
Louisiana Housing Finance Agency



Multifamily Rental Housing Program

Loretta Wallace, Program Administrator
Louis Russell, Tax Credit Manager

July 11, 2007

Table of Contents

Memo to Commissioners.....	3
Agenda.....	6
Decision Brief – Issuance of Tax-Exempt Bonds to Lapalco Court Apartments	9
Resolution – Lapalco Court Apartments.....	10
Project Summary – Lapalco Court Apartments	19
Decision Brief –Jefferson Lakes Apartments.....	27
Resolution – Jefferson Lakes Apartments.....	28
Decision Brief – The Reserve at Jefferson Crossing Apartments.....	32
Resolution – The Reserve at Jefferson Crossing Apartments.....	33
Decision Brief– Jefferson Lakes Apartments.....	37
Resolution – Jefferson Lakes Apartments.....	38
Resolution – Czar Items	40

M E M O R A N D U M

To: Chairman Mark Madderra
Commissioner Philip Miller
Commissioner John Kennedy
Commissioner Kevin Brown
Commissioner Carolyn Burris

From: Loretta Wallace, Program Administrator
Louis Russell, Tax Credit Program Manager

Date: July 11, 2007

Re: Multifamily Rental Housing Program Committee

There will be a Multifamily Rental Housing Program Committee meeting, Wednesday, June 11, 2007 at 9:00 A.M. at the Louisiana Housing Finance Agency, Committee Room 1, located at 2415 Quail Drive, Baton Rouge, LA.

Loretta Wallace will present the following Resolutions to the Board.

- A resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, rehabilitation and equipping of a multifamily housing project; authorizing not exceeding \$6,400,000 Multifamily Housing Revenue Bonds (Lapalco Court Apartments Project) in one or more series; and providing for other matters in connection therewith.
- A resolution accepting the proposal of Morgan Keegan & Company, Inc. for the purchase of not exceeding Seventeen Million Dollars (\$17,000,000) of Louisiana Housing Finance Agency Multifamily Housing Bonds (Jefferson Lakes Apartments Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.
- A resolution accepting the proposal of Red Stone Partners for the purchase of not exceeding Nine Million Five Hundred Thousand Dollars (\$9,500,000) of Louisiana Housing Finance Agency Multifamily Housing Refunding Bonds (The Reserve at Jefferson Crossing Apartments Project) in one or more series; fixing the terms of said bonds and otherwise

providing with respect to said bonds; and providing for other matters in connection with the foregoing.

Louis Russell will present the following Resolutions to the Board.

- A resolution establishing the maximum qualified basis and low-income housing credits to Jefferson Lakes Apartments; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low Income Housing Tax Credits to such facilities; and providing for other matters in connection therewith.
- Ratification of actions by Czars:

Whispering Oaks - Requesting a reduction in the number of 20% poverty units, from 12 to 2. For the project to receive the City of Lake Charles HOME Program award of \$93,000, the grant agreement requires the project to set aside not more than 2 units. -Denied

Classic Construction of New Orleans, Venture II - Developer was unable to purchase three properties listed on their scattered site project's application, but have found three suitable replacement properties within one mile of the original properties and would like to change to these locations. - Approved pending counsel's opinion.

St. Joe Lofts - Attorneys for the investor recommend the separate ownership of the historic and new construction in order that the GO-Zone depreciation might be used for the new construction. - Approved pending a favorable F&V analysis from a reprocessing application.

Items for Discussion:

- 1. Discussion of Agency policy regarding returned credits.**
- 2. Canterbury House Apartments** - The investor requested adjusting the market rate rents for all unit types downward to the net collected rent levels at 60% AMI to syndicate the tax credits. The Developer proposes that an increase in the amount of the CDBG Gap Financing Loan by approximate \$10,000,000 would be sufficient to cover the gap credited by the substantial reduction of net operating income.

Czar Action: Initially, the Czars denied the request to make a recommendation to LRA for the request to underwrite all market rate units at 60% AMI. However, the developer produced one additional letter from the syndicator, prompting the Czars to request how much of the developer fee he will be willing to forfeit (not defer) in order to close the deal.

3. **Timberlane Apartments** - Requesting agency's approval to request additional CDBG funds to overcome shortfall and underwriting market units at 60% AMI.
4. Discussion of **Falstaff Apartments** - Requesting additional tax credits (\$345,000 per year) in order to add 23 additional units to the existing unit count of 147.
5. Discussion of **Bywater Art Lofts** - Requesting to modify application with the following changes after speaking with the Historic Districts and Landmarks Commission: 1) Decrease from 54 units to 37 units 2) One of the 1-bd will be a manager's unit 3) Change in legal description to eliminate two vacant lots 4) Reduce reservation amount from \$765,000 to \$736,191.

July 11, 2007

MULTIFAMILY RENTAL HOUSING COMMITTEE

A regular meeting of the Multifamily Rental Housing Program Committee will be held on Wednesday, July 11, 2007 at 9:00 A.M., Louisiana Housing Finance Agency, Committee Room 1, located at 2415 Quail Drive, Baton Rouge, LA by order of the Chairman.

Preliminary Agenda

1. Call to order, roll call and introduction of guests.
2. Multifamily Bond Finance Update.
 - A resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, rehabilitation and equipping of a multifamily housing project; authorizing not exceeding \$6,400,000 Multifamily Housing Revenue Bonds (Lapalco Court Apartments Project) in one or more series; and providing for other matters in connection therewith.
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- Ratification of actions by Czars:

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Items for Discussion:

1. **Canterbury House Apartments** - The investor requested adjusting the market rate rents for all unit types downward to the net collected rent levels at 60% AMI to syndicate the tax credits. The Developer propose that an increase in the amount of the CDBG Gap Financing Loan by approx. \$10,000,000 would be sufficient to cover the gap credited by the substantial reduction of net operating income.

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developer fee he will be willing to forfeit (not defer) in order to close the deal.

2. **Timberlane Apartments** - Requesting agency's approval to request additional CDBG funds to overcome shortfall and underwriting market units at 60% AMI.
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3. Other Business
4. Adjournment

Milton J. Bailey, President

If you require special services, please call Barry Brooks at (225) 763-8700 by Monday, July 9, 2007.

DECISION BRIEF:

The issuance of \$6,400,000 in Multifamily Housing Revenue Bonds for Lapalco Court Apartments located in Harvey, Jefferson Parish, Louisiana

<p><u>Issue</u></p> <p>Summit Asset Management, LLC is requesting the Louisiana Housing Finance Agency to issue Multifamily Housing Revenue bonds in an amount not to exceed \$6,400,000.00 for the rehabilitation of a one hundred (100), 1, 2 and 3 Bedroom multifamily facility located at 2300 Lapalco Boulevard, Harvey, Jefferson Parish, LA. 40 of the units will be set-aside for households whose incomes are at or below 60% of the area median income.</p> <p>In addition to the Bond Proceeds, approximately \$857,608 of Federal Low Income Housing Tax Credits and \$10,938 of Deferred Developer Fees will be utilized towards the rehabilitation of this development.</p> <p>Lapalco Court Apartments consist of fourteen (14) one-bedroom units; twenty-four (24) two-bedroom units, and two (2) three-bedroom units.</p>	<p><u>Pros:</u></p> <ul style="list-style-type: none">• LHFA will continue its mission of providing safe, descent and affordable housing for low to moderate-income families by utilizing its resources.• Bond Financing leveraging with Low Income Housing Tax Credit (LIHTC) equity. <p><u>Cons:</u> None</p> <p><u>Recommendation:</u></p> <p>Staff recommends approval of this request to issue tax-exempt bonds to further the mission of providing housing to the citizens of this state.</p>
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LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and seconded by _____:

RESOLUTION

A resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, rehabilitation and equipping of a multifamily housing project; authorizing not exceeding \$6,400,000 Multifamily Housing Revenue Bonds (Lapalco Court Apartments Project) in one or more series; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the "Agency") is authorized by Chapter 3-A of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the "Act"), and other constitutional and statutory authority supplemental thereto, to issue revenue bonds to provide financing for multifamily rental housing in the State of Louisiana (the "State"); and

WHEREAS, developer listed in Schedule I hereto, (the "Developer") has met with officials of the Agency and has advised the Agency of the Developer's interest in the acquisition, rehabilitation and equipping of multifamily housing facility, more particularly described in Schedule I hereto (the "Project") within Jefferson Parish, subject to the willingness of the Agency to finance the Project by the issuance of revenue bonds pursuant to the Act; and

WHEREAS, the Agency deems it necessary and advisable that it take such action as may be required under applicable statutory provisions to authorize and issue not exceeding \$6,400,000 revenue bonds in one or more series to finance a portion of the cost of the Project set forth in Schedule I hereto, together with costs incident to the authorization, issuance and sale of the bonds; and

WHEREAS, the Developer has stated its willingness to arrange for the acquisition, rehabilitation and equipping of the Project and to enter into contracts therefor; and

WHEREAS, the income tax regulations prescribed by the Internal Revenue Service require that the issuer of tax exempt bonds adopt a resolution with respect to such bonds or take the other similar "official action" towards the issuance of the bonds prior to the commencement of the rehabilitation of an exempt facility bond project; and

WHEREAS, one purpose of this resolution is to satisfy the requirements of said income tax regulations with respect to the Project set forth in Schedule I hereto:

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency, that:

SECTION 1. Pursuant to the authority of the Act, and other constitutional and statutory authority supplemental thereto, the Project is hereby approved and the financing of the acquisition, rehabilitation and equipping thereof through the issuance of revenue bonds of the Agency pursuant to the Act is hereby authorized in one or more series and in a sufficient principal amount presently estimated as set forth in Schedule I hereto. It is the intent of this resolution to induce the financing of the Project. This resolution is the affirmative official action of the Agency acting by and through its Board of Commissioners towards the issuance of its special, limited obligation revenue bonds in accordance with the Constitution and statutes of the State and the United States Treasury Department Regulations, Section 1.150-2. It is recognized and agreed that the Developer may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) the Developer itself; (ii) any "related person" as defined in Section 147(a)(2) of the Internal Revenue Code of 1986, as amended (the "Code"); or (iii) any legal successor thereto, respectively, subject to approval of the Agency's Bond Counsel, hereinafter employed.

SECTION 2. The costs of financing the Project will be paid out of the proceeds from the sale of the bonds, in one or more series, which shall be special, limited obligations of the Agency, payable solely out of the revenues derived by the Agency with respect to the Project for which financing is made available, and the bonds and the interest thereon shall never constitute the debt or indebtedness of the Agency, the State, or any political subdivision thereof within the meaning of any provision or limitation of the Constitution or statutes of the State, nor shall the same give rise to a pecuniary liability of the Agency or the State or any political subdivision thereof or a charge against their general credit or taxing power, and such limitation shall be plainly stated on the face of the bonds.

SECTION 3. The issuance of not exceeding Six Million Four Hundred Thousand Dollars (\$6,400,000) aggregate principal amount of Multifamily Housing Revenue Bonds (Lapalco Court Apartments Project) in one or more Series (the "Bonds") of the Agency, pursuant to the Act, and other constitutional and statutory authority supplemental thereto, be and the same is hereby authorized and approved. In authorizing the issuance of the Bonds, the Agency will make no warranty, either express or implied, that the proceeds of the Bonds will be sufficient to pay the cost of the Project or that the Project will be suitable for the Developer's purposes or needs. The Bonds shall be sold by the Agency on such date as may be determined by the Chairman of the Board of Commissioners of the Agency, in accordance with the requirements of the Act, and pursuant to the provisions of the Notice of Intention to Sell at Private Sale attached hereto as Exhibit I.

SECTION 4. The operation of the Project, as well as the financing of the Project, will comply with all Federal, State and local laws and regulations and the Developer will obtain all necessary approvals and permits required thereunder.

SECTION 5. The Chairman of the Board of Commissioners and/or the President of the Agency are authorized and directed to call for a public hearing with respect to the Project and the proposed revenue bonds to finance same in accordance with the requirements of Section 147(f) of the Code, and cause to be published appropriate notice of each public hearing in accordance with the Code.

SECTION 6. The officers of this Board of Commissioners and the President of the Agency are authorized and empowered to take any and all further action and to sign any and all documents, instruments and writings as may be necessary to carry out the purposes of this resolution and to file, on behalf of the Agency, with any governmental board or entity having

jurisdiction over the Project, such applications or requests for approval thereof as may be required by law, including an application to the State Bond Commission for approval of the financing (provided that the application shall be made only in conjunction with an approving letter from the President of the Agency).

By virtue of the Agency's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval resolved and set forth herein, the Agency resolves that it understands and agrees that such approvals are expressly conditioned upon, and the Agency further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Swaps, or other forms or Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to borrowings and other matters subject to approvals, including subsequent application and approval under said Policy of the implementation or use of any swaps or other products or enhancements covered thereby.

SECTION 7. The Chairman of the Board of Commissioners and/or the President is authorized to execute the standard form of the Preliminary Agreement.

SECTION 8. All commitments by the Agency herein with respect to the Project are subject to the condition that on or before 36 months from the date of adoption hereof, the Agency and the Developer shall have agreed to mutually acceptable terms for the financing documents and the sale and delivery of the Bonds or other obligations.

SECTION 9. That it is recognized that a real necessity exists for the employment of bond counsel in connection with the issuance of the Bonds and accordingly Foley & Judell, L.L.P., Bond Counsel, New Orleans, Louisiana, be and they are hereby employed as bond counsel to the Agency to do and to perform comprehensive, legal and coordinate professional

work with respect thereto. The fee to be paid Bond Counsel shall be an amount based on the Attorney General's then current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time the Bonds are delivered, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Bonds, subject to the Attorney General's written approval of said employment and fee.

SECTION 10. The Developer will comply with all rules, regulations and reviews of the Agency in effect or undertaken from time to time.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 11th of July, 2007.

Chairman

Secretary

SCHEDULE I

DEVELOPER: Summit Asset Management, L.L.C.

INITIAL OWNER/OPERATOR: Lapalco Court Apartments Partners, Ltd.

BOND AMOUNT: Not exceeding \$6,400,000

PROJECT NAME	LOCATION	ESTIMATED NUMBER OF UNITS	ESTIMATED TOTAL COST
Lapalco Court Apartments	2300 Lapalco Boulevard Harvey, Jefferson Parish, Louisiana 70058	100	\$7,268,546

I, as authorized representative of the Developer, have reviewed the information above and hereby certify this Schedule I to be accurate and complete as of this date.

LAPALCO COURT APARTMENTS PARTNERS, LTD.

By: Summit Asset Management, L.L.C.

By: _____

Date: July 11, 2007

STATE OF LOUISIANA

PARISH OF JEFFERSON

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency, do hereby certify that the foregoing _____ () pages constitute a true and correct copy of the resolution adopted by said Board of Commissioners on July 11, 2007, entitled: "A resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, rehabilitation and equipping of a multifamily housing project, authorizing not exceeding \$6,400,000 Multifamily Housing Revenue Bonds (Lapalco Court Apartments Project) in one or more series; and providing for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 11th day of July, 2007.

(SEAL)

Secretary

EXHIBIT I

NOTICE OF INTENTION TO SELL AT PRIVATE SALE

LOUISIANA HOUSING FINANCE AGENCY MULTIFAMILY MORTGAGE REVENUE BONDS (LAPALCO COURT APARTMENTS PROJECT) SERIES 2007

NOTICE IS HEREBY GIVEN in compliance with the provisions of Chapter 3-A of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the "Act"), that the Louisiana Housing Finance Agency (the "Agency"), proposes to sell its Multifamily Mortgage Revenue Bonds (Lapalco Court Apartments Project) Series 2007 (the "Bonds"), in aggregate principal amount of Six Million Four Hundred Thousand Dollars (\$6,400,000) in one or more series at a rate or rates not exceeding twelve percentum (12%) per annum. The Bonds are to be sold to Merchant Capital, L.L.C. to finance the acquisition, rehabilitation and equipping of the Lapalco Court Apartments (the "Project") at a meeting of the Board of Commissioners of the Agency scheduled for _____, _____, 2007, at ten (10:00) o'clock a.m., Louisiana time, at the offices of the Louisiana Housing Finance Agency, 2415 Quail Drive, Baton Rouge, Louisiana 70808. The Agency reserves the right to postpone the date, hour and place set forth above for the sale of the Bonds (without any further publication of notice of the change in the sale date, time and/or location). In the event the sale is postponed as provided above, anyone desiring written notice of the subsequent date and time which said sale is to be accomplished must request such notice from the President of the Agency. The Bonds will be sold pursuant to the terms of a resolution to be adopted by the Agency and a Trust Indenture (the "Indenture") to be executed by and between the Agency and a trustee bank.

The Bonds are being issued pursuant to the Act and the Indenture for the purpose of financing the acquisition, rehabilitation and equipping of a multifamily housing project and (ii) paying the costs of issuance associated with the Bonds. The Bonds are limited obligations of the Agency and will be payable solely out of the income, revenues and receipts derived from the funds and accounts held under and pursuant to the Indenture and pledged therefor. As provided in the Act and the Indenture, the Bonds do not constitute an obligation, either general or special, of the State of Louisiana, any municipality or any other political subdivision thereof.

The principal of and interest on the Bonds will be payable at the principal office of the paying agent or agents selected by the Agency in accordance with the provisions of the Indenture.

The Bonds will be dated as provided in the Indenture, will bear interest at such rate or rates established at the time of sale of the Bonds, payable on such dates as set forth in the Indenture, and will mature no later than forty-two (42) years from date of issuance.

The Bonds will be issued in fully registered form in the denominations as provided in the Indenture. Bonds will be transferable as provided in the Indenture.

This Notice of Sale of Bonds is being published in accordance with the requirements of the Louisiana Constitution and the Act. For a period of thirty (30) days from the date of publication hereof, any person or persons in interest shall have the right to contest the legality of this notice, the resolution any provision of the Bonds to be issued pursuant to it, the provisions securing the Bonds, and the validity of all other provisions and proceedings relating to the authorization and issuance of the Bonds. If no action or proceeding is instituted within the thirty (30) days, no person may contest the validity of the Bonds, the provisions of the resolution pursuant to which the Bonds were issued, the security of the Bonds, or the validity of any other provisions or proceedings relating to their authorization and issuance, and the Bonds shall be presumed conclusively to be legal. Thereafter no court shall have authority to inquire into such matters.

For further information relative to the Bonds and not contained in this Notice, address Foley & Judell, L.L.P., Bond Counsel, One Canal Place, Suite 2600, 365 Canal Street, New Orleans, LA 70130-1138.

BY ORDER OF THE BOARD OF COMMISSIONERS, acting as the governing authority of the Agency.

LOUISIANA HOUSING FINANCE AGENCY

Chairman

Secretary

**LOUISIANA HOUSING FINANCE AGENCY
MULTI-FAMILY PROJECT SUMMARY**

Date: June 25, 2007

(1) PROJECT NAME:	<u>Lapalco Court Apartments</u>
(2) AMOUNT OF BOND ISSUE REQUESTED (NOT TO EXCEED):	<u>\$6,400,000</u>
(3) PROJECT DESCRIPTION:	<p>1) Number of Units <u>100</u> 2) Total Land Area <u>4.25</u> acres 3) Density: _____ # of Units per Acre Low Rise <u>12</u> Buildings High Rise _____ 4) New Construction: _____ Rehabilitation: <u>X</u> 5) Land Control: Current Legal Owner of Land: <u>23 LAP, L.L.C.</u></p>
	<p>Contract to Acquire Land by <u>December 5, 2007</u> (date) or</p>
	<p>Option to Acquire Land by _____ (date)</p>
	<p>6) Number of Parking Spaces Per Unit <u>2</u> (estimate pending final survey) 7) Census tract where Project located <u>22051027803 (QCT)</u> 8) State Representative District <u>District 87</u> Name of Representative <u>Terrell Harris</u> 9) State Senatorial District <u>District 7</u> Name of Senator <u>Francis Heitmeier</u></p>
(4) LOCATION: (STREET ADDRESS OR LEGAL DESCRIPTION OF LAND AND PARISH):	<p><u>2300 Lapalco Boulevard</u> <u>Harvey, Jefferson Parish</u> <u>Louisiana 70058</u></p>
(5) CONTACT PERSON FOR PROJECT:	<p><u>Kea Calame</u> <u>105 Tallapoosa Street, Suite 300, Montg., AL 36104</u> Phone: <u>334/954-4458</u></p>

(6) **DEVELOPMENT TEAM:**

Developer: Summit Asset Management, L.L.C.
Montgomery, AL Contact: Jon Killough
Phone: 334/954-4458

Architect: Brown Chambless Architects
Montgomery, AL Contact: John Chambless, AIA
Phone: 334/834-8340

General Contractor: Summit Construction, L.L.C.
Montgomery, AL Contact: Wally Merryman
Phone: 334/954-4458

Attorney: Crawford & Lewis, P.L.L.C.
Baton Rouge, LA Contact: Donald Cunningham, Esq.
Phone: 225/215-3033

Lending Institution
to Originate Mortgage
Loan (if known): Whitney National Bank
Montgomery, AL Contact: Gene Crane
Phone: 334/270-3570

Provider of Credit
Enhancement on Mortgage
Loan (if known): Whitney National Bank
Montgomery, AL Contact: Gene Crane
Phone: 334/270-3570

Investment Banker for
Bonds Publicly Offered
(if known): Merchant Capital, L.L.C.
Montgomery, AL Contact: John Rucker
Phone: 334/834-5100

Purchaser of Bonds
for Bonds Privately
Placed (if known): N/A
Contact: _____
Phone: _____

(7) **ZONING:**

R-3 (Multifamily Residential District) - awaiting
final zoning letter

(8) **UTILITIES:**

Existing On-Site – Central Heating (Electric), Cooking (Electric)
Central Air Conditioning (Electric), Hot Water (Electric)

(9) **FAIR MARKET VALUE OF
PROJECT PROPERTY:**

Approximately \$8,533,333 “as-improved”
Specify date of most recent appraisal: Currently being performed

(10) FINANCIAL INFORMATION:	Amount	
SOURCES OF FUNDS:		
Bond Proceeds	\$6,400,000	0.8805 % Dev. Cost
Other Sources (list)		
<u>Federal LIHTC Equity</u>	\$857,608	0.1180 % Dev. Cost
<u>Interest Income of Bond Proceeds</u>	\$	% Dev. Cost
<u>Deferred Developer Fee</u>	\$10,938	0.0015 % Dev. Cost
TOTAL FUNDS		\$7,268,546
LAND COSTS	\$480,000 (est.)	\$ per sq. ft (acres)
BUILDING ACQUISITION COSTS (less Land costs)	\$4,608,000	\$ 46,080 per D/U
CONSTRUCTION (or Rehabilitation Costs)	\$1,150,000	\$ 11,500 per D/U
PROFESSIONAL FEES:		
	Amount	% of Total Funds
Architectural	\$50,000	.0069 %
Engineering / Construction Mgr.	\$56,500	.0078 %
Legal:		
Counsel to Issuer	\$	%
Bond Counsel	\$47,325	.0065 %
Special Tax Counsel (specify firm name)	\$	%
<u>Balch & Bingham</u>	\$35,000	.0048 %
Other Legal (specify firm & purpose)		
<u>Capell & Howard PC</u>	\$22,000	.0030 %
<u>(lender counsel)</u>	\$	%
<u>Crawford & Lewis</u>	\$6,500	.0009 %
<u>(Developer counsel)</u>	\$	%
Total Professional Fees	\$217,325	.0299 %
UNDERWRITING:		
Management Fee	\$	
Sales Commission	\$31,500 (underwriters fee)	
Underwriter's Counsel	\$	

Net to Underwriters	\$ 31,500	
Expenses (list)		
<u>Phase I Environmental Assessment</u>		
<u>Property Condition Report</u>		
<u>Title Insurance / Survey/Recording</u>		
<u>Appraisal / Market Study</u>		
<u>Construction Loan Interest</u>		
<u>Property Liability Insurance/Real Estate Taxes</u>		
<u>Contingency/FF&E</u>		
<u>Developer Fees</u>		
<u>Tax Credit Fees</u>		
	\$ 662,771	
Total Underwriting		
Fee/Costs:	\$ 694,271	
COSTS OF ISSUANCE:		
Printing	\$ _____	
Publishing/Advertising/		
Recording	\$ _____	
Rating Expense	\$ _____	
Letter of Credit Fees and		
other credit expenses	\$ 94,500	
Consultants	\$ _____	
Insurance	\$ _____	
Issuer's Financing		
Fees	\$ 6,300	
Trustee Bank's initial fee		
and expenses	\$ 7,160	
Other:		
Bond Commission Fees	\$ 10,990 (including application fee and closing fee)	
Accountant Verification	\$ _____	
Total Costs of Issuance	\$ 118,950	\$ 1,189.50 per D/U
Amount of Mortgage Requested	\$ 6,400,000	% 88.05 of Total Costs

(11) **UNIT TYPES:**

40 Units			Low Income Units						
Unit Type	No.	Total Sq. Ft.	No. of Unit Types Set Aside for 50% or less Area Median Income			No. of Unit Types Set Aside for 60% or less Area Median Income			Total Sq. Ft.
			Total Sq. Ft.	Median Income	Total Sq. Ft.	Median Income			
Eff.			0	0	0	14	8,400		
1 BR	14	8,400	0	0	0	24	21,600		
2 BR	24	21,600	0	0	0	2	2,000		
3 BR	2	2,000	0	0	0				
Other									
TOTAL	40		0	0	0	40			

Estimate Market Rents For Non-Low Income Units:

<u>Unit Type</u>	<u>Total Units</u>	<u>Monthly Rent Per Non-LIU</u>	<u>Annual Rent of Non-LIU's</u>
Eff.			
1 BR	14	\$800	\$134,400
2 BR	40	\$900	\$432,000
3 BR	6	\$1,000	\$72,000
Other			
Total	60	\$2,700	\$638,400

(12) **CURRENT RENTAL COSTS AND RELOCATION PLAN:**
(For Rehabilitation Projects Only)

<u>Unit Type</u>	<u>Monthly</u>	<u>Present Rent Annual</u>	<u>Sq. Ft./Month</u>
Eff.			
1 BR	22,400	268,800	0.0268
2 BR	57,600	691,200	0.0130
3 BR	8,000	96,000	0.1188
Other			
TOTAL	88,000	1,056,000	0.0529 Average

Have interior and exterior photographs of Project been attached?

Yes No _____

Will any of the present tenants be displaced because of higher rents due to rehabilitation?

Yes _____ No

If yes, approximately how many? Not Applicable

Is there a relocation plan? Yes No _____

Please briefly describe relocation plan (Submit detailed relocation plan when completed)

Currently, the project is 100% occupied. The rehabilitation plans consists of mostly exterior improvements; therefore, no tenants will be relocated during the rehabilitation process.

(13) **VACANCY RATE:** The present vacancy rate in the general market area is 4 to 5 %.

(14) **AREA MEDIAN INCOME:** Median income in area according to HUD is 52,200 (4 person).

(15) **ELECTION OF THE MINIMUM SET-ASIDE REQUIREMENT:**

The owner irrevocably elects one of the Minimum Set-Aside Requirements (Check one only):

At least 20% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 50% or less of area median gross income.

At least 40% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 60% or less of the area median gross income.

(16) **OPTIONAL ELECTION:**

The owner elects to occupy 15% or more of all low-income units by tenants with income of 40% or less of area median income and the average rent charged to tenants in residential market rent units is at least 300% of the average rent charged to low-income tenants: _____ Yes No _____

(17) **EQUAL OPPORTUNITY:**

Do you agree to provide equal opportunity to members of minority groups and to employ such groups in the Project's development in the roles of, including but not limited to, contractor, subcontractor, employee, laborer, agent, appraiser, or supplier?

Yes No _____

(18) **STATE BOND COMMISSION TENANT BENEFIT PROGRAM REQUIREMENTS:**

State Bond Commission Rule No. HS2-1992 provides as follows with respect to applications submitted to the State Bond Commission for new construction, acquisition and/or rehabilitation, or refunding of multifamily housing projects:

Multifamily housing applications must include defined tenant benefit programs for those units set aside for very low, low and/or moderate income families. Those applications that do not include such programs will not be docketed for consideration. Such programs may include rent differentials, special assistance programs or other specific benefit packages for the target income class.

Please include as Exhibit I a description of the Applicant's defined tenant benefit program. For your consideration, State Bond Commission Rule No. HS1-1993 provides the following definitions of income classes:

Very Low Income--households whose incomes do not exceed 50 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Low Income--households whose incomes do not exceed 80 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Moderate Income--households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Middle Income--households whose income are between 96 percent and 120 percent of the median income for the area, as determined and adjusted from time to time by HUD.

The schedule of income levels as published periodically by HUD will be used for purposes of this rule to determine income levels for particular areas of the state.

I certify that the information contained in this Project Summary and Application Package is true and accurate to the best of my knowledge.

Lapalco Court Apartments Partners, Ltd.

PROJECT OWNER

By: _____

Authorized Representative

Dated: June 25, 2007

DECISION BRIEF:

The Sale of \$17,000,000 in Multifamily Housing Revenue Bonds for Jefferson Lakes Apartments located in Baton Rouge, East Baton Rouge Parish, Louisiana

Issue

On June 13, 2007, the Louisiana Housing Finance Agency's Board of Commissioners approved a resolution authorizing the issuance of not exceeding \$17,000,000.00 of Multifamily Housing Revenue bonds for the purpose of refinancing and rehabilitating an existing 296 unit facility.

This resolution requests the Boards approval in considering the proposal of Morgan Keegan & Company, Inc, for the purchase of said bonds and approving the form and directing the execution of the Bond Purchase Agreement with respect to the parameter sale of not exceeding \$17,000,000.00.

Jefferson Lakes Apartments is a two hundred ninety-six (296), 1, 2 and 3 Bedroom room multifamily facility located at 12400 Jefferson Highway, Baton Rouge, East Baton Rouge Parish, LA. 100% of the units will be set-aside for households whose incomes are at or below 60% of the area median income.

In addition to the Bond Proceeds, approximately \$5,996,798 of 4% Low Income Housing Tax Credits will be utilized towards the rehabilitation of this development.

Jefferson Lakes Apartments consist of ninety-six (96) one-bedroom units; one hundred sixty-eight (168) two-bedroom units, and thirty-two (32) three-bedroom units.

Pros:

- LHFA will continue its mission of providing safe, descent and affordable housing for low to moderate-income families by utilizing its resources.
- Bond Financing leveraging with Low Income Housing Tax Credit (LIHTC) equity.

Cons: None

Recommendation:

Staff recommends approval of this request to sale tax-exempt bonds to further the mission of providing housing to the citizens of this state.

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and seconded by _____:

RESOLUTION

A resolution accepting the proposal of Morgan Keegan & Company, Inc. for the purchase of not exceeding Seventeen Million Dollars (\$17,000,000) of Louisiana Housing Finance Agency Multifamily Housing Bonds (Jefferson Lakes Apartments Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.

WHEREAS, the Board of Commissioners (the "Board") of the Louisiana Housing Finance Agency (the "Agency") on June 13, 2007, adopted a resolution approving and authorizing the issuance of not exceeding Seventeen Million Dollars (\$17,000,000) of Louisiana Housing Finance Agency Multifamily Housing Bonds (Jefferson Lakes Apartments Project) in one or more series and authorized the publication of a Notice of Intention to Sell at Private Sale (the "Notice") in connection therewith; and

WHEREAS, said bonds are being designated as "Louisiana Housing Finance Agency Multifamily Housing Bonds (Jefferson Lakes Apartments Project) Series 2007" in the aggregate principal amount of not exceeding \$17,000,000 (the "Bonds"); and

WHEREAS, as set forth in said resolution, the Notice of Sale was published on June ___, 2007, in "The Advocate" and June ___, 2007 in "The Daily Journal of Commerce" for an amount not to exceed \$17,000,000; and

WHEREAS, in accordance with the aforesaid resolution adopted by the Agency on June 13, 2007, the sale of the Bonds was scheduled for July 11, 2007; and

WHEREAS, the Agency did meet on July 11, 2007, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of Morgan Keegan & Company, Inc., as purchaser (the "Purchaser") and taking action with respect to the parameter sale of not exceeding Seventeen Million Dollars (\$17,000,000) of the Bonds pursuant thereto;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency, acting as the governing authority of said Agency, that:

SECTION 1. The parameter written terms submitted this day by Morgan Keegan & Company, Inc., for the purchase of bonds designated "Louisiana Housing Finance Agency Multifamily Housing Bonds (Jefferson Lakes Apartments Project) Series 2007" in the aggregate principal amount of not exceeding \$17,000,000, at an interest rate not exceeding 12% per annum, and for a maturity not exceeding 42 years, authorized under and pursuant to the provisions of a Bond Trust Indenture (the "Indenture"), by and between a trustee to be determined (the "Trustee"), and the Agency be, and the same are hereby awarded to the Purchaser; provided, however, that the sale and delivery of the Bonds are conditioned upon

approval by the State Bond Commission and compliance with any and all approvals and/or certifications required by the Louisiana Attorney General. The sale of the Bonds in accordance with said Indenture is hereby authorized and approved. The Chairman, Vice Chairman, President, Vice President and/or Secretary of this Board are hereby authorized and directed for, on behalf of and in the name of the Agency, to execute, deliver and approve such instruments, documents and certificates as may be required or necessary, convenient or appropriate to the financing described herein, including, but not limited to, the following described documents for the Bonds on file with the Agency:

- (i) Bond Trust Indenture,
- (ii) Financing Agreement, and
- (iii) Tax Regulatory Agreement.

The aforesaid officers are additionally authorized to approve any changes in the aforementioned documents provided such changes are in accordance with the Act and with the approval of Counsel to the Agency or Bond Counsel.

SECTION 2. A bank is to be designated as Trustee and Paying Agent with respect to the Bonds in accordance with the provisions of the Indenture.

SECTION 3. In order to accomplish the sale of the Bonds in accordance with the terms of this resolution, either the Chairman or Vice Chairman of this Agency or the President or Vice President, acting on his behalf, be and they are hereby authorized and directed to execute and deliver, for and on behalf of the Agency, the Indenture in substantially the form thereof which is now before this Agency and filed with the Secretary of this Board of Commissioners.

SECTION 4. The Bonds will be dated, will be in the denominations and will have all the terms set forth in the Indenture.

SECTION 5. The Bonds shall be subject to redemption in accordance with the Indenture.

SECTION 6. The Chairman, Vice Chairman, President, Vice President and/or Secretary, be and they are hereby approved, authorized and directed to execute and deliver or cause to be executed and delivered all documents required to be executed on behalf of the Agency and delivered to effect delivery of

the Bonds to the Purchaser or deemed by any of them necessary or advisable to implement this resolution, the Indenture or the Indenture, or to facilitate the sale of the Bonds.

SECTION 7. The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency shall cause to be executed for and on behalf of the Agency the aforementioned Bonds in accordance with the Indenture, and shall effect the delivery thereof to the Purchaser in accordance with the Indenture. The Secretary of the Agency shall receive from the Purchaser for the account of the Agency the purchase price of the Bonds and shall deposit the same with the Trustee under the Indenture in accordance with the provisions thereof.

SECTION 9. This resolution shall take effect immediately.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 11th day of July, 2007.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing _____ (____) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 11, 2007, entitled: "A resolution accepting the proposal of Morgan Keegan & Company, Inc. for the purchase of not exceeding Seventeen Million Dollars (\$17,000,000) of Louisiana Housing Finance Agency Multifamily Housing Bonds (Jefferson Lakes Apartments Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 11th day of July, 2007.

Secretary

(SEAL)

DECISION BRIEF:

The Sale of \$9,500,000 in Multifamily Housing Revenue Bonds for The Reserve at Jefferson Crossing located in Baton Rouge, Louisiana, East Baton Rouge Parish

<p><u>Issue</u></p> <p>This resolution requests the Boards approval in considering the proposal of Red Stone Partners or its designated affiliate, for the purchase of said bonds and approving the form and directing the execution of the Bond Purchase Agreement with respect to the parameter sale of not exceeding \$9,500,000.00.</p> <p>The Agency's Board of Commissioners had previously authorized not exceeding \$100,000,000 in Multifamily Housing Revenue Bonds in one or more series in connection with the HOME/Tax Credit/Bond Financing program pursuant to a resolution adopted on September 13, 2006.</p> <p>The Agency previously issued \$50,349,300 of Multifamily Housing Revenue Bonds (HOME Funded Tax Credit Projects) Series 2006 and allocated \$11,199,650.40 of such prior Bonds to The Reserve at Jefferson Crossing pursuant to a Trust Indenture dated as of December 1, 2006 (the "Prior Indenture"), by and between the Agency and the Bank of New York Trust Company, N. A., as Trustee (the "Prior Trustee").</p> <p>Jefferson Crossing has met with officials of the Agency and has advised the Agency of the Developer's interest in refinancing and/or redeeming a portion of the Prior Bonds allocated to the Project by the issuance of not exceeding \$11,200,000.00 Multifamily Housing Refunding Bonds.</p>	<p>The Agency previously authorized the delivery of a letter of credit to secure the portion of the Prior Bonds allocable to the Project until such time or times as the Bonds currently refund all or a portion of the Bonds; and until such time as the developer arrange for the refunding of the Prior Bonds and to enter into contracts therefore and for the Bonds.</p> <p><u>Pros:</u></p> <ul style="list-style-type: none">• LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources. <p><u>Cons: None</u></p> <p><u>Recommendation:</u></p> <p>Staff recommends approval of this request to sale Multifamily Housing Revenue Bonds to further the mission of providing housing to the citizens of this state.</p>
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LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and seconded by _____:

RESOLUTION

A resolution accepting the proposal of Red Stone Partners for the purchase of not exceeding Nine Million Five Hundred Thousand Dollars (\$9,500,000) of Louisiana Housing Finance Agency Multifamily Housing Refunding Bonds (The Reserve at Jefferson Crossing Apartments Project) in one or more series; fixing the terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.

WHEREAS, the Board of Commissioners (the "Board") of the Louisiana Housing Finance Agency (the "Agency") on June 13, 2007, adopted a resolution approving and authorizing the issuance of not exceeding Nine Million Five Hundred Thousand Dollars (\$9,500,000) of Louisiana Housing Finance Agency Multifamily Housing Refunding Bonds (The Reserve at Jefferson Crossing Apartments Project) in one or more series and authorized the publication of a Notice of Intention to Sell at Private Sale (the "Notice") in connection therewith; and

WHEREAS, said bonds are being designated as "Louisiana Housing Finance Agency Multifamily Housing Refunding Bonds (The Reserve at Jefferson Crossing Apartments Project) Series 2007" in the aggregate principal amount of not exceeding \$9,500,000 (the "Bonds"); and

WHEREAS, as set forth in said resolution, the Notice of Sale was published on June ___, 2007, in "The Advocate" and June ___, 2007 in "The Daily Journal of Commerce" for an amount not to exceed \$9,500,000; and

WHEREAS, in accordance with the aforesaid resolution adopted by the Agency on June 13, 2007, the sale of the Bonds was scheduled for July 11, 2007; and

WHEREAS, the Agency did meet on July 11, 2007, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of Red Stone Partners or its designated affiliate, as purchaser (the "Purchaser") and taking action with respect to the parameter sale of not exceeding Nine Million Five Hundred Thousand Dollars (\$9,500,000) of the Bonds pursuant thereto;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency, acting as the governing authority of said Agency, that:

SECTION 1. The parameter written terms submitted this day by Red Stone Partners or its designated affiliate, for the purchase of bonds designated "Louisiana Housing Finance Agency Multifamily Housing Refunding Bonds (The Reserve at Jefferson Crossing Apartments Project) Series 2007" in the aggregate principal amount of not exceeding \$9,500,000, at an interest rate not exceeding 12% per annum, and for a maturity not exceeding 42 years, authorized under and pursuant to the provisions of a Bond Trust Indenture (the "Indenture"), by and between a trustee to be determined (the "Trustee"), and the Agency be,

and the same are hereby awarded to the Purchaser; provided, however, that the sale and delivery of the Bonds are conditioned upon approval by the State Bond Commission and compliance with any and all approvals and/or certifications required by the Louisiana Attorney General. The sale of the Bonds in accordance with said Indenture is hereby authorized and approved. The Chairman, Vice Chairman, President, Vice President and/or Secretary of this Board are hereby authorized and directed for, on behalf of and in the name of the Agency, to execute, deliver and approve such instruments, documents and certificates as may be required or necessary, convenient or appropriate to the financing described herein, including, but not limited to, the following described documents for the Bonds on file with the Agency:

- (i) Bond Trust Indenture,
- (ii) Financing Agreement, and
- (iii) Tax Regulatory Agreement.

The aforesaid officers are additionally authorized to approve any changes in the aforementioned documents provided such changes are in accordance with the Act and with the approval of Counsel to the Agency or Bond Counsel.

SECTION 2. A bank is to be designated as Trustee and Paying Agent with respect to the Bonds in accordance with the provisions of the Indenture.

SECTION 3. In order to accomplish the sale of the Bonds in accordance with the terms of this resolution, either the Chairman or Vice Chairman of this Agency or the President or Vice President, acting on his behalf, be and they are hereby authorized and directed to execute and deliver, for and on behalf of the Agency, the Indenture in substantially the form thereof which is now before this Agency and filed with the Secretary of this Board of Commissioners.

SECTION 4. The Bonds will be dated, will be in the denominations and will have all the terms set forth in the Indenture.

SECTION 5. The Bonds shall be subject to redemption in accordance with the Indenture.

SECTION 6. The Chairman, Vice Chairman, President, Vice President and/or Secretary, be and they are hereby approved, authorized and directed to execute and deliver or cause to be executed and

delivered all documents required to be executed on behalf of the Agency and delivered to effect delivery of the Bonds to the Purchaser or deemed by any of them necessary or advisable to implement this resolution, the Indenture or the Indenture, or to facilitate the sale of the Bonds.

SECTION 7. The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency shall cause to be executed for and on behalf of the Agency the aforementioned Bonds in accordance with the Indenture, and shall effect the delivery thereof to the Purchaser in accordance with the Indenture. The Secretary of the Agency shall receive from the Purchaser for the account of the Agency the purchase price of the Bonds and shall deposit the same with the Trustee under the Indenture in accordance with the provisions thereof.

SECTION 9. This resolution shall take effect immediately.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 11th day of July, 2007.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing three (3) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 11, 2007, entitled: "A resolution accepting the proposal of Red Stone Partners for the purchase of not exceeding Nine Million Five Hundred Thousand Dollars (\$9,500,000) of Louisiana Housing Finance Agency Multifamily Housing Refunding Bonds (The Reserve at Jefferson Crossing Apartments Project) in one or more series; fixing the terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 11th day of July, 2007.

Secretary

(SEAL)

DECISION BRIEF:

The issuance of \$807,000 in Low Income Housing Tax Credits for Jefferson Lakes Apartments located in Baton Rouge, East Baton Rouge Parish, Louisiana

<u>Issue</u>	<u>Pros:</u> <ul style="list-style-type: none">• LHFA will continue its mission of providing safe, descent and affordable housing for low to moderate-income families by utilizing its resources.• Bond Financing leveraging with Low Income Housing Tax Credit (LIHTC) equity. Cons: None <u>Recommendation:</u> <p>Staff recommends approval of this request to issue 4% Low Income Housing Credits to further the mission of providing housing to the citizens of this state.</p>
<p>Southport Financial Services, Inc. is requesting the Louisiana Housing Finance Agency to allocate \$807,000 in Low Income Housing Credits for the rehabilitation of a two hundred ninety-six (296), 1, 2 and 3 Bedroom room multifamily facility located at 12400 Jefferson Highway, Baton Rouge, East Baton Rouge Parish, LA. 100% of the units will be set-aside for households whose incomes are at or below 60% of the area median income.</p> <p>Louisiana Bond Commission is the issuer of up to \$17,000,000 in Revenue Bonds to finance the project. In addition to the Bond Proceeds, approximately \$7,601,000 of 4% Tax Credit Equity and \$478,300 in Deferred Developer Fees will be utilized towards the rehabilitation of this development.</p> <p>Jefferson Lakes Apartments consist of ninety-six (96) one-bedroom units; one hundred sixty-eight (168) two-bedroom units, and thirty-two (32) three-bedroom units.</p>	

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and seconded by _____:

RESOLUTION

A resolution establishing the maximum qualified basis and low-income housing credits to Jefferson Lakes Apartments; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low Income Housing Tax Credits to such facilities; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the "Agency") has been ordered and directed to act on behalf of the State of Louisiana (the "State") in applying for, implementing, allocating of administering programs, grants and/or resources made available pursuant to Section 42 of the Internal Revenue Code (the LIHTC Program); and

WHEREAS, the Agency approved certain application and other forms, documents and proceedings related to the Low Income Housing Tax Credits ("LIHTC Program"), including credits available to projects financed with tax-exempt bonds under Section 142(d) of the Internal Revenue Code; and

WHEREAS, the staff of the Agency has processed Jefferson Lakes Apartments application in accordance with the Qualified Allocation Plan and is prepared, based upon the preliminary feasibility analysis of Foley & Judell, L.L.P., to recommend Tax Credits for Jefferson Lakes Apartments project:

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), acting as the governing authority of said Agency that:

SECTION 1. Jefferson Lakes Apartments Project (the "Project") is hereby preliminarily approved for Tax Credits in the amount of Eight Hundred Seven Thousand Seven Hundred Dollars (\$807,000), upon the preliminary feasibility analysis of Foley & Judell, L.L.P. and the information contained in the Project application.

SECTION 2. The Agency staff, General Counsel, and Foley & Judell, L.L.P., as LIHTC Program Counsel, shall establish such procedures as may be necessary to structure, cancel or reduce such Tax Credits to maintain the feasibility and viability of the Project; provided,

however, that no increase in Tax Credits to any project may be made without approval of the Board.

SECTION 3. The Agency staff and counsel are authorized and directed to prepare the forms of such documents and agreements as may be necessary to evidence the allocation of Tax Credits.

SECTION 4. The Chairman, Vice Chairman, President Vice President and/or Secretary of the Agency be and they are hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution as approved by the Agency's General Counsel and LIHTC Program Counsel, Foley & Judell, L.L.P.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 11th day of July, 2007.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing three (3) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 11, 2007, "A resolution establishing the maximum qualified basis and low-income housing credits to Jefferson Lakes Apartments; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate Tax Credits to such facilities; and providing for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 11th day of July, 2007.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and seconded by _____:

RESOLUTION

A resolution ratifying decisions made by the “Czars” as designated by the Board of Commissioners on 3 projects (Whispering Oaks, CCNO Venture II, and St. Joe Lofts); and providing for other matters in connection therewith;

WHEREAS, the staff of LHFA has received the following requests in connection with the projects listed below;

WHEREAS, staff has reviewed these requests and such information was made available to the Czars for consideration;

WHEREAS, the czars have reviewed such information and based upon the information provided, has taken the following action for each project as indicated below;

1. **Whispering Oaks** - Requesting a reduction in the number of 20% poverty units, from 12 to 2. For the project to receive the City of Lake Charles HOME Program award of \$93,000, the grant agreement requires the project to set aside not more than 2 units.
Czar Action: The project received 50 points for “Households in Poverty: 20% or more of project units serve Households in Poverty”. Also, according to the developer, the commitment in question was already in place at the time of the application submission. - Denied
2. **Classic Construction of New Orleans, Venture II** - Developer was unable to purchase three properties listed on their scattered site project’s application, but have found three suitable replacement properties within one mile of the original properties and would like to change to these locations.
Czar Action: Based on information provided by the developer, the czars recommend approval pending counsel’s legal opinion.
3. **St. Joe Lofts** - Attorneys for the investor recommend the separate ownership of the historic and new construction in order that the GO-Zone depreciation might be used for the new construction.
Czar Action: Request is approved pending a favorable F&V analysis from a reprocessing application.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), acting as the governing authority of said Agency that:

Section 1: A resolution is hereby approved that provides a ratification of the above enumerated actions of the czars.

Section 2: The Agency staff and Counsel are authorized and directed to prepare such documents and agreements as may be necessary to implement the czars actions.

Section 3: The Chairman, Vice-Chairman, President, Vice-President, and or Secretary of the Agency be hereby authorized, empowered and directed to execute any forms and or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution as approved by the Agency's counsel.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 11th day of July, 2007.

Chairman

Secretary

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing three (3) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 11, 2007, providing ratification of the actions of the Czars in the connection with Whispering Oaks, Classic Construction of New Orleans-Venture II and St. Joe Lofts; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 11th day of July, 2007.

Secretary

(SEAL)