.35%  | 15,900,000             |
| 2002 Series O2 Term Bonds         | 11/26/2002              | 2008 - 2017 | 4.30% - 5.75%  | 2,170,000              |
|                                   |                         |             |                | 18,070,000             |
| 2002 Series P1 Term Bonds         | 12/04/2002              | 2018 - 2042 | 4.75% - 5.35%  | 7,975,000              |
| 2002 Series P2 Serial Bonds       | 12/04/2002              | 2008 - 2015 | 4.00% to 6.00% | 755,000                |
|                                   |                         |             |                | 8,730,000              |
| 2002 Series R1, R2, R3 Term Bonds | 12/17/2002              | 2009 - 2036 | 3.80% - 5.95%  | 10,855,000             |
| 2003 Series A Term Bonds          | 01/01/2003              | 2036        | Floating       | 8,150,000              |
| 2003 Series B1, B3 Term Bonds     | 01/01/2003              | 2034        | Floating       | 9,670,000              |
| 2003 Series C1, C2 Term Bonds     | 01/01/2003              | 2008 - 2043 | 3.15% - 6.00%  | 15,915,000             |
| 2003 Series D1 Term Bonds         | 02/01/2003              | 2008 - 2044 | 2.90% - 5.15%  | 19,570,000             |
| 2003 Series D2 Serial Bonds       | 02/01/2003              | 2008        | 4.00%          | 25,000                 |
|                                   |                         |             |                | 19,595,000             |
| 2003 Series E1 Term Bonds         | 03/01/2003              | 2036        | Floating       | 8,415,000              |
| 2003 Series F Serial Bonds        | 03/01/2003              | 2008        | 2.75% - 2.85%  | 105,000                |
| 2003 Series F Term Bonds          | 03/01/2003              | 2009 - 2044 | 3.10% - 5.05%  | 11,895,000             |
|                                   |                         |             |                | 12,000,000             |
| 2003 Series G Term Bonds          | 03/18/2003              | 2036        | Floating       | 8,700,000              |
| 2003 Series H Term Bonds          | 03/25/2003              | 2036        | Floating       | 7,360,000              |
| 2003 Series I Term Bonds          | <sup>2</sup> 04/01/2003 | 2033        | 6.20%          | 7,775,000              |
| 2003 Series J Term Bonds          | 04/01/2003              | 2036        | 5.61%          | 5,620,000              |
| 2003 Series K Term Bonds          | 04/01/2003              | 2036        | Floating       | 6,620,000              |
| 2003 Series L Term Bonds          | 07/01/2003              | 2008 - 2036 | 2.40% - 4.45%  | 11,790,000             |
| 2003 Series M Term Bonds          | 07/01/2003              | 2008 - 2044 | 2.75% - 5.35%  | 9,370,000              |
| 2003 Series N Term Bonds          | 07/22/2003              | 2035        | Floating       | 14,450,000             |
| 2003 Series O Term Bonds          | 07/29/2003              | 2035        | Floating       | 16,545,000             |
| 2003 Series P Term Bonds          | 07/29/2003              | 2035        | Floating       | 15,385,000             |
| 2003 Series Q1, Q2 Term Bonds     | 09/17/2003              | 2008 - 2043 | 4.00% - 6.00%  | 12,985,000             |
| 2003 Series R1, R2 Term Bonds     | 10/01/2003              | 2037        | Floating       | 15,770,000             |
| 2003 Series S1, S2 Serial Bonds   | 10/01/2003              | 2008 - 2023 | 3.40% - 4.75%  | 1,725,000              |
| 2003 Series S1 Term Bonds         | 10/01/2003              | 2036        | 4.80%          | 2,995,000              |
|                                   |                         |             |                | 4,720,000              |
| 2003 Series T Serial Bonds        | 10/07/2003              | 2008 - 2019 | 2.60% - 4.70%  | 1,760,000              |
| 2003 Series T Term Bonds          | 10/07/2003              | 2024 - 2045 | 4.90% - 5.15%  | 11,850,000             |
|                                   |                         |             |                | 13,610,000             |

## 10. BONDS PAYABLE (continued)

| Description                           | Issue Date              | Due Dates   | Interest Rates | Balance<br>Outstanding |
|---------------------------------------|-------------------------|-------------|----------------|------------------------|
| <sup>5</sup> 2003 Series U Term Bonds | 10/01/2003              | 2033        | 6.50%          | 7,695,000              |
| 2003 Series W Term Bonds              | 12/16/2003              | 2036        | Floating       | 5,800,000              |
| 2004 Series A Term Bonds              | 02/01/2004              | 2008 - 2045 | 2.50% - 5.00%  | 10,210,000             |
| 2004 Series B Term Bonds              | 02/12/2004              | 2032        | Floating       | 2,400,000              |
| 2004 Series C1 Serial Bonds           | 02/18/2004              | 2008 - 2014 | 2.10% - 4.00%  | 825,000                |
| 2004 Series C1, C2 Term Bonds         | 02/18/2004              | 2027 - 2037 | 4.80% - 5.31%  | 6,915,000              |
|                                       |                         |             |                | 7,740,000              |
| 2004 Series D Term Bonds              | 02/01/2004              | 2008 - 2045 | 2.45% - 4.95%  | 12,395,000             |
| 2004 Series E Term Bonds              | 03/01/2004              | 2037        | Floating       | 6,100,000              |
| 2004 Series F Serial Bonds            | 03/01/2004              | 2037        | Floating       | 6,200,000              |
| 2004 Series G1, G2 Term Bonds         | 05/01/2004              | 2038        | Floating       | 11,575,000             |
| 2004 Series H Term Bonds              | 06/01/2004              | 2037        | Floating       | 7,900,000              |
| 2004 Series I Term Bonds              | <sup>2</sup> 06/02/2004 | 2034        | Floating       | 5,885,000              |
| 2004 Series K Term Bonds              | 12/01/2004              | 2037        | Floating       | 15,500,000             |
| <sup>1</sup> 2004 Series L Term Bonds | <sup>2</sup> 12/22/2004 | 2034        | Floating       | 17,910,000             |
| <sup>1</sup> 2004 Series M Term Bonds | <sup>2</sup> 12/22/2004 | 2034        | Floating       | 19,975,000             |
| 2005 Series A Term Bonds              | 01/25/2005              | 2037        | Floating       | 12,650,000             |
| 2005 Series B1, B2 Term Bonds         | 04/01/2005              | 2035        | Floating       | 40,547,064             |
| <sup>1</sup> 2005 Series C Term Bonds | 06/29/2005              | 2035        | Floating       | 21,965,000             |
| <sup>1</sup> 2005 Series D Term Bonds | 11/29/2005              | 2035        | Floating       | 12,090,000             |
| 2006 Series A Term Bonds              | 03/28/2006              | 2042        | 6.15%          | 7,110,321              |
| 2006 Series B Term Bonds              | 03/16/2006              | 2050        | 6.00%          | 6,635,000              |
| 2006 Series C Term Bonds              | 03/16/2006              | 2050        | 6.00%          | 6,515,000              |
| <sup>1</sup> 2006 Series D Term Bonds | 07/11/2006              | 2036        | Floating       | 9,775,000              |
| 2006 Series E Term Bonds              | 04/19/2006              | 2038        | 5.50%          | 8,909,000              |
| <sup>1</sup> 2006 Series F Term Bonds | 05/17/2006              | 2036        | Floating       | 14,170,000             |
| 2006 Series G Term Bonds              | 06/30/2006              | 2039        | Floating       | 5,690,000              |
| 2006 Series H Term Bonds              | 06/21/2006              | 2039        | Floating       | 8,520,000              |
| <sup>1</sup> 2006 Series I Term Bonds | 06/29/2006              | 2046        | 6.50%          | 30,000,000             |
| 2006 Series J Term Bonds              | 07/20/2006              | 2043        | 6.15%          | 14,630,000             |
| 2006 Series K Term Bonds              | 09/21/2006              | 2038        | Floating       | 4,636,794              |

## 10. BONDS PAYABLE (continued)

| Description                                     | Issue Date | Due Dates | Interest Rates | Balance<br>Outstanding |
|---|------------|-----------|----------------|------------------------|
| 2006 Series L Term Bonds                        | 10/26/2006 | 2038      | Floating       | 5,491,394              |
| 2006 Series M Term Bonds                        | 11/17/2006 | 2038      | Floating       | 4,439,919              |
| 2006 Series N Term Bonds                        | 12/13/2006 | 2044      | Floating       | 14,450,000             |
| 2007 Series A Term Bonds                        | 08/23/2007 | 2040      | 5.49%          | 1,670,000              |
| 2007 Series B Term Bonds                        | 02/06/2007 | 2048      | 6.70%          | 9,955,000              |
| 2007 Series C Term Bonds                        | 06/15/2007 | 2044      | Floating       | 9,515,000              |
| <sup>1</sup> 2007 Series D Term Bonds           | 05/23/2007 | 2047      | 6.50%          | 41,500,000             |
| 2007 Series E Term Bonds                        | 10/30/2007 | 2010      | 4.00%          | 4,520,000              |
| 2007 Series F Term Bonds                        | 10/30/2007 | 2010      | 4.00%          | 5,930,000              |
| <sup>1</sup> 2007 Series G1 Term Bonds          | 06/15/2007 | 2042      | Floating       | 48,500,000             |
| <sup>1</sup> 2007 Series G2 Term Bonds          | 06/15/2007 | 2042      | Floating       | 21,500,000             |
|   |            |           |                | 70,000,000             |
| 2007 Series H Term Bonds                        | 06/29/2007 | 2042      | Floating       | 5,950,000              |
| 2007 Series I Term Bonds                        | 11/02/2007 | 2042      | Floating       | 17,690,000             |
| 2007 Series J Term Bonds                        | 09/26/2007 | 2010      | Floating       | 1,840,029              |
| 2007 Series K Term Bonds                        | 12/20/2007 | 2042      | 6.00%          | 1,945,000              |
| Total Multifamily Housing Revenue bonds payable |            |           |                | 2,314,235,801          |
| Unamortized bond discount                       |            |           |                | (468,275)              |
| Net Multifamily Housing Revenue bonds payable   |            |           |                | 2,313,767,526          |
| Total net bonds payable                         |            |           |                | \$ 4,106,737,587       |

<sup>1</sup> Refunding

<sup>2</sup> Reoffering

<sup>3</sup> Issue is in default due to borrower's failure to make timely loan payments. No payments to bondholders have been affected.

<sup>4</sup> Issue is in default due to borrower's failure to make timely payments of fees and escrows.

<sup>5</sup> Issue is in default because borrower filed a bankruptcy petition under Chapter 11.

## 10. BONDS PAYABLE (CONTINUED)

Interest on outstanding bonds is payable semiannually with the exception of the following:

- (1) Monthly interest payments
  - Multifamily and Single Family Floating Rate Bonds
  - Multifamily Housing Revenue Bonds 1989 Series A, 1990 Series E, 1994 Series A, 1998 Series H, 1998 Series S, 2002 Series I, 2003 Series J, 2006 Series A, 2006 Series B, 2006 Series C, 2006 Series I, 2007 Series A, 2007 Series B, 2007 Series C, and 2007 Series D
  - Single Family Home Ownership Bonds 1987 Series G1 and G2, 1991 Series G1 and G2, and 1992 Series G1 and G2
- (2) Quarterly interest payments
  - Multifamily Housing Revenue Bonds 1995 Series B (February, May, August and November)
- (3) Interest paid at maturity
  - Capital Appreciation Bonds
- (4) Interest paid as outlined in the Trust Indenture
  - Guarantee Program 1993 Series A, 1999 Series A, 2000 Series A, and 2002 Series A

The methods or indices used to determine the actual interest rates for floating rate bonds are outlined in the individual bond documents.

Scheduled maturities of bonds payable, interest payments, and sinking fund requirements at December 31, 2007, are as follows:

|                              | <u>Principal</u>        | <u>Interest</u>         | <u>Total</u>            |
|------------------------------|-------------------------|-------------------------|-------------------------|
| 2008                         | \$ 71,866,035           | \$ 207,756,309          | \$ 279,622,344          |
| 2009                         | 72,872,849              | 203,418,236             | 276,291,085             |
| 2010                         | 63,911,569              | 200,283,316             | 264,194,885             |
| 2011                         | 91,821,576              | 196,140,271             | 287,961,847             |
| 2012                         | 81,411,162              | 192,345,189             | 273,756,351             |
| 2013 - 2017                  | 370,354,621             | 906,936,796             | 1,277,291,417           |
| 2018 - 2022                  | 421,681,291             | 799,385,867             | 1,221,067,158           |
| 2023 - 2027                  | 563,779,155             | 670,765,976             | 1,234,545,131           |
| 2028 - 2032                  | 806,201,395             | 486,973,632             | 1,293,175,027           |
| 2033 - 2037                  | 1,062,715,822           | 232,259,535             | 1,294,975,357           |
| 2038 - 2042                  | 297,198,046             | 72,062,707              | 369,260,753             |
| 2043 - 2047                  | 165,604,202             | 25,734,420              | 191,338,622             |
| 2048 - 2052                  | 6,646,882               | 124,448                 | 6,771,330               |
|                              | <u>4,076,064,605</u>    | <u>4,194,186,702</u>    | <u>8,270,251,307</u>    |
| Net unamortized bond premium | 30,672,982              | -                       | 30,672,982              |
|                              | <u>\$ 4,106,737,587</u> | <u>\$ 4,194,186,702</u> | <u>\$ 8,300,924,289</u> |

Assets of the various funds are pledged for payment of principal and interest on the applicable bonds. Each issue, with the exception of certain single family issues, is collateralized by a separate collateral package. The bonds in the Single Family Homeowner Mortgage fund are collateralized under a single bond indenture. In addition, certain assets are further restricted by bond resolutions for payment of interest and principal in the event that the related debt service and other available funds are insufficient. Such assets are segregated within the various funds and were held in cash or investments at December 31, 2007.

Of the multifamily housing revenue bonds issued in 2007, \$65,655,000 was used to refund existing bonds. The refundings were undertaken by the individual developers in order to take advantage of more favorable interest rates and terms. Since the payment of bonds is the responsibility of the individual developers, the refundings did not result in an economic gain or loss for Florida Housing, thus the effect of the refundings is excluded from the changes in bonds payable below.

### *Changes in Bonds Payable*

Bonds payable activity for the year ended December 31, 2007 is as follows:

|                                | <u>Beginning Balance</u> | <u>Additions</u>      | <u>Reductions</u>       | <u>Ending Balance</u>   | <u>Due Within One Year</u> |
|--------------------------------|--------------------------|-----------------------|-------------------------|-------------------------|----------------------------|
| Bonds payable                  | \$ 3,550,367,121         | \$ 714,570,888        | \$ (188,873,404)        | \$ 4,076,064,605        | \$ 71,866,035              |
| Unamortized premium (discount) | 13,445,410               | 18,756,436            | (1,528,864)             | 30,672,982              | 922,264                    |
| Total bonds payable-net        | <u>\$ 3,563,812,531</u>  | <u>\$ 733,327,324</u> | <u>\$ (190,402,268)</u> | <u>\$ 4,106,737,587</u> | <u>\$ 72,788,299</u>       |



## 11. DUE TO THE STATE OF FLORIDA

The state of Florida funded approximately \$24.8 million for Hurricane Andrew housing assistance. Florida Housing provided the loans through the SAIL program in areas damaged by Hurricane Andrew. The money is to be returned to the state of Florida upon repayment of the loans. The loans generally bear interest at 9%. As of December 31, 2007, loans totaling \$24.8 million were outstanding.

## 12. GUARANTEE PROGRAM—ALLOWANCE FOR CLAIMS

The Guarantee Program guarantees the payment of principal and interest on qualifying loans made to finance or refinance the purchase, construction, or rehabilitation of eligible housing.

As of December 31, 2007, the Guarantee Program had total outstanding guarantees of approximately \$812.0 million. An allowance for claims against such guarantees in the amount of approximately \$8.1 million has been recorded as of December 31, 2007 and is included in other liabilities.

## 13. RESTRICTED ASSETS

Pursuant to various trust indentures and loan agreements, the assets and equity of the bond programs are restricted. Upon satisfaction of all bondholder indebtedness and payment of all authorized expenses, any remaining funds are disbursed to Florida Housing or the respective developer as described in each trust indenture or loan agreement. The assets and equity of the state-funded programs are restricted by statute. The following is a summary of restricted assets, liabilities, and net assets as of December 31, 2007:

|  |                  |
|--|------------------|
| Total restricted current assets                  | \$ 1,172,775,987 |
| Total restricted assets                          | 6,243,326,587    |
| Total current liabilities payable                |                  |
| from restricted current assets                   | 145,141,069      |
| Total liabilities payable from restricted assets | 4,346,854,285    |
| Total restricted net assets                      | 1,896,472,302    |

## 14. NET ASSETS

The net assets of the Operating Fund are not restricted under the terms of various bond resolutions or loan agreements and can be used by Florida Housing for any purpose authorized by law. The Board of Directors has designated unrestricted net assets in the Operating Fund for demonstration developments, support of the single family bond program, and future operating and capital expenditures, including funding compliance monitoring fees for housing credit properties from which partial or no fees were collected at the time of allocation.

Below is a summary of the Operating Fund net assets as of December 31, 2007:

|  |                      |
|--|----------------------|
| Designated net assets:   |                      |
| Demonstration and other developments   | \$ 19,500,000        |
| Dedicated reserve for operations (includes<br>future compliance monitoring fees) | 63,331,185           |
| Single family bond program   | <u>13,750,000</u>    |
| Total designated net assets  | 96,581,185           |
| Net assets invested in capital assets  | <u>211,412</u>       |
| Total net assets—Operating Fund  | <u>\$ 96,792,597</u> |

These designations are reviewed annually by the Board of Directors and management as to amount and purpose.

## 15. DEVELOPERS AND REGIONAL CONCENTRATION

As of December 31, 2007, three developers account for approximately 24% (\$559.2 million) of bonds outstanding in the multifamily bond programs. No other developer accounts for more than 5% of the bonds outstanding. Developments in the following four counties represent 52% of the bonds outstanding: Orange County (24%), Duval County (10%), Hillsborough County (10%), and Palm Beach County (8%). No other county represents more than 5% of the bonds outstanding.

As of December 31, 2007, two developers account for approximately 23% (\$110.7 million) of loans outstanding in the SAIL program. No other developer accounts for more than 5% of SAIL loans outstanding. Developments in the following six counties represent 59% of the SAIL loans outstanding: Miami-Dade County (19%), Orange County (11%), Palm Beach County (9%), Broward County (8%), Hillsborough County (6%), and Duval County (6%). No other county represents more than 5% of the SAIL loans outstanding.

As of December 31, 2007, four developers account for approximately 21% (\$40.0 million) of loans outstanding in the HOME Program. No other developer accounts for more than 5% of HOME loans outstanding. Developments in the following seven counties represent 56% of HOME loans outstanding: Miami-Dade County (21%), St. Johns (7%), Monroe County (6%), Collier County (6%), Lee County (6%), Citrus County (5%), and Indian River County (5%). No other county represents 5% or more of the outstanding HOME loans.

As of December 31, 2007, four developers account for approximately 62% (\$497.1 million) of the total guarantee amounts issued by the Guarantee Program. Credit enhanced developments are located in 25 counties. The counties with 5% or greater of the total outstanding guarantees are as follows: Miami-Dade County (20%), Broward County (15%), Palm Beach County (13%), Orange County (9%), and Collier County (5%).

## 16. COMMITMENTS

### *Loans*

Florida Housing originates commitments to extend credit in the normal course of business to meet the financing needs of qualified first time homebuyers and developers providing affordable multifamily housing for low, moderate, and middle income families in the state of Florida. Commitments to extend credit are contractual obligations to lend to a developer or individual homebuyer as long as all established contractual conditions are satisfied.

As of December 31, 2007, Florida Housing had outstanding loan commitments under state and federally funded programs as follows:

|  |                      |
|--|----------------------|
| State Apartment Incentive Loan Program   | \$ 31,429,365        |
| HOME Investment Partnerships Program     | 24,745,670           |
| Rental Recovery Loan Program             | 19,347,897           |
| Florida Homeownership Assistance Program | 10,164,468           |
| Predevelopment Loan Program              | 3,129,921            |
| Demonstration Loan Program               | 1,503,017            |
| Community Land Trust Program             | 466,979              |
|  | <u>\$ 90,787,317</u> |

### *Leases*

Florida Housing leases office space under a noncancelable operating lease. The lease term runs through May 2009. As of December 31, 2007, future minimum lease payments are as follows:

|      |                     |
|------|---------------------|
| 2008 | \$ 879,357          |
| 2009 | 366,399             |
|      | <u>\$ 1,245,756</u> |

Rent expense for the operating lease was \$870,830 for the year ended December 31, 2007.

## 17. EMPLOYEE BENEFITS

Florida Housing is authorized by Section 420.507(32) of the Florida Statutes to establish pension plans for the benefit of its employees. There are two plans in place, a defined contribution pension plan and a deferred compensation plan.

### *Retirement Plan*

Florida Housing sponsors a defined contribution pension plan (the "Plan") under Internal Revenue Code ("IRC") Section 401(m) to provide retirement and survivor benefits to participating employees. The Plan, which is administered by Florida Housing, covers all employees who have completed 12 months of employment, have attained the age of 21, and have performed at least 1,000 hours of service before the first anniversary of their employment or during any Plan year. In accordance with Plan documents, Florida Housing, or its Board of Directors, as applicable, may order changes to the Plan. Such changes shall

be effective upon execution of a written instrument amending the Plan. Under the Plan, Florida Housing's contribution is based on a two-tier system. First, Florida Housing contributes a percentage of the eligible employee's compensation to the Plan. This percentage, designated by Florida Housing's Board of Directors, was 8% for the years ended December 31, 2007, 2006, and 2005. Second, Florida Housing contributes \$0.50 to the Plan for every \$1.00 of compensation deferred by the eligible employee under Florida Housing's sponsored IRC Section 457 Deferred Compensation Plan, up to a maximum contribution by Florida Housing of 3% of the eligible employee's compensation. Florida Housing contributions vest to the employee after three years of service. Florida Housing contributed \$634,463, \$640,697 and \$701,755 to the Plan for the years ended December 31, 2007, 2006, and 2005, respectively.

### *Deferred Compensation Plan*

Florida Housing offers its employees a deferred compensation plan created in accordance with IRC Section 457 (the "457 Plan"). The 457 Plan, available to all employees who have completed 90 continuous days of employment and have attained the age of 21, permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency. Florida Housing has the right to amend the 457 Plan. Amendments must be made in writing.

All amounts of compensation deferred under the 457 Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (notwithstanding the mandates of 26 U.S.C. s. 457 (b) (6), all of the assets specified in subparagraph 1) held in trust for the exclusive benefit of participants and their beneficiaries as mandated by 26 U.S.C. s. 457 (g) (1). Florida Housing does not contribute to the 457 Plan. Participation under the 457 Plan is solely at the discretion of the employee. Florida Housing has no liability for losses under the 457 Plan, but does have the duty of due care. Employees contributed \$487,573, \$509,655, and \$430,830 to the 457 Plan for the years ended December 31, 2007, 2006, and 2005, respectively.

## **18. SUBSEQUENT EVENTS**

During the period from January 1, 2008 through April 30, 2008, pursuant to various trust indentures, bonds in the aggregate amount of \$82,847,336 were called for redemption from principal payments, excess revenues, and refundings. The bonds were called at a redemption price equal to par value plus accrued interest.

The bonds called were from the following programs:

| <u>Issue</u>                             | <u>Date</u>      | <u>Redemption<br/>Amount</u> |
|--|------------------|------------------------------|
| <b>Single Family Home Ownership:</b>     |                  |                              |
| 1987 Series G1 & G2                      | January 2, 2008  | \$ 10,000                    |
|  | February 1, 2008 | 10,000                       |
|  | March 3, 2008    | 35,000                       |
|  | April 1, 2008    | 10,000                       |
| 1991 Series G1 & G2                      | January 2, 2008  | 50,000                       |
|  | February 1, 2008 | 64,000                       |
|  | March 3, 2008    | 45,000                       |
|  | April 1, 2008    | 16,000                       |
| 1992 Series G1 & G2                      | January 2, 2008  | 31,835                       |
|  | February 1, 2008 | 269,829                      |
|  | March 3, 2008    | 129,945                      |
|  | April 1, 2008    | 157,549                      |
|  |                  | \$ 829,158                   |
| <b>Single Family Homeowner Mortgage:</b> |                  |                              |
| 1996 Series 1 - 2                        | January 2, 2008  | \$ 475,000                   |
| 1996 Series 3                            | January 2, 2008  | 820,000                      |
| 1997 Series 1 - 4                        | January 2, 2008  | 1,390,000                    |
| 1998 Series 1 - 6                        | January 2, 2008  | 2,241,304                    |
| 1999 Series 1 - 5                        | January 2, 2008  | 2,111,631                    |
| 1999 Series 6 - 9                        | January 2, 2008  | 1,438,528                    |
| 2000 Series 3 - 9                        | January 2, 2008  | 1,593,823                    |
| 2000 Series 10 - 12                      | January 2, 2008  | 2,120,000                    |
| 2002 Series 1 - 3                        | January 2, 2008  | 2,560,000                    |
| 2003 Series 1 - 3                        | January 2, 2008  | 2,005,000                    |
| 2003 Series 5                            | January 2, 2008  | 3,570,000                    |
| 2004 Series 2                            | January 2, 2008  | 5,260,000                    |
| 2004 Series 3 - 4                        | January 2, 2008  | 1,745,000                    |
| 2004 Series 5 - 6                        | January 2, 2008  | 4,160,000                    |
| 2005 Series 1                            | January 2, 2008  | 2,820,000                    |
| 2005 Series 2 - 3                        | January 2, 2008  | 3,480,000                    |
| 2006 Series 1                            | January 2, 2008  | 2,640,000                    |
| 2006 Series 2 - 3                        | January 2, 2008  | 1,905,000                    |
| 2006 Series 4 - 5                        | January 2, 2008  | 5,060,000                    |
| 2006 Series 6                            | January 2, 2008  | 2,515,000                    |
| 2007 Series 2                            | January 2, 2008  | 180,000                      |



| <u>Issue</u>   | <u>Date</u>     | <u>Redemption<br/>Amount</u> |
|--|-----------------|------------------------------|
| <b>Single Family Homeowner Mortgage (continued):</b> |                 |                              |
| 1996 Series 1 - 2                                    | March 3, 2008   | 30,050                       |
| 1996 Series 3  | March 3, 2008   | 75,000                       |
| 1997 Series 1 - 4                                    | March 3, 2008   | 30,000                       |
| 1998 Series 1 - 6                                    | March 3, 2008   | 161,330                      |
| 1999 Series 1 - 5                                    | March 3, 2008   | 293,012                      |
| 1999 Series 6 - 9                                    | March 3, 2008   | 178,357                      |
| 2000 Series 3 - 9                                    | March 3, 2008   | 147,197                      |
| 2000 Series 10 - 12                                  | March 3, 2008   | 45,000                       |
| 2002 Series 1 - 3                                    | March 3, 2008   | 75,000                       |
| 2003 Series 1 - 3                                    | March 3, 2008   | 70,000                       |
| 2003 Series 5  | March 3, 2008   | 85,000                       |
| 2004 Series 2  | March 3, 2008   | 110,000                      |
| 2004 Series 5 - 6                                    | March 3, 2008   | 105,000                      |
| 2005 Series 1  | March 3, 2008   | 90,000                       |
| 2005 Series 2 - 3                                    | March 3, 2008   | 235,000                      |
| 2006 1   | March 3, 2008   | 35,000                       |
| 2006 2-3   | March 3, 2008   | 205,000                      |
| 2006 4-5   | March 3, 2008   | 50,000                       |
|  |                 | <u>\$ 52,110,232</u>         |
| <b>Guarantee Fund:</b>                               |                 |                              |
| 1993 Series A  | January 2, 2008 | \$ 1,000,000                 |
| 1999 Series A  | January 2, 2008 | 250,000                      |
| 2000 Series A  | January 3, 2008 | 950,000                      |
| 2002 Series A  | January 2, 2008 | 1,000,000                    |
|  |                 | <u>\$ 3,200,000</u>          |
| <b>Multifamily Housing Revenue:</b>                  |                 |                              |
| Various  | January 2008    | \$ 1,557,557                 |
| Various  | February 2008   | 13,122,757                   |
| Various  | March 2008      | 9,078,325                    |
| Various  | April 2008      | 2,949,307                    |
|  |                 | <u>\$ 26,707,946</u>         |
|  |                 | <u>\$ 82,847,336</u>         |

On January 7, 2008, Florida Housing issued \$100,000,000 Homeowner Mortgage Revenue Bonds 2007 Series 6. The bonds shall bear interest rates ranging from 3.65% to 5.50% and have maturity dates from July 1, 2009 to January 1, 2049.

On January 16, 2008, Florida Housing issued \$8,000,000 Housing Revenue Bonds 2008 Series A. The bonds shall bear a weekly variable interest rate and have a maturity date of February 1, 2041.

On January 18, 2008, Florida Housing issued \$4,750,000 Housing Revenue Bonds 2008 Series B. The bonds shall bear a variable interest rate and have a maturity date of January 1, 2040.

On February 8, 2008, Florida Housing issued \$7,870,000 Housing Revenue Bonds 2008 Series C. The bonds shall bear interest rates ranging from 2.60% to 5.26% and have maturity dates of July 20, 2009 to July 20, 2049.

On February 20, 2008, Florida Housing issued \$4,750,000 Housing Revenue Bonds 2008 Series D. The bonds shall bear a variable interest rate and have a maturity date of February 1, 2040.

On March 20, 2008, Florida Housing issued \$5,075,000 Housing Revenue Bonds 2008 Series E. The bonds shall bear a variable interest rate and have a maturity date of March 1, 2048.

On March 27, 2008, Florida Housing issued \$6,700,000 Housing Revenue Bonds 2008 Series F. The bonds shall bear a fixed interest rate of 5.00% and have a maturity date of April 1, 2011.

On April 3, 2008, Florida Housing issued \$7,000,000 Housing Revenue Bonds 2008 Series G. The bonds shall bear a variable interest rate and have a maturity date of April 1, 2040.

On April 15, 2008, Florida Housing issued \$50,000,000 Homeowner Mortgage Revenue Bonds 2008 Series 1. The bonds shall bear interest rates ranging from 3.80% to 6.45% and have maturity dates from July 1, 2010 to January 1, 2039.

\* \* \* \* \*

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## COMPLIANCE SECTION

FLORIDA HOUSING FINANCE CORPORATION  
(A Component Unit of the State of Florida)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2007

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| Federal Grantor/Pass-Through<br>Grantor/Program Title | Federal<br>CFDA<br>Number | Expenditures          |
|---|---------------------------|-----------------------|
| U.S. DEPARTMENT OF HOUSING AND URBAN<br>DEVELOPMENT   |                           |                       |
| Housing Finance Agencies Risk Sharing Program         | 14.188*                   | \$ 421,117,312        |
| HOME Investment Partnerships Program                  | 14.239                    | 41,223,492            |
| Section 8 Housing Choice Vouchers Program             | 14.871*                   | <u>6,637,765</u>      |
| TOTAL   |                           | <u>\$ 468,978,569</u> |

\* Denotes major program

See Notes to Schedule of Expenditures of Federal Awards.

FLORIDA HOUSING FINANCE CORPORATION  
(A Component Unit of the State of Florida)

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2007

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1. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Florida Housing Finance Corporation ("Florida Housing") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the U.S. Office of Management and Budget ("OMB") Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

2. HOUSING AND FINANCE AGENCIES RISK SHARING PROGRAM – CFDA # 14.188

On November 9, 1994, Florida Housing and the U.S. Department of Housing and Urban Development ("HUD") entered into a Risk Sharing Agreement providing for HUD's assumption ("endorsement") of 50% of the post-construction obligation on specific multifamily developments financed by Florida Housing or local housing finance authority bonds. Pursuant to OMB Circular A-133, the value of federal awards expended under loan and loan guarantee programs is calculated as the value of new loans made during the fiscal year plus the balance of loans from previous years for which the federal government imposes continuing compliance requirements. There were no new loans made during 2007. The HUD-guaranteed portions of all outstanding loans are included in the accompanying Schedule of Expenditures of Federal Awards.



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## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of  
Florida Housing Finance Corporation  
Tallahassee, Florida

We have audited the financial statements of Florida Housing Finance Corporation ("Florida Housing") as of and for the year ended December 31, 2007, and have issued our report thereon dated June 6, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Florida Housing's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Florida Housing's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Florida Housing's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described as finding 2007-1 in Schedule of Findings and Questioned Costs to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we do not believe that the significant deficiency described as finding 2007-1 is a material weakness.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Florida Housing's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted one immaterial instance of noncompliance or other matters which is described in Schedule of Findings and Questioned Costs as finding 2007-2.

Florida Housing's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit Florida Housing's response and, accordingly, we express no opinion on it.

This report is intended for the information and use of Florida Housing's Board of Directors, management and others within Florida Housing, the Auditor General of the State of Florida, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

June 6, 2008

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE WITH OMB CIRCULAR A-133

To the Board of Directors of  
Florida Housing Finance Corporation  
Tallahassee, Florida

### Compliance

We have audited the compliance of Florida Housing Finance Corporation ("Florida Housing") (a component unit of the state of Florida), with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2007. Florida Housing's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Florida Housing's management. Our responsibility is to express an opinion on Florida Housing's compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Florida Housing's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Florida Housing's compliance with those requirements.

In our opinion, Florida Housing complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2007.

## Internal Control Over Compliance

The management of Florida Housing is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Florida Housing's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Florida Housing's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Florida Housing's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Florida Housing's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by Florida Housing's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the Board of Directors, management, and others within Florida Housing, the Auditor General of the state of Florida, and federal awarding agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "DeBartle & Touche LLP". The signature is written in a cursive, flowing style.

June 6, 2008

FLORIDA HOUSING FINANCE CORPORATION  
(A Component Unit of the State of Florida)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2007

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Part I—Summary of Auditors' Results

*Financial Statements*

|   |                  |                 |  |
|---|------------------|-----------------|--|
| Type of auditor's report issued:  | Unqualified      |                 |  |
| Internal control over financial reporting:  |                  |                 |  |
| • Material weakness(es) identified?   | _____ yes        | <u>  X  </u> no |  |
| • Significant deficiency(ies) identified that are not considered to be material weaknesses? | <u>  X  </u> yes | _____ no        |  |
| Noncompliance material to financial statements noted?                                       | _____ yes        | <u>  X  </u> no |  |

*Federal Awards*

|  |             |                            |  |
|--|-------------|----------------------------|--|
| Internal control over major programs:  |             |                            |  |
| • Material weakness(es) identified?  | _____ yes   | <u>  X  </u> no            |  |
| • Significant deficiency(ies) identified that are not considered to be material weaknesses?                            | _____ yes   | <u>  X  </u> none reported |  |
| Type of auditor's report issued on compliance for major programs:  | Unqualified |                            |  |
| Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? | _____ yes   | <u>  X  </u> no            |  |

Identification of major programs:

|  |   |
|--|---|
| CFDA Numbers:                                    | Name of Federal Program or Cluster:           |
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT |   |
| 14.188   | Housing Finance Agencies Risk Sharing Program |
| 14.871   | Section 8 Housing Choice Vouchers Program     |

|  |                           |
|--|---------------------------|
| Dollar threshold used to distinguish between type A and type B programs: | \$1,435,838               |
| Auditee qualified as low-risk auditee?                                   | <u>  X  </u> yes _____ no |

Part II—Financial Statement Findings Section

The audit disclosed one significant deficiency in internal control over financial reporting required to be reported by *Government Auditing Standards* and is reported as findings 2007-1.



## OBSERVATIONS AND RECOMMENDATIONS

### 2007-1 Classification of Discounts on Mortgage Backed Securities

*Observation*—Discounts on mortgage backed securities were incorrectly netted with loans receivable on Florida Housing's balance sheet which resulted in the understatement of Loans Receivable. This discount was being amortized over the life of the mortgage backed securities rather than being considered in the marked to market adjustment with the investments, resulting in an immaterial understatement of net income.

*Recommendation*—Discounts on mortgage backed securities should be netted with the mortgage backed securities in order for an accurate fair value adjustment of the investments to be recorded. We recommend Florida Housing implement procedures to more thoroughly review the accounting classifications and treatment for all transactions. The error noted above was corrected in Florida Housing's 2007 financial statements.

### 2007-2 General Compliance with Bond Documents (Recurring Comment)

*Observation*—We noted several instances in the current year and in previous years where various bond issues were not in compliance with the respective trust indentures and private placement documents. These instances include variances from reserve requirements and technical violations reported by the trustees. All significant instances of noncompliance are disclosed in Florida Housing's year-end financial statements.

*Recommendation*—Florida Housing should continue to monitor compliance with the bond documents to ensure noncompliance is disclosed and corrected in a timely manner.

### Part III—Federal Award Findings and Questioned Cost Section

The audit disclosed no findings required to be reported by OMB Circular A-133.

June 6, 2008

The Board of Directors  
Florida Housing Finance Corporation  
Tallahassee, Florida

We have reviewed the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* for the period ended December 31, 2007. Our responses to the comments are as follows:

#### Classification of Discounts on Mortgage Backed Securities

**Recommendation** – Discounts on mortgage backed securities should be netted with the mortgage backed securities in order for an accurate fair value adjustment of the investments to be recorded. We recommend Florida Housing implement procedures to more thoroughly review the accounting classifications and treatment for all transactions. The error noted above was corrected in Florida Housing's 2007 financial statements.

**Response** – Florida Housing agrees with this comment and the recommendation and has implemented additional procedures to review and vet the classification and treatment of its accounting transactions for reporting purposes.

#### General Compliance with Bond Documents

**Recommendation** – Florida Housing should continue to monitor compliance with the bond documents to ensure noncompliance is disclosed and corrected in a timely manner.

**Response** – Florida Housing continues to work closely with its service providers to ensure compliance with bond documents and to disclose instances of noncompliance in a timely manner.

The audit process is considered valuable in further improving the quality and effectiveness of Florida Housing Finance Corporation's reporting systems and internal controls.

Sincerely,



Stephen P. Auger  
Executive Director

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Charlie Crist, Governor

Board of Directors: Lynn M. Stultz, Chairman • David E. Oellerich, Vice Chairman • Tom Pelham, Ex Officio  
Ken Fairman • Zully Ruiz • Stuart Scharaga • Sandra Terry

Stephen P. Auger, Executive Director

**Sunset Review – Brief Response to Statutory Requirements**  
Florida Housing Finance Corporation  
October 27, 2008

11.906 Agency report to the Legislature. - Not later than July 1, 2 years preceding the year in which a state agency and its advisory committees are scheduled to be reviewed, the agency shall provide the Legislature with a report that includes:

(1) The performance measures for each program and activity as provided in s. 216.011 and 3 years of data for each measure that provides actual results for the immediately preceding 2 years and projected results for the fiscal year that begins in the year that the agency report is scheduled to be submitted to the Legislature.

*See Appendix 1 & 2*

(2) An explanation of factors that have contributed to any failure to achieve the legislative standards.

*Not Applicable. As far as we are aware, Florida Housing has achieved all applicable legislative standards. See response to (9), below.*

(3) The promptness and effectiveness with which the agency disposes of complaints concerning persons affected by the agency.

*Florida Housing provides a public inquiry system available through the website allowing the general public to ask questions of Florida Housing 24 hours a day, routes the inquiry to the appropriate staff person for response, and assures that a timely response is made. Complaints or inquiries received from the Governor's office, or congressional or legislative offices are routed through the Florida Housing Legislative Affairs Office. As with the public inquiry system, Florida Housing maintains a log of all requests or complaints to assure prompt and accurate responses.*

*Florida Housing receives a number of complaints and inquiries which are outside its statutory authority to address. These typically involve local housing authorities, public housing agencies, and market rental properties not related to Florida Housing. Florida Housing endeavors to locate the appropriate person or entity and forward the complaint or inquiry for a response.*

(4) The extent to which the agency has encouraged participation by the public in making its rules and decisions as opposed to participation solely by those it regulates and the extent to which public participation has resulted in rules compatible with the objectives of the agency.

*As further explained in (11) below. Florida Housing endeavors to operate as transparently as possible. The general public has access to most Florida Housing documents through the website, in addition to traditional printed materials circulated by*

*Florida Housing. Florida Housing holds public meetings and rule development workshops throughout the state to solicit public comment on its programs and public comments submitted in writing are generally posted to our website. Additionally, our Board of Directors solicits public comments after each of its meetings. The public is also encouraged to participate in online discussions through the website. Many of the comments received by Florida Housing in the annual rule development process for multifamily programs are incorporated into the annual revisions of the application process and rules governing the programs. The single family programs use both rule development workshops and participating lender focus groups to solicit comments from a wide variety of stakeholders and their comments are frequently incorporated into programmatic changes.*

(5) The extent to which the agency has complied with applicable requirements of state law and applicable rules regarding purchasing goals and programs for small and minority-owned businesses.

*Not applicable to Florida Housing—sec. 420.507(27), Florida Statutes. Florida Housing uses small and minority-owned business status as a tiebreaker in procurement decisions.*

(6) A statement of any statutory objectives intended for each program and activity, the problem or need that the program and activity were intended to address, and the extent to which these objectives have been achieved.

Section 420.0003(2), “State Housing Strategy,” establishes the goal: “By the year 2010, this state shall ensure that decent and affordable housing is available for all of its residents.” Florida Housing is one part of the strategy, along with local housing finance agencies, public housing authorities, local housing authorities, charities, and developers.

***HOMEOWNERSHIP PROGRAMS are intended to provide homeownership opportunities for Floridians at or below 140% of Area Median Income (“AMI”), through the programs described below.***

***First Time Homebuyer Program*** - Florida Housing issues bonds under the Single Family Mortgage Revenue Bond Program and the proceeds from these bonds are used to originate 30-year mortgage loans through the First Time Homebuyer Program. First-time homebuyers then benefit from lower mortgage interest rates due to the tax-exempt status of the bonds. Eligible borrowers have to meet certain criteria such as the first-time homebuyer requirement, as defined by the Internal Revenue Code, credit worthiness, and an appropriate income and purchase price levels, not exceeding program limits.

***Down Payment Assistance Programs*** - Funds for down payment assistance and closing costs are often provided in conjunction with the First Time Homebuyer Program through the Florida Assist Program, the Homeownership Assistance for Moderate Income (HAMI) program and FloridaPlus Program.

**Homeownership Pool Program** - Florida Housing Finance Corporation, in response to the recognized need to enhance the ability and process of Developers to match qualified homebuyers with purchase assistance, created the Homeownership Pool (HOP) Program. The HOP Program is designed to be a noncompetitive and on-going program, where Developers, by way of an online system, have the ability to reserve funds for eligible homebuyers to provide purchase assistance on a first-come, first-served basis.

Eligible participants in the HOP Program include non-profit and for-profit organizations, Community Housing Development Organizations (CHDOs), counties and eligible municipalities that are recipients of SHIP funding and the United States Department of Agriculture - Rural Development (USDA-RD). HOP funds are primarily available for the construction of new homes; however, they may also be used for Substantial Rehabilitation by eligible Members who are recipients of SHIP funding.

| <b>Statewide Demand for Single-Family Housing*</b> |                                       |   |  |
|--|---------------------------------------|---|--|
| <b>Year</b>  | <b>Number of Units Funded by FHFC</b> | <b>Number of Cost-Burdened Homeowner Households (30-50% of monthly income paid in rent)</b> | <b>Number of Severely Cost-Burdened Homeowner Households (50%+ of monthly income paid in rent)</b> |
| 2007   | 15,260                                | 735,620   | 492,934  |
| 2006   | 13,142                                | 735,620   | 492,934  |
| 2005   | 13,215                                | 735,620   | 492,934  |

\* The Shimberg Center for Affordable Housing compiles data on the need for affordable housing in the State of Florida. They produce reports on this need once every three years; the data in the chart is based on figures presented in the latest Shimberg Housing Report from 2005.

**MULTIFAMILY DEVELOPMENT PROGRAMS** are intended to reduce the cost of financing to make newly constructed or rehabilitated developments financially viable while offering affordable apartments to Floridians whose incomes are typically at or below 60% AMI.

**Multifamily Mortgage Revenue Bonds** - The Multifamily Mortgage Revenue Bond program uses both taxable and tax-exempt bonds to provide below market rate loans to nonprofit and for-profit developers who set aside a certain percentage of their apartment units for low income families. Proceeds from the sale of these bonds are used to construct or to acquire and rehabilitate multifamily rental properties. The Bond program's application scoring and ranking criteria encourage increased set asides for low-income households. Special consideration is given to properties that target specific geographic areas such as HOPE VI communities.

**Florida Affordable Housing Guarantee** - The Florida Affordable Housing Guarantee Program encourages affordable housing lending by issuing guarantees on financing for

*affordable housing. This program provides guarantees on mortgages that secure multifamily mortgage revenue bonds, and creates a security mechanism that allows lenders to sell affordable housing loans in the secondary market. It also encourages affordable housing lending activities that would not otherwise have taken place.*

***HOME Investment Partnerships*** - *The HOME program provides non-amortizing, low interest rate loans to developers of affordable housing who acquire, rehabilitate, or construct housing for low income families. Loans are offered through the annual Universal Cycle at the simple interest rate of zero percent to nonprofit applicants and three percent to for-profit applicants. Florida Housing's HOME program is designed for smaller developments in rural areas.*

***Elderly Housing Community Loan*** - *A portion of State Apartment Incentive Loan funds is set aside to fund the Elderly Housing Community Loan (EHCL) program. This program provides up to \$750,000 in loans to make substantial improvements to existing affordable elderly rental housing. The EHCL program generally has one competitive funding cycle each year and the application period is open for a minimum of 60 days. These funds are available for the purpose of making building preservation, sanitation repairs or improvements required by federal, state or local regulation codes, and for life safety or security related improvements.*

***Low Income Housing Tax Credits*** - *The competitive Housing Credit program provides for-profit and nonprofit organizations with a dollar-for-dollar reduction in federal tax liability in exchange for the acquisition and substantial rehabilitation, substantial rehabilitation or new construction of affordable rental housing units. Special consideration is given to properties that target specific demographic groups such as the elderly, homeless people, farmworkers and commercial fishing workers. Consideration is also given to properties that target specific geographic areas such as the Florida Keys, rural areas, urban infill areas, and Front Porch Florida communities.*

***State Apartment Incentive Loan Program*** - *The State Apartment Incentive Loan (SAIL) program provides low-interest loans on a competitive basis to developers of affordable rental housing each year. SAIL funds provide gap financing that allows developers to obtain the full financing needed to construct affordable multifamily units. SAIL dollars are available to individuals, public entities, and nonprofit or for-profit organizations for the construction or substantial rehabilitation of multifamily units. Special consideration is given to properties that target specific demographic groups such as the elderly, homeless people, farmworkers, and commercial fishing workers.*



| <b>Statewide Demand for Multi-Family Housing*</b> |                                       |  |   |
|---|---------------------------------------|--|---|
| <b>Year</b>                                       | <b>Number of Units Funded by FHFC</b> | <b>Number of Cost-Burdened Renter Households (30-50% of monthly income paid in rent)</b> | <b>Number of Severely Cost-Burdened Renter Households (50%+ of monthly income paid in rent)</b> |
| 2007  | 7,956                                 | 431,549  | 401,910   |
| 2006  | 11,224                                | 431,549  | 401,910   |
| 2005  | 17,009                                | 431,549  | 401,910   |

\* The Shimberg Center for Affordable Housing compiles data on the need for affordable housing in the State of Florida. They produce reports on this need once every three years; the data in the chart is based on figures presented in the latest Shimberg Housing Report from 2005.

*See Appendix 3*

### **SPECIAL PROGRAMS**

**Predevelopment Loan Program** - The Predevelopment Loan Program (PLP) assists nonprofit and community based organizations, local governments, and public housing authorities with planning, financing, and developing affordable housing. Eligible organizations may apply for a loan of up to \$750,000 for predevelopment activities such as rezoning, title searches, legal fees, impact fees, administrative costs, soil tests, engineering fees, appraisals, feasibility analyses, audit fees, earnest money deposits, insurance fees, commitment fees, administrative costs, marketing expenses, and acquisition expenses. Technical assistance is also provided.

**State Housing Initiatives Partnership** - The State Housing Initiatives Partnership (SHIP) program provides funds to local governments on a population-based formula as an incentive to produce and preserve affordable housing for very low, low, and moderate income families. These funds are derived from the collection of documentary stamp tax revenues, which are deposited into the Local Government Housing Trust Fund. SHIP funds are distributed using a population based formula to all 67 counties and 50 Community Development Block Grant entitlement cities in Florida. The minimum allocation per county is \$350,000. SHIP dollars may be used to fund emergency repairs, new construction, rehabilitation, downpayment and closing cost assistance, impact fees, construction and gap financing, mortgage buy-downs, acquisition of property for affordable housing, matching dollars for federal housing grants and programs, and homeownership counseling. Each participating local government may use up to ten percent of their SHIP funds for administrative expenses.

**Demonstration Loans** - Florida Housing issues Demonstration Loans under authority of 420.507, F.S. Demonstration Loans are issued through a request for proposals (RFP) process one or more times throughout the year. Each RFP is developed to address a certain type of special needs housing. Demonstration Loans have been approved for

*housing for homeless people and elders, farmworkers, persons with disabilities and victims of domestic violence.*

***Affordable Housing Catalyst Program*** - *The Affordable Housing Catalyst Program provides on-site and telephone technical assistance and training on the State Housing Initiatives Partnership Program (SHIP), the HOME Investment Partnerships Program and other affordable housing programs. This technical assistance includes assisting agencies in leveraging those dollars with other public and private funding sources, training on forming local and regional public/private partnerships, working effectively with lending institutions, implementing regulatory reform, training for boards of directors, implementing rehabilitation and emergency repair programs, developing volunteer programs, assisting with the design and establishment of fiscal and program tracking systems, and compliance requirements of state and federally funded housing programs. Workshops are conducted throughout the year at locations around the state.*

### ***HURRICANE HOUSING RECOVERY PROGRAMS***

*The eight hurricanes that hit Florida in 2004 and 2005 damaged approximately one million homes. As part of Florida's response, Governor Bush created the Hurricane Housing Work Group, which made recommendations in February 2005 for the appropriation of hurricane housing recovery funds. During the 2005 legislative session, the Florida Legislature approved \$250 million in funding for some of these recommendations, including a locally-administered Hurricane Housing Recovery Program (HHRP), funded at \$208 million, and the Rental Recovery Loan Program (RRLP), funded at \$42 million.*

*In 2006, the legislature appropriated another \$92.9 million for RRLP and \$15 million to fund two additional hurricane housing recovery programs recommended by the Hurricane Housing Work Group, the Farmworker Housing Recovery Program (FHRP) and the Special Housing Assistance and Development Program (SHADP).*

***Hurricane Housing Recovery Program*** - *The \$208 million Hurricane Housing Recovery Program was established to enable local governments impacted by the 2004 hurricanes to develop and implement long-term affordable housing strategies for their communities. The Work Group identified 28 counties that would be eligible for funding through this program and recommended various funding levels for each of those counties. The Legislature made those funds available on July 1, 2005. Local governments developed and submitted disaster recovery plans to Florida Housing that outlined how their funding would be spent. Local governments are currently in varying stages of rebuilding and recovery using HHRP funds.*

#### ***Hurricane Housing Recovery Program Fast Facts:***

- *HHRP was developed to assist households earning incomes up to 120% of area median income (AMI), with 30 percent of program funds reserved for extremely low-income households.*

- *Eligible Activities include:*
  - *Repair and replacement of site built housing;*
  - *Land acquisition;*
  - *Construction and development financing;*
  - *Down payment, closing costs, and purchase price assistance for site-built and post-1994 manufactured homes where the wind load rating is sufficient for the location;*
  - *The acquisition of building materials for home repair and construction;*
  - *Housing re-entry assistance, such as security deposits, utility deposits, and temporary storage of household furnishings, rental assistance; and Community collaboration activities to develop affordable housing.*

***Rental Recovery Loan Program*** - *The Rental Recovery Loan Program has made funds available to affordable housing developers in 2005 and 2006 as a means of leveraging existing federal rental financing programs, such as Multifamily Mortgage Revenue Bonds. One of the goals of this program is to facilitate the production of additional affordable rental housing stock in areas hurt by the hurricanes.*

***Rental Recovery Loan Program Fast Facts:***

- *At least 70% of the units must be set aside for those at or below 60% of area median income (AMI), and a minimum of 15% set-aside for extremely low income (ELI).*
- *Units must be set aside as affordable for at least 50 years.*
- *There is a supplemental forgivable loan provided for each ELI unit that a developer commits to set aside for at least 20 years.*
- *Rents for all units financed through this program are restricted at the appropriate income level using the restricted rents applicable for the Low Income Housing Tax Credit program.*

***Farmworker Housing Recovery Program*** - *The Farmworker Housing Recovery Program (FHRP) provides one-time funds to finance the construction and/or rehabilitation of housing for farmworkers, with special targeting to migrant farmworkers. Funds will be awarded on a competitive basis through an application process to finance housing provided by non-profits, public housing authorities and other housing providers. Based on the Hurricane Housing Work Group's recommendations, the FHRP encourages partnerships with nonprofits, farmers, growers, local governments, trade associations or other organizations that can share in the cost of providing this housing. For farmworkers unaccompanied by their families, rents may be based on "beds" as necessary and paid daily, weekly, or monthly. Loans may be forgivable in certain situations. FHRP is targeted to agricultural areas of the state impacted by the 2004 and 2005 storms and proximate to services.*

***Special Housing Assistance and Development Program*** - The Special Housing Assistance and Development Program (SHADP) is designed to target smaller rental developments for hard-to-serve populations such as persons with a disability, frail elders and people who are homeless. Funds will be awarded on a competitive basis through an application process to finance housing provided by non-profits, public housing authorities and other housing providers. Based on the Hurricane Housing Work Group's recommendations, SHADP provides flexible loans which may be forgivable in certain situations.

The Hurricane Housing Work recommended that funding be targeted to developments in Tier I and II counties. Based on combined impacts from the 2004 and 2005 storms, those counties are:

- Tier I: Brevard, Broward, Charlotte, DeSoto, Escambia, Hardee, Hendry, Indian River, Martin, Miami-Dade, Monroe, Okeechobee, Palm Beach, Polk, St. Lucie and Santa Rosa.
- Tier II: Collier, Franklin, Glades, Highlands, Lee, Orange, Osceola and Volusia.

## **WORKFORCE HOUSING**

***The Representative Mike Davis Community Workforce Housing Innovation Pilot Program*** ("CWHIP") was created by s. 27, Ch. 2006-69, Laws of Florida (codified as s. 420.5095, Florida Statutes), to develop solutions for providing affordable housing to essential service personnel in communities where rapid increases in housing costs were putting homeownership out of reach for persons above the income levels for traditional affordable housing programs.

The 2006 Legislature appropriated \$50 million to fund CWHIP, and \$62.4 million was appropriated in 2007. These funds were awarded through a competitive application process to public-private entities seeking to build affordable housing for Florida's workforce.

CWHIP promotes the creation of public-private partnerships to finance, build and manage workforce housing and requires the coordinated efforts of all levels of government as well as private sector developers, financiers, business interests and service providers. At least 50 percent of the affordable housing units built using CWHIP funds must be set aside for essential services personnel as defined by local governments in their Local Housing Assistance Plans (LHAP). The units built using CWHIP will be made available to households earning a broad range of incomes, up to 140 percent of area median income (AMI).

Applicants must describe the financial, design, and other innovations the development will employ to address the workforce housing issues, as well as describing any local government regulatory changes or financial incentives available to the project.

(7) An assessment of the extent to which the jurisdiction of the agency and its programs overlap or duplicate those of other agencies and the extent to which the programs can be consolidated with those of other agencies.

*Florida Housing was established to make financing available at costs low enough to incentivize for profit and not for profit developers to provide affordable rental and homeownership opportunities for Floridians. The Department of Community Affairs provides funding through Community Development Block Grant (“CDBG”), Florida Communities Trust, and other grants to help local governments improve housing, streets, utilities and public facilities. Although there may be some overlap in that both agencies address housing needs, Florida Housing typically provides financing directly to the developer or homebuyer, rather than a unit of government.*

(8) An assessment of less restrictive or alternative methods of providing services for which the agency is responsible which would reduce costs or improve performance while adequately protecting the public.

*Florida Housing is not a regulatory body and is always seeking to improve performance while protecting the public, its mission and reducing costs.*

*The mission of Florida Housing Finance Corporation is to help our fellow Floridians obtain safe, decent affordable housing that might otherwise be unavailable to them. Florida Housing continues to achieve this mission by maintaining partnerships with federal, state and local governments, affordable housing developers, nonprofits organizations and others who share the common goal of producing affordable housing for families in need.*

(9) An assessment of the extent to which the agency has corrected deficiencies and implemented recommendations contained in reports of the Auditor General, the Office of Program Policy Analysis and Government Accountability, legislative interim studies, and federal audit entities.

*There have been no reports issued by the Auditor General regarding Florida Housing since it was incorporated in 1998.*

*Florida Housing has an independent CPA firm perform the annual audit of its financial statements. The most recently issued report contained one deficiency which was not considered to be a material weakness and was corrected prior to report issuance and another recommendation which was adopted by Florida Housing management.*

*The Office of Program Policy Analysis and Government Accountability has issued three reports that mention Florida Housing and/or affordable housing. However, there were no deficiencies or recommendations noted for Florida Housing. Other than a Florida Government Accountability Report profile, there have been no reports issued for Florida Housing since 1992.*

*In April 2005, the Florida Department of Revenue performed an audit of Florida Housing's payroll records in accordance with Florida Unemployment Compensation Law.*

*In October 2000, the State Comptroller issued a 57 finding audit report on Florida Housing. Steps were taken to resolve all 57 items and no deficiencies were noted during the six month follow-up.*

*Legislative Interim Project Reports 2007-106, Mobile Home Relocation, and 2007-136, Condominium Conversions, were issued in October 2006. Florida Housing was listed as a source of information for the reports. Florida Housing has also participated in various legislative surveys and task forces/ workgroups, most recently the workgroup on Affordable Housing.*

*Florida Housing is also subject to audit from time to time by various Federal agencies including the Internal Revenue Service (IRS), Federal Deposit Insurance Corporation (FDIC) and Department of Housing and Urban Development (HUD). Most recently Florida Housing was reviewed by the Government Accountability Office (GAO) as part of its report on the Gulf Opportunity Zone. There were no deficiencies or recommendations noted for Florida Housing.*

(10) The process by which an agency actively measures quality and efficiency of services it provides to the public.

*As described, previously, one way Florida Housing measures the quality and efficiency of its programs is through public input. Most programs are revised annually, and stakeholder input assists us in evaluating the programs. Florida Housing also has an affordable housing services contract with the Department of Community affairs. This contract contains various measures and targets designed to evaluate the quality and efficiency of the Corporation's programs. Measures such as the number of affordable units produced are reported quarterly. Florida Housing reports annually on continued affordability of rental housing, leveraging, economic impact of programs, and efficiencies in the delivery of affordable housing. The reports are reviewed by Florida Housing's internal audit staff and by DCA.*

(11) The extent to which the agency complies with public records and public meetings requirements under chapters 119 and 286 and s. 24, Art. I of the State Constitution.

*Florida Housing fully complies with the requirements of chapters 119 and 286, and section 24, Article I, Florida Constitution. Florida Housing's goal is to operate with complete transparency. Most of Florida Housing's records have been made available through its website, [www.floridahousing.org](http://www.floridahousing.org). An ongoing project is to scan and post older (pre-2002) records. Program documents, including applications for funding and all exhibits thereto, are posted on the website, as are all solicitations for bids and responses to same litigation materials, including petitions, proposed orders, recommended order, and final orders are also available through the web site. Also,*



*“web boards” and e-mail lists allow any member of the public to view documents without making a public records request. Florida Housing’s Corporation Clerk is also assigned the duty of compiling responses to public records requests. Each request is logged and responses solicited from the area responsible. Even though requests are often voluminous, responses are made promptly, and requestors are advised of the status of the request.*

*Florida Housing provides notice of all public meetings, workshops, hearings, and other proceedings through the Florida Administrative Weekly, its website, web boards, e-mail lists, regular mail, overnight mail, and as required, in newspapers of general circulation. Every Florida Housing Board of Directors meeting includes time made available for public comment.*

(12) The extent to which alternative program delivery options, such as privatization, outsourcing, or insourcing, have been considered to reduce costs or improve services to state residents.

*Florida Housing was created by Ch. 97-167, Laws of Florida, (codified at s. 420.504, Florida Statutes) as a public/private entity to take advantage of the flexibility available to private entities, recognizing that long-term financing of housing is not well suited to a state budget system that operates on a year to year basis. Florida Housing retains vendors to provide services where more economical or more efficient than performing services in-house.*

(13) Recommendations to the Legislature for statutory, budgetary, or regulatory changes that would improve the quality and efficiency of services delivered to the public, reduce costs, or reduce duplication.

*Florida Housing does not believe any wholesale changes are currently needed; however, the Corporation continues to fine tune its programs to best meet the needs of Floridians and works with the legislature on any necessary changes. Florida Housing had legislation in the 2008 Session (HB 699 and SB 482) to improve our programs and will seek passage of this legislation in 2009. Rep. Gary Aubuchon intends to file most provisions of CS/CS/HB 699 in the 2009 Legislative Session.*

*In the past several years, Florida Housing has been challenged with the decline in the housing market. Flexibility to deal with the market would be one way to ensure Florida Housing can continue its mission.*

*In addition, Florida Housing is seeks to repeal the cap on documentary stamp tax revenues flowing into the State Housing Trust Fund and the Local Housing Trust Fund to provide a sufficient and stable source of moneys dedicated to provide funding for affordable housing.*

(14) The effect of federal intervention or loss of federal funds if the agency, program, or activity is abolished.

*The State would need to have some entity in place to allocate federal Low Income Housing Tax Credits as Florida Housing presently does per s. 420.5099, Florida Statutes, and to issue bonds using the federal non-taxable private activity revenue bond allocation made available to the State. If these programs were abolished, Florida would lose large amounts of federal resources. For example, in 2008, Florida Housing received \$36,502,485 in LIHTC<sup>1</sup>, \$363,463,914 in non-taxable revenue bond allocation, and \$20,076,118 through the federal HOME program.*

(15) A list of all advisory committees, including those established in statute and those established by managerial initiative; their purpose, activities, composition, and related expenses; the extent to which their purposes have been achieved; and the rationale for continuing or eliminating each advisory committee.

*Section 420.609, F.S., charges the Affordable Housing Study Commission to examine housing issues and to recommend solutions and programs to address the state's acute need for housing for low-and moderate-income residents, elders and homeless people.*

*The Affordable Housing Study Commission is an independent body with administrative support provided by Florida Housing.*

(16) Agency programs or functions that are performed without specific statutory authority.

*Not applicable to Florida Housing*

(17) Other information requested by the Legislature.  
Information and data reported by the agency shall be validated by the agency shall be validated by its agency head and inspector general before submission to the legislature.

*No other information has been requested at this time.*

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<sup>1</sup> Tax credits are paid over ten years, and are sold by developers to investors. The cash value of the annual allocation is between \$267,018,630 and \$365,024,850.

**Appendix 1: Performance Measures by Program**

**Performance Measures**

| Approved Performance Measures for<br>FY 2008-09  | Actual<br>FY 2006-<br>07 | Actual<br>FY 2007-<br>08 | Approved<br>Standards<br>for<br>FY 2008-<br>09 | Requested<br>FY 2009-<br>10<br>Standard |
|--|--------------------------|--------------------------|--|---|
| Percent of targeted dollars that are allocated to the targeted population  | 97%                      | 100%                     | 96%  | 96%                                     |
| Ratio of non-state funding to state appropriated dollars   | 7:1                      | 7:1                      | 2:1  | 2:1                                     |
| Percent of units exceeding statutory set-asides  | 241%                     | 245%                     | 105%   | 105%                                    |
| Number of applications processed   | 1,063                    | 1,288                    | 563  | 563                                     |
| Number of affordable housing loans funded  | 1,050                    | 1,174                    | 540  | 540                                     |
| Number of local governments under compliance monitoring for the State Housing Initiatives Partnership (SHIP) program   | 117                      | 117                      | 117  | 117                                     |
| Number of local governments served (SHIP) program (incentive funds)  | 117                      | 117                      | 117  | 117                                     |
| Number of local governments served in the Hurricane Housing Recovery Program (HHRP)  | 28                       | 28                       | 28   | N/A                                     |
| Number of local governments under compliance monitoring in the Hurricane Housing Recovery Program (HHRP)   | 28                       | 28                       | 28   | 28                                      |
| Percent of units at recommended set-asides in the Rental Recovery Loan Program (RRLP)  | 100%                     | N/A                      | N/A  | N/A                                     |
| Percent of units set aside for targeted demographic populations in the Farmworker Housing Recovery and Special Housing Assistance and Development hurricane programs | N/A                      | 89%                      | N/A  | N/A                                     |

**Appendix 2: Performance Measure Results by Program**

| <b>Florida Housing Programs Units Funded</b>      |             |             |             |
|---|-------------|-------------|-------------|
| <b>Program Name</b>                               | <b>2007</b> | <b>2006</b> | <b>2005</b> |
| <b>Single-Family</b>                              |             |             |             |
| First-Time Homebuyer Program                      | 4,699       | 2,715       | 1,162       |
| Down Payment Assistance                           | 2,445       | 2,298       | 1,091       |
| Homeownership Pool Program*                       | 220         | 51          | N/A         |
| <b>Multi-Family</b>                               |             |             |             |
| Multi-Family Mortgage Revenue Bonds               | 2,241       | 3,519       | 1,835       |
| Florida Affordable Housing Guarantee**            | 25,704      | 26,048      | 120         |
| HOME Investment Partnerships                      | 31          | 378         | 388         |
| Elderly Housing Community Loan                    | 1,157       | 401         | 1,143       |
| Low Income Housing Tax Credits                    | 4,541       | 6,223       | 7,867       |
| State Apartment Incentive Loan                    | 3,124       | 4,782       | 5,422       |
| <b>Special Programs</b>                           |             |             |             |
| Predevelopment Loan Program                       | 283         | 354         | 1,993       |
| State Housing Initiatives Partnership             | 9,062       | 12,624      | 12,053      |
| Community Workforce Housing Initiative Program*** | 835         | N/A         | N/A         |

\* The Homeownership Pool Program was launched in 2006.

\*\* The 2005 quantity of units for the Florida Affordable Housing Guarantee Program is representative of those units guaranteed by the program in 2005 only. The quantities for 2006 and 2007 are representative of the aggregated number of units guaranteed by the program. No new units were guaranteed by the program in 2006 or 2007.

\*\*\* The Community Workforce Housing Initiative program was created in 2006 and did not begin funding programs until 2007.

**Appendix 3: Renter Household Need**

| <b>Cost Burdened Renter Households by County</b> |   |   |                     |   |                     |
|--|---|---|---------------------|---|---------------------|
| <b>2007</b>                                      |   |   |                     | <b>2010</b>   |                     |
|  | Renters at<br>.60% AMI<br>and Cost<br>Burden ><br>40% | % of All<br>Renter<br>Households<br>in County | % of State<br>Total | Renters at<br>.60% AMI<br>and Cost<br>Burden ><br>40% | % of State<br>Total |
| <b>Large Counties</b>                            |   |   |                     |   |                     |
| Broward  | 60,489  | 28.30%  | 10.80%              | 63,993  | 10.80%              |
| Duval  | 25,509  | 21.10%  | 4.60%               | 26,998  | 4.50%               |
| Hillsborough                                     | 38,942  | 25.80%  | 7.00%               | 41,586  | 7.00%               |
| Miami-Dade                                       | 107,300   | 31.30%  | 19.20%              | 112,474   | 18.90%              |
| Orange   | 40,484  | 27.40%  | 7.30%               | 44,051  | 7.40%               |
| Palm Beach                                       | 39,318  | 28.90%  | 7.00%               | 42,240  | 7.10%               |
| Pinellas   | 34,819  | 28.60%  | 6.20%               | 35,592  | 6.00%               |
| <b>Large Counties Subtotal</b>                   | <b>346,861</b>  | <b>28.10%</b>                                 | <b>62.10%</b>       | <b>366,934</b>  | <b>61.80%</b>       |
| <b>Medium Counties</b>                           |   |   |                     |   |                     |
| Alachua  | 6,903   | 25.40%  | 1.20%               | 7,232   | 1.20%               |
| Bay  | 5,146   | 25.40%  | 0.90%               | 5,377   | 0.90%               |
| Brevard  | 17,976  | 32.20%  | 3.20%               | 19,046  | 3.20%               |
| Charlotte  | 3,193   | 27.40%  | 0.60%               | 3,432   | 0.60%               |
| Citrus   | 1,998   | 23.30%  | 0.40%               | 2,131   | 0.40%               |
| Clay   | 3,691   | 26.90%  | 0.70%               | 4,051   | 0.70%               |
| Collier  | 8,889   | 26.50%  | 1.60%               | 10,012  | 1.70%               |
| Escambia   | 11,874  | 32.10%  | 2.10%               | 12,271  | 2.10%               |
| Hernando   | 2,119   | 23.30%  | 0.40%               | 2,281   | 0.40%               |
| Indian River                                     | 3,530   | 27.20%  | 0.60%               | 3,781   | 0.60%               |
| Lake   | 6,391   | 29.30%  | 1.10%               | 7,088   | 1.20%               |
| Lee  | 11,926  | 20.80%  | 2.10%               | 13,093  | 2.20%               |
| Leon   | 7,051   | 22.00%  | 1.30%               | 7,401   | 1.20%               |
| Manatee  | 9,794   | 28.20%  | 1.80%               | 10,528  | 1.80%               |
| Marion   | 5,383   | 21.10%  | 1.00%               | 5,813   | 1.00%               |
| Martin   | 3,209   | 25.40%  | 0.60%               | 3,442   | 0.60%               |
| Okaloosa   | 4,269   | 16.90%  | 0.80%               | 4,505   | 0.80%               |
| Osceola  | 10,394  | 38.30%  | 1.90%               | 11,836  | 2.00%               |
| Pasco  | 8,027   | 25.40%  | 1.40%               | 8,743   | 1.50%               |
| Polk   | 13,988  | 24.60%  | 2.50%               | 14,871  | 2.50%               |
| Santa Rosa                                       | 1,727   | 16.90%  | 0.30%               | 1,878   | 0.30%               |
| Sarasota   | 9,369   | 27.40%  | 1.70%               | 9,872   | 1.70%               |
| Seminole   | 11,198  | 23.60%  | 2.00%               | 11,964  | 2.00%               |
| St. Johns  | 4,221   | 26.90%  | 0.80%               | 4,755   | 0.80%               |
| St. Lucie  | 3,972   | 18.30%  | 0.70%               | 4,296   | 0.70%               |
| Volusia  | 11,910  | 24.30%  | 2.10%               | 12,591  | 2.10%               |
| <b>Medium Counties Subtotal</b>                  | <b>188,148</b>  | <b>25.70%</b>                                 | <b>33.70%</b>       | <b>202,290</b>  | <b>34.10%</b>       |

| <b>Small Counties</b>          |                |               |                |                |                |
|--------------------------------|----------------|---------------|----------------|----------------|----------------|
| Baker                          | 374            | 23.60%        | 0.10%          | 393            | 0.10%          |
| Bradford                       | 480            | 23.60%        | 0.10%          | 498            | 0.10%          |
| Calhoun                        | 168            | 19.10%        | 0.00%          | 175            | 0.00%          |
| Columbia                       | 1,275          | 23.60%        | 0.20%          | 1,343          | 0.20%          |
| De Soto                        | 739            | 25.50%        | 0.10%          | 782            | 0.10%          |
| Dixie                          | 162            | 23.60%        | 0.00%          | 170            | 0.00%          |
| Flagler                        | 1,423          | 24.50%        | 0.30%          | 1,683          | 0.30%          |
| Franklin                       | 162            | 19.00%        | 0.00%          | 168            | 0.00%          |
| Gadsden                        | 582            | 22.00%        | 0.10%          | 585            | 0.10%          |
| Gilchrist                      | 186            | 23.60%        | 0.00%          | 203            | 0.00%          |
| Glades                         | 159            | 25.40%        | 0.00%          | 166            | 0.00%          |
| Gulf                           | 192            | 19.00%        | 0.00%          | 199            | 0.00%          |
| Hamilton                       | 237            | 23.50%        | 0.00%          | 241            | 0.00%          |
| Hardee                         | 545            | 25.60%        | 0.10%          | 565            | 0.10%          |
| Hendry                         | 853            | 25.60%        | 0.20%          | 900            | 0.20%          |
| Highlands                      | 2,147          | 25.50%        | 0.40%          | 2,247          | 0.40%          |
| Holmes                         | 249            | 18.90%        | 0.00%          | 259            | 0.00%          |
| Jackson                        | 696            | 19.00%        | 0.10%          | 710            | 0.10%          |
| Jefferson                      | 196            | 19.10%        | 0.00%          | 201            | 0.00%          |
| Lafayette                      | 97             | 23.40%        | 0.00%          | 102            | 0.00%          |
| Levy                           | 622            | 23.60%        | 0.10%          | 665            | 0.10%          |
| Liberty                        | 90             | 19.00%        | 0.00%          | 94             | 0.00%          |
| Madison                        | 278            | 19.00%        | 0.00%          | 283            | 0.00%          |
| Monroe                         | 4,307          | 33.10%        | 0.80%          | 4,366          | 0.70%          |
| Nassau                         | 979            | 20.50%        | 0.20%          | 1,058          | 0.20%          |
| Okeechobee                     | 824            | 27.10%        | 0.10%          | 854            | 0.10%          |
| Putnam                         | 1,468          | 24.50%        | 0.30%          | 1,514          | 0.30%          |
| Sumter                         | 921            | 23.30%        | 0.20%          | 1,044          | 0.20%          |
| Suwannee                       | 690            | 23.60%        | 0.10%          | 730            | 0.10%          |
| Taylor                         | 293            | 19.00%        | 0.10%          | 300            | 0.10%          |
| Union                          | 212            | 23.60%        | 0.00%          | 223            | 0.00%          |
| Wakulla                        | 315            | 19.00%        | 0.10%          | 348            | 0.10%          |
| Walton                         | 881            | 19.00%        | 0.20%          | 989            | 0.20%          |
| Washington                     | 303            | 19.00%        | 0.10%          | 315            | 0.10%          |
| <b>Small Counties Subtotal</b> | <b>23,105</b>  | <b>24.30%</b> | <b>4.10%</b>   | <b>24,373</b>  | <b>4.10%</b>   |
| <b>State Total</b>             | <b>558,114</b> | <b>27.10%</b> | <b>100.00%</b> | <b>593,597</b> | <b>100.00%</b> |