

 ORIGINAL



H.O.M.E.S.

A Charitable Organization

Housing Opportunities, Mortgage Assistance, & Effective Neighborhood Solutions, Inc.

CITY OF FORT LAUDERDALE

2017 - 2018

CHDO APPLICATION

March 3, 2017



H.O.M.E.S.

A Charitable Organization

Housing Opportunities, Mortgage Assistance, & Effective Neighborhood Solutions, Inc.
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City of Fort Lauderdale 2017 -2018 HOME PROGRAM CHDO Application

1. Statement of Organizational Capacity

H.O.M.E.S., Inc. was organized in 1998 as a Florida not-for-profit, and 501(c)(3) tax-exempt charitable organization with the IRS. Its Mission is: "Providing quality Community & Economic Development Programs which benefit at-risk, disadvantaged, lower-income residents and neighborhoods in Broward County, Florida.

The Vision of H.O.M.E.S., Inc. is: (1) Providing tools that will help people transform their own lives to achieve greater self-sufficiency and an improved quality of life; and (2) Helping transitional Broward neighborhoods transform and revitalize themselves to achieve greater sustainability and furnish an improved living environment for residents.

Our strategic approach (which differs from many organizations that went out of business during the recession), has always been: a) holistic, b) collaborative, c) to lead through consensus building, and 4) to approach problems/issues/needs creatively.

- **Holistic:** Our programmatic view of community and economic development is holistic, and currently encompasses the following: (1) various types of housing (rentals, homeownership, and supportive housing); (2) job related services (paid internships, resume writing, and job counseling/coaching); (3) alternative life skills education (financial capability, and nutrition/cooking classes); and (4) a variety of neighborhood revitalization activities (e.g., community garden, art collective, neighborhood business alliance and CRA, landscaping & painting, anti-crime activities, social activities for the neighborhood, etc..).
- **Collaborative:** H.O.M.E.S., Inc. has a long history of working collaboratively with other non-profit agencies and neighborhood groups to achieve better outcomes for those we serve than we would be able to achieve alone. Those collaborations have proven to be highly successful in the development of affordable housing, and economic development for entire neighborhoods.

- **Leading through Consensus Building:** This model is practiced within our own agency, as well as when working with other agencies on projects, and in working with community constituencies on neighborhood issues and activities.
- **Creative Approach to Addressing Needs/Issues/Problems:** Our staff is encouraged to approach new and recurring issues, needs, and problems within the community (or internal to existing programs) with creativity – that is, with fresh thinking out of practical ways we might address real world matters, rather than just ‘trying harder’ to address these matters in the ways they have always been addressed before (which may not be working). In this manner, we have developed programs and methods that are actually working for the people we serve. For example – we have one of only two (2) programs County-wide that provides supportive housing plus holistic on-site services for young adults aged out of foster care, relative care, or community care (and their young children. For another example, we have been the only Broward community development agency to utilize art as a neighborhood revitalization strategy & tool. These are just two of many examples of how we think and take action “out of the box”.

H.O.M.E.S., Inc. currently has a staff of eleven (11) dedicated and qualified staff members. (Organizational Chart attached.)

a. Experience Working on Similar Projects

Our capacity is also reflected by the over 200 scattered site single-family homes we have developed for sale (either alone, or with non-profit partners), and the 43 units of rental property we now own and manage for various target groups of lower-income at-risk residents. H.O.M.E.S. has, at this point, applied for, been awarded, and successfully managed and completed countless grants from local government and private foundations, to benefit our community in many ways – including any number of grants to purchase and rehab residential properties.

A list of recently completed Acquisition/Rehab Projects is shown on Attachment 5.

b. Financial Capacity

The financial capacity of H.O.M.E.S., Inc. is reflected by its ability to remain continuously active and productive throughout its 18 years of existence, and by its ability to purchase 2.3 acres of mixed use property near downtown Fort Lauderdale in 2006 for \$3,100,000. Not only has H.O.M.E.S. never missed a monthly mortgage payment in the intervening 10+ years, but it’s been able to pay down its principal debt by over \$1.3M during that time. Further, our Annual Budget of \$1.2M, 18 years of clean Audits, and available lines of credit (totaling \$350,000.) and accumulated working capital of our own (\$100,000.) is evidence of our financial stability and capacity.

2. Statement of Need

- a. Based on Consolidated Plan including target population/target service delivery area.

A June 21, 2016 Sun Sentinel article noted that South Florida's housing cost burden had improved marginally but remained one of the worst in the country according to an annual report from Harvard University researchers.

Researchers found that in Broward, Miami-Dade and Palm Beach counties, 25 percent of households spend more than half of their income on monthly housing costs. Among the 100 largest metro areas nationwide, this tri-county region is second behind Los Angeles, which has 25.4 percent of their households facing severe housing cost burdens. Housing industry advisers say that consumers shouldn't spend more than 30% of their incomes on housing. This is the third year that the Harvard center had compiled figures showing severely cost-burdened households at the metro level and South Florida's share had declined from 26.3% to 25.6 percent over the past two years. Both of these percentages led the nation.

Despite the slight improvement, South Florida remains in a "crisis situation" when it comes to affordable housing according to Jaimie Ross, CEO of the nonprofit Florida Housing Coalition.

According to Ross, cities and counties should require developers to build a set number of affordable housing units in addition to higher-end homes. That would free up local governments to use federal and state money to help the lowest-income residents in South Florida who don't have enough income to qualify for even affordably priced homes. Affordable housing for the low-mod income persons/families is needed to ease the high cost burden that they face for everyday living.

The neighborhood where H.O.M.E.S. will undertake this activity was once a high crime, drug and prostitution area, this neighborhood boasts as its areas of strength: 1) Close proximity to downtown Fort Lauderdale; 2) Centrally located in the county and 3) Close proximity to transportation services, schools, places of work and recreation.

The weaknesses of the area are: 1) Affordable homeownership and rental housing stock; 2) Condition of the existing housing stock; 3) Lack of skilled and educated laborers; 4) Negative perception of the community; 5) Incompatible adjacent land uses and 6) Poor property maintenance.

H.O.M.E.S.' past affordable housing development projects in this neighborhood and our current efforts to increase the availability of more affordable homeownership units are detrimental to the stabilization of this neighborhood.

In the years following the housing bust in South Florida, rental rates soared because of strong demand and included former homeowners who couldn't qualify for another mortgage. Also, young professionals who traditionally purchased homes preferred to stay in rental units so that they could move easily for new jobs.

According to the current 2008-2012 5-Year American Community Survey (ACS) estimates, Broward County's housing inventory increased by 13,685 units since 2006, of which, 9,024 units (66 percent) were added since 2009 (Table 2.1). The 2006-2012 growth rate of 1.7 percent, however, was substantially below 2000-2006 when the

County's housing inventory increased by 55,492 units (7 percent). The most significant increase from 2006-2012 occurred in the growth of 1-unit, attached units (7,074 units) and multi-family housing of 20 or more units (6,095 units). Available Single family, 1 unit detached homes increased less than 1%. Clearly in Broward County, the trend is towards attached units.

Table 2.1: Broward County Growth in Housing Inventory, 2006-2012

Units in Structure	2006	2009	2012	% Change 2006-2009	% Change 2009-2012
Total housing units	796,535	801,196	810,220	0.59%	1.13%
1-unit, detached	329,531	329,808	332,959	0.08%	0.96%
1-unit, attached	57,929	59,711	65,003	3.08%	8.86%
2 units	23,609	23,673	22,420	0.27%	-5.29%
3 or 4 units	34,396	35,524	35,645	3.28%	0.34%
5 to 9 units	44,048	44,488	46,899	1.00%	5.42%
10 to 19 units	59,855	58,144	56,842	-2.86%	-2.24%
20 or more units	221,740	225,813	227,835	1.84%	0.90%
Mobile home	24,743	23,581	22,080	-4.70%	-6.37%
Boat, RV, van, etc.	684	454	537	-33.63%	18.28%

When compared to other cities based on the below chart, Fort Lauderdale experienced the largest decline in housing units from 2009 to 2012.

Table 2.2: Broward County Inventory of Housing Units, 2009 and 2012

Municipality	2009		2012	
	Housing Units	% of County Total	Housing Units	% of County Total
Coral Springs	46,327	5.8%	45,064	5.6%
Davie	35,836	4.5%	36,171	4.5%
Deerfield Beach	40,743	5.1%	42,705	5.3%
Ft. Lauderdale	97,936	12.2%	92,100	11.4%
Hollywood	71,028	8.9%	71,363	8.8%
Lauderhill	29,230	3.6%	29,642	3.7%
Miramar	35,610	4.4%	40,711	5.0%
Pembroke Pines	57,244	7.1%	62,107	7.7%
Plantation	36,105	4.5%	37,291	4.6%
Pompano Beach	57,017	7.1%	56,926	7.0%
Sunrise	37,807	4.7%	36,506	4.5%
Tamarac	32,005	4.0%	32,041	4.0%
Total for Top Municipalities	576,888	72.0%	582,627	71.9%
Broward Total	801,196	100.0%	810,220	100.0%

3. Project Description

a. Describe the Project

H.O.M.E.S., Inc. is proposing two (2) projects, which would utilize the available \$289,445.55 in HOME-CHDO Funding from the City of Ft. Lauderdale:

Project 1 – RENTAL REHAB of 1101 NE 17 Ct., Ft. Lauderdale APT. BLDG:

H.O.M.E.S. purchased this 6-unit one-story apartment building with non-City funds in 2015, for a Purchase Price of \$660,000. All six apartments (five 1/1s and one 2/2) are currently occupied by income eligible residents/families. H.O.M.E.S. has completed some renovations to the apartments out-of-pocket, and proposes to utilize a portion of the City's CHDO funds (\$94,600.) to complete needed renovations. Needed improvements include the following: new impact windows & doors for all units; electrical service upgrade for all units; new kitchens for 4 units; new flooring for one unit; new bathrooms for two units; painting as needed. Tenants will be temporarily relocated to an alternate comparable apartment owned by H.O.M.E.S. during any period of renovation which cannot accommodate tenants residing there at the same time, at H.O.M.E.S. expense (as reflected in the Sources & Uses of Funds attachment for this Project).

This Project helps preserve affordable quality rental housing in Ft. Lauderdale's rapidly rising rental market.

Further, the City's funds will be greatly leveraged by H.O.M.E.S. previous acquisition of the property with non-City funds (\$660,000.), plus H.O.M.E.S. funds already expended in partially rehabbing the property (approx. \$35,000.), as well as by the estimated \$22,700 which H.O.M.E.S. will contribute to the project of remaining renovations needed.

Project 2: SINGLE-FAMILY HOUSE Acquisition, Rehab & Resale:

H.O.M.E.S. proposes to purchase a single-family house within the city limits of Ft. Lauderdale, rehab the house to a quality standard, and resell it to a mortgage ready income-eligible buyer (using the City and HUD standards for income qualification at no more than 80% of Area Median Income, for the household involved). We are prepared to scour the market for a suitable property, beginning immediately with award of funds. The exact renovations needing to be done will of course depend on the property acquired, and appropriate inspections will be conducted before purchase. Thus, we have estimated – based on our knowledge of the market – as reflected in the Sources and Uses for this Project.

Again, we will be leveraging the City's funding with our own funds.

After the rehab is completed, this HOME assisted unit will be marketed for sale through:

1. Local Housing Authorities;
2. Local lenders;
3. Participants in Homeownership Education &/or Orientation Classes held by other non-profits;
4. Local realtors familiar with non-profit housing sales & subsidies.

All prospective homeowners will be provided with a copy of the FHA handbook entitled “100 Questions and Answers About buying a New Home” and the Consumer Action Housing Information Project brochure entitled “Tips For Successful Homeownership.” Representatives from HOPE, Inc. also attend the Homebuyers Orientation Classes to provide Fair Housing education information. This outreach and in-house marketing strategy promotes equal housing opportunities, ensures compliance with Federal Fair Housing regulations and allows all income eligible prospective homebuyers the opportunity to have equal access to homeownership. Further, the Buyer will be expected to complete an 8-hour HUD approved class on Homebuyer Education (no cost to buyer).

4. Project Readiness

H.O.M.E.S. has secured two (2) lines of credit so that once CHDO funds are awarded from the City, the Project is ready to move forward.

a. Provide proof of site control

Project 1: A copy of the Warranty Deed for the rehab project, located at 1101 – 1111 NE 17th Court, Fort Lauderdale which was purchased by H.O.M.E.S., Inc. in 2015 is attached.

Project 2: Site control for the Acquisition, Rehab and Resale Project is to be determined (TBD).

b. Scope of Work

Project 1: Rental Rehab Project:

Unit #	Flooring	Kitchen	Electrical	Bathroom	Impact Windows
1101		X	X		X
1103	X	X	X	X	X
1105			X		X
1107		X	X		X
1111		X	X	X	X

Project 2: Acquisition, Rehab and Resale Project: a single family home will be purchased and a property inspection performed to reveal any deficiencies. Once the inspection is completed, a scope of work will be created to show all items in need of repair. Upon closing, H.O.M.E.S., Inc. will contract for the rehab to be done, as appropriate. H.O.M.E.S. will secure a first-time homebuyer for the purchase of the home.

5. Leveraging

a. Meet City's leverage requirement

Leveraging will be computed by taking into account the total dollar cost of the entire project including in-kind contributions.

$$\text{Percent Leveraging} = \frac{\text{Total Non-HOME Funds} \$ \times 100}{\text{Total HOME} \$}$$

In computing Total Cost of the project, funding from all sources for the project must be added. This includes Federal funds, State funds, contributions, private sector financing, in-kind contributions, etc.

In-Kind Contributions are non-cash items. Non-cash items are contributions to the project, e.g., labor, office space, use of equipment, etc. that do not involve cash payments by the entity. However, a dollar value must be given to in-kind and it must be added to the cost of the project. In-kind contributions must be accounted for and included in the financial audit of the funded entity.

H.O.M.E.S., Inc. funds will be leveraged with the City's HOME CHDO funds as follows:

$$\begin{aligned} \text{\% Leveraging} &= \frac{\$762,339 \times 100}{\text{(Total Non-City of Ft. Lauderdale HOME-CHDO Funds)}} = 263.38\% \\ &\text{Total City of Ft. Lauderdale HOME-CHDO Funds: } \$289,445.55 \end{aligned}$$

The above Leveraging Calculation includes the funds H.O.M.E.S., Inc. has already expended to purchase and rehab the 1101 Rental Property (Project 1).

6. Budget

a. Provide supporting documentation to justify funding request.

See Attached Budget.(includes Project 1 & 2)

b. Provide a project or property development sources and uses budget:

See Attached Sources & Uses of Funds for Projects 1 & 2

Sources: Indicate the funding requested for development and for buyer assistance, plus any other types of financial assistance to be used. Provide documentation to support the commitment of these funds. If funds are not available to the project at the time of application submittal, please identify when you will apply for the identified funds. Also, please identify when the commitment may be expected.



Attachment 1:
Project Development Schedule

ATTACHMENT 1**Project Development Schedule**

Attachment 1 ACTUAL OR EXPECTED ACTIVITY	MONTH/DAY/YEAR
Site	
Acquisition (Purchase of Existing Unit Only)	04/30/17
Environmental Review Completed (New Unit)	05/31/17
Permits	
Conditional Use Permit	N/A
Variance	N/A
Plot Plan Review	N/A
Site Plan Approval	N/A
Grading Permit	N/A
Building Permit (New Acquisition Only)	06/30/17
(H.O.M.E.S. Existing Property Rehab Project)	04/30/17
Construction Financing:	
Loan Application	N/A
Enforceable Commitment	N/A
Closing and Disbursement	N/A
Permanent Financing:	
Loan Application	N/A
Enforceable Commitment	N/A
Closing and Disbursement	N/A
Other Loans and Grants:	
Type & Source:	N/A
Application	N/A
Closing & Award	N/A
Type & Source:	N/A
Application	N/A
Closing & Award	N/A
Type & Source	N/A
Application	N/A
Closing & Award	N/A
Construction and Occupancy:	
Construction Start (Rehab Only)	06/30/17
Construction Completion (Rehab Only)	09/30/17
Placed In Service (New Acquisition Project Only)	09/30/17
(H.O.M.E.S. Existing Property Rehab Project)	08/31/17
Occupancy of All Low-Income Units	09/30/17



Attachment 2:
Financial Analysis

(A) Project #1 (Multi-Family Rental Rehab):
Sources & Uses of Funds

(B) Project #2 (Single Family Purchase, Rehab & Resale):
Sources & Uses of Funds

(C) Overall Combined Budget for Projects 1 & 2

(D) Evidence of Lines of Credit

Attachment 2 (A):

Project #1 (Multi-Family Rental Rehab):

Sources & Uses of Funds

**FINANCIAL ANALYSIS (PROJECT COSTS) –
FIRST TIME HOMEBUYER AND RENTAL REHABILITATION
PROJECTS**

Please see instructions (below) before completing. Complete one form for each single family project or one form for a multi-unit project.

**SOURCES AND USES OF FUNDS
PROJECT 1:
REHABILITATION OF SIX (6)
MULTIFAMILY HOUSING UNITS**

FUNDS AMOUNT	SOURCE	TERMS AND CONDITIONS
A. \$ 95,096.00	City of Fort Lauderdale HOME CHDO Funds	Rehab; 15 Yr Affordability; 0% interest, repayment deferred, due upon sale of bldg.
B. \$ 717,700.00	H.O.M.E.S., Inc. – Purchase Price already pd. from other non-City sources, & Lines of Credit (2):	LINES of CREDIT: 1. \$100K Unsecured Revolving LOC: Floating at 30 day Libor + 4%; 2. \$250K Revolving LOC: 5% Rate, Secured by Real Property
C. N/A	1. Comerica Bank and	
D. N/A	2. Florida Community Loan Fund (See Attached)	

PROJECT COSTS					
Itemized Cost	Total Cost	Source A: HOME-CHDO	Source B: HOMES, Inc. LOCs	Source C	Source D
A. Direct Client Subsidy	N/A				
B. Hard Costs – Acquisition (completed) Construction Rehab (to be done) Constr Rehab (completed to date)	\$ 660,000.00 \$ 91,096.00 \$ 35,000.00	\$ 85,096.00	\$ 660,000.00 \$ 6,000.00 \$ 35,000.00		
C. Architect / Engineering Fees	\$ 1,000.00		\$ 1,000.00		
D. Project Soft Costs 1. Appraisal 2. Building Permits 3. Tap Fees 4. Soil Borings/Environmental Survey 5. Real Estate Attorney 6. Construction Loan Legal 7. Title and Recording 8. Other (Survey)	\$ 3,000.00		\$ 3,000.00		
E. Interim Costs 1. Construction Insurance 2. Construction Interest 3. Construction Loan Origination Fee	\$ 1,000.00		\$ 1,000.00		

PROJECT COSTS					
F. Financing Fees and Expenses 1. Credit Report 2. Origination Fee 3. Title and Recording 4. Counsel's Fee	N/A				
G.. Developer's Fee	\$ 10,000.00	\$ 10,000.00			
H. Project Administration/Management 1. Marketing/Management 2. Operating Expenses 3. Taxes 4. Insurance (6 mo.)	\$ 4,300.00		\$ 4,300.00		
I. Project Reserves 1. Rent-Up Reserve (Rentals Projects) 2. Operating Reserve	N/A (already fully rented)				
<u>Rental Projects</u>	\$ 7,400.00		\$ 7,400.00		
J. Tenant Relocation					
I. Audit Costs					
K. Staff Costs <u>as allowable</u>					
L. Total	\$ 812,796.00	\$ 95,096.00	\$ 717,700.00		

Attachment 2 (B):

Project #2 (Single Family House Purchase, Rehab & Resale):
Sources & Uses of Funds

**FINANCIAL ANALYSIS (PROJECT COSTS) – FIRST TIME
HOMEBUYER AND RENTAL REHABILITATION PROJECTS**

Please see instructions (below) before completing. Complete one form for each single family project or one form for a multi-unit project.

**SOURCES AND USES OF FUNDS - PROJECT 2:
ACQUISITION, REHAB & SALE
of SINGLE FAMILY HOUSING UNIT**

FUNDS AMOUNT	SOURCE	TERMS AND CONDITIONS
A. \$ 194,349.55	City of Fort Lauderdale HOME CHDO Funds	Acquisition & Rehab; 15 Yr. Affordability; 0% interest deferred debt, due upon sale.
B. \$ 44,639.00	H.O.M.E.S., Inc. Lines of Credit (2) 1. Comerica Bank, and 2. Florida Community Loan Fund (See Attached)	1. \$100K Unsecured Revolving LOC: Floating at 30 day Libor + 4% 2. \$250K Revolving LOC: 5% Rate, Secured by Real Property
C. N/A		
D. N/A		

PROJECT COSTS					
Itemized Cost	Total Cost	Source A: City HOME – CHDO	Source B: HOMES, Inc. LOCs	Source C	Source D
A. Direct Client Subsidy	N/A				
E. Hard Costs (Acquisition & Rehab) - Acquisition - Rehab Constr.	\$ 205,000.00	\$ 170,000.00 \$ 5,405.00	\$ 29,639.00		
C. Architect / Engineering Fees	\$ 1,000.00		\$ 1,000.00		
D. Project Soft Costs 1. Appraisal 2. Building Permits 3. Tap Fees 4. Soil Borings/Environmental Survey 5. Real Estate Attorney 6. Construction Loan Legal 7. Title and Recording 8. Other (Survey)	\$ 500.00 \$ 2,500.00 \$ 1,000.00 \$ 2,000.00 \$ 500.00		\$ 500.00 \$ 2,500.00 \$ 1,000.00 \$ 2,000.00 \$ 500.00		

E. Interim Costs					
1. Construction Insurance	\$ 500.00		\$ 500.00		
2. Construction Interest	\$ 2,500.00		\$ 2,500.00		
3. Construction Loan Origination Fee					
PROJECT COSTS					
F. Financing Fees and Expenses					
1. Credit Report					
2. Origination Fee					
3. Title and Recording					
4. Counsel's Fee					
G.. Developer's Fee	\$ 17,536.10	\$ 18,944.55			
H. Project Administration/Management					
1. Marketing/Management	\$ 1,000.00		\$ 1,000.00		
2. Operating Expenses					
3. Taxes	\$ 1,500.00		\$ 1,500.00		
4. Insurance	\$ 1,500.00		\$ 1,500.00		
I. Project Reserves	N/A				
1. Rent-Up Reserve (Rentals Projects)	N/A				
2. Operating Reserve	N/A				
<u>Rental Projects</u>					
J. Tenant Relocation	N/A				
I. Audit Costs	\$ 500.00		\$ 500.00		
K. Staff Costs <u>as allowable</u>	N/A				
L. Total	\$ 238,988.55	\$ 194,349.55	\$ 44,639.00		

Attachment 2 (C):

Overall Combined Budget for Projects 1 & 2

H.O.M.E.S., INC.
CHDO PROJECT - OVERALL BUDGET for PROJECTS 1 & 2 COMBINED

CATEGORY of Costs	City HOME-CHDO \$	City HOME-CHDO \$	City HOME-CHDO \$	Non- City FUNDS	ALL FUNDS: TOTAL for Projects 1 & 2
	Project #1: Rental Rehab	PROJECT #2: Single Family	Projects 1 & 2 Combined	Projects 1 & 2 Combined	
Acquisition	0	\$170,000.00	\$170,000.00	\$ 660,000.00	\$ 830,000.00
Rehabilitation	\$ 85,096.00	\$ 5,405.00	\$ 90,501.00	\$ 70,639.00	\$ 161,140.00
Architect/Eng.	0	0	0	\$ 2,000.00	\$ 2,000.00
Project Soft Costs	0	0	0	\$ 9,500.00	\$ 9,500.00
Interim Costs	0	0	0	\$ 4,000.00	\$ 4,000.00
Developer Fee	\$ 10,000.00	\$18,944.55	\$ 28,944.55	0	\$ 28,944.55
Project Admin.	0	0	0	\$ 8,300.00	\$ 8,300.00
Tenant Relocation	0	0	0	\$ 7,400.00	\$ 7,400.00
Audit Costs	0	0	0	\$ 500.00	\$ 500.00
Totals:	\$ 95,096.00	\$194,349.55	\$289,445.55	\$762,339.00	\$ 1,051,784.55

(Developer's Fee Request: 10% of City CHDO Funds)

BUDGET NARRATIVE

Total amount of HOME Funds: \$289,445.55

Acquisition: We are projecting the purchase of a single-family house at a price of \$170,000. The purchase of the 1101 NE 17th Ct., rental apt. building has already taken place, at a price of \$660,000 for 6 apt. units.

Rehabilitation Costs: Project 1 – Rental Rehab: We plan to use \$85,096 in CHDO funds and \$6,000 of H.O.M.E.S. own funds (in addition to the approx. \$35,000 of our own funds already spent on rehab of this building). Project 2 – Single Family Acquis., Rehab & Sale: We plan to use \$5,405 in CHDO funds, plus \$29,639 of our own money. [\$85,096. + \$6,000. + \$35,000. + \$5,405. + 29,639. = \$161,140.]

Architectural & Engineering Fees: Projected at \$1,000 for each Project, to be paid for by H.O.M.E.S.

Project Soft Costs: Projected at \$3,000 for Building Permits for the 1101 Bldg. rental rehab; and \$6,500 for the single-family house soft costs (as detailed on the Sources & Uses chart for that Project).

Interim Costs: \$1,000 in construction interest is projected for the rental rehab project, and \$2,500 in construction interest for the single-family project, as well as another \$500 for construction insurance for the single family. These costs are to be paid by H.O.M.E.S.

Developer Fee: \$ 28,944.55 = 10% of City CHDO funds to be used in the two Projects.

Project Management: For the rental Project, \$4,300 is the actual cost of required insurance on the 1101 Bldg. for the 6 months we expect the rental rehab Project to take. For the Single-Family Project, we are estimating taxes, insurance and marketing costs for the time we will own the house prior to closing on a sale to a new buyer (totaling \$4,000).

Tenant Relocation: We are expecting that we will have to move tenants in and out of their current apartments during the rehab of their units, and have factored in the rental rate of the unit in another building we own, that we will be using for this purpose (6 months X \$1100 per month = \$6,600), plus \$200 X 4 apts. (\$800) of furniture moving at various times (\$6,600 + \$800 = \$7,400). This expense will be borne by H.O.M.E.S., Inc. No tenant will be permanently displaced from their apartment by the planned renovation. (HUD rules regarding relocation will be observed.)

Audit Costs: Our entire agency Audit is \$10,500., and we are projecting that \$500 of this overall cost will be attributable to this project. H.O.M.E.S. is bearing this cost.

Attachment 2 (D):

Evidence of Lines of Credit

with

Florida Community Bank (\$250,000.)

&

Comerica Bank (\$100,000.)

December 21, 2016

Ms. Katherine S. Barry
CEO
H.O.M.E.S., Inc.
690 NE 13th Street
Fort Lauderdale, FL 33304

Re: Commitment for a \$250,000 Revolving Line of Credit to Housing Opportunities, Mortgage Assistance, & Effective Neighborhood Solutions, Inc. (HOMES, Inc.) by the Florida Community Loan Fund, Inc.

Dear Ms. Barry:

This letter (the "Commitment") constitutes the Commitment of the Florida Community Loan Fund, Inc. (the "Loan Fund") to provide the entity described below as the borrower (the "Borrower") with a revolving line of credit (the "Line" or "Loan"). The terms and conditions of the Commitment are as follows:

1. **BORROWER:** Housing Opportunities, Mortgage Assistance, & Effective Neighborhood Solutions, Inc., a Florida not-for-profit 501c(3) corporation.
2. **MAXIMUM LOAN AMOUNT:** \$250,000.00.
3. **INTEREST RATE:** A fixed rate of five percent (5.00%).
4. **MATURITY DATE:** The Line shall mature on the date two (2) years from the date of Line closing. In addition, no individual Property (as defined below) being constructed shall remain as collateral on the Line for more than twelve (12) months from the date it is added to the Line.
5. **REPAYMENT TERMS:** Commencing on the last day of the month following the closing date of each Property, monthly payments of interest only are due and payable on the last day of each month, with the principal balance of each Property added to the Line, if not sooner paid, together with any unpaid interest and fees, due and payable twelve (12) months from the date added to the Line.
6. **LOAN COMMITMENT FEE:** One percent (1.0% or \$2,500.00) which shall be due and payable at the acceptance of this Loan Commitment.
7. **COMMITMENT EXPIRATION:** This Commitment expires, at the Loan Fund's option, in ninety (90) days from the date of this Commitment.
8. **SECURITY PROPERTY:** First mortgages on residential parcels (the "Land") and the improvements located or to-be-constructed thereon (the "Improvements") on scattered sites in Broward County, Florida, or other such real estate collateral that the Loan Fund

may accept in its absolute and sole discretion. The Land and Improvements are individually and collectively herein called the "Collateral", "Home", or "Property".

9. LOAN PURPOSE: To assist with the purchase and renovation or new construction of single family properties for sale to low and moderate income families.

10. SPEC LIMIT: Defined as a Home without a pre-qualified buyer and executed sales contract ("Spec"). Spec Homes may be permitted under the Line in the sole discretion of Loan Fund and under the following condition: No more than four (4) single-family Spec properties may be placed under the Line at any one time. Loan Fund reserves the right to review and approve any proposed Property to be added to the Line.

11. MAXIMUM LOAN TO VALUE: The Loan-to-Value of the Loan may not exceed Eighty Percent (80%) of the as-is appraised value for acquisition and as-renovated or as-completed appraised value of all properties under the Loan (see also Term 12.7).

12. LOAN DOCUMENTS AND ITEMS REQUIRED FOR LOAN CLOSING: At Loan closing, and for each Home that will be Collateral for the Line in the future, Borrower shall execute the following Loan documents and submit the following items to Loan Fund pursuant to this Commitment and normal loan closing requirements. All documents and items shall be satisfactory in form and substance to the Loan Fund. Documents 12.2 and 12.5 below shall only be required to be executed with the first Property closing.

- 12.1 Promissory Note: including provisions for the collection of late payment charges of five percent (5%) of the amount of any late payment, no prepayment penalty and a default rate of thirteen percent (13.00%).
- 12.2 Loan Agreement: including (a) provisions for the disbursement of Loan funds after the initial Loan closing set forth in Term 13; (b) provisions for the general loan conditions set forth in Term 14; (c) provisions for Spec Homes as set forth in Term 10, and (d) provision for each Note to mature one year from its effective date.
- 12.3 Mortgage and Security Agreement: providing the Loan Fund with a first lien on the Collateral and a security interest in all fixtures and tangible and intangible personal property necessary for the operation of the Property listed above in Term 8.
- 12.4 Title Insurance: a standard, ALTA mortgagee title policy, providing coverage for the full principal amount of the Loan amount allocated for each specific Property added to the Line now or in the future, listing only those title exceptions acceptable to the Loan Fund.
- 12.5 Corporate Borrowing Authority Documents: corporate documents which evidence the authorization for the actions to be taken by Borrower in connection with this Commitment and the Line, including articles of incorporation, 501 (c)(3) letter from the Internal Revenue Service, by-laws, corporate borrowing resolutions and current certificates of "good standing" from the Florida Division of Corporations.
- 12.6 Purchase and Sale Contracts: a copy of the Purchase and Sale Contract executed between the seller of the Property and the Borrower, for each Property acquired for funding with the Line, if applicable.
- 12.7 Appraisals: current (within sixty (60) days of each Property closing) appraisal of the Property, reflecting the market value of the Property as-is and as-renovated,



conducted by state certified appraisers satisfactory to the Loan Fund. The Loan-to-Value on the Property shall not be greater than 80% of the as- is appraised value for acquisition and 80% of the as-renovated or as-completed appraised value for acquisition and renovation or acquisition and construction, as appropriate.

- 12.8 Loan-to-Value Requirement: Borrower acknowledges that Loan Fund was induced to make the Loan based upon a specific loan-to-value ratio (the "Original Loan-to-Value Ratio") and that has been made known that Loan Fund will conduct periodic reviews of Collateral value. Loan documents will provide that, if any updated appraisal received by Loan Fund reflects that the appraised value of the Property has decreased from the original appraised value, and if such decrease results in a loan-to-value ratio which is higher than the Original Loan-to-Value Ratio, Borrower shall, within thirty (30) days of Loan Fund's written request, either: (a) make a principal payment (the "Prepayment") under the Note in an amount sufficient to maintain the Original Loan-to-Value Ratio; or (b) pledge such additional collateral for the Loan that is acceptable to Loan Fund in its sole discretion. Any Prepayment shall not entitle Borrower to a release of any of the Property.
- 12.9 Survey: recent survey of the Property by a registered surveyor, acceptable to the Loan Fund, certified, at a minimum, to the Loan Fund, the title insurance company and Borrower.
- 12.10 Public/Private Assistance Agreement: a copy of the fully executed agreements between Borrower and any sources of additional capital to the Property.
- 12.11 Flood Hazards: evidence as to whether or not the Land is located within an area identified as having special flood hazards pursuant to the Flood Disaster Protection Act of 1973. If the Land is located in a special flood hazard area, flood insurance naming the Loan Fund as mortgagee will be required.
- 12.12 Insurance: a) comprehensive general liability coverage for Borrower provided on an ACORD 25 form with the Loan Fund named as additional insured; b) builder's risk or an "all risk" non-reporting, completed value property insurance policy, as applicable, designating the Loan Fund as mortgagee and loss payee, granting the Loan Fund at least 30 days' notice of intended cancellation and provided on an ACORD 27 or 28 form, as applicable.
- 12.13 Compliance with Laws: satisfactory evidence that construction of the improvements and intended uses of the Property are in compliance with all applicable laws, regulations and ordinances, including local zoning laws.
- 12.14 Environmental Site Assessments and Environmental Compliance and Indemnity Agreement A current (within past 6 months) Phase I Environmental Site Assessment of the Property performed in accordance with ASTM 1527-13. The ESA must be prepared by a firm reasonably acceptable to the Loan Fund, signed and sealed by a Florida licensed professional geologist or engineer (as well as have the EP Certification required under ASTM 1527-13), and must be satisfactory in all respects to Loan Fund in its sole discretion. Additional asbestos, lead-based paint and radon reports may also be required in Loan Fund's sole discretion. This Commitment will be null and void if Loan Fund's review of the ESA or additional reports indicates any continuing environmental risk or concerns as determined by Loan Fund. In addition, the Borrower will be required to sign an agreement indemnifying the Loan Fund from any environmental hazards that may be present.



- 12.15 Sources and Uses of Funds/Cost Breakdown: sources and uses of funds for the Property, including a detailed breakdown of the cost of constructing or renovating the Improvements and an itemization of non-construction costs.
- 12.16 For Presold Properties: a) an executed purchase contract with a purchaser; b) evidence of valid and satisfactory pre-qualification by a mortgage lender for an amount sufficient to purchase the property; c) Evidence of any subsidies necessary for the buyer to purchase the property; and c) an acceptable and fully completed affordability study and/or income certification sufficient to verify qualification as a low to moderate income individual or family.
- 12.17 Miscellaneous: any other Loan documents or items that are customarily provided in loan transactions of this type.

13. **CONDITIONS FOR DISBURSEMENT OF LOAN FUNDS AFTER THE INITIAL LOAN CLOSING**: In addition to the relevant items in Term 12 above for each Home for which financing is requested, the following documents and items shall be provided and satisfactory in form and substance to the Loan Fund:

- 13.1 Construction Documents: a) sources and uses of funds for the Property, including a detailed cost breakdown of construction or renovation of the Property by construction trade and non-construction costs; b) construction/completion timeline; c) plans and specifications; d) contract between Borrower and architect providing supervisory services; e) fixed price contract between Borrower and general contractor, if applicable f) completed value builder's risk insurance evidence naming the Loan Fund as mortgagee and loss payee, and granting the Loan Fund at least 30 days notice of intended cancellation; g) the notice of commencement and required building permits for each Home with a statement that they have been, or will be, posted on the Property site prior to the commencement of construction.
- 13.2 Request for Payment: signed by Borrower, setting forth a detailed breakdown of the Loan disbursement requested, including all supporting documentation and a signed requisition of the general contractor and approved by Borrower's supervising architect, if required, all applicable inspections, and, at Loan Fund's option, Loan Fund's 3rd party construction consultant, where applicable and as provided in Term 13.5.
- 13.3 Sales Contract / Permanent Financing Commitment / Sources and Uses of Funds: upon sale of a Home, the sales contract between Borrower and the home buyer, evidence of pre-qualification for financing from a financial institution, and evidence of home buyer's household income to verify qualification as a low or moderate income individual or family.
- 13.4 Owner's Affidavit and Lien Waivers: notarized partial lien waivers executed by the general contractor, specifying the amount paid in consideration of such partial release and certification by Borrower that funds disbursed to date by the Loan Fund have been paid to the appropriate parties.
- 13.5 Construction Consultant's Approval: The Loan Fund reserves the right to designate a construction consultant to inspect construction work for conformity with the plans and specifications and approval of Borrower's request for Loan disbursements. A written report of the results of the consultant's inspection of construction work may be required for a disbursement of Loan funds.



- 13.6 Final Construction Disbursement: Prior to the final Loan disbursement for each home, the following documents shall be submitted to the Loan Fund, if applicable: (a) as-built survey; (b) certificate of occupancy; (c) contractor's final waiver of lien and certification of completion; (d) final lien waiver from any subcontractor or supplier having filed a Notice to Owner; and (d) construction consultant's final approval, if required.

14. GENERAL CONDITIONS:

- 14.1 Assignments: Neither this Commitment nor any interest in it may be assigned by Borrower without the Loan Fund's prior written approval.
- 14.2 Financial Statements: Borrower shall submit annual and, if requested, interim financial statements. Annual statements shall be audited and include a Statement of Activities (revenue and expenses) and a Statement of Financial Position (balance sheet) prepared by a certified public accountant, and submitted within one hundred twenty (120) days of Borrower's fiscal year-end.
- 14.3 Additional Debt: During the term of this Line, Borrower will not incur any additional debt without the written permission of the Loan Fund.
- 14.4 Social Impact Reporting: Borrower agrees that regular reporting of community and social impact criteria will be required as a condition of Loan Fund's financing. This reporting will be made no less than annually and may include, but not be limited to such items as: number of temporary and permanent jobs created and other job creation details; specific education or social services to clients; environmentally sustainable outcomes in the project; the pro-active involvement of the surrounding community in the project; or any other such information as the Loan Fund deems necessary.
- 14.5 Publicity: The Loan Fund shall have the right to secure printed publicity through newspapers and other media concerning the project and its financing. Borrower shall provide the Loan Fund with photographs of the Project and demographic information regarding the clients who receive housing and other services from Borrower.
- 14.6 Loan Application: The issuance of this Commitment is based upon the accuracy of Borrower's representations and statements, any loan application and all additional information, representations, exhibits and other matters submitted to the Loan Fund for consideration. The Loan Fund shall have the option to declare this Commitment to be breached, and therefore, void, if there shall have been any material misrepresentation or misstatement or any material error in anything submitted to the Loan Fund.
- 14.7 Expenses: All costs and expenses in connection with the Line, including, but not limited to, the costs of attorneys, documentary stamp and intangible taxes, the construction consultant and recording fees, shall be paid by Borrower.

15. RELEASE OF SECURITY PROPERTY: Until the Loan has been paid in full, each Property shall be released from the Loan Fund upon request and payment to the Loan Fund of a minimum release amount of the total amount advanced directly for acquisition and the hard and soft costs of renovation or construction of the Property, plus accrued interest, to be determined in the sole discretion of the Loan Fund.




16. ENTIRE AGREEMENT: This Commitment, when accepted, shall constitute the entire agreement between Loan Fund and Borrower, and it may not be altered or amended unless agreed to in writing by the Loan Fund and Borrower.

17. ACCEPTANCE: Indicate your acceptance of Loan Fund's offer by signing below and returning the original of the Commitment Letter to us by January 6, 2017, or this Commitment Letter will automatically terminate without further action by any party. The Loan Fund may, prior to closing, make additional requirements in order to comply with federal or state regulations, governmental agencies, and as the Loan Fund's legal counsel may deem necessary regarding legal matters, but not business matters. It is further understood and agreed that the terms and conditions of this Commitment Letter will survive the closing of the Loan hereby contemplated.

Return a check for the Loan Origination Fee (see Term 6) and one original Commitment letter to the main office of the Loan Fund (at 501 North Magnolia Avenue, Suite 100, Orlando, Florida 32801) no later than January 6, 2017.

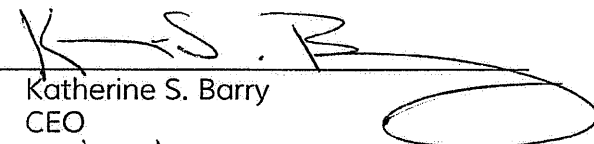
Sincerely,

FLORIDA COMMUNITY LOAN FUND, INC.


Nelson W. Black III
Chief Lending Officer

The undersigned accepts the foregoing commitment on behalf of Borrower.

Housing Opportunities, Mortgage Assistance, & Effective Neighborhood Solutions, Inc.

By: 
Katherine S. Barry
CEO

Date: 1/3/17

Margarette Hayes

From: Sonnie <slopez@homesfl.org>
Sent: Monday, February 27, 2017 3:48 PM
To: Mhayes@homesfl.org
Subject: FW: Summary of Terms for proposed line of credit

LINE OF CREDIT

Connie

Connie Lopez
Chief Financial Officer
690 Northeast 13th Street, Suite # 102
Fort Lauderdale, Florida 33304
Telephone (954) 563-5454
Fax (954) 764-5303
slopez@homesfl.org
www.HOMESFL.org

*Save the date to wear
your Ruby Slippers*

THERE'S NO PLACE LIKE

 **H.O.M.E.S.**
A Charitable Organization

SPRING LUNCHEON & FASHION SHOW

APRIL 27, 2017
11:30 am at Lauderdale Yacht Club

From: Wong, Andrew A [<mailto:aawong@comerica.com>]
Sent: Friday, February 24, 2017 9:47 AM
To: kbarry@homesfl.org; slopez@homesfl.org
Cc: Molnar, Carol A
Subject: FW: Summary of Terms for proposed line of credit

I am pleased to let you know that we have the following terms approved:

Borrower: H.O.M.E.S., Inc.
Loan amount: \$100,000 plus \$15,000 commercial credit card (monthly settlement for commercial card)
Loan type: Revolving line of credit
Purpose: General working capital
Term: On Demand
Fee: \$250 annually plus out of pocket closing costs (Florida documentary stamp tax = \$350).
Rate: Floating at 30-day Libor + 4.00%, adjusting daily (today all in rate would be 4.78%)

Collateral: None

Financial Reporting: Annual audited financial statements

Covenants: a) No other unsecured credit without bank approval

b) Deposit account and treasury management relationship must be established and maintained at

Comerica Bank

Please feel free to call me with any questions.

Thank you for the opportunity and have a great weekend.

Best,
Andrew

Andrew A. Wong | Senior Vice President, Group Manager | Commercial Banking

P: 561.961.6688 | C: 954.295.7803 | aawong@comerica.com

Comerica Bank | MC 5172 | 1675 N. Military Trail, 6th Floor | Boca Raton, FL 33486



Please be aware that if you reply directly to this particular message, your reply may not be secure. Do not use email to send us communications that contain unencrypted confidential information such as passwords, account numbers or Social Security numbers. If you must provide this type of information, please visit comerica.com to submit a secure form using any of the "Contact Us" forms. In addition, you should not send via email any inquiry or request that may be time sensitive. The information in this e-mail is confidential. It is intended for the individual or entity to whom it is addressed. If you have received this email in error, please destroy or delete the message and advise the sender of the error by return email.



This email has been checked for viruses by Avast antivirus software.

www.avast.com



Attachment 3: Project Rents
(not applicable)



Attachment 4:
10 Year Rental Project Operating Pro Forma

H.O.M.E.s, Inc. 10 Year OPERATING PRO FORMA for 6 New Residential Rental Units
1101 N.E. 17th Ct., Ft. Lauderdale

	Annual Amount	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
OPERATING INCOME:											
1	Gross Rent Potential (5 units @ \$800 & 1 unit @ \$1400)	\$ 64,800.00	\$ 66,744.00	\$ 68,746.32	\$ 70,808.71	\$ 72,932.97	\$ 75,120.96	\$ 77,374.59	\$ 79,695.83	\$ 82,096.70	\$ 84,546.30
2	Vacancy Allowance (5% of Line 1)	\$ (3,240.00)	\$ (3,337.20)	\$ (3,437.32)	\$ (3,540.44)	\$ (3,646.65)	\$ (3,756.09)	\$ (3,868.73)	\$ (3,984.29)	\$ (4,104.34)	\$ (4,227.47)
3	Effective Gross Rent (Line 1 minus Line 2)	\$ 61,560.00	\$ 63,406.80	\$ 65,309.00	\$ 67,268.27	\$ 69,286.32	\$ 71,364.91	\$ 73,505.86	\$ 75,711.04	\$ 77,992.37	\$ 80,321.84
4	Other Income (Laundry Tokens)	\$ 4,320.00	\$ 4,449.60	\$ 4,589.00	\$ 4,720.58	\$ 4,862.20	\$ 5,005.06	\$ 5,158.31	\$ 5,313.06	\$ 5,472.45	\$ 5,636.62
5	Reserve for Bad Debt (3% x Gross Rents)	\$ (1,846.80)	\$ (1,902.20)	\$ (1,959.27)	\$ (2,018.05)	\$ (2,078.59)	\$ (2,140.95)	\$ (2,205.18)	\$ (2,271.33)	\$ (2,339.47)	\$ (2,409.65)
6	EFFECTIVE GROSS INCOME:	\$ 64,033.20	\$ 65,994.20	\$ 67,992.82	\$ 69,970.81	\$ 72,069.93	\$ 74,232.03	\$ 76,458.99	\$ 78,752.76	\$ 81,115.34	\$ 83,548.80
OPERATING EXPENSES:											
7	Management Fee (N/A - no outside mgmt. firm involved)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Legal Fees (eviction costs)	\$ (1,200.00)	\$ (1,236.00)	\$ (1,273.08)	\$ (1,311.27)	\$ (1,350.61)	\$ (1,391.13)	\$ (1,432.86)	\$ (1,475.85)	\$ (1,520.12)	\$ (1,565.73)
9	Accounting/Audit Fees (\$50 x 12 mo. - est. share of entire audit)	\$ (600.00)	\$ (618.00)	\$ (636.54)	\$ (655.64)	\$ (675.31)	\$ (695.56)	\$ (716.43)	\$ (737.92)	\$ (760.06)	\$ (782.86)
10	Advertising/Marketing (Signage, Section & listing, flyers, etc.)	\$ (550.00)	\$ (566.50)	\$ (583.50)	\$ (601.00)	\$ (619.03)	\$ (637.60)	\$ (656.73)	\$ (676.43)	\$ (696.72)	\$ (717.65)
11	Telephone (N/A)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Office Supplies (N/A)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Other Administrative Expenses (Subtotal)	\$ (2,350.00)	\$ (2,420.50)	\$ (2,493.12)	\$ (2,567.91)	\$ (2,644.95)	\$ (2,724.29)	\$ (2,806.02)	\$ (2,890.20)	\$ (2,976.91)	\$ (3,066.22)
MAINTENANCE:											
14	Maintenance staff costs: (2 hrs. wk. avg. x \$14 hr. x 52 wks)	\$ (1,456.00)	\$ (1,499.68)	\$ (1,544.67)	\$ (1,591.01)	\$ (1,638.74)	\$ (1,687.90)	\$ (1,738.54)	\$ (1,790.70)	\$ (1,844.42)	\$ (1,899.75)
15	Elevator (if any) [N/A]	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Other Mechanical Equipment (specify [Central a.c.; hot water heater])	\$ (500.00)	\$ (515.00)	\$ (530.45)	\$ (546.36)	\$ (562.75)	\$ (579.64)	\$ (597.03)	\$ (614.94)	\$ (633.39)	\$ (652.29)
17	Decorating (specify [replacement of window blinds, as needed])	\$ (200.00)	\$ (206.00)	\$ (212.18)	\$ (218.55)	\$ (225.10)	\$ (231.85)	\$ (238.81)	\$ (245.97)	\$ (253.35)	\$ (260.95)
18	Routine Repairs and Supplies (\$100 x 12 mo.)	\$ (1,200.00)	\$ (1,236.00)	\$ (1,273.08)	\$ (1,311.27)	\$ (1,350.61)	\$ (1,391.13)	\$ (1,432.86)	\$ (1,475.85)	\$ (1,520.12)	\$ (1,565.73)
19	Exterminating (\$100 x 4 times per year)	\$ (400.00)	\$ (412.00)	\$ (424.36)	\$ (437.09)	\$ (450.20)	\$ (463.71)	\$ (477.62)	\$ (491.95)	\$ (506.71)	\$ (521.91)
20	Lawn and Landscaping (fertilizer, replacement of plants & mulch, & misc.)	\$ (750.00)	\$ (772.50)	\$ (795.68)	\$ (819.55)	\$ (844.13)	\$ (869.46)	\$ (895.54)	\$ (922.41)	\$ (950.08)	\$ (978.58)
21	Maintenance (Subtotal)	\$ (4,506.00)	\$ (4,641.18)	\$ (4,780.42)	\$ (4,923.83)	\$ (5,071.54)	\$ (5,223.69)	\$ (5,380.40)	\$ (5,541.81)	\$ (5,708.07)	\$ (5,879.31)
UTILITIES:											
22	Common Areas (Electricity \$25 x 12 months)	\$ (300.00)	\$ (309.00)	\$ (318.27)	\$ (327.82)	\$ (337.65)	\$ (347.78)	\$ (358.22)	\$ (368.96)	\$ (380.03)	\$ (391.43)
23	Garbage/Trash Removal (\$150 x 12 mo.)	\$ (1,800.00)	\$ (1,854.00)	\$ (1,909.62)	\$ (1,966.91)	\$ (2,025.92)	\$ (2,086.69)	\$ (2,149.29)	\$ (2,213.77)	\$ (2,280.19)	\$ (2,348.59)
24	Common Sewer & Water (\$100 per month x 12 mo.)	\$ (1,200.00)	\$ (1,236.00)	\$ (1,273.08)	\$ (1,311.27)	\$ (1,350.61)	\$ (1,391.13)	\$ (1,432.86)	\$ (1,475.85)	\$ (1,520.12)	\$ (1,565.73)
25	Utilities (Subtotal)	\$ (3,300.00)	\$ (3,399.00)	\$ (3,500.97)	\$ (3,606.00)	\$ (3,714.18)	\$ (3,825.60)	\$ (3,940.37)	\$ (4,058.58)	\$ (4,180.34)	\$ (4,305.75)
TAXES/INSURANCE/RESERVE:											
26	Property Insurance est. Hazard \$500 + Wind \$2500 + Gen. Liability \$500)	\$ (3,500.00)	\$ (3,605.00)	\$ (3,713.15)	\$ (3,824.54)	\$ (3,939.28)	\$ (4,057.46)	\$ (4,179.18)	\$ (4,304.56)	\$ (4,433.70)	\$ (4,566.71)
27	Real Estate Taxes (Charitable Property Tax Exemption after Yr. #1)	\$ (5,000.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Rent-Up Reserve (4 x \$800 - Year #1 only)	\$ (3,200.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29	Reserve for Replacement (3% of Effective Gross Rent)	\$ (1,921.00)	\$ (1,978.63)	\$ (2,037.98)	\$ (2,099.12)	\$ (2,162.10)	\$ (2,226.96)	\$ (2,293.77)	\$ (2,362.58)	\$ (2,433.46)	\$ (2,506.46)
30	Tax/Ins./Reserve (Subtotal)	\$ (10,421.00)	\$ (5,983.63)	\$ (5,753.13)	\$ (5,923.67)	\$ (6,101.38)	\$ (6,284.42)	\$ (6,472.95)	\$ (6,667.14)	\$ (6,867.16)	\$ (7,073.17)
31	TOTAL OPERATING EXPENSES:	\$ (20,577.00)	\$ (16,044.31)	\$ (16,525.64)	\$ (17,021.40)	\$ (17,592.05)	\$ (18,058.01)	\$ (18,599.75)	\$ (19,157.74)	\$ (19,732.47)	\$ (20,324.45)
32	Effective Gross Income (Line 6)	\$ 64,033.20	\$ 65,994.20	\$ 67,992.82	\$ 69,970.81	\$ 72,069.93	\$ 74,232.03	\$ 76,458.99	\$ 78,752.76	\$ 81,115.34	\$ 83,548.80
33	Minus Total Operating Expenses (Line 29)	\$ (20,577.00)	\$ (16,044.31)	\$ (16,525.64)	\$ (17,021.40)	\$ (17,592.05)	\$ (18,058.01)	\$ (18,599.75)	\$ (19,157.74)	\$ (19,732.47)	\$ (20,324.45)
34	NET OPERATING INCOME:	\$ 43,456.20	\$ 49,909.89	\$ 51,407.19	\$ 52,949.40	\$ 54,537.88	\$ 56,174.02	\$ 57,859.24	\$ 59,595.02	\$ 61,382.87	\$ 63,224.36
DEBT SERVICE:											
35	Mortgage to Gibraltar (\$410,000, 4.5% Interest, 20 yr. amortization)	\$ (31,128.00)	\$ (31,128.00)	\$ (31,128.00)	\$ (31,128.00)	\$ (31,128.00)	\$ (31,128.00)	\$ (31,128.00)	\$ (31,128.00)	\$ (31,128.00)	\$ (31,128.00)
36	Debt Coverage Ratio	1.40	1.60	1.65	1.70	1.75					
	NET PROFIT:	\$ 12,328.20	\$ 18,781.89	\$ 20,279.19	\$ 21,821.40	\$ 23,409.88					



Attachment 5:
Chart of Recently Completed Projects

ATTACHMENT 5

COMPLETED PROJECTS				
Project Name	Location	Project Type	No. Of Units	Year Completed
Acquisition & Rehab	1101-1111 NE 17 th Ct Ft. Lauderdale	Multi-Family Building	6	2015
Acquisition & Rehab	1317 NW 2 nd Avenue Ft. Lauderdale	Single Family House	1	2014
Acquisition & Rehab	1113 NE 2 nd Avenue Ft Lauderdale	Duplex	2	2014
Acquisition & Rehab	1122 NE 1 st Ave Ft. Lauderdale	Single Family House w/ Cottage	1	2013 & 2016
Acquisition & Rehab	1341 N Andrews Ave Ft. Lauderdale	Duplex	2	2013
Acquis., Rehab & Resale **	County-wide	Single family homes	Approx.. 175	2015

** H.O.M.E.S., Inc. was one of 4 core partners in the County's Neighborhood Stabilization Program (NSP) of buying foreclosed homes from banks, rehabbing them to quality standards, and reselling them to new qualified homebuyers. The project included homebuyer education classes, financial counseling, and second mortgage assistance to buyers. Approximately 175 homes were purchased, renovated and resold.