
Louisiana Housing Finance Agency



Multifamily Rental Housing Program

Loretta Wallace, Program Administrator

Brenda Evans, Program Administrator

Louis Russell, Tax Credit Manager

July 8, 2009

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MEMORANDUM

To: Chairman J. Mark Madderra
Commissioner Guy Williams
Commissioner Walter Guillory
Commissioner Katie Anderson
Commissioner Susan Sonnier

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

Date: June 26, 2009

Re: Multifamily Rental Housing Program Committee

There will be a Multifamily Rental Housing Program Committee meeting, Wednesday, July 8, 2009 at 10:30 A.M. at the Louisiana Housing Finance Agency, V. Jean Butler Board Room, located at 2415 Quail Drive, Baton Rouge, LA.

Loretta Wallace will present the following Resolutions to the Board:

- A resolution authorizing an increase in the amount of bonds to finance **The Muses II Project** from not exceeding \$10,091,856 to not exceeding \$11,700,000; and providing for other matters with respect to the foregoing.
- A resolution accepting the proposal of Morgan Keegan & Company, Inc. for the purchase of not exceeding Eighteen Million Dollars (\$18,000,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (**Peltier Gardens 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.

Louis Russell and Brenda Evans will present the following Resolutions to the Board:

- A resolution establishing the maximum qualified basis and low-income housing credits to **GCHP-Esplanade #09-07BF (2535 Esplanade Avenue, New Orleans, LA 70119)**; 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 matter in connection therewith.

- A resolution establishing the maximum qualified basis and low-income housing credits to **Douglas & Andry Sustainable Apartments #09-08BF (5413 Peters Street, New Orleans, LA 70117)**; 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 matter in connection therewith.
- A resolution establishing the maximum qualified basis and low-income housing credits to **GCHP-MLK #09-09BF (1931 Martin Luther King Jr. Blvd, New Orleans, LA 70113)**; 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 matter in connection therewith.
- A resolution regarding an extension of carryover requirements for the following project: **New Covington #08(GO)-48 (1027 Polders Lane, Covington, LA 70433)**; **Hardwood Apartments #08(GO)-12 (5982 Street B, St. Francisville, LA 70775)** and **Lafitte Redevelopment #08(GO)-74 (Multiple addresses, New Orleans, LA 70112)** by Louisiana Housing Finance Agency (the “Agency”) with respect to projects submitting a request for such extension; and providing for other matters in connection therewith.
- A resolution ratifying TCAP and 2009 QAP deadlines and dates; and providing for other matter in connection therewith.
- A resolution regarding the exterior design waiver for the Brick / Stucco option for **Beechgrove Homes #07/08(FA)-22 (Claiborne Parkway and Beechgrove Blvd. Westwego, LA 70094)** and **Claiborne Homes #06(2)-225 (Claiborne Parkway and Beechgrove Blvd. Westwego, LA 70094)**; and providing for other matters in connection therewith.
- Discussion regarding project design changes, reduction of building for **Lakeside and Marquis Apartments**.
- Discussion regarding 2009 QAP selection Criteria Items “**Superior Site**” and “**Superior Design**”.
- Discussion regarding the report from the Bureau of Governmental Support.

Other Business.

June 25, 2009

MULTIFAMILY RENTAL HOUSING COMMITTEE

A regular meeting of the Multifamily Rental Housing Program Committee will be held on Wednesday, July 8, 2009 at 10:30 A.M., at Louisiana Housing Finance Agency, V. Jean Butler Board Room, located at 2415 Quail Drive, Baton Rouge, LA by order of the Chairman.

Final Agenda

1. Call to order, roll call and introduction of guests.
2. Approval of the June 10, 2009 Multi-Family Committee meeting minutes.
3. Multifamily Update.
 - A resolution authorizing an increase in the amount of bonds to finance **The Muses II Project** from not exceeding \$10,091,856 to not exceeding \$11,700,000; and providing for other matters with respect to the foregoing.
 - A resolution accepting the proposal of Morgan Keegan & Company, Inc. for the purchase of not exceeding Eighteen Million Dollars (\$18,000,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (**Peltier Gardens 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 establishing the maximum qualified basis and low-income housing credits to **GCHP-Esplanade #09-07BF (2535 Esplanade Avenue, New Orleans, LA 70119)**; 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 matter in connection therewith.
 - A resolution establishing the maximum qualified basis and low-income housing credits to **Douglas & Andry Sustainable Apartments #09-08BF (5413 Peters Street, New Orleans, LA 70117)**; 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 matter in connection therewith.

- A resolution establishing the maximum qualified basis and low-income housing credits to **GCHP-MLK #09-09BF (1931 Martin Luther King Jr. Blvd, New Orleans, LA 70113)**; 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 matter in connection therewith.
- A resolution regarding an extension of carryover requirements for the following project: **New Covington #08(GO)-48 (1027 Polders Lane, Covington, LA 70433); Hardwood Apartments #08(GO)-12 (5982 Street B, St. Francisville, LA 70775) and Lafitte Redevelopment #08(GO)-74 (Multiple addresses, New Orleans, LA 70112)** by Louisiana Housing Finance Agency (the “Agency”) with respect to projects submitting a request for such extension; and providing for other matters in connection therewith.
- A resolution ratifying TCAP and 2009 QAP deadlines and dates; and providing for other matter in connection therewith.
- A resolution regarding the exterior design waiver for the Brick / Stucco option for **Beechgrove Homes #07/08(FA)-22 (Claiborne Parkway and Beechgrove Blvd. Westwego, LA 70094)** and **Claiborne Homes #06(2)-225 (Claiborne Parkway and Beechgrove Blvd. Westwego, LA 70094)**; and providing for other matters in connection therewith.
- Discussion regarding project design changes, reduction of building for **Lakeside and Marquis Apartments**.
- Discussion regarding 2009 QAP selection Criteria Items “**Superior Site**” and “**Superior Design**”.
- Discussion regarding the report from the Bureau of Governmental Support.

4. Other Business.

5. Adjournment.

Milton J. Bailey, President

If you require special services, please call Barry Brooks at (225) 763-8700 by Friday, July 3, 2009

**Louisiana Housing Finance Agency
Multifamily/Tax Credit Meeting Minutes
Wednesday, June 10, 2009
2415 Quail Drive
Baton Rouge, LA 70808
10:30 A.M.**

Commissioners Present

Commissioner Guy T. Williams
Commissioner Katie Anderson
Commissioner Tyrone A. Wilson
Commissioner Allison A. Jones
Commissioner Walter Guillory
Commissioner Joseph M. Scontrino, III
Commissioner Michael Airhart

Commissioners Absent

Chairman Mark Madderra
Commissioner Susan Sonnier

Staff Present

Milton Bailey
Alesia Wilkins-Braxton
Brenda Evans
Louis Russell, Jr.
Loretta Wallace
LaTosha Overton
Annie Robinson
Ronald Burrough
MaKeisha J. August
Amy York
Keith Cunningham
Christine Bratkowski
Leslie Strahan
Joseph Durnin
Urshala Hamilton
Costa Araujo

Counsel Present

Wayne Neveu, Foley & Judell

Guests Present

Attached

Multifamily Vice-Chairman Williams called the meeting to order at 10:40 A.M. and asked for an introduction of guests. He then requested approval of the May 12, 2009 meeting minutes by his fellow Commissioners. On a motion by Commissioner Jones and a second by Commissioner Airhart the minutes were unanimously approved.

Lori Ann Girvan of Common Ground gave a brief update on Bethany Homes and Malta Square and its mission to create mixed income housing. She thanked the Agency for helping with properties she defined as blighted, vacant properties. She continued by stating the titles were received on both projects in February of this year. She mentioned that the former Malta Square has received commitments of nearly \$2 million dollars. The property is a mix of one (1) bedroom and studio apartments that were being renovated by the owner before he fell into default. They plan to lease up to fifty-four (54) units in November of this year. The project was also awarded a HUD Samaritan bonus through the continuum of care as well as a capital award of over \$600 thousand dollars. That money will enable the developer to have an operating and service subsidy that is annually renewable to ensure robust on-site security and supportive services in the building. She continued by stating the financing should be forthcoming for buildings "B" and "C" over the next few months and that she is in contact with LRA and ORDA regarding state and city resources that could be utilized to round out the finances. Because the project is a moderate rehab, it will not be using tax credits and therefore will not have permanent debt.

In the case of Bethany Homes, this project was awarded in December of 2008 and it has 42 efficiency units. This project is utilizing tax credits and CDBG funds in the amount of over \$3 million dollars. They are currently working with a bank to secure an investor for those credits which are conservatively priced at \$.60¢. She continued by stating the project may close in November of this year.

Vice-Chairman Williams asked what was the address of the project located on Esplanade and Ms. Girvan responded, 2535 Esplanade, New Orleans, Louisiana.

Craig Taffaro, St. Bernard Parish President, came forward to discuss the current housing situation in that parish. He stated that St. Bernard Parish had approximately 2,500 occupied houses prior to August of 2005. The parish has tried to recover all but a handful of properties since the storm and has demolished 7,600 units that were destroyed as a result of the storms. He stated that there is still an excess of single family and rental units in St. Bernard. He continued by stating that the Agency approved the Provident Realty Group tax credits for four (4) complexes that would have seventy-two (72) units each. He brought to the Committee's attention that there is a slower rate of return for residents and because there is so much housing stock available, it makes the market more difficult to sustain rental rates. The parish is facing the potential of having 44% of its rental units being subsidized housing, which is more than the

pre-storm level of 7%. He stated that this increase poses a threat to the economic structure of the community. Commissioner Jones asked if the excess is affordable housing in terms of single family or multifamily units. President Taffaro answered that the majority are multifamily affordable housing units.

There was an inaudible exchange of comments between the commissioners and President Taffaro.

Councilman Wayne Landry came forward to address the Board and he reiterated President Taffaro in stating the over saturation of units in St. Bernard. Councilman Landry stated that last year before the project was awarded, he sent his official letter of objection to Provident's request. He stated that because there is so much availability of rental units that it is driving down the cost of equity for homeowners in that area. He stated that the rental prices are dropping and as a result the prices for homes are dropping, putting homeowners in a negative equity position.

Councilman George Cavnagac discussed the statistical anomalies regarding St. Bernard Parish. He urged staff to review the rental market rate before and after Hurricane Katrina. He stated that the area has suffered majorly and the rental rates have declined drastically. The apartments are renting for \$100-150 below the HUD subsidized market rates. Commissioner Jones responded that the presented information will be compared against the information that the Agency has compiled. She continued by saying she will not participate in NIMBYISM. Commissioner Wayne Woods explained that the Agency has the position and mission to provide affordable housing for all citizens of the state of Louisiana. He made clear that everyone has a share in the perceived burden of affordable housing. He also reiterated Commissioner Jones in making clear that the Board of Commissioners would not participate in NIMBYISM. Commissioner Woods mentioned that some of the Commissioners would make a trip to St. Bernard to view the actual number of units available. Multifamily Vice-Chairman Williams asserted that at the time of the applications submittal, there was unanimous political support. President Taffaro responded that there was initial support, but now most letters of support have been rescinded. Multifamily Vice-Chairman Williams felt as though the extreme position of the government seems racist, but he stated a better way may be to request less subsidized housing be offered in the parish.

Louis Russell presented the following resolutions:

- A resolution regarding the conversion from Elderly Housing to Multifamily Housing project request made by the developers of **Spring Hill Senior Housing #06-13**; and providing for other matters in connection therewith.

Brenda Evans gave some background information on the project. James Hunter came forward and discussed the previous decision made by the Board to lower the age limitations on the project. He stated that although that was done it was of no avail because now the project is operating in a deficit. He affirmed that the only way the project would survive is to become a multifamily project because the syndicators are becoming impatient. Multifamily Vice-Chairman Williams asked how many units were in the development and Mr. Hunter responded fifty-one (51). Wayne Neveu reminded the Commissioners that Fair Housing prevents the discrimination of family housing and elderly housing is all or none. There was unanimous agreement of all

Committee members with the provisional statement of approval by the Mayor and City Council of Springhill, Louisiana.

- A resolution regarding the revised project schedule of **Lafitte Redevelopment Off-Site Rehabilitations Treme-Oak Place #08(GO)-70 (Multiple sites, New Orleans, LA 70112)** and providing for other matters in connection therewith.

The project has been divided into a number of phases and this phase is asking for an extension to the placed in service date from September 1, 2009 until February 1, 2010. Additionally, the project is reducing the number of units from fifty (50) to forty-six (46) units. Staff had reviewed the information that was submitted, received a reprocessing application and recommend approval of the request.

No other discussion ensued. Multifamily Vice-Chairman Williams requested approval by his fellow Commissioners; and on a motion by Commissioner Scontrino and a second by Commissioner Guillory, the resolution was approved for recommendation to Full Board.

- A resolution regarding the revised project schedule of **Lafitte Redevelopment Blocks 1-3 #08(GO)-72 (Multiple sites, New Orleans, LA 70112)**; and providing for other matters in connection therewith.

This project is one of the other phases of the Lafitte Redevelopment and is requesting a placed in service extension from November 1, 2009 to January 15, 2010. Staff had reviewed the information that was submitted, received a reprocessing application and recommend approval of the request. Mrs. Evans affirmed that this project will be receiving sixty (60) additional vouchers for housing and that information had not been reprocessed so the approval would be contingent on a satisfactory F&V analysis.

No other discussion ensued. Multifamily Vice-Chairman Williams requested approval by his fellow Commissioners; and on a motion by Commissioner Scontrino and a second by Commissioner Guillory, the resolution was approved for recommendation to Full Board.

- Discussion and resolution regarding application of the Agency to participate in receiving Grants for Low-Income Housing Projects in lieu of Low-Income Housing Credits for 2009 under the provisions of the American Recovery and Reinvestment Act of 2009 (the "Stimulus Bill"); and providing for other matters in connection therewith.

This resolution will allow the Agency to exchange credits for cash. Multifamily Vice-Chairman Williams requested approval by his fellow Commissioners; and on a motion by Commissioner Guillory and a second by Commissioner Scontrino, the resolution was approved for recommendation to Full Board.

- Update on TCAP applications.

Mrs. Evans stated that the applications were due May 26, 2009 and staff has received 33 applications. Staff is still reviewing the information received. In a cursory review, it has been indicated that three (3) projects may not be eligible to participate in the program.

Multifamily Vice Chairman Williams deferred discussion of 2009 QAP Selection Criteria Items "Superior Site" and "Superior Design" because Chairman Madderra was not present and he wanted to participate in the discussion.

Since there were no other issues to be heard, the meeting was adjourned at 11:50 a.m.



LOUISIANA HOUSING FINANCE AGENCY

MULTIFAMILY RENTAL COMMITTEE MEETING

WEDNESDAY, JUNE 10, 2009 @ 10:30AM

Guest Sign-In Sheet

GUEST NAME

FIRM

PLEASE, PLEASE PRINT

- | | |
|-----------------------------------|----------------------------------|
| 1. <u>W. Noveu</u> | <u>FOS</u> |
| 2. <u>W. Belfon</u> | <u>AAmeris</u> |
| 3. <u>Robert Demison</u> | <u>Ama Kri's Development LLC</u> |
| 4. <u>Russell Demison</u> | <u>Ama Kri's Development LLC</u> |
| 5. <u>Larry Hoss</u> | <u>our plan B Inc.</u> |
| 6. <u>Pansy Sanford</u> | <u>our plan B</u> |
| 7. <u>THE AFFILIATE ADVANTAGE</u> | <u>SPF GROUP</u> |
| 8. <u>Jessica Venegas</u> | <u>UNITY/CGI</u> |
| <u>Lon Ann Giron</u> | <u>UNITY/CGI</u> |

MULTIFAMILY RENTAL COMMITTEE MEETING
PLEASE PRINT CLEARLY

GUEST NAME

FIRM

- | | | |
|-----|-------------------------|------------------------------------|
| 9. | <u>Matt Harris</u> | <u>Prudent Realty Advisors</u> |
| 10. | <u>Bob Voelker</u> | <u>Munsch Hardt</u> |
| 11. | <u>Kelly Ingwell</u> | <u>Coats Rose</u> |
| 12. | <u>Ron Burrough</u> | <u>Staff</u> |
| 13. | <u>LaTasha Overton</u> | <u>Staff</u> |
| 14. | <u>GEORGE CAVIGNAC</u> | <u>ST BERNARD PARISH COUNCIL</u> |
| 15. | <u>WAYNE LANDRY</u> | <u>"</u> |
| 16. | <u>FRED EVERHARDT</u> | <u>"</u> |
| 17. | <u>CRAIG TAFTARO</u> | <u>ST BERNARD PARISH PRESIDENT</u> |
| 18. | <u>JAMIE HORIO</u> | <u>Regions Bank</u> |
| 19. | <u>Matthew Stephens</u> | <u>Regions Bank</u> |
| 20. | <u>Pam Hammond</u> | <u>Elkins, LLC</u> |
| 21. | <u>William Callihan</u> | <u>Capital One</u> |

MULTIFAMILY RENTAL COMMITTEE MEETING
PLEASE PRINT CLEARLY

	GUEST NAME	FIRM
22.	Michelle Whetten	Enterprise
23.	James Hunter	Hunter Law Firm
24.	Steve Smalling	Morgan Keegan
25.	Mark Turrentine	Standard Enterprises, Inc. / LAATP
26.	Dennis Mize	TRF
27.	A.K. Gordon	CROWN PROPERTIES
28.		
29.		
30.		
31.		
32.		
33.		
34.		
35.		

DECISION BRIEF:

The increase of Multifamily Housing Revenue Bonds for The Muses II Project located in New Orleans in Orleans Parish from \$10,091,856 to \$11,700,000

Issue

This resolution requests the Board's approval in increasing the amount of bonds from \$10,091,856 to not exceeding \$11,700,000.

On February 11, 2009, the Louisiana Housing Finance Agency's Board of Commissioners approved a resolution authorizing the proposal of MMA Financial or such other purchaser as may be designated by the Developer for the purchase of not exceeding Ten Million Ninety-One Thousand Eight Hundred Fifty-Six Dollars (\$10,091,856).

On October 15, 2008, the Louisiana Housing Finance Agency's Board of Commissioners approved a resolution authorizing the issuance of Multifamily Housing Revenue Bonds not exceeding Two Hundred Million Dollars (\$200,000,000) to finance the acquisition, construction, equipping and/or rehabilitation of various multifamily housing developments that applied for funds under the Four Percent (4%) CDBG Piggyback Tax Credit Bond Financing Program.

In addition to the Bond Proceeds, other sources of funding to be utilized in the rehabilitation of this development will be \$196,527 from Equity Contribution; \$7,800,000 from CDBG Gap Funding; \$630,329 from Deferred Developer Fee.

The Muses II Project will consist of twenty-one (21) one-bedroom units; sixteen (16) two-bedroom units; and fifteen (15) three-bedroom units.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The recommended action will enhance the housing stock for the citizens of Louisiana.

Cons: None

Recommendation:

Staff recommends approval of this request to issue Multifamily Revenue Bonds to further the mission of providing housing to the citizens of this state.

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

RESOLUTION

A resolution authorizing an increase in the amount of bonds to finance The Muses II Project from not exceeding \$10,091,856 to not exceeding \$11,700,000; and providing for other matters with respect to the foregoing.

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; and

WHEREAS, on October 15, 2008, the Agency authorized the issuance of not exceeding \$10,091,856 of Multifamily Housing Revenue Bonds to finance the acquisition, construction and installation of The Muses II Project located in New Orleans, Louisiana; and

WHEREAS, The Muses II, LLC has requested by email that the amount of the bonds be increased by \$1,600,000; and

WHEREAS, the Issuer desires to increase the amount of not exceeding from \$10,091,856 to \$11,700,000;

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

SECTION 1. The resolution authorizing to be issued not exceeding \$10,091,856 aggregate principal amount of the "Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (The Muses II Project)" in one or more series is hereby amended to increase such amount to not exceeding \$11,700,000, pursuant to the provisions of the Act for the purpose of providing funds to pay the cost of the acquisition, construction and installation of The Muses II Project.

SECTION 2. Application be and the same is hereby formally made to the State Bond Commission for approval of the increase of the amount of bonds to be issued from not exceeding \$10,091,086 to not exceeding \$11,700,000.

By virtue of Agency's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it 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 Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

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 8th of July, 2009.

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 8, 2009, entitled: "A resolution authorizing an increase in the amount of bonds to finance The Muses II Project from not exceeding \$10,091,856 to not exceeding \$11,700,000; and providing for other matters with respect to the foregoing."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 8th day of July, 2009.

Secretary

(SEAL)

LHFA Project No. _____
(For Agency Use)

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

Date: June 26, 2009

- (1) **PROJECT NAME:** The Muses II
- (2) **AMOUNT OF BOND
ISSUE REQUESTED
(NOT TO EXCEED):** \$11,700,000.00
- (3) **PROJECT DESCRIPTION:**
- 1) Number of Units : 52
 - 2) Total Land Area : 0.38__
 - 3) Density: 137 of Units per Acre. Low
Rise Yes High Rise _____
 - 4) New Construction: Yes
Rehabilitation: _____
 - 5) Land Control: Current Legal Owner of Land:
Contract to Acquire Land by 7/27/08
(date)
or
Option to Acquire Land by _____
(date)
 - 6) Number of Parking Spaces Per Unit 1
 - 7) Census tract where Project located 79
 - 8) State Representative District 93
Name of Representative: Karen Peterson
 - 9) State Senatorial District 5
Name of Senator : Cheryl Gray
- (4) **LOCATION:** 1731 Polymnia St.
**(STREET ADDRESS OR
LEGAL DESCRIPTION OF
LAND AND PARISH):** New Orleans, LA
- (5) **CONTACT PERSON
FOR PROJECT:** Michael B. Gross
Phone: 502-638-0534 ext. 25
- (6) **DEVELOPMENT TEAM:**
Developer: LDG Multifamily, LLC
Contact: Chris Dischinger
Phone: 502-638-0534 ext. 28

Architect: Weber Group, Inc
Contact: Donnie Weber
Phone: 812-246-2100

General Contractor: Xpert Design and Construction
Contact: Chris Dischinger
Phone: 502-638-0534 ext. 28

Attorney: Coats/ Rose
Contact: Kelly Longwell
Phone: (504) 299-3075

Lending Institution
to Originate Mortgage
Loan (if known): _____
Contact: _____
Phone: _____

Provider of Credit
Enhancement on Mortgage
Loan (if known): _____
Contact: _____
Phone: _____

Investment Banker for
Bonds Publicly Offered
(if known): _____
Contact: _____
Phone: _____

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

(7) **ZONING:** RM-4

(8) **UTILITIES:** The site has all the needed utilities available,
water, sewer, electric and telephone

(9) **FAIR MARKET VALUE** \$ N/A
OF PROJECT PROPERTY: Specify date of most recent appraisal: N/A

(10) **FINANCIAL INFORMATION:**

SOURCES OF FUNDS:

Bond Proceeds	\$ 11,700,000	<u>57.56%</u>	Dev. Costs
Other Sources (list)		<u>0.00%</u>	
Equity Contribution	\$ 196,527	<u>0.97%</u>	Dev. Costs
Deferred Developer Fee	\$ 630,329	<u>3.10%</u>	Dev. Costs
CDBG Gap Funds	\$ 7,800,000	<u>38.37%</u>	Dev. Costs
TOTAL FUNDS	\$ 20,326,856		

LAND COSTS \$ 1,500,000 \$ 22.95 per sq. ft.

BUILDING ACQUISITION COSTS

(less Land costs) \$ - \$ - per D/U

CONSTRUCTION	\$ 6,810,561	\$ 130,972 per D/U
(or Rehabilitation Costs)		

PROFESSIONAL FEES:

	<u>Amount</u>	<u>% of Total Funds</u>
Architectural	\$ 288,000	<u>1.42%</u>
Engineering	\$ 17,500	<u>0.09%</u>
Legal:		<u>0.00%</u>
Counsel to Issuer	\$ -	<u>0.00%</u>
Bond Counsel	\$ 52,425	<u>0.26%</u>
Special Tax Counsel	\$ -	<u>0.00%</u>
Other Legal	\$ -	<u>0.00%</u>
Borrower Counsel Fee	\$ 35,000	<u>0.17%</u>
Trustee Counsel Fee	\$ 7,500	<u>0.04%</u>
Freddie Counsel	\$ 40,000	<u>0.20%</u>
Lender Counsel	\$ 30,000	<u>0.15%</u>
Total Professional Fees	<u>\$ 470,425</u>	<u>2.31%</u>

UNDERWRITING:

Management Fee	\$ -
Sales Commission	\$ -
Underwriter's Counsel	\$ 30,000
Net to Underwriters	(inc below)
Expenses (list)	
<u>Origination fee construction</u>	\$ 1,170,000
<u>Origination fee perm loan</u>	\$ 24,000
<u>Application fee</u>	\$ 20,000
<u>Due Diligence</u>	\$ -
<u>Lender Inspection Fees</u>	\$ 20,000
Total Underwriting Fee:	<u>\$ 1,264,000</u>

COSTS OF ISUANCE

Printing	\$ 5,500
Publishing/Advertising/Recording	\$ -
Rating Expense	\$ -
Letter of Credit Fees & Other Credit Expenses	\$ 351,000
Consultants	\$ -
Insurance	\$ 175,000
Issuer's Financing Fees	\$ 16,750
Trustee Bank's initial fee & Exp.	\$ -
Other:	

Bond Commission Fees	\$	13,620		
Accountant Verification	\$	-		
Title/Survey Appraisal	\$	80,000		
Contingency	\$	50,000		
Total Costs of Issuance	\$	691,870	\$ 13,305	per D/U
Equity Redemption Amount	\$	9,590,000		
Amount of Mortgage Requested	\$	2,110,000	19.48%	of Total Costs

(11) **UNIT TYPES:**

<u>All (100%) Units</u>			<u>Low Income Units</u>		
<u>Unit Type</u>	<u>No.</u>	<u>Total Sq. Ft.</u>	<u>No. of Unit Types Set Aside for 50% or less Area Median Income</u>	<u>No. of Unit Types Set Aside for 60% or less Area Median Income</u>	<u>Total Sq. Ft.</u>
1 BR	<u>11</u>	<u>7425</u>	<u>11</u>	<u>7425</u>	<u>7425</u>
2 BR	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
3 BR	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>11</u>	<u>7,425</u>	<u>11</u>	<u> </u>	<u>7425</u>

Estimate Market Rents For
Non-Low Income Units: N/A

<u>Unit Type</u>	<u>Total Units</u>	<u>Total Monthly Rent Per Non-LIU</u>	<u>Total Annual Rent of Non-LIU's</u>
1 BR_Market	<u>10</u>	<u>800</u>	<u>96,000</u>
2 BR_80% AMGI	<u>16</u>	<u>916</u>	<u>175,872</u>
2 BR_Market	<u>15</u>	<u>964</u>	<u>173,520</u>
Other	<u> </u>	<u> </u>	<u> </u>
Total	<u>41</u>	<u>2,680</u>	<u>445,392</u>

(12) **CURRENT RENTAL COSTS AND RELOCATION PLAN:** N/A
(For Acquisition and/or Rehabilitation Projects Only)

<u>Unit Type</u>	<u>Monthly</u>	<u>Present Rent</u> <u>Annual</u>	<u>Sq. Ft./Month</u>
Eff.	_____	_____	_____
1 BR	_____	_____	_____
2 BR	_____	_____	_____
3 BR	_____	_____	_____
Other	_____	_____	_____
TOTAL	_____	_____	_____

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? _____

Is there a relocation plan? Yes _____ No _____

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

(13) **VACANCY RATE:** The present vacancy rate in the general market area is Less than
1 %.

(14) **AREA MEDIAN INCOME:** Median income in area according to HUD is 59,800.

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

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

☒ X 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. HS2-1993 "Rule Relative to State Bond Commission Multifamily Housing Applicants" 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.

The staff of the State Bond Commission shall use the following criteria when evaluating defined tenant benefit programs.

A. **Nonspecial Needs Multifamily Housing.**

A developer shall select at a minimum two of the seven options listed below for the set-aside units.

1. **Material Rent Differentials.**

In order to be deemed material, a rent differential must satisfy the federal tax credit guidelines which specify that rent for set-aside unit should not exceed 30 percent of the imputed income limit for the set-aside unit.

2. **Deposit Waivers and/or Application Fee Waivers.**

Deposit or application fee waivers may be applied to either an application fee, a security deposit, or both.

3. **Rent Cap.**

Rent caps may be applied which limit the dollar and/or percentage of increase in rent upon renewal of a lease. Such rent caps must be equal to or less than one-half the scheduled rent increase for such lease renewal.

4. Rent Deferral.
Rent deferral programs would apply to those tenants which become unemployed during the term of their lease. Rent deferral programs can reschedule rent payments at reduced amounts or have a 100 percent deferral either until six months after the resident is no longer receiving unemployment compensation. This program may be funded with a reserve set aside for this specific purpose and clearly delineated in the bond documents.
5. Educational Programs or Other Socialization Programs.
These programs may include literacy or tutorial programs, re-education assistance for the unemployed or other such assistance which would increase opportunities for the targeted income class.
6. Day-care Related Programs.
These programs may either be located on site or subsidized off site day care centers. Programs may include after school care and/or supervision for the children of working parents.
7. Other such benefit programs as may be proposed by the developer, such as:
 - a. tenant security programs;
 - b. energy conservation programs.

B. Special Needs Multifamily Housing.

The commission recognizes the development of special needs housing for the elderly, disabled, homeless, etc., is essential to the welfare of the citizens of the State. Therefore, the criteria for the defined tenant benefit program shall be based on the total package to be offered to the special needs group, including, but not limited to the following:

1. Meals Programs.
Depending upon the special needs group targeted, this benefit can include one or more meals provided in a central dining area or some other meal program included as part of the total benefit package.
2. Transportation Assistance.
3. On-site Health Services.
4. Housekeeping.
5. Social Activities.
6. Trained and Certified Staff.
7. Rent Differentials.

C. Multifamily Housing in Qualified Redevelopment Areas.

The commission recognizes the importance of encouraging the redevelopment and/or revitalization of urban and inner city areas. Therefore, additional consideration will be given to the following:

1. A Qualified Redevelopment Area.

A qualified redevelopment area shall be defined by the governing authority of the local jurisdiction and as approved by the State Bond Commission.

2. Project Plan.

The project plan must include whether it is new construction or a redevelopment of an existing property. The plan must also include a defined tenant benefit package if the project targets a special income class. If the project requires the relocation of current residents, the plan must show how the relocation will be addressed.

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.


PROJECT OWNER

By: Mark Lechner
Authorized Representative

Dated: 6/25/09

DECISION BRIEF:

The sale of \$18,000,000 in Multifamily Housing Revenue Bonds for Peltier Gardens Apartments (formerly Versailles Arms I & II Apartments) located in New Orleans, Orleans Parish, Louisiana

Issue

On May 13, 2009, the Louisiana Housing Finance Agency's Board of Commissioners approved a resolution authorizing the issuance of not exceeding Eighteen Million Dollars (\$18,000,000.00) of Multifamily Housing Revenue Bonds.

This resolution requests the Board's approval in considering the proposal of Morgan Keegan & Company, Inc., as purchaser (the "Purchaser") and taking action with respect to the parameter sale of not exceeding Eighteen Million Dollars (\$18,000,000.00) of the Bonds pursuant thereto.

Peltier Gardens, LLC is requesting the Louisiana Housing Finance Agency (the "LHFA") to issue Multifamily Housing Revenue Bonds in an amount not to exceed eighteen million dollars (\$18,000,000) for the rehabilitation of a four hundred (400) unit multi-family residential facility located at 14639 Saigon Drive in New Orleans, Orleans Parish, Louisiana. 100% of the units are Section 8 subsidized and will serve households whose incomes are 50% or less than the area median income.

The property was severely damaged by Hurricanes Katrina & Rita and is currently 100% vacant. Approximately seven million five hundred thousand (\$7,500,000) of rehabilitation has been completed by the current ownership utilizing existing property insurance proceeds. All demolition has been completed; all roofs have been replaced with four (4) inch built-up roofs with additional insulation to increase R value; all two thousand six hundred (2,600) windows have been reframed to comply with current code and replaced with double insulated hurricane rated windows for energy efficiency; reframing in excess of ADA minimum requirements has been completed and all sewer lines have been filmed and all identified problem areas are currently being replaced.

In addition to the Bond Proceeds, other sources of funding to be utilized in the rehabilitation of this development will be twelve million nine hundred eighty-six thousand four

hundred fifty two dollars (\$12,986,452) from low income housing tax credits (the "LIHTC") equity; two million (\$2,000,000) from insurance proceeds; one million eight hundred sixty-six thousand four dollars (\$1,866,004) from deferred developer fee.

Peltier Gardens Apartments consists of fifty (50) buildings containing four hundred (400) units consisting of forty eight (48) one bedroom units, one hundred eighty (180) two-bedroom units, one hundred thirty-two (132) three-bedroom units, and forty (40) four-bedroom units.

The property will contract with the Department of Housing and Urban Development (the "HUD") authorized Neighborhood Networks Learning Center at no cost to the property and will be open to the surrounding neighborhood community. Programs and activities include such classes as GED, adult literacy, home ownership training, computer education and training and energy conservation.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- Will enhance the housing stock for the citizens of Louisiana.

Cons: None

Recommendation:

Staff recommends approval of this request to issue Multifamily Revenue 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 Eighteen Million Dollars (\$18,000,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Peltier Gardens 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 May 13, 2009, adopted a resolution approving and authorizing the issuance of not exceeding Eighteen Million Dollars (\$18,000,000) of Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Peltier Gardens 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 Revenue Bonds (Peltier Gardens Apartments Project) Series 2009" in the aggregate principal amount of not exceeding \$18,000,000 (the "Bonds"); and

WHEREAS, as set forth in said resolution, the Notice of Sale was published on [June 30], 2009 in "The Advocate" and on [June 30], 2009, in "The Daily Journal of Commerce" for an amount not to exceed \$18,000,000; and

WHEREAS, in accordance with the aforesaid resolution adopted by the Agency on May 13, 2009, the sale of the Bonds was scheduled for July 8, 2009; and

WHEREAS, the Agency did meet on July 8, 2009, 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 Eighteen Million Dollars (\$18,000,000) 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 Revenue Bonds (Peltier Gardens Apartments Project) Series 2009" in the aggregate principal amount of not exceeding \$18,000,000, 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 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 affect 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 8th day of July, 2009.

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 8, 2009, entitled: "A resolution accepting the proposal of Morgan Keegan & Company, Inc. for the purchase of not exceeding Eighteen Million Dollars (\$18,000,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Peltier Gardens 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 8th day of July, 2009.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY
MULTI-FAMILY PROJECT SUMMARY

Date: April 23, 2009

- (1) **PROJECT NAME:** Peltier Gardens Apartments
- (2) **AMOUNT OF BOND
ISSUE REQUESTED
(NOT TO EXCEED):** \$ \$18,000,000
- (3) **PROJECT DESCRIPTION:**
- 1) Number of Units 400
 - 2) Total Land Area 21.02 Acres/915,631 Sq. Ft.
 - 3) Density: 19 # of Units per Acre
Low Rise X High Rise _____
 - 4) New Construction: _____
Rehabilitation: X
 - 5) Land Control: Current Legal Owner of Land:
Contract to Acquire Land by 9/30/09
(date)
or
Option to Acquire Land by _____
(date)
 - 6) Number of Parking Spaces Per Unit 1.5
 - 7) Census tract where Project located 17.42
 - 8) State Representative District 103
Name of Representative Reed S. Henderson
 - 9) State Senatorial District 2
Name of Senator Ann Duplessis
- (4) **LOCATION:** 14639 Saigon
(STREET ADDRESS OR New Orleans, Louisiana 70129
LEGAL DESCRIPTION OF Legal Description Attached
LAND AND PARISH): _____
- (5) **CONTACT PERSON** A. K. Gordon, III
FOR PROJECT: _____
Phone: 504 460 9109
- (6) **DEVELOPMENT TEAM:**
- Developer: Peltier Crown Development, LLC
Contact: A. K. Gordon, III
Phone: 504 460 9109
- Architect: C. Spencer Smith AIA, LLC
Contact: C. Dodie Smith, AIA
Phone: 504 566 0585

#(3) 5) Current Legal Owner of Land

**Versailles Arms Apartments, a Louisiana Partnership in Commendam
Oliver J. Meyer, a Louisiana Partnership in Commendam**

#4. LEGAL DESCRIPTION

LEGAL DESCRIPTION OF PROPERTY (PHASE I)

ONE CERTAIN PORTION OF GROUND, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the Third District of the City of New Orleans, Parish of Orleans, State of Louisiana in that part thereof known as Area IV (East), which said portion is more fully designated on Plan of Universal Engineers, Inc., Civil Engineers, dated November 3, 1970, as Parcel 7-F, described as follows, to wit:

PARCEL 7-F, AREA IV EAST, NEW ORLEANS EAST, THIRD DISTRICT commences at the Southeast corner of the Dwyer Boulevard, Alcee Fortier Boulevard intersection Proceed thence N. 70 degrees 06' 51" E. along the Southern right of way line of Dwyer Boulevard, a distance of 680' to the point of beginning. Thence S. 19 degrees 53' 90" E., a distance of 110' to a point. Thence S. 70 degrees 06' 51" W., a distance of 305' to a point. Thence S. 19 degrees 53' 09" E., a distance of 110' to a point. Thence S. 25 degrees 35' 47" E., a distance of 50.25' to a point. Thence S. 19 degrees 53' 09" E., a distance of 470' to a point. Thence S. 32 degrees 57' 36" E., a distance of 160.67' to a point. Thence S. 88 degrees 09' 58" E., a distance of 52.43' to a point. Thence S. 51 degrees 04' 05" E., a distance of 166.37' to a point. Thence N. 19 degrees 20' 57" E., a distance of 248.37' to a point. Thence N. 52 degrees 54' 21" E., a distance of 232.11' to a point. Thence N. 19 degrees 53' 09" W., a distance of 687.29' to a point. Thence S. 70 degrees 06' 51" W., a distance of 46' to a point. Thence N. 19 degrees 53' 90" W., a distance of 110' to a point on the Southern right of way line of Dwyer Boulevard. Thence S. 70 degrees 06' 51" W., a distance of 204' to the point of beginning.

The hereinabove described property is a portion of PARCEL 7-D AREA IV EAST, Third District of New Orleans as shown on the plan thereof by Universal Engineers, Inc. dated March 4, 1968, a copy of which is attached to an act before Jack W. Thomson, Notary Public, dated November 21, 1968.

LEGAL DESCRIPTION OF PROPERTY (PHASE II)

ONE CERTAIN PORTION OF GROUND, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the THIRD DISTRICT of the City of New Orleans, Parish of Orleans, State of Louisiana in that part thereof known as AREA IV EAST, NEW ORLEANS EAST, and according to a survey by Universal Engineers, Inc., Consulting Engineers, dated June 8, 1972, said portion of ground is designated as PARCEL 7-H and is more particularly described as follows:

Commencing at the intersection of the eastern line of Alcee Fortier Boulevard and the southern line of Dwyer Boulevard, thence North 70 degrees, 6 minutes, 51 seconds East a distance of 1184 feet to the point of beginning; thence turn right and run South 19 degrees, 53 minutes, 09 seconds East a distance of 110 feet to a point; thence turn right and run South 70 degrees, 6 minutes, 51 seconds West a distance of 254 feet to a point; thence turn left and run South 19 degrees, 53 minutes, 9 seconds East a distance of 687.29 feet to a point in the southerly line of 45 foot Sewerage and Water Board and New Orleans Public Service Servitude; thence turn left and run North 52 degrees, 54 minutes, 21 seconds East a distance of 29.32 feet to a point; thence turn right and run North 77 degrees, 29 minutes, 10 seconds East a distance of 467.74 feet to a point; thence turn left and run North 62 degrees, 32 minutes, 49 seconds East a distance of 183.72 feet to a point; thence turn left and run North 19 degrees, 53 minutes, 9 seconds West a distance of 441.50 feet to a point of curvature; thence along a curve to the right in a northerly direction having radius of 100 feet, a distance of 47.73 feet to a point of tangency; thence continue in a northerly direction North 7 degrees, 27 minutes, 41 seconds East, a distance of 60.02 feet to a point; thence turn left and run North 82 degrees, 32 minutes, 19 seconds West a distance of 90 feet to a point of curvature; thence in a westerly direction along a curve to the left with a radius of 200 feet a distance of 95.46 feet to a point; thence continue in a westerly direction South 70 degrees, 6 minutes, 51 seconds West a distance of 137.27 feet to a point; thence turn right and run North 19 degrees, 53 minutes, 9 seconds West, a distance of 110 feet to a point; thence turn left and run South 70 degrees, 6 minutes, 51 seconds West a distance of 60 feet to a point; thence turn right and run North 34 degrees, 58 minutes, 33 seconds West a distance of 113.93 feet to a point in the southerly line of Dwyer Boulevard; thence turn left and run South 70 degrees, 6 minutes, 51 seconds West a distance of 60 feet to the point of beginning, containing approximately 10.53 acres.

Said parcel 7-H consists of all of Lot 20 of Square 86 of Versailles Gardens Subdivision No. 1 and a portion of Parcel 7-C, all as more fully shown on a plan of resubdivision by Walter S. Stone, Registered Surveyor, dated March 4, 1968, approved by the City Planning Commission on May 23, 1968, which plan is registered in COB 687, FOLIO 183 of the Conveyance Records of Orleans Parish, Louisiana.

General Contractor: Citadel Builders, LLC
Contact: Thomas J. Boudreaux
Phone: 504 888 9433

Attorney: Elkins PLC
Contact: Pamela W. Hammond
Phone: 504 529 3600

Lending Institution
to Originate Mortgage
Loan (if known): Dougherty Mortgage, LLC
Contact: Kevin Gould
Phone: 972 473 3760

Provider of Credit
Enhancement on Mortgage
Loan (if known): U.S. Dept. of HUD (221 (d) (4))
Contact: Ronald R. Cooper
Phone: 504 589 4292

Investment Banker for
Bonds Publicly Offered
(if known): Morgan-Keegan & Co., Inc.
Contact: Steven Hattier
Phone: 504 527 0229

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

(7) **ZONING:** RM-4 (Multifamily residential district.)

(8) **UTILITIES:** All public utilities are currently available to the site. (Water, sewer, gas, electricity.)

(9) **FAIR MARKET VALUE** \$5,000,000 "as is" 10/16/07. \$13,375,000 "as completed
OF PROJECT PROPERTY: & stabilized".
Specify date of most recent appraisal: October 16, 2007.

(10) **FINANCIAL INFORMATION:** Amount

SOURCES OF FUNDS:

Bond Proceeds	<u>\$18,000,000</u>	<u>51.65</u> % Dev. Cost
Other Sources (list)		
<u>LIHTC Equity Contribution</u>	<u>\$12,986,452</u>	<u>37.26</u> % Dev. Cost
<u>Deferred Developer Fee</u>	<u>\$ 1,866,004</u>	<u>5.35</u> % Dev. Cost
<u>Insurance Proceeds</u>	<u>\$ 2,000,000</u>	<u>5.74</u> % Dev. Cost

TOTAL FUNDS \$34,852,456

LAND COSTS \$ 200,000 \$0.2184 per sq. ft.

BUILDING ACQUISITION COSTS

(less Land costs)

\$ 6,200,000\$15,500 per D/U**CONSTRUCTION**

(or Rehabilitation Costs)

\$19,737,217\$49,343.04 per D/U**PROFESSIONAL FEES:**

	<u>Amount</u>	<u>% of Total Funds</u>
Architectural	\$ <u>400,000</u>	<u>1.15%</u>
Engineering	\$ _____	<u> </u> %
Legal:		
Counsel to Issuer	\$ _____	<u> </u> %
Bond Counsel	\$ <u>60,000</u>	<u>0.17%</u>
Special Tax Counsel		
(specify firm name)	\$ _____	<u> </u> %
Other Legal (specify		
firm & purpose)		
Trustee Counsel	\$ <u>4,000</u>	
_____	\$ _____	
_____	\$ _____	
_____	\$ _____	
_____	\$ _____	<u> </u> %
_____	\$ _____	<u> </u> %
Total Professional		
Fees	\$ <u>464,000</u>	<u>1.33%</u>

UNDERWRITING:

Management Fee	\$ <u>45,000</u>
Sales Commission	\$ <u>117,000</u>
Underwriter's Counsel	\$ <u>30,000</u>
Net to Underwriters	\$ _____
Expenses (list)	

_____	\$ <u>18,000</u>
Total Underwriting	
Fee:	\$ <u>211,000</u>

COSTS OF ISSUANCE:

Printing	\$ _____
Publishing/Advertising/	
Recording	\$ _____
Rating Expense	\$ <u>17,500</u>

Letter of Credit Fees and other credit expenses	\$ _____	
Consultants	\$ _____	
Insurance	\$ _____	
Issuer's Financing Fees	\$ <u>1,800</u>	
Trustee Bank's initial fee and expenses	\$ <u>4,000</u>	
Other:		
Bond Commission Fees	\$ <u>20,550</u>	
Accountant Verification	\$ _____	
 Total Costs of Insurance	\$ <u>43,850</u>	\$ <u>109.63</u> per D/U
 Amount of Mortgage Requested \$ <u>18,000,000</u>		% <u>51.65</u> of Total Costs

(11) **UNIT TYPES:**

<u>All (100%) Units</u>			<u>Low Income Units</u>		
<u>Unit Type</u>	<u>No.</u>	<u>Total Sq. Ft.</u>	<u>No. of Unit Types Set Aside for 50% or less Area Median Income</u>	<u>Total Sq. Ft.</u>	<u>No. of Unit Types Set Aside for 60% or less Area Median Income</u>
<u>Eff.</u>					
1 BR	<u>48</u>	<u>25,392</u>	<u>48</u>	<u>25,392</u>	<u>25,392</u>
2 BR	<u>180</u>	<u>133,144</u>	<u>180</u>	<u>133,144</u>	<u>133,144</u>
3 BR	<u>132</u>	<u>127,136</u>	<u>132</u>	<u>127,136</u>	<u>127,136</u>
4 BR	<u>40</u>	<u>41,600</u>	<u>40</u>	<u>41,600</u>	<u>41,600</u>
Total	<u>400</u>	<u>327,272</u>	<u>400</u>	<u>327,272</u>	<u>327,272</u>

Estimate Market Rents For Non-Low Income Units:

<u>Unit Type</u>	<u>Total Units</u>	<u>Total Monthly Rent Per Non-LIU</u>	<u>Total Annual Rent of Non-LIU's</u>
<u>Eff.</u>			
1 BR			
2 BR			
3 BR			
Other			
Total			

(12) **CURRENT RENTAL COSTS AND RELOCATION PLAN:**
(For Acquisition and/or Rehabilitation Projects Only)

<u>Unit Type</u>	<u>Monthly</u>	<u>Present Rent</u> <u>Annual</u>	<u>Sq. Ft./Month</u>
Eff.			
1 BR	<u>24,192</u>	<u>290,304</u>	<u>.9527</u>
2 BR	<u>114,472</u>	<u>1,373,664</u>	<u>.8597</u>
3 BR	<u>112,860</u>	<u>1,354,320</u>	<u>.8876</u>
4 BR	<u>37,520</u>	<u>450,240</u>	<u>.9019</u>
TOTAL	<u>289,044</u>	<u>3,468,528</u>	<u>.8831</u>

Have interior and exterior photographs of Project been attached?

Yes X No _____

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

Yes _____ No X

If yes, approximately how many? _____

Is there a relocation plan? Yes X No _____

Please briefly describe relocation plan (Submit detailed relocation plan when completed)
In addition to any funding available from any government agencies at the time of each resident
relocation, \$250,000 has been included in our budget for assisting previous residents in the return
to their pre Katrina homes.

(13) **VACANCY RATE:** The present vacancy rate in the general market area is 77.8 %.

(14) **AREA MEDIAN INCOME:** Median income in area according to HUD is \$59,800 .

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

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

X 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 X No _____

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

State Bond Commission Rule No. HS2-1993 "Rule Relative to State Bond Commission Multifamily Housing Applicants" 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.

The staff of the State Bond Commission shall use the following criteria when evaluating defined tenant benefit programs.

A. **Nonspecial Needs Multifamily Housing.**

A developer shall select at a minimum two of the seven options listed below for the set-aside units.

1. **Material Rent Differentials.**

In order to be deemed material, a rent differential must satisfy the federal tax credit guidelines which specify that rent for set-aside unit should not exceed 30 percent of the imputed income limit for the set-aside unit.

2. **Deposit Waivers and/or Application Fee Waivers.**

Deposit or application fee waivers may be applied to either an application fee, a security deposit, or both.

3. **Rent Cap.**

Rent caps may be applied which limit the dollar and/or percentage of increase in rent upon renewal of a lease. Such rent caps must be equal to or less than one-half the scheduled rent increase for such lease renewal.

4. Rent Deferral.
Rent deferral programs would apply to those tenants which become unemployed during the term of their lease. Rent deferral programs can reschedule rent payments at reduced amounts or have a 100 percent deferral either until six months after the resident is no longer receiving unemployment compensation. This program may be funded with a reserve set aside for this specific purpose and clearly delineated in the bond documents.
5. Educational Programs or Other Socialization Programs.
These programs may include literacy or tutorial programs, re-education assistance for the unemployed or other such assistance which would increase opportunities for the targeted income class.
6. Day-care Related Programs.
These programs may either be located on site or subsidized off site day care centers. Programs may include after school care and/or supervision for the children of working parents.
7. Other such benefit programs as may be proposed by the developer, such as:
 - a. tenant security programs;
 - b. energy conservation programs.

B. Special Needs Multifamily Housing.

The commission recognizes the development of special needs housing for the elderly, disabled, homeless, etc., is essential to the welfare of the citizens of the State. Therefore, the criteria for the defined tenant benefit program shall be based on the total package to be offered to the special needs group, including, but not limited to the following:

1. Meals Programs.
Depending upon the special needs group targeted, this benefit can include one or more meals provided in a central dining area or some other meal program included as part of the total benefit package.
2. Transportation Assistance.
3. On-site Health Services.
4. Housekeeping.
5. Social Activities.
6. Trained and Certified Staff.
7. Rent Differentials.

C. Multifamily Housing in Qualified Redevelopment Areas.

The commission recognizes the importance of encouraging the redevelopment and/or revitalization of urban and inner city areas. Therefore, additional consideration will be given to the following:

1. A Qualified Redevelopment Area.

A qualified redevelopment area shall be defined by the governing authority of the local jurisdiction and as approved by the State Bond Commission.

2. Project Plan.

The project plan must include whether it is new construction or a redevelopment of an existing property. The plan must also include a defined tenant benefit package if the project targets a special income class. If the project requires the relocation of current residents, the plan must show how the relocation will be addressed.

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.

Exhibit I

PROJECT PLAN AND TENANT BENEFIT PROGRAM

**Versailles Arms Apartments I and II
14639 Saigon
New Orleans, Louisiana 70129**

Narrative Description

Versailles Arms Apartments I and II in conjunction with Peltier Gardens L.L.C., the proposed purchaser, is renovating the 400 units of multifamily affordable housing in Eastern New Orleans. The property was severely damaged by Hurricanes Katrina and Rita and is currently 100% vacant.

The property was originally an FHA insured, HUD 236 apartment community with 100% Section 8 subsidy. The Peltier Gardens LLC's financing plan is to refinance the property under a 221 (d) (4) FHA insured mortgage and utilize private activity bonds, 4% Low Income Housing Tax Credits, Decoupling of the HUD mortgages, retainage of the HUD Interest Rate Reduction Payments (IRP) and Katrina property insurance proceeds for a total sources of funds of approximately \$36,000,000 redevelopment of the property.

Approximately \$7,500,000 of rehabilitation of the property has been completed by current ownership utilizing existing property insurance proceeds. All demolition has been completed. All roofs have been replaced with four inch built-up roof with additional insulation to increase R value. All mansard roofs/siding and flashing have been replaced. All 2,600 windows have been reframed to comply with current code and Life Safety ingress and egress guidelines and are to be replaced with double insulated hurricane rated windows for energy efficiency. Reframing in excess of ADA minimum requirements has been completed. Replacement of all deteriorated interior and exterior wood has been completed. All sewer lines have been filmed and all identified problem areas are currently being replaced. All of the work is under the supervision and review of C. Spencer Smith, AIA, LLC. We are enclosing pictures representative of the completed work for your review.

All units at the property will serve households at or below 50% of the area median income as defined by HUD. All residents will pay no more than 30% of their imputed income as adjusted from time to time by HUD. Preference will be given to fisherman and farmers.

Residents will not be required to pay an application fee.

Rent deferral programs will be offered to any resident who may become unemployed during the term of their lease in accordance with HUD's occupancy and income guidelines.

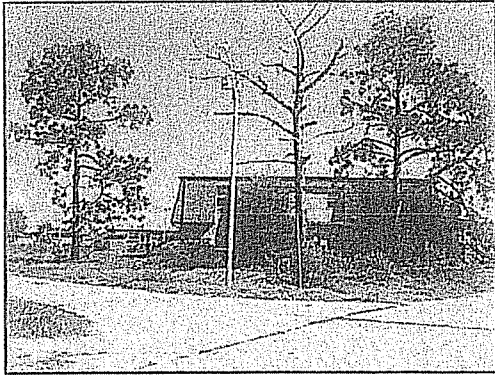
The property will contract with a HUD authorized Neighborhood Networks Learning Center at no cost to the property. The Center will be open to the surrounding neighborhood community. Programs and activities sponsored by the Center include such classes as GED, adult literacy, home ownership training, computer education and training and energy conservation programs to educate the residents on energy conservation. Each unit will be rebuilt to be energy efficient, total electric and have all Energy Star rated central air conditioning and heat, refrigerator, stove, dishwasher, double insulated hurricane rated windows, mini blinds and carpet.

The property lies in a qualified redevelopment area as defined by the City of New Orleans. (See enclosed Letter of Consistency from the City Planning Commission of the City of New Orleans.)

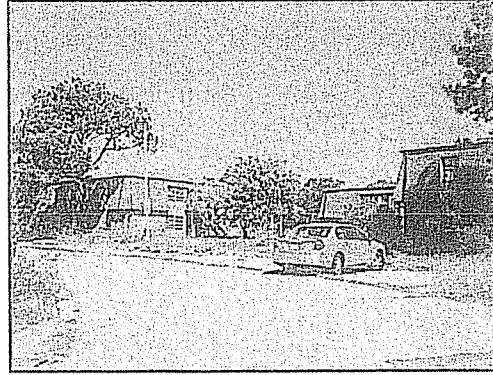
Since Hurricanes Katrina and Rita, all municipal services are back in operation. The site is well located for ease of travel to employment centers. Many services are available within five miles and most are available within two miles of the site. Medical services and schools are within one mile. Public transportation is within walking distance.

Current property management has maintained communication with the displaced residents scattered throughout the United States. 90% of the former residents wish to return to their New Orleans homes at Peltier Gardens Apartments upon completion of renovations. Of that 90%, ownership expects a minimum of 40% to return. Peltier Gardens, LLC has allocated \$250,000 to supplement as necessary any available government, private or public relocation assistance in the return of pre Katrina residents to the redeveloped property.

Subject Photographs



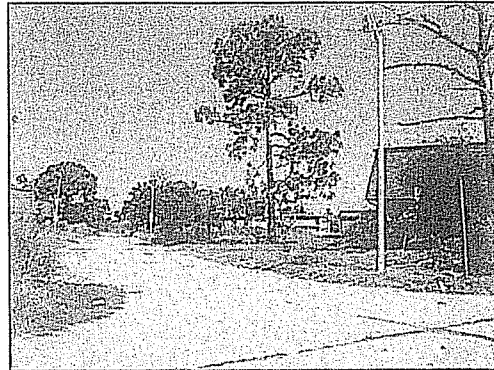
Exterior View of Subject



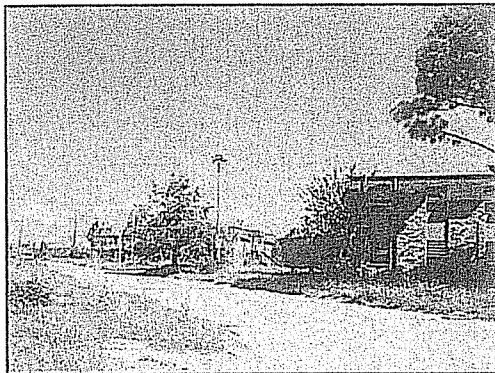
Exterior View of Subject



Exterior View of Subject



View of Roads Throughout Subject



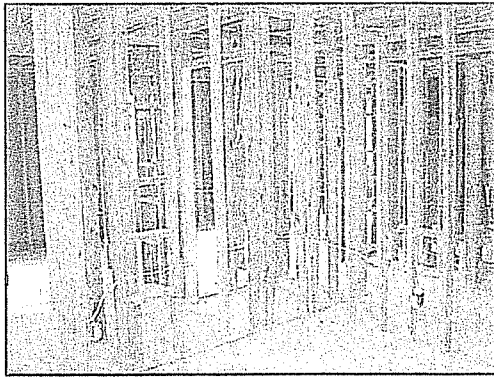
View of Roads Throughout Subject



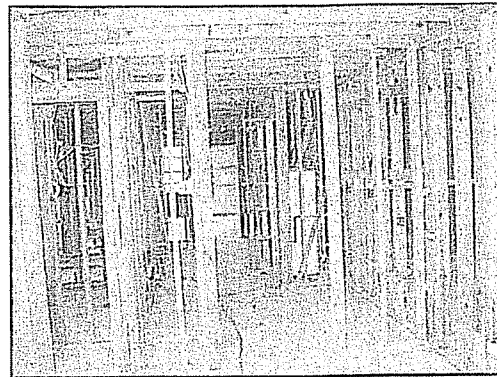
View of Roads Throughout Subject

Cook, Moore & Associates

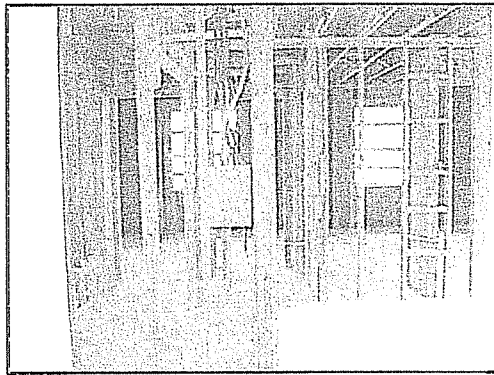
Subject Photographs



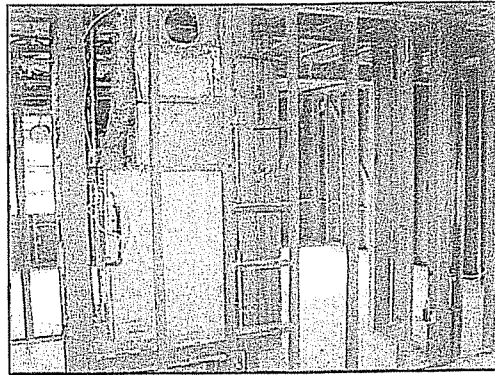
Interior View of Subject Buildings



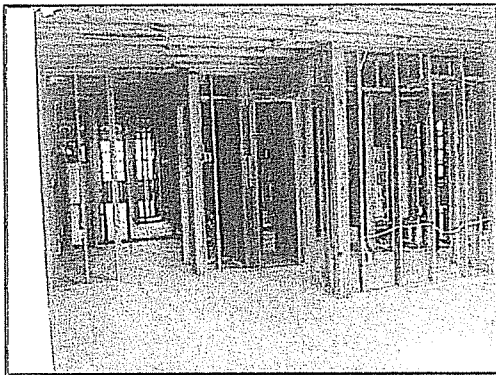
Interior View of Subject Buildings



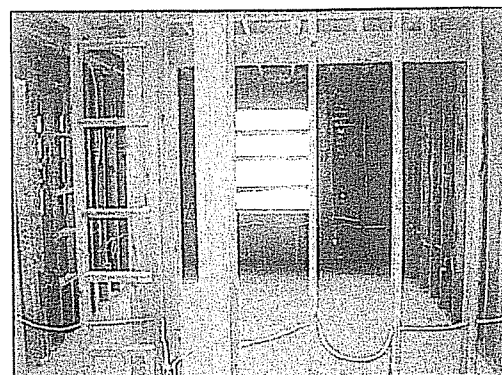
Interior View of Subject Buildings



Interior View of Subject Buildings

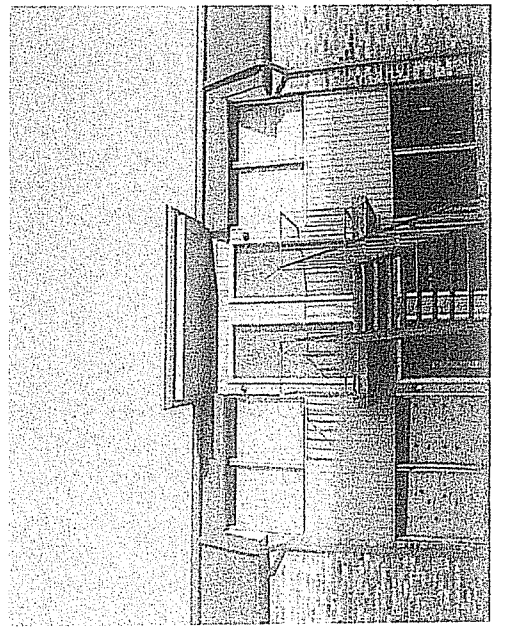
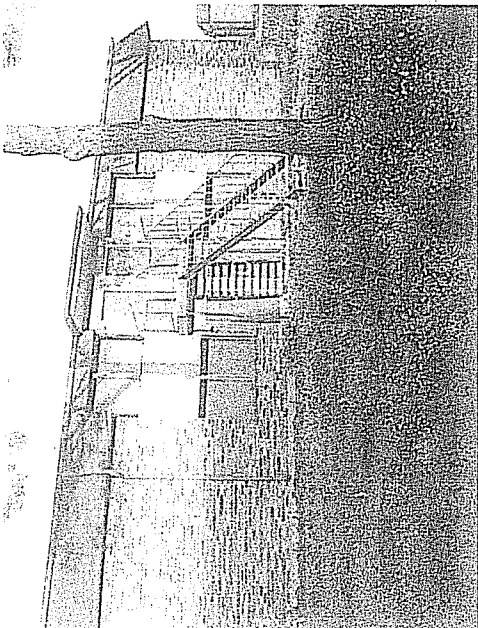
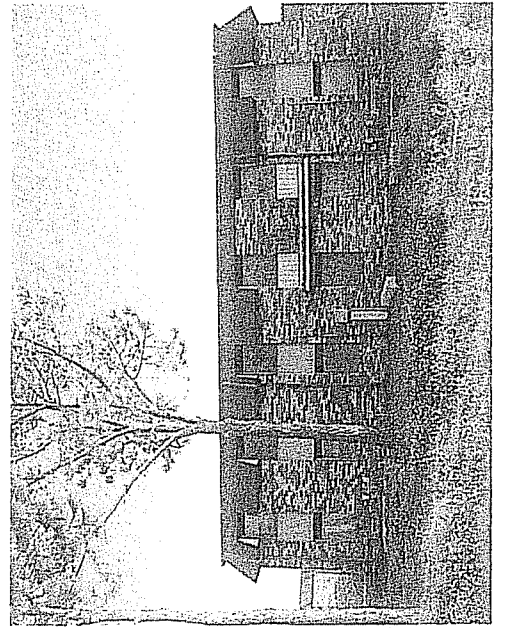
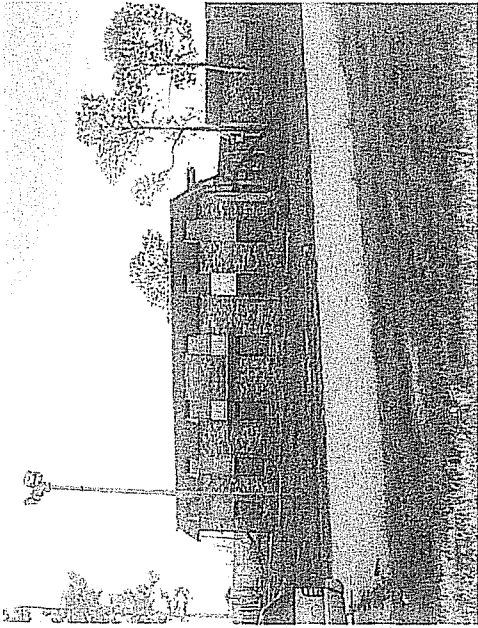


Interior View of Subject Buildings



Interior View of Subject Buildings

Cook, Moore & Associates





OFFICE OF MULTIFAMILY HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

New Orleans Field Office
Hale Boggs Federal Building
500 Poydras Street, 9th Floor
New Orleans, LA 70130-3099

October 18, 2006

Mr. Milton Bailey
Louisiana Housing Finance Agency
2415 Quail Drive
Baton Rouge, LA 70808

Subject: Priority HUD Rehabilitation Project
Low Income Housing Tax Credits
Peltier Gardens LLC
Versailles Arms Apartments
14639 Saigon Dr.
New Orleans, LA 70129
FHA Project No. 064-44032, 064-44115

Dear Mr. Bailey:

Peltier Gardens LLC is submitting an application for Low Income Housing Tax Credits (LIHTC) for the former Versailles Arms Apartments I and II, each a 200 unit HUD insured 100% Section 8 subsidized family project.

This project constitutes a Priority HUD Rehabilitation Project.

Prior to the storm this property was well maintained physically and financially, and offered a variety of services to the surrounding community. The assistance of LIHTC would aid units coming back into commerce, address the state's acute housing need, and allow residents to return home.

Should you have any questions, I may be reached at (504) 589-7236 extension 1106.

Sincerely,

Ann C. Kizzier
Director
Louisiana Multifamily Program Center

CITY PLANNING COMMISSION
CITY OF NEW ORLEANS

C. RAY NAGIN
MAYOR

October 18, 2006

YOLANDA W. RODRIGUEZ
EXECUTIVE DIRECTOR

A. K. Gordon, III
Crown Properties, Inc
2350 Beck Street
New Orleans, LA 70131

RE: LHFA - Letter of Consistency
Project Name: Peltier Garden Apartments (former Versailles Arms Apartments)
14 639 Saigon Street, New Orleans, LA

Dear Mr. Gordon:

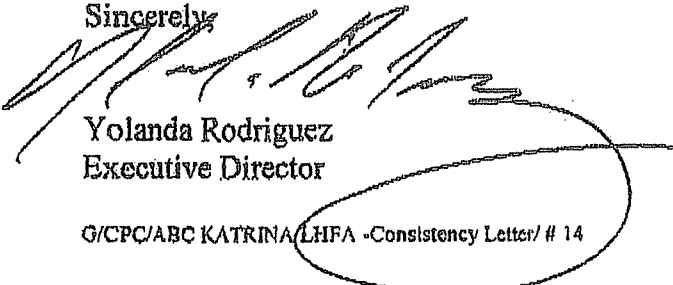
The City Planning Commission has received your project proposal for the above referenced project. Based on the information contained in the submitted package the City Planning Commission finds that the proposal is consistent with the goals and recommendations of the New Century New Orleans (NCNO) Master Plan as it will rehabilitate a flood damaged apartment complex into a new multifamily development. The NCNO Master Plan has been developed through an extensive planning process involving all segments of the community including residents, neighborhood groups, nonprofits, business groups, governmental agencies and public officials.

As the City undergoes the final stage of its recovery planning process, the applicant shall contact the appropriate Planning District team of the Unified New Orleans Plan and present their project for consideration. The list of Planning District contacts is attached.

In addition to City Planning review, approval letters should be obtained from the Department of Safety and Permits to demonstrate zoning compliance. For properties located within the Vieux Carré or within the local historic districts, please consult with the appropriate agency for their requirements.

This statement of consistency relates solely to the conceptual plans and in no way exempts the project from compliance with all relevant City codes and ordinances, nor does it constitute approval of the final development plans. If you have any further questions, please feel free to call (504) 658-7000.

Sincerely,



Yolanda Rodriguez
Executive Director

G/CPC/ABC KATRINA/LHFA -Consistency Letter/ # 14

1300 PERDIDO STREET | SUITE 9W03 | NEW ORLEANS, LOUISIANA | 70112
PHONE 504.658.7000 | FAX 504.658.7032



PELTIER GARDENS APARTMENTS
(FORMERLY VERSAILLES ARMS I & II)
SAIGON DRIVE
NEW ORLEANS, LOUISIANA

POST REHABILITATION INCOME AND EXPENSE OPERATING BUDGET
100% Section 8 Project Based Contract, Bonds: 6.5% Int., 40 Years, 4% Credits
DECOUPLING RENTS

April 15, 2009

INCOME	MONTHLY	ANNUALLY
Scheduled Rent	\$ 289,044.00	\$ 3,468,528.00
Less Vacancies & Nonrentables (5%)	\$ 14,452.20	\$ 173,426.40
Net Rent-Apartments	\$ 274,591.80	\$ 3,295,101.60
Other Income		
Late Charges	\$ 1,000.00	\$ 12,000.00
NSF Charges	\$ 200.00	\$ 2,400.00
Application Fees	\$ -	\$ -
Laundry Income	\$ 2,600.00	\$ 31,200.00
Security Deposit Forfeits	\$ 1,000.00	\$ 12,000.00
Transfer Fees	\$ -	\$ -
Income From Investments	\$ -	\$ -
Miscellaneous (Resident Repairs, keys charge, etc.	\$ 100.00	\$ 1,200.00
Neighborhood Network	\$ -	\$ -
Total Other Income	\$ 4,900.00	\$ 58,800.00
IRP Income (6 Years)	\$ 19,605.45	\$ 235,265.40
Total Income	\$ 299,097.25	\$ 3,589,167.00
EXPENSES		
Taxes	\$ 14,076.40	\$ 168,916.80
Insurance	\$ 36,382.68	\$ 436,592.16
Payroll	\$ 27,176.00	\$ 326,112.00
Management Fee	\$ 14,600.00	\$ 175,200.00
Administrative	\$ 12,166.21	\$ 145,994.52
Repairs and Maintenance	\$ 16,441.67	\$ 197,300.04
Sewerage and Water	\$ 17,340.00	\$ 208,080.00
Utilities	\$ 8,500.00	\$ 102,000.00
Replacement Reserve	\$ 10,000.00	\$ 120,000.00
Neighborhood Network Learning Center	\$ -	\$ -
Total Expenses	\$ 156,682.96	\$ 1,880,195.52
Average Expense Per Unit	\$ 391.71	\$ 4,700.49
NET INCOME (LOSS) (Before Debt Service)	\$ 142,414.29	\$ 1,708,971.48
Mortgage Payment & MIP Insurance		
Mortgage Payment (\$16,500,000, 6.5%, 40 Yr)	\$ 96,600.00	\$ 1,159,200.00
IRP/Mortgage Payment (\$1,200,000, 6 Years)	\$ 19,605.45	\$ 235,265.40
FHA/MIP Insurance (Estimated) (.0055)	\$ 7,562.50	\$ 90,750.00
Total Mortgage & FHA/MIP Insurance	\$ 123,767.95	\$ 1,485,215.40
Cash Flow	\$ 18,646.34	\$ 223,756.08

DSCR

1.15

PELTIER GARDENS APARTMENTS
 SAIGON DRIVE
 NEW ORLEANS, LOUISIANA
 04/15/09

POST REHABILITATION PRO FORMA - YEARS ONE THROUGH EIGHT

	% ANNUAL ADJUSTMENT	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
INCOME									
Scheduled Rent	2.5%	\$3,468,528.00	\$3,555,241.20	\$3,644,122.23	\$3,735,225.29	\$3,828,605.92	\$3,924,321.07	\$4,022,429.09	\$4,122,989.82
Less Vacancies & Nonrentables (5%)	2.5%	\$173,426.40	\$177,762.06	\$182,206.11	\$186,761.26	\$191,430.30	\$196,216.05	\$201,121.45	\$206,149.49
Net Rent-Apartments	2.5%	\$3,295,101.60	\$3,377,479.14	\$3,461,916.12	\$3,548,464.02	\$3,637,175.62	\$3,728,105.01	\$3,821,307.64	\$3,916,840.33
Other Income	2.5%	\$58,800.00	\$60,270.00	\$61,776.75	\$63,321.17	\$64,904.20	\$66,526.80	\$68,189.97	\$69,894.72
IRP Income (6 Years)		\$235,265.40	\$235,265.40	\$235,265.40	\$235,265.40	\$235,265.40	\$235,265.40	\$235,265.40	\$235,265.40
Total Income	2.5%	\$3,589,167.00	\$3,673,014.54	\$3,756,958.27	\$3,841,050.59	\$3,927,345.22	\$4,029,897.22	\$4,138,997.51	\$4,248,935.05
EXPENSES									
axes	2.5%	\$168,916.80	\$173,139.72	\$177,468.21	\$181,904.92	\$186,452.54	\$191,113.85	\$195,891.70	\$200,788.99
insurance	2.5%	\$435,592.16	\$447,506.96	\$458,694.64	\$470,162.00	\$481,916.05	\$493,963.96	\$506,313.05	\$518,970.88
payroll	2.5%	\$326,112.00	\$334,264.80	\$342,521.42	\$351,186.96	\$359,966.63	\$368,965.80	\$378,189.94	\$387,544.59
management Fee	2.5%	\$175,200.00	\$179,580.00	\$184,069.50	\$188,671.24	\$193,388.02	\$198,222.72	\$203,178.29	\$208,257.74
Administrative	2.5%	\$145,994.52	\$149,644.38	\$153,385.49	\$157,220.13	\$161,150.63	\$165,179.40	\$169,308.88	\$173,541.61
repairs and Maintenance	2.5%	\$197,300.04	\$202,232.54	\$207,286.35	\$212,470.56	\$217,782.33	\$223,226.89	\$228,807.56	\$234,527.75
sewerage and Water	2.5%	\$208,080.00	\$213,262.00	\$218,614.05	\$224,079.40	\$229,661.39	\$235,423.42	\$241,309.01	\$247,341.73
utilities	2.5%	\$102,000.00	\$104,550.00	\$107,163.75	\$109,842.84	\$112,588.91	\$115,403.64	\$118,288.73	\$121,245.95
replacement Reserve	2.5%	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00
eligibility Network Learning Center	2.5%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Expenses		\$1,980,185.52	\$1,924,200.41	\$1,999,305.42	\$2,015,538.05	\$2,062,926.50	\$2,111,499.67	\$2,161,287.16	\$2,212,319.34
average Expense Per Unit		\$4,700.49	\$4,810.50	\$4,923.26	\$5,038.85	\$5,157.32	\$5,278.75	\$5,403.22	\$5,530.80
NET INCOME (LOSS) (Before Debt Service)		\$1,708,971.48	\$1,748,814.13	\$1,789,652.85	\$1,831,512.54	\$1,874,418.71	\$1,918,397.55	\$1,728,210.45	\$1,774,415.71
Debt Service & IRP & MIP		\$1,485,215.40	\$1,485,215.40	\$1,485,215.40	\$1,485,215.40	\$1,485,215.40	\$1,485,215.40	\$1,111,975.20	\$1,111,975.20
Cash Flow		\$223,756.08	\$263,598.73	\$304,437.45	\$346,297.14	\$389,203.31	\$433,182.15	\$616,235.25	\$662,440.51
SC		1.15	1.18	1.20	1.23	1.26	1.29	1.55	1.60

PELTIER GARDENS APARTMENTS

SAIGON DRIVE
NEW ORLEANS, LOUISIANA
04/15/09

POST REHABILITATION PRO FORMA - YEARS NINE THROUGH FIFTEEN

	% ANNUAL ADJUSTMENT	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
INCOME									
Scheduled Rent	2.5%	\$4,226,064.57	\$4,331,716.18	\$4,440,009.08	\$4,551,009.31	\$4,664,784.54	\$4,781,404.16	\$4,900,939.26	\$5,023,462.74
Less Vacancies & Nonrentables (5%)	2.5%	\$211,303.23	\$216,585.81	\$222,000.45	\$227,550.47	\$233,239.23	\$239,070.21	\$245,046.96	\$251,173.14
Net Rent-Apartments	2.5%	\$4,014,761.34	\$4,115,130.37	\$4,218,008.63	\$4,323,458.85	\$4,431,545.32	\$4,542,333.95	\$4,655,892.30	\$4,772,289.61
Other Income	2.5%	\$71,642.09	\$73,433.14	\$75,268.97	\$77,150.70	\$79,079.46	\$81,056.45	\$83,082.86	\$85,159.93
GP Income (6 Years)		\$	\$	\$	\$	\$	\$	\$	\$
EXPENSES									
total Income	2.5%	\$4,086,403.43	\$4,188,563.51	\$4,293,277.60	\$4,400,609.54	\$4,510,624.78	\$4,623,390.40	\$4,738,975.16	\$4,857,449.54
axes	2.5%	\$205,808.72	\$210,953.94	\$216,227.78	\$221,633.48	\$227,174.32	\$232,853.67	\$238,675.02	\$244,641.89
insurance	2.5%	\$531,945.15	\$545,243.78	\$558,874.88	\$572,846.75	\$587,167.92	\$601,847.11	\$616,893.29	\$632,315.62
payroll	2.5%	\$397,335.81	\$407,269.20	\$417,450.93	\$427,887.20	\$438,584.38	\$449,548.99	\$460,787.72	\$472,307.41
management Fee	2.5%	\$213,464.19	\$218,800.79	\$224,270.81	\$229,877.58	\$235,624.52	\$241,515.14	\$247,553.01	\$253,741.84
administrative	2.5%	\$177,880.15	\$182,327.15	\$186,885.33	\$191,557.46	\$196,346.40	\$201,255.06	\$206,286.43	\$211,443.60
repairs and Maintenance	2.5%	\$240,390.94	\$246,400.71	\$252,560.73	\$258,874.75	\$265,346.62	\$271,980.28	\$278,779.79	\$285,749.29
sewerage and Water	2.5%	\$253,525.27	\$259,863.41	\$266,359.99	\$273,018.99	\$279,844.47	\$286,840.58	\$294,011.59	\$301,361.88
utilities	2.5%	\$124,277.10	\$127,384.02	\$130,568.62	\$133,832.84	\$137,178.66	\$140,608.13	\$144,123.33	\$147,726.41
equipment Reserve	2.5%	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00
neighborhood Network Learning Center	2.5%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EXPENSES									
average Expense Per Unit		\$2,264,627.32	\$2,318,243.00	\$2,373,199.08	\$2,429,529.06	\$2,487,267.28	\$2,546,448.97	\$2,607,110.19	\$2,669,287.94
ET INCOME (LOSS) (Before Debt Service)		\$1,821,776.11	\$1,870,320.51	\$1,920,078.52	\$1,971,080.48	\$2,023,357.50	\$2,076,941.43	\$2,131,864.97	\$2,188,161.59
ebt Service & MIP		1,111,975.20	1,111,975.20	1,111,975.20	1,111,975.20	1,111,975.20	1,111,975.20	1,111,975.20	1,111,975.20
cash Flow		\$709,800.91	\$758,345.31	\$808,103.32	\$859,105.28	\$911,382.30	\$964,966.23	\$1,019,889.77	\$1,076,186.39
SC		1.64	1.68	1.73	1.77	1.82	1.87	1.92	1.97

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

Peltier Gardens, LLC
PROJECT OWNER

By: 
Authorized Representative

Dated: April 23, 2009

DECISION BRIEF:

Allocation of \$218,966 in 4% Low Income Housing Credits for GCHP Esplanade, New Orleans, Louisiana

Issue:

The GCHP Esplanade LLC, is requesting the Louisiana Housing Finance Agency to allocate \$218,966 in 4% Low Income Housing Credits for the redevelopment of a forty-two (42) unit project located at 2535 Esplanade Avenue in New Orleans, Orleans Parish, Louisiana. The project is 100% low income in which 40% (20) of the units will be set-aside for households whose incomes are at or below 20% of the area median income.

The project was awarded \$3,278,143 from the LRA/OCD Piggyback 2 Round and \$5,464,245 in Multi-Family Revenue Bonds. The Total Development Cost of this project is \$5,382,598.

GCHP Esplanade will consist of 9 1-BR units and 33 efficiency units. The project will also serve 20 PSH eligible tenants.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The project will enhance the housing stock for the citizens of Louisiana.
- Bond Financing leveraged with Low Income Housing Tax Credit (LIHTC) will contribute to the project's equity.

Cons: None

Recommendation:

Staff recommends approval of this request to issue 4% Low Income Housing Credits subject to the preliminary feasibility analysis of Foley & Judell, L.L.P.

LOUISIANA HOUSING FINANCE AGENCY

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

RESOLUTION

A resolution establishing the maximum qualified basis and low-income housing credits to GCHP Esplanade LLC; 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, and 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 GHCP Esplanade's 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 GCHP Esplanade LLC 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. GCHB Esplanade (the "Project") is hereby preliminarily approved for Tax Credits in the amount of two-hundred-eighteen-thousand, nine-hundred, sixty-six dollars (\$218,966.00) upon the receipt of the Bond application, commitment of CDBG funds and 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, 8th day of July 2009.

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 two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 8, 2009, "A resolution establishing the maximum qualified basis and low-income housing credits to GCHP Esplanade LLC; 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."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 8th day of July, 2009.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by Vice-Chair Allison A. Jones and seconded by Commissioner Guy T. Williams:

RESOLUTION

A resolution of intention to finance the acquisition, construction, equipping and/or rehabilitation of each multifamily housing project receiving **CDBG Funds from the Office of Community Development ("OCD")**; authorizing not exceeding amounts of Multifamily Housing Revenue Bonds to each of the projects that applied to OCD for CDBG Funds; 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, the Agency has previously authorized not exceeding \$200,000,000 million Multifamily Housing Revenue Bonds in one or more series pursuant to a resolution adopted by the Board of Commissioners on October 15, 2008; and

WHEREAS, each developer listed in Schedule I hereto, (collectively, the "Developer" individually a "Developer") has submitted to OCD an application for CDBG Funds and to the Agency an application for tax credits relating to each Developer's interest in the acquisition, construction, equipping and/or rehabilitation of one or more multifamily housing facilities, more particularly described in Schedules I-A through I-Z hereto (the "Projects") within the State, subject to the Agency's agreement to finance each Project by the issuance of tax-exempt revenue bonds issued pursuant to the Act and with a private activity volume cap allocation under Section 146 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Agency deems it necessary and advisable that to take such action as may be required under applicable statutory provisions to confirm the Agency's willingness to issue revenue bonds in one or more series to finance at least fifty percent (50%) of the cost of each Project set forth in Schedules I-A through I-Z hereto, together with costs incident to the authorization, issuance and sale of the bonds, the aggregate costs of each Project and costs of authorization, issuance and sale of the bonds being presently estimated to be the amount set forth in Schedules I-A through I-Z hereto; and

WHEREAS, each Developer will arrange for the acquisition, construction, rehabilitation and/or equipping of each representative 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 acquisition, construction, rehabilitation and/or equipping of an exempt facility bond project; and

WHEREAS, the primary purpose of this resolution is to satisfy the requirements of said income tax regulations with respect to the Project set forth in Schedule I-A through I-Z 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 Projects listed in Schedules I-A through I-Z are hereby approved and the financing of the acquisition, construction, equipping and/or rehabilitation 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 for each Project in Schedules I-A through I-Z hereto. It is the intent of this resolution to induce the financing of each 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 each Developer may exercise its rights and perform its obligations with respect to the financing of the Developer's 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. At least fifty percent (50%) of the costs of financing the Project will be paid in part 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 each 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 operation of each Project, as well as the financing of each Project, will comply with all Federal, State and local laws and regulations and each Developer will obtain all necessary approvals and permits required thereunder.

SECTION 4. 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 each 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 5. 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 of 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.

SECTION 6. The Chairman of the Board of Commissioners and/or the President is authorized to execute the standard form of the Preliminary Agreement with each Developer.

SECTION 7. All commitments by the Agency herein with respect to each Project are subject to the condition that on or before 36 months from the date of adoption hereof, the Agency and each Developer shall have agreed to mutually acceptable terms for the financing documents and the sale and delivery of the Bonds or other obligations.

SECTION 8. Each Developer will comply with all rules, regulations and reviews of the Agency in effect or undertaken from time to time.

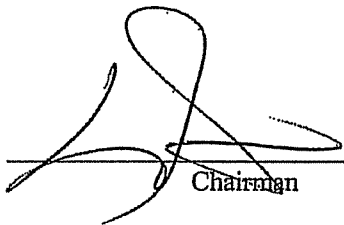
...
This resolution having been submitted to a vote, the vote thereon was as follows:

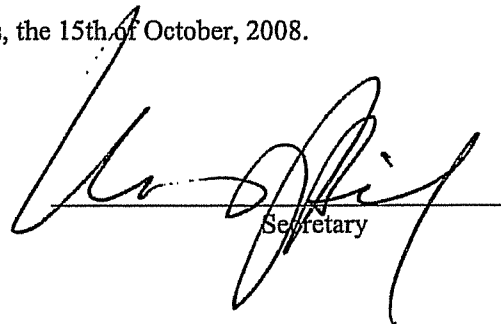
YEAS: Wayne W. Woods, Allison A. Jones, Robert Pernell, Guy T. Williams,
Maureen Clary, Mayson H. Foster, Walter O. Guillory, Joseph
Scontrino, III, Katie Anderson, Susan Sonnier obo Kristy Nichols.

NAYS:

ABSENT: John Kennedy, J. Mark Madderra, Tyrone A. Wilson, Roy W. Lester.

And the resolution was declared adopted on this, the 15th of October, 2008.


Chairman


Secretary

SCHEDULE I-Q

INITIAL OWNER/OPERATOR: GCHP-Esplanade, LLC

BOND AMOUNT: Not exceeding \$5,464,245

PROJECT NAME	LOCATION	ESTIMATED NUMBER OF UNITS	ESTIMATED TOTAL COST
GCHP-Esplanade, LLC	2535 Esplanade Avenue New Orleans, Louisiana 70119	42	\$5,464,245

I, the Initial Owner/Operator, have reviewed the information above and hereby certify this Schedule I to be accurate and complete as of this date.

Initial Owner/Operator: GCHP-ESPLANADE, LLC

By: _____

By: _____

Date: _____

BOBBY JINDAL
GOVERNOR



ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Community Development
Disaster Recovery Unit

**AWARD ACCEPTANCE AGREEMENT
LOUISIANA CDBG PIGGYBACK PROGRAM ROUND 2
THE ROAD HOME**

December 16, 2008

GCHP Esplanade, LLC
Gulf Coast Housing Partnership Inc
1614B Oretha Castle Haley Boulevard
New Orleans, LA 70113
Attn: Noel James

Re: GCHP – Esplanade, LLC – OCD# 17

Dear Applicant:

The State of Louisiana, Division of Administration, Office of Community Development ("OCD") is providing funds from the United States of America, HUD Community Development Block Grant ("CDBG") Program to qualified applicants, in accordance with the CDBG Piggyback Program (the "Program") under the Louisiana Recovery Authority ("LRA") Action Plan known as The Road Home.

Pursuant to your application to OCD, including, but not limited to, the completed printed application submitted by you, all written responses to any deficiency letter issued to you by OCD, and all written attachments, addenda, and amendments pertaining thereto (collectively, the "Application"), OCD has agreed to award you the following PBRA Contract and/or Gap Financing Loan (the "Award") (as those terms are defined in that certain Round 2 Master Term Sheet as adopted by OCD on May 29, 2008 (the "Master Term Sheet"), and except as expressly modified by the Master Term Sheet, the CDBG Piggyback Program description adopted by LRA and OCD on September 28, 2006 (the "Piggyback Program Description")), for the above-referenced project, as described in your Application (the "Project"). Applicant acknowledges receipt and review of the Master Term Sheet and the Piggyback Program Description. Any capitalized terms not defined herein shall have the definitions given to them in the Piggyback Program Round 2 Loan Documents (as defined below).

This Award Acceptance Agreement (the "Award Agreement") is subject to the Special Conditions as noted on Exhibit 1 - Special Conditions attached hereto. Any conflicts or inconsistencies between this Award Agreement and the Special Conditions shall be resolved in favor of the Special Conditions.

The Award Agreement along with the accompanying attachments describes the terms and conditions of your award.

Please execute the original and return it to the Office of Community Development at the following address to ensure that it is RECEIVED NO LATER THAN 5PM CST ON **DECEMBER 24, 2008**:

Office of Community Development
Disaster Recovery Unit
Attn: Piggyback Program
150 North 3rd Street, Suite 500
Baton Rouge, LA 70801

Any Award Agreement not fully executed and received by the time and date specified above may be deemed withdrawn and no longer available to the applicant.

In executing the Award Agreement, you should ensure that the entire form is completed including (1) providing the information requested in Section B 1 regarding the Applicant and the Key Principal; and (2) ensuring that both the Applicant and the Key Principal fully execute the Award Acceptance Agreement.

Note that the key legal documents are provided as exhibits in order to be responsive to public comment received by this Office asking that the terms of the award be as specific as possible. These documents are not to be completed at this time as that will occur in association with the actual closing.

Any questions regarding the Award Agreement should be directed to Thomas LaTour at 225-219-9624.

A. GENERAL CONDITIONS TO FUNDING THIS AWARD

OCD's obligation to perform and fund the Award is conditioned on the following conditions being performed, satisfied, or waived by OCD, in OCD's sole discretion (collectively, the "Award Conditions"):

- 1. Low Income Housing Tax Credits and Bond Authority:** Within one hundred twenty (120) days of the date of this Award Agreement, Applicant must receive a reservation, commitment and issuance from the LHFA to the Applicant for the Project, of not less than \$226,446 in 4% Low Income Housing Tax Credits ("Tax Credits") for the Project and tax-exempt bond authority. Applicant and the Project must be in compliance with all applicable provisions of Section 42 of the Internal Revenue Code of 1986, as amended.
- 2. Compliance by Applicant:** Compliance with the terms and conditions of the Application, this Award Agreement, the CDGB Program requirements more fully set for below, and with the applicable terms and conditions of the Master Term Sheet and the Piggyback Program Description.
- 3. Execution and Delivery of Award:** Execution and delivery by the Applicant of documentation acceptable to OCD evidencing and securing the funds provided by OCD under this Award Agreement, including without limitation the Loan Documents.
- 4. Special Conditions:** Compliance with the Special Conditions, as applicable.

B. TERMS AND CONDITIONS OF THE AWARD

1. Applicant and Key Principal:

[Applicant to insert name and address/email/phone no.]

[Applicant to insert name and address/email/phone no. of proposed Key Principal]

Applicant will provide a "**Key Principal**" with adequate financial assets acceptable to OCD, which may include the general partner of an Applicant limited partnership or the managing member of an Applicant limited liability company, or other Affiliate of Applicant, to guarantee those limited personal obligations (non-recourse carve-outs) and to execute and deliver the Completion Guaranty and the Operating Deficit Guaranty as described in Paragraph 8 below.

A Key Principal must be a person or entity who has an economic interest in Applicant, or who will otherwise obtain a material financial benefit from the Gap Financing Loan and/or PBRA Contract, as described below. For the purposes of determining a Key Principal: (a) "**Affiliate**" means any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which has a controlling interest in Applicant; and (b) "**controlled by**", "**under common control with**", or which has a "**controlling interest**" means (i) the direct or indirect power (under contract, equity ownership, the right to vote or determine a vote, or otherwise) to direct the financial, legal, beneficial or other interests of a company (or other entity) and includes the definition of "control" in 24 CFR 401.310(a)(2); or (ii) the power to vote, directly or indirectly, 25 percent or more of any class of the voting stock of a company; or (iii) the ability to direct in any manner the election of a majority of a company's (or other entity's) directors, trustees or members; or (iv) the ability to exercise a controlling influence over the company's or entity's management and policies. For purposes of this definition, a general partner of a limited partnership is presumed to be in control of that partnership, and a managing member of a limited liability company is presumed to be in control of that limited liability company.

2. Program Description:

The purpose of the Program is to provide funds to qualified applicants for the restoration, rehabilitation, replacement, construction, development and operation of residential rental properties damaged by either Hurricane Katrina or Hurricane Rita ("**Hurricanes**"), in order to provide housing for Louisiana residents affected by the Hurricanes. Reference is hereby made to the Master Term Sheet and Piggyback Program Description for complete Program details and requirements and the following websites: www.doa.la.gov/cdbg.htm or www.lhfa.state.la.us.

3. Project Commitments:

This Award Agreement is based on Applicant's compliance with certain continuing commitments regarding the Project, as more fully described and as

contained in the Regulatory Agreements and the Application, including without limitation the following:

Affordability and Market Rate Commitments: The Project will contain the number of market rate units, and the number of assisted and unassisted units, by type, for each of the following Area Median Income ("AMI") levels, as set forth below and as more fully described in the Regulatory Agreements:

Unit Type	Assisted Units	20% AMI	30% AMI	40% AMI	50% AMI	60% AMI	Market Rate	Total Units
0 BR	20					13		33
1 BR						9		9
2 BR								
3 BR								
4 BR								
Total	20					22		42

Permanent Supportive Housing Commitment: The Project will contain 20 units at 20% AMI complying with applicable Program requirements for Permanent Supportive Housing, as set forth and as more fully described in the Regulatory Agreements.

APPLICABLE

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NOT
APPLICABLE

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(check one)

PBRA Contract: Applicant and the Project will comply with all of the terms, covenants, restrictions and requirements set forth in the PBRA Contract.

4. **Gap Financing Loan:**

APPLICABLE

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APPLICABLE

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(check one)

Regulatory Agreements. Applicant and the Project will comply with all of the terms, covenants, restrictions, and requirements set forth in the Regulatory Agreements.

(a) **Principal Amount:** The principal amount of the Gap Financing Loan is Three Million Two Hundred and Seventy Eight Thousand, One Hundred and Forty-Three and 00/100 (\$3,278,143.00) Dollars, bearing interest at the rate of the one percent (1%), as of the month of Closing, computed on the basis of a 360-day year, consisting of twelve 30-day months, to be repaid in annual installments solely from "Surplus Cash", to the extent Surplus Cash is generated from the operation of the Project, as follows:

The sum of (A) the first \$45,625 of Surplus Cash; plus (B) one-third (1/3) of the next \$1,000.00 per unit of Surplus Cash generated from the operation of the Project; plus (C) two-thirds (2/3) of Surplus Cash in excess of (A) and (B).

"Surplus Cash" means any cash (excluding tenant security deposits) remaining at the end of each fiscal year of the Applicant after: (A) payment of all operating expenses for the Project for such fiscal year; (B) payment of all sums due or currently required to be paid under the terms of any Permanent Loan

Mortgage encumbering the Project and the promissory note secured by such Permanent Loan Mortgage; and (C) payment of all amounts required to be deposited into any reserve fund for the payment of operating expenses, any reserve for replacements to the Project, or any other special reserve funds required to be maintained by the Project under the Permanent Loan Mortgage or the Loan Documents. OCD's right to be paid from Surplus Cash shall terminate at such time as the principal and interest amounts due on the Gap Financing Note are paid in full. Notwithstanding the requirement of repayment from Surplus Cash, the Gap Financing Loan shall not be construed as a joint venture, partnership or other association between Applicant and OCD, other than a debtor/creditor relationship.

(b) **Maturity:** The Gap Financing Loan shall mature on the earliest to occur of: (i) sale or refinancing of the Project except as expressly permitted in the Loan Documents; (ii) acceleration following an Event of Default under the Loan Documents that is not cured within any applicable grace or cure period; or (iii) the Maturity Date as defined in the Loan Agreement.

(c) **Security:** Payment of the Gap Financing Loan shall be evidenced and secured by the Loan Documents to be executed and delivered by Applicant at Closing.

5. General Loan Conditions

(a) **Funding of Gap Financing Loan:**

(i) **Completion:**

APPLICABLE:

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APPLICABLE

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(check one)

OCD will fund the full amount of the Gap Financing Loan, subject to adjustment based on final cost certification and subsidy layering review, as set forth below, in one disbursement following construction of the Project, upon receipt by OCD of final certificates of occupancy (or their equivalents) for all buildings and units comprising the Project and upon compliance with the other conditions to funding set forth in the Loan Agreement; OR

(ii) **Pari Passu Funding during construction:**

APPLICABLE:

☐

NOT

APPLICABLE

☒

(check one)

OCD will fund the Gap Financing Loan during the construction of the Project on a *pari passu* basis with Applicant's construction lender and LIHTC syndicator, on terms and conditions acceptable to OCD in its sole and uncontrolled discretion, which conditions shall include without limitation, review and approval of draw requests and payment and reimbursement of additional costs, fees and expenses of OCD. The terms and conditions regarding OCD's funding during construction of the Project shall be negotiated between Applicant, OCD, Applicant's construction lender and LIHTC syndicator prior to closing the Gap Financing Loan, and if the parties are unable to agree upon the terms and conditions governing OCD's obligation to fund during construction of the Project, Applicant shall be deemed to have received funding at Completion.

(b) **Use of Proceeds:** Proceeds from the Gap Financing Loan are to be used solely to support the development, restoration, replacement, rehabilitation, construction and operation of the Project in accordance with the Application and

the terms and conditions of the Loan Documents.

(c) **Non-Recourse Loan:** The Gap Financing Loan is non-recourse to the Applicant; provided however, the nonrecourse carveouts set forth in the Loan Documents are personal obligations of the Applicant and shall be guaranteed by one or more Key Principals acceptable to OCD under the terms and conditions set forth in the Loan Documents. The obligations of each Key Principal shall survive any foreclosure proceeding, any foreclosure sale, any delivery of any deed in lieu of foreclosure, and any release of record of the Mortgage. OCD may pursue its remedies against any Key Principal without first exhausting its remedies against the Applicant or the Project.

(d) **Permanent Mortgage Loan:** The terms and conditions of Applicant's permanent mortgage loan on the Project, if any, shall acknowledge and permit the Gap Financing Loan, and consent to the execution and delivery of the Loan Documents.

(e) **Additional Project Debt:** Other than the permanent mortgage encumbering the Project, if any, without the prior written consent of OCD, no other indebtedness of the Applicant or the Project may have a lien priority senior to that of the Gap Financing Loan; no other indebtedness of the Applicant or any other person or entity may be secured by the Project; and no other unsecured indebtedness of the Applicant (excluding operating expenses for the Project incurred in the ordinary course of business) may be payable except from distributed Surplus Cash.

(f) **Cost Certification.** Applicant acknowledges and agrees that the principal amounts of the Gap Financing Loan set forth in this Award Agreement were calculated based upon estimated costs for the development, restoration, rehabilitation, and construction of the Project provided by the Applicant. Applicant agrees to provide OCD with a cost certification audit acceptable to OCD (the "**Cost Certification Audit**") prepared by an independent third party consulting or accounting firm ("**Audit Firm**") acceptable to OCD, certifying the costs incurred and paid by Applicant in the development, restoration, replacement, rehabilitation, and construction of the Project, and including such other information as OCD may require. Applicant agrees to cooperate with OCD and to provide any documentation deemed necessary to OCD for a complete audit. OCD agrees that the Audit Firm providing the LIHTC Cost Certification accepted by the LHFA is acceptable to OCD.

(g) **Reduction of Gap Financing Loan.** Notwithstanding anything to the contrary contained herein, OCD may reduce the principal amounts of the Indebtedness in the event the Cost Certification Audit or the final subsidy layering analysis of the Project completed by OCD discloses that the actual costs incurred by Applicant in the development, restoration, replacement, rehabilitation, and/or construction of the Project were less than the estimated costs for the development, restoration, replacements, rehabilitation, and/or construction of the Project upon which the calculation of the principal amount of the Indebtedness as set forth in the Award Agreement were based. The principal amounts of the Gap Financing Loan may be reduced based on the actual Project costs incurred by Applicant, the amount of Tax Credits awarded to the Project, amount of the bond proceeds and the final amount, terms and conditions of the

Applicant's Permanent Loan, if any. If the amount of Gap Financing Loan proceeds advanced to Applicant prior to completion of the Cost Certification Audit and final subsidy layering analysis, exceeds the principal amount of the Gap Financing Loan supported by the Cost Certification Audit and final subsidy layering analysis ("**Excess Proceeds**"), OCD may reduce the amount of the final disbursement, and Applicant shall pay OCD the amount of any remaining Excess Proceeds in one lump sum payment within thirty (30) days of receiving written notice from OCD that the Excess Proceeds are due and payable.

(h) Due on Sale or Transfer Restrictions.

(1) Subject to the terms of this subsection (h), and absent OCD's written waiver, 100% of the amounts due under the Gap Financing Loan are due upon the sale or refinancing of the Project, including without limitation, payment of all principal and accrued and unpaid interest. OCD may, in its sole discretion, accept less than 100% of the amounts then due, but said waiver will not constitute forgiveness of the amounts due under the Gap Financing Loan.

(2) The Owner hereby covenants and agrees not to sell, transfer or otherwise dispose of the Project, or any portion thereof, without obtaining the prior written consent of OCD, which consent shall be in OCD's sole discretion. Notwithstanding the foregoing: (A) the pledge to a limited partner by a general partner of the general partner's interest in a partnership agreement as security for the performance of all of the general partner's obligations under the partnership agreement shall not constitute a refinancing for purposes of this Award Agreement or of the Loan Documents; (B) a sale, transfer, pledge, encumbrance or other disposition of investor limited partner/investor member interests in Applicant shall not require OCD's consent unless such transaction results in a sale of more than 51% of the investor limited partner/investor member interest in Applicant; and (C) the change in the general partner/managing member of Applicant by the investor limited partners/investor members as general partner/managing member of Applicant in accordance with the terms of the limited partnership agreement/operating agreement of Applicant shall not require OCD's consent; provided, however that (i) Applicant shall provide OCD with notice of any such change; and (ii) the entity replacing the general partner/managing member of the Applicant is under direct or indirect common control or management with the investor limited partner/investor member. OCD will allow transfers by an identified investor member/limited partner to an affiliate of such entity, upon review by OCD of the terms of such transfer.

(i) **Restrictions on Identity of Interest.** Applicant shall be required to notify OCD in writing prior to contracting with any Identity of Interest entity, and shall include in its audited financial statements a disclosure of all amounts paid to any Identity of Interest entity. OCD will have the right, in its sole discretion, to require the cancellation of any contract between Applicant and any Identity of Interest entity, and all such contracts shall permit such cancellation. An "**Identity of Interest**" relationship exists if any officer, director, board member, or authorized agent of any project team member (consultant, general contractor, supplier, vendor, vendee, attorney, management agent, seller of the land, etc.):

(1) is also an officer, director, board member or authorized agent of any other project team member;

(2) has any financial interest in any other project team member's firm or corporation;

(3) is a business partner of an officer, director, board member, or authorized agent of any other project team member;

(4) has a family relationship through blood, marriage or adoption with an officer, director, board member, or authorized agent of any project team member; or

(5) advances any funds or items of value to the Applicant.

6. **PBRA Contract:**

APPLICABLE

☐

NOT

APPLICABLE:

☒

(check one)

OCD agrees to provide project based rental assistance ("PBRA") for ☐ units available to households at 30% AMI and ☐ units available to households at 20% AMI at the Project (collectively, "Contract Units"), in accordance with a PBRA contract substantially in the same form as that attached hereto in Exhibit 2 – PBRA Contract (herein, the "PBRA Contract"). Applicant agrees to execute and deliver the PBRA Contract and operate and maintain the Contract Units for the time period, at the affordability levels, and subject to the payment standards as set forth in the PBRA Contract,

The amount of PBRA may be reduced by OCD following the Cost Certification Audit, the final determination of the amount of Tax Credits awarded to the Project, the amount of any bond proceeds and the final amount, terms and conditions of the Applicant's permanent mortgage loan. Funding of the PBRA is conditioned upon compliance by Applicant and the Project with the terms and conditions set forth in the PBRA Contract and the Regulatory Agreements.

7. **Regulatory Agreements:**

The Project will be encumbered by a regulatory agreement in favor of the LHFA in connection with the issuance of the Tax Credits ("**Tax Credit Regulatory Agreement**") and a regulatory agreement in favor of OCD in substantially the form attached hereto as **Exhibit 4 - CDBG Regulatory Agreement** ("**CDBG Regulatory Agreement**"). The Tax Credit Regulatory Agreement and the CDBG Regulatory Agreements are hereinafter sometimes referred to as the "**Regulatory Agreements**".

(a) **Tax Credit Regulatory Agreement.** Applicant shall be required to comply with the terms and conditions of the Tax Credit Regulatory Agreement for the duration of its term. OCD will be considered a third party beneficiary of the Tax Credit Regulatory Agreement and shall be entitled to enforce its terms against the Applicant to the fullest extent as if a party thereto.

(b) **CDBG Regulatory Agreement.** As a condition to disbursement of proceeds under the Gap Financing Loan and any PBRA Contract, Applicant will be required to execute and deliver the CDBG Regulatory Agreement. The CDBG Regulatory Agreement shall (i) run with the land; (ii) have a term of thirty-five (35) years; (iii) survive (A) the expiration of any PBRA Contract, and (B) the repayment of any Gap Financing Loan; and (iv) contain the applicable terms, conditions, restrictions and regulations agreed to in the Application, and as required by the Master Term Sheet and Piggyback Program Description. The CDBG Regulatory Agreement shall be recorded in the real estate records in the Parish where the Project is located, and shall be subordinate only to those liens and encumbrances agreed to by OCD, in its sole discretion.

8. **Guarantees:**

(a) Applicant and a Key Principal acceptable to OCD will be required to guarantee certain personal obligations and annual operating deficits until the Project has generated Surplus Cash for two (2) consecutive fiscal years. The Operating Deficit Guaranty shall guarantee the reimbursement of deficits beginning the first day of the first full fiscal year for the Applicant following completion of construction. The annual operating deficit shall be fully paid and funded by the guarantors under the Operating Deficit Guaranty on or before the date on which annual audited financial statements for the Project are due to OCD under the Loan Agreement and/or PBRA Contract, as applicable. The form of the Operating Deficit Guaranty is attached hereto as **Exhibit 5 - Operating Deficit Guaranty.**

(b) Applicant and a Key Principal acceptable to OCD will be required to guarantee completion of the Project under the terms and conditions contained in the Completion Guaranty attached hereto as **Exhibit 7 - Completion Guaranty.** The Completion Guaranty must be executed by both Applicant and Key Principal and returned to OCD within ninety (90) days of acceptance of this Award Agreement; provided, however, the Completion Guaranty shall be returned to the Applicant and shall be null and void and of no effect if Applicant does not receive funding pursuant to this Award Agreement.

(c) Notwithstanding the foregoing, if a Key Principal is an organization exempt from payment of federal income tax under Section 501(a) of the Internal Revenue Code of 1986, as amended ("**Code**"), as an entity organized under Section 501(c)(3) of the Code, the Key Principal's obligations under the Operating Deficit Guaranty shall (A) not extend more than five (5) years from

the date that the Project first achieves "break-even operations", and (B) be capped at an amount equal to "six (6) months" of operating expenses. For purposes of this section, "break-even operations" mean the date upon which (i) the Project achieves 95 percent occupancy, and (ii) the revenues received from the normal operation of the Project equal all accumulated operational costs of the Project for a period of three (3) consecutive months after completion of construction computed on a cash basis and in accordance with the Project and Loan Documents.

9. Loan Documents:

The Gap Financing Loan will be evidenced and secured by the following (collectively referred to herein as the "Loan Documents"):

(a) Promissory Note evidencing the Gap Financing Loan (Exhibit 6 – Gap Financing Note);

(b) A Loan Agreement (Exhibit 8 – Loan Agreement);

(c) A Mortgage, Assignment of Leases and Rents, and Security Agreement, which Mortgage shall (i) constitute a first lien upon the Project, and (ii) constitute a first lien upon and security interest in all fixtures and personal property relating to or located in the Project, and (iii) secure all obligations to OCD under the Loan Documents (Exhibit 9 – Mortgage, Assignment of Leases and Rents, and Security Agreement);

(d) UCC-Financing Statements covering the fixtures and personal property located at the Project;

(e) The Regulatory Agreements (a form of the CDBG Regulatory Agreement is attached as Exhibit 4 – CDBG Regulatory Agreement);

(f) The Operating Deficit Guaranty (Exhibit 5 – Operating Deficit Guaranty);

(g) The Performance and Completion Guaranty (Exhibit 7 – Completion Guaranty);

(h) The PBRA Contract, if applicable (Exhibit 2 – PBRA Contract); and

(i) The Subordination Agreement, if applicable (Exhibit 10-Subordination Agreement);

(j) The Intercreditor Agreement, if applicable (Exhibit 11-Intercreditor Agreement);

(k) Such other documents, agreements, instruments or certificates as OCD and its counsel may require, including such documents as OCD in its sole discretion deems necessary or appropriate to effectuate the terms and conditions of this Award Agreement, and to comply with the requirements of the Master Term Sheet, the Piggyback Program Description, and the laws of the State of Louisiana.

10. Compliance

Applicant agrees to abide by any and all applicable (a) federal, state, parish and municipal laws, codes, ordinances, rules and regulations applicable to the

Requirements: Project, whether presently existing or hereafter promulgated, including without limitation environmental laws, building codes, land use, and zoning codes, (b) CDBG program requirements, HUD regulations and the provisions of 24 CFR Part 570, as amended from time to time, and (c) federal regulations and policies issued pursuant to these regulations. These regulations include, but are not limited to:

- (a) the Architectural Barriers Act of 1968 (42 U.S.C. §§4151-4157);
- (b) the Uniform Federal Accessibility Standards, as set forth in 24 CFR Part 570.614;
- (c) the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973;
- (d) the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. §276(a) to (a-7) 24 CFR Part 570.603). If the Award is funded pari passu, any construction contracts entered into by Applicant shall include a provision for compliance with the Davis-Bacon Act and supporting Department of Labor regulations;
- (e) compliance with the environmental requirements of the Program, which include submitting a report in form and substance acceptable to OCD, which must provide an environmental assessment of such construction in accordance with 24 CFR Part 58, and be approved by OCD before commencing such work;
- (f) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended (49 CFR Part 24) and Section 104(d) of the Housing and Community Project Act of 1974 as amended, and 24 CFR Part 570.606; and
- (g) for existing properties built prior to 1978, the Lead-Based Paint Poisoning Protection Act (42 U.S.C. §4831(b)) and the Residential Lead Based Paint Hazard Reduction Act of 1992 (42 U.S.C. §§4851-4856) and implementing regulations at 24 CFR Part 35.

- 11. **Construction of Project:** Construction of the Project shall be commenced not later than ninety (90) days after of the Construction Start Date listed in the Application, but in no event later than May 15, 2009, or this Award Agreement shall be come null, void and of no effect.
- 12. **Expenses:** Applicant shall pay all costs and expenses incurred in connection with the Gap Financing Loan and the PBRA Contract (including by way of illustration and not limitation): recording fees, title insurance costs, attorney fees, escrow fees, flood zone determination fees, survey fees, appraisal costs, environmental and historic property review, and site inspection fees.
- 13. **Nonassignability:** This Award Agreement is made exclusively with Applicant and is neither assignable nor transferable voluntarily or involuntarily by Applicant, without the prior written approval of OCD, which may be granted or withheld in its sole discretion. Any such assignment or transfer or attempted assignment or transfer shall be null and void, and shall result in this Award Agreement being automatically terminated, in which event neither Applicant nor OCD shall have

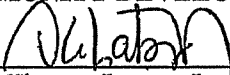
any further rights or obligations to the other under this Award Agreement.

- 14. Indemnification:** Applicant agrees to indemnify and to defend and hold OCD harmless against (a) any brokerage commissions or finder's fees claimed by any broker or other party in connection with the transactions contemplated hereby; (b) any claims related to losses, costs, damages or expenses that OCD may incur, directly or indirectly, including reasonable attorneys' fees, as a result of or in connection with the presence or removal of any environmental contamination or hazardous materials at, on or under the Project or any adjacent or proximate property, and the violation of any applicable federal and state environmental laws at or in connection with the Project. Such indemnities may be contained in the Loan Agreement or in separate indemnity agreements to be executed and delivered by Applicant at Closing.
- 15. Environmental Assessment:** Prior to the execution of any agreement provided for in this Award Agreement, and prior to any demolition or grading of the Project, or other choice-limiting actions, such as acquisition of the project site, or commencement of construction, Applicant must submit an environmental report in form and substance acceptable to OCD, which must provide for written approval and environment assessment of the Project in accordance with 24 CFR Part 58. No choice limiting action with respect to the Project may commence until Applicant has received written approval of the environmental assessment from OCD.
- 16. Joint and Several Liability:** If Applicant consists of more than one natural persons and/or entities, the liability of each of them for Applicant's obligations under this Award Agreement and any associated documents including, without limitation, the Loan Documents, shall be joint and several, and *in solido*.
- 17. Breach of Conditions:** OCD hereby reserves for itself, its successors and assigns, the right to pursue all remedies, either at law or in equity, to enforce the conditions of this Award Agreement, including but not limited to, seeking specific performance of Applicant's obligations. OCD may also, prior to closing, and in its sole and absolute discretion, declare this Award Agreement null and void upon an event of default or breach by Applicant of any of Applicant's representations contained in the Application, or any of the terms and conditions in the Master Term Sheet, the Piggyback Program Description or this Award Agreement, in which event neither Applicant nor OCD shall have any further rights or obligations under this Award Agreement.
- 18. Closing Date:** The PBRA Contract, if applicable, shall be executed, and the Gap Financing Loan shall close on or before December 31, 2009, or this Award Agreement may be terminated by OCD, in its sole discretion, by written notice to Applicant, in which event OCD shall no longer have any obligation to enter into the PBRA Contract or to make the Gap Financing Loan, and Applicant shall have no further rights under this Award Agreement.

OCD's obligation under this Award Agreement shall be subject to satisfaction of all of the conditions contained herein, or in any document referred to herein. The issuance of this Award Agreement shall not prejudice OCD's rights of review and approval, including without limitation, of all documents and materials heretofore delivered to OCD by or on behalf of Applicant.

The terms of this Award Agreement, both prior to and after acceptance by Applicant, may be waived or modified only by a written instrument signed by OCD and shall survive the execution of the Loan Documents to the extent not inconsistent therewith. **TIME IS OF THE ESSENCE OF THIS AWARD AGREEMENT.**

STATE OF LOUISIANA, DIVISION OF
ADMINISTRATION, OFFICE OF
COMMUNITY DEVELOPMENT

By: 
Name: Thomas Latour, Jr.
Title: Multi-Family Housing Supervisor

List of Exhibits:

- Exhibit 1 – Special Conditions
- Exhibit 2 – PBRA Contract – NA
- Exhibit 3 – Exhibit B-PBRA Contract – NA
- Exhibit 4 – CDBG Regulatory Agreement
- Exhibit 5 – Operating Deficit Guaranty
- Exhibit 6 – Gap Financing Note
- Exhibit 7 – Completion Guaranty
- Exhibit 8 – Loan Agreement
- Exhibit 9 – Mortgage, Assignment of Leases and Rents, and Security Agreement
- Exhibit 10- Subordination Agreement
- Exhibit 11- Intercreditor Agreement

APPLICANT:

By: _____, a _____

Name: _____
Title: _____

KEY PRINCIPAL:

By: _____, a _____

Name: _____
Title: _____

CDBG Legal Documents: Property Specific Addendum
Page 1: Property Information

Property Name	GCHP-Esplanade, LLC	OCD# 17	LHFA# TBD
Parish	Orleans	42 units	
Applicant	GCHP-Esplanade, LLC 1814B Oretha Castle Haley Boulevard New Orleans, LA 70113	attn: Noel James (504) 525-2505 james@gchp.net	
State Gap Financing	\$3,278,143.00		
Secured By	First Lien Mortgage		
Hard Debt Portion	\$0.00		
Monthly Payment	\$0.00		
Soft Debt Portion	\$3,278,143.00	1.000% Simple interest	30 year term
Annual Payment	Tier-1	The first \$45,625	of Surplus Cash
		Plus one-third of the next \$42,000	of Surplus Cash
		Plus two-thirds of any remaining	Surplus Cash
Private First Mortgage Lender	\$420,000.00 Gulf Coast Housing Partnership, Inc	1.000%	30 years
State PBRA	Not Requested	0 units requested	
PBRA Level of Affordability:	Not Applicable		
PBRA Payment Standard:	60%		
Number of PSH Units:	20 units = 48.0% of total units		
Construction Start	April 1, 2009		
Construction Completion	March 31, 2010		
Last Building P-I-S	March 31, 2010		
Initial Reserves:	\$131,220.00	Initial operating deficit reserves	
	\$0.00	Initial replacement reserve	
	\$0.00	1:	
	\$0.00	2:	
	\$0.00	4:	
	\$0.00	5:	
Repl. Reserve Deposit (first year)	\$12,600.00	per year	
	\$1,050.00	per month	

CDBG Legal Documents: Property Specific Addendum
Page 2: Affordability Commitment and Special Conditions

#BRs	With Rental Assistance *	Without Rental Assistance						Non LIHTC Units	Total Units
		<= 20% AMI	>20% <=30% AMI	>30% <=40% AMI	>40% <=50% AMI	>50% <=60% AMI	>60% <=80% AMI		
0 BR	20	0	0	0	0	13	0	0	33
1 BR	0	0	0	0	0	9	0	0	9
2 BR	0	0	0	0	0	0	0	0	0
3 BR	0	0	0	0	0	0	0	0	0
4 BR	0	0	0	0	0	0	0	0	0
5 BR	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
Total Units	20	0	0	0	0	22	0	0	42
No State PBRA									

* If no longer covered by the rental assistance contract, these units become restricted at 60% AMI, except as needed to meet OCD program requirements for PSH affordability.

Special Condition 1 Sponsor to provide evidence satisfactory to OCD that the Shelter Plus Care Vouchers for 20 units are available and in place prior to closing on the CDBG loan.

Special Condition 2 In the event the Shelter Plus Care contract is cancelled or not renewed, sponsor agrees to commit its share of surplus cash to an operating reserve until OCD determines otherwise, at its sole discretion.

Special Condition 3
Special Condition 4
Special Condition 5
Special Condition 6

DECISION BRIEF:

Allocation of \$236,680 in 4% Low Income Housing Credits for the Douglas & Andry Apartments located in New Orleans, Orleans Parish, Louisiana

Issue

Douglas & Andry Sustainable Apartments, LLC is requesting the Louisiana Housing Finance Agency to allocate \$236,680 in 4% Low Income Housing Credits for the new construction of an eighteen-unit project located at 5413 Peters Street, New Orleans, Orleans Parish, Louisiana. 100% of the units will be low income housing.

The project has been awarded, \$2,700,000 in CDBG funds, \$180,000 from the City of New Orleans, \$864,900 from LHFA Housing Trust Fund, \$2,350,000 from the Home Depot Foundation and \$9,274,951 in Multi-family Bonds with the amount. The Total development cost of this project will be around \$8,698,281.94.

Douglas & Andry Sustainable Apartments will consist of 1 building that will contain twelve (12) one-bedroom units and six (6) two-bedroom units and consists of a total of 18 units.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- Will enhance the housing stock for the citizens of Louisiana.
- Bond Financing leveraged with Low Income housing Tax Credit (LIHTC) equity.

Cons: None

Recommendation:

Staff recommends approval of this request to issue 4% Low Income Housing Credits subject to the preliminary feasibility analysis of Foley & Judell, L.L.P.

LOUISIANA HOUSING FINANCE AGENCY

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

RESOLUTION

A resolution establishing the maximum qualified basis and low-income housing credits to Douglas & Andry Sustainable 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 Douglas & Andry Sustainable 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 Douglas & Andry Sustainable 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. Douglas & Andry Sustainable Apartments Project (the "Project") is hereby preliminarily approved for Tax Credits in the amount of Six Hundred Eighty-Eight Thousand dollars (\$688,000), 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 8th day of, July 2009.

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 8, 2009, "A resolution establishing the maximum qualified basis and low-income housing credits to Douglas & Andry Sustainable 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 8th day of July, 2009.

Secretary

(SEAL)

BOBBY JINDAL
GOVERNOR



ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Community Development
Disaster Recovery Unit

AWARD ACCEPTANCE AGREEMENT
LOUISIANA CDBG PIGGYBACK PROGRAM ROUND 2

December 16, 2008

Gulf Coast Housing Partnership
Douglas & Andry Sustainable Apartments, LLC
1614B Oretha Castle Haley Boulevard
New Orleans, LA 70113
Attn: Noel James

Re: Douglas and Andry – OCD# 18

Dear Applicant:

The State of Louisiana, Division of Administration, Office of Community Development ("OCD") is providing funds from the United States of America, HUD Community Development Block Grant ("CDBG") Program to qualified applicants, in accordance with the CDBG Piggyback Program (the "Program") under the Louisiana Recovery Authority ("LRA") Action Plan known as The Road Home.

Pursuant to your application to OCD, including, but not limited to, the completed printed application submitted by you, all written responses to any deficiency letter issued to you by OCD, and all written attachments, addenda, and amendments pertaining thereto (collectively, the "Application"), OCD has agreed to award you the following PBRA Contract and/or Gap Financing Loan (the "Award") (as those terms are defined in that certain Round 2 Master Term Sheet as adopted by OCD on May 29, 2008 (the "Master Term Sheet"), and except as expressly modified by the Master Term Sheet, the CDBG Piggyback Program description adopted by LRA and OCD on September 28, 2006 (the "Piggyback Program Description")), for the above-referenced project, as described in your Application (the "Project"). Applicant acknowledges receipt and review of the Master Term Sheet and the Piggyback Program Description. Any capitalized terms not defined herein shall have the definitions given to them in the Piggyback Program Round 2 Loan Documents (as defined below).

This Award Acceptance Agreement (the "Award Agreement") is subject to the Special Conditions as noted on Exhibit 1 - Special Conditions attached hereto. Any conflicts or inconsistencies between this Award Agreement and the Special Conditions shall be resolved in favor of the Special Conditions.

The Award Agreement along with the accompanying attachments describes the terms and conditions of your award.

Please execute the original and return it to the Office of Community Development at the following address to ensure that it is RECEIVED NO LATER THAN 5PM CST ON **DECEMBER 24, 2008**:

Office of Community Development
Disaster Recovery Unit
Attn: Piggyback Program
150 North 3rd Street, Suite 500
Baton Rouge, LA 70801

Any Award Agreement not fully executed and received by the time and date specified above may be deemed withdrawn and no longer available to the applicant.

In executing the Award Agreement, you should ensure that the entire form is completed including (1) providing the information requested in Section B 1 regarding the Applicant and the Key Principal; and (2) ensuring that both the Applicant and the Key Principal fully execute the Award Acceptance Agreement.

Note that the key legal documents are provided as exhibits in order to be responsive to public comment received by this Office asking that the terms of the award be as specific as possible. These documents are not to be completed at this time as that will occur in association with the actual closing.

Any questions regarding the Award Agreement should be directed to Thomas LaTour at 225-219-9624.

A. GENERAL CONDITIONS TO FUNDING THIS AWARD

OCD's obligation to perform and fund the Award is conditioned on the following conditions being performed, satisfied, or waived by OCD, in OCD's sole discretion (collectively, the "Award Conditions"):

- 1. Low Income Housing Tax Credits and Bond Authority:** Within one hundred twenty (120) days of the date of this Award Agreement, Applicant must receive a reservation, commitment and issuance from the LHFA to the Applicant for the Project, of not less than \$ 261,579 in 4% Low Income Housing Tax Credits ("Tax Credits") for the Project and tax-exempt bond authority. Applicant and the Project must be in compliance with all applicable provisions of Section 42 of the Internal Revenue Code of 1986, as amended.
- 2. Compliance by Applicant:** Compliance with the terms and conditions of the Application, this Award Agreement, the CDGB Program requirements more fully set for below, and with the applicable terms and conditions of the Master Term Sheet and the Piggyback Program Description.
- 3. Execution and Delivery of Award:** Execution and delivery by the Applicant of documentation acceptable to OCD evidencing and securing the funds provided by OCD under this Award Agreement, including without limitation the Loan Documents.
- 4. Special Conditions:** Compliance with the Special Conditions, as applicable.

B. TERMS AND CONDITIONS OF THE AWARD

1. **Applicant and Key Principal:** [Applicant to insert name and address/email/phone no.]

[Applicant to insert name and address/email/phone no. of proposed Key Principal]

Applicant will provide a "Key Principal" with adequate financial assets acceptable to OCD, which may include the general partner of an Applicant limited partnership or the managing member of an Applicant limited liability company, or other Affiliate of Applicant, to guarantee those limited personal obligations (non-recourse carve-outs) and to execute and deliver the Completion Guaranty and the Operating Deficit Guaranty as described in Paragraph 8 below.

A Key Principal must be a person or entity who has an economic interest in Applicant, or who will otherwise obtain a material financial benefit from the Gap Financing Loan and/or PBRA Contract, as described below. For the purposes of determining a Key Principal: (a) "Affiliate" means any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which has a controlling interest in Applicant; and (b) "controlled by", "under common control with", or which has a "controlling interest" means (i) the direct or indirect power (under contract, equity ownership, the right to vote or determine a vote, or otherwise) to direct the financial, legal, beneficial or other interests of a company (or other entity) and includes the definition of "control" in 24 CFR 401.310(a)(2); or (ii) the power to vote, directly or indirectly, 25 percent or more of any class of the voting stock of a company; or (iii) the ability to direct in any manner the election of a majority of a company's (or other entity's) directors, trustees or members; or (iv) the ability to exercise a controlling influence over the company's or entity's management and policies. For purposes of this definition, a general partner of a limited partnership is presumed to be in control of that partnership, and a managing member of a limited liability company is presumed to be in control of that limited liability company.

2. **Program Description:**

The purpose of the Program is to provide funds to qualified applicants for the restoration, rehabilitation, replacement, construction, development and operation of residential rental properties damaged by either Hurricane Katrina or Hurricane Rita ("Hurricanes"), in order to provide housing for Louisiana residents affected by the Hurricanes. Reference is hereby made to the Master Term Sheet and Piggyback Program Description for complete Program

details and requirements and the following websites:
www.doa.la.gov/cdbg.htm or www.lhfa.state.la.us.

3. **Project Commitments:**

This Award Agreement is based on Applicant's compliance with certain continuing commitments regarding the Project, as more fully described and as contained in the Regulatory Agreements and the Application, including without limitation the following:

Affordability and Market Rate Commitments: The Project will contain the number of market rate units, and the number of assisted and unassisted units, by type, for each of the following Area Median Income ("AMI") levels, as set forth below and as more fully described in the Regulatory Agreements:

Unit Type	20% AMI	30% AMI	40% AMI	50% AMI	60% AMI	80% AMI	Market Rate	Total Units
0 BR	0	0	0	0	0	0	0	0
1 BR	3	0	0	0	9	0	0	12
2 BR	0	0	0	0	0	0	6	6
3 BR	0	0	0	0	0	0	0	0
4 BR	0	0	0	0	0	0	0	0
Total	3	0	0	0	9	0	6	18

Permanent Supportive Housing Commitment: The Project will contain 3 units at 20% AMI complying with applicable Program requirements for Permanent Supportive Housing, as set forth and as more fully described in the Regulatory Agreements.

APPLICABLE

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NOT APPLICABLE

[X]

(check one)

PBRA Contract: Applicant and the Project will comply with all of the terms, covenants, restrictions and requirements set forth in the PBRA Contract.

Regulatory Agreements. Applicant and the Project will comply with all of the terms, covenants, restrictions, and requirements set forth in the Regulatory Agreements.

4. **Gap Financing Loan:**

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(a) **Principal Amount:** The principal amount of the Gap Financing Loan is Two Million, Seven Hundred Thousand and 00/100 (\$2,700,000.00) Dollars, bearing interest at the the Applicable Federal Rate as defined in the Internal Revenue Code of 1984 §1274 (long term payments), as of the month of Closing, computed on the basis of a 360-day year, consisting of twelve 30-day months, to be repaid in annual installments solely from "Surplus Cash", to the extent Surplus Cash is generated from the operation of the Project, as follows:

- i. The sum of (A) the first \$5,600 of Surplus Cash, plus (B) one-third (1/3)

(check one)

of the first \$1,000.00 per unit of Surplus Cash generated from the operation of the Project; plus (C) two-thirds (2/3) of Surplus Cash in excess of (A) and (B).

"Surplus Cash" means any cash (excluding tenant security deposits) remaining at the end of each fiscal year of the Applicant after: (A) payment of all operating expenses for the Project for such fiscal year; (B) payment of all sums due or currently required to be paid under the terms of any Permanent Loan Mortgage encumbering the Project and the promissory note secured by such Permanent Loan Mortgage; and (C) payment of all amounts required to be deposited into any reserve fund for the payment of operating expenses, any reserve for replacements to the Project, or any other special reserve funds required to be maintained by the Project under the Permanent Loan Mortgage or the Loan Documents. OCD's right to be paid from Surplus Cash shall terminate at such time as the principal and interest amounts due on the Gap Financing Note are paid in full. Notwithstanding the requirement of repayment from Surplus Cash, the Gap Financing Loan shall not be construed as a joint venture, partnership or other association between Applicant and OCD, other than a debtor/creditor relationship.

(b) **Maturity:** The Gap Financing Loan shall mature on the earliest to occur of: (i) sale or refinancing of the Project except as expressly permitted in the Loan Documents; (ii) acceleration following an Event of Default under the Loan Documents that is not cured within any applicable grace or cure period; or (iii) the Maturity Date as defined in the Loan Agreement.

(c) **Security:** Payment of the Gap Financing Loan shall be evidenced and secured by the Loan Documents to be executed and delivered by Applicant at Closing.

5. General Loan
Conditions

(a) **Funding of Gap Financing Loan:**

(i) **Completion:**

APPLICABLE:
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OCD will fund the full amount of the Gap Financing Loan, subject to adjustment based on final cost certification and subsidy layering review, as set forth below, in one disbursement following construction of the Project, upon receipt by OCD of final certificates of occupancy (or their equivalents) for all buildings and units comprising the Project and upon compliance with the other conditions to funding set forth in the Loan Agreement; **OR**

(check one)

(ii) **Pari Passu Funding during construction:**

APPLICABLE:
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APPLICABLE

OCD will fund the Gap Financing Loan during the construction of the Project on a *pari passu* basis with Applicant's construction lender and LIHTC syndicator, on terms and conditions acceptable to OCD in its sole and uncontrolled discretion, which conditions shall include without limitation, review and approval of draw requests and payment and reimbursement of additional costs, fees and expenses of OCD. The terms and conditions regarding OCD's funding during construction of the Project shall be negotiated between Applicant, OCD, Applicant's construction lender and

[X]
(check one)

LIHTC syndicator prior to closing the Gap Financing Loan, and if the parties are unable to agree upon the terms and conditions governing OCD's obligation to fund during construction of the Project, Applicant shall be deemed to have received funding at Completion.

(b) **Use of Proceeds:** Proceeds from the Gap Financing Loan are to be used solely to support the development, restoration, replacement, rehabilitation, construction and operation of the Project in accordance with the Application and the terms and conditions of the Loan Documents.

(c) **Non-Recourse Loan:** The Gap Financing Loan is non-recourse to the Applicant; provided however, the nonrecourse carveouts set forth in the Loan Documents are personal obligations of the Applicant and shall be guaranteed by one or more Key Principals acceptable to OCD under the terms and conditions set forth in the Loan Documents. The obligations of each Key Principal shall survive any foreclosure proceeding, any foreclosure sale, any delivery of any deed in lieu of foreclosure, and any release of record of the Mortgage. OCD may pursue its remedies against any Key Principal without first exhausting its remedies against the Applicant or the Project.

(d) **Permanent Mortgage Loan:** The terms and conditions of Applicant's permanent mortgage loan on the Project, if any, shall acknowledge and permit the Gap Financing Loan, and consent to the execution and delivery of the Loan Documents.

(e) **Additional Project Debt:** Other than the permanent mortgage encumbering the Project, if any, without the prior written consent of OCD, no other indebtedness of the Applicant or the Project may have a lien priority senior to that of the Gap Financing Loan; no other indebtedness of the Applicant or any other person or entity may be secured by the Project; and no other unsecured indebtedness of the Applicant (excluding operating expenses for the Project incurred in the ordinary course of business) may be payable except from distributed Surplus Cash.

(f) **Cost Certification.** Applicant acknowledges and agrees that the principal amounts of the Gap Financing Loan set forth in this Award Agreement were calculated based upon estimated costs for the development, restoration, rehabilitation, and construction of the Project provided by the Applicant. Applicant agrees to provide OCD with a cost certification audit acceptable to OCD (the "**Cost Certification Audit**") prepared by an independent third party consulting or accounting firm ("**Audit Firm**") acceptable to OCD, certifying the costs incurred and paid by Applicant in the development, restoration, replacement, rehabilitation, and construction of the Project, and including such other information as OCD may require. Applicant agrees to cooperate with OCD and to provide any documentation deemed necessary to OCD for a complete audit. OCD agrees that the Audit Firm providing the LIHTC Cost Certification accepted by the LHFA is acceptable to OCD.

(g) **Reduction of Gap Financing Loan.** Notwithstanding anything to the contrary contained herein, OCD may reduce the principal amounts of the Indebtedness in the event the Cost Certification Audit or the final subsidy layering analysis of the Project completed by OCD discloses that the actual

costs incurred by Applicant in the development, restoration, replacement, rehabilitation, and/or construction of the Project were less than the estimated costs for the development, restoration, replacements, rehabilitation, and/or construction of the Project upon which the calculation of the principal amount of the Indebtedness as set forth in the Award Agreement were based. The principal amounts of the Gap Financing Loan may be reduced based on the actual Project costs incurred by Applicant, the amount of Tax Credits awarded to the Project, amount of the bond proceeds and the final amount, terms and conditions of the Applicant's Permanent Loan, if any. If the amount of Gap Financing Loan proceeds advanced to Applicant prior to completion of the Cost Certification Audit and final subsidy layering analysis, exceeds the principal amount of the Gap Financing Loan supported by the Cost Certification Audit and final subsidy layering analysis ("Excess Proceeds"), OCD may reduce the amount of the final disbursement, and Applicant shall pay OCD the amount of any remaining Excess Proceeds in one lump sum payment within thirty (30) days of receiving written notice from OCD that the Excess Proceeds are due and payable.

(h) Due on Sale or Transfer Restrictions.

(1) Subject to the terms of this subsection (h), and absent OCD's written waiver, 100% of the amounts due under the Gap Financing Loan are due upon the sale or refinancing of the Project, including without limitation, payment of all principal and accrued and unpaid interest. OCD may, in its sole discretion, accept less than 100% of the amounts then due, but said waiver will not constitute forgiveness of the amounts due under the Gap Financing Loan.

(2) The Owner hereby covenants and agrees not to sell, transfer or otherwise dispose of the Project, or any portion thereof, without obtaining the prior written consent of OCD, which consent shall be in OCD's sole discretion. Notwithstanding the foregoing: (A) the pledge to a limited partner by a general partner of the general partner's interest in a partnership agreement as security for the performance of all of the general partner's obligations under the partnership agreement shall not constitute a refinancing for purposes of this Award Agreement or of the Loan Documents; (B) a sale, transfer, pledge, encumbrance or other disposition of investor limited partner/investor member interests in Applicant shall not require OCD's consent unless such transaction results in a sale of more than 51% of the investor limited partner/investor member interest in Applicant; and (C) the change in the general partner/managing member of Applicant by the investor limited partners/investor members as general partner/managing member of Applicant in accordance with the terms of the limited partnership agreement/operating agreement of Applicant shall not require OCD's consent; provided, however that (i) Applicant shall provide OCD with notice of any such change; and (ii) the entity replacing the general partner/managing member of the Applicant is under direct or indirect common control or management with the investor limited partner/investor member. OCD will allow transfers by an identified investor member/limited partner to an affiliate of such entity, upon review by OCD of the terms of such transfer.

(i) Restrictions on Identity of Interest. Applicant shall be required to notify OCD in writing prior to contracting with any Identity of Interest entity,

and shall include in its audited financial statements a disclosure of all amounts paid to any Identity of Interest entity. OCD will have the right, in its sole discretion, to require the cancellation of any contract between Applicant and any Identity of Interest entity, and all such contracts shall permit such cancellation. An "Identity of Interest" relationship exists if any officer, director, board member, or authorized agent of any project team member (consultant, general contractor, supplier, vendor, vendee, attorney, management agent, seller of the land, etc.):

(1) is also an officer, director, board member or authorized agent of any other project team member;

(2) has any financial interest in any other project team member's firm or corporation;

(3) is a business partner of an officer, director, board member, or authorized agent of any other project team member;

(4) has a family relationship through blood, marriage or adoption with an officer, director, board member, or authorized agent of any project team member; or

(5) advances any funds or items of value to the Applicant.

6. **PBRA Contract:**

APPLICABLE

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NOT
APPLICABLE:

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(check one)

OCD agrees to provide project based rental assistance ("PBRA") for units available to households at 30% AMI and units available to households at 20% AMI at the Project (collectively, "Contract Units"), in accordance with a PBRA contract substantially in the same form as that attached hereto in Exhibit 2 - PBRA Contract (herein, the "PBRA Contract"). Applicant agrees to execute and deliver the PBRA Contract and operate and maintain the Contract Units for the time period, at the affordability levels, and subject to the payment standards as set forth in the PBRA Contract,

The amount of PBRA may be reduced by OCD following the Cost Certification Audit, the final determination of the amount of Tax Credits awarded to the Project, the amount of any bond proceeds and the final amount, terms and conditions of the Applicant's permanent mortgage loan. Funding of the PBRA is conditioned upon compliance by Applicant and the Project with the terms and conditions set forth in the PBRA Contract and the Regulatory Agreements.

7. **Regulatory Agreements:**

The Project will be encumbered by a regulatory agreement in favor of the LHFA in connection with the issuance of the Tax Credits ("**Tax Credit Regulatory Agreement**") and a regulatory agreement in favor of OCD in substantially the form attached hereto as **Exhibit 4 - CDBG Regulatory Agreement** ("**CDBG Regulatory Agreement**"). The Tax Credit Regulatory Agreement and the CDBG Regulatory Agreements are hereinafter sometimes referred to as the "**Regulatory Agreements**".

(a) **Tax Credit Regulatory Agreement.** Applicant shall be required to comply with the terms and conditions of the Tax Credit Regulatory Agreement for the duration of its term. OCD will be considered a third party beneficiary of the Tax Credit Regulatory Agreement and shall be entitled to enforce its terms against the Applicant to the fullest extent as if a party thereto.

(b) **CDBG Regulatory Agreement.** As a condition to disbursement of proceeds under the Gap Financing Loan and any PBRA Contract, Applicant will be required to execute and deliver the CDBG Regulatory Agreement. The CDBG Regulatory Agreement shall (i) run with the land; (ii) have a term of thirty-five (35) years; (iii) survive (A) the expiration of any PBRA Contract, and (B) the repayment of any Gap Financing Loan; and (iv) contain the applicable terms, conditions, restrictions and regulations agreed to in the Application, and as required by the Master Term Sheet and Piggyback Program Description. The CDBG Regulatory Agreement shall be recorded in the real estate records in the Parish where the Project is located, and shall be subordinate only to those liens and encumbrances agreed to by OCD, in its sole discretion.

8. **Guarantees:**

(a) Applicant and a Key Principal acceptable to OCD will be required to guarantee certain personal obligations and annual operating deficits until the Project has generated Surplus Cash for two (2) consecutive fiscal years. The Operating Deficit Guaranty shall guarantee the reimbursement of deficits beginning the first day of the first full fiscal year for the Applicant following completion of construction. The annual operating deficit shall be fully paid and funded by the guarantors under the Operating Deficit Guaranty on or before the date on which annual audited financial statements for the Project are due to OCD under the Loan Agreement and/or PBRA Contract, as applicable. The form of the Operating Deficit Guaranty is attached hereto as **Exhibit 5 - Operating Deficit Guaranty.**

(b) Applicant and a Key Principal acceptable to OCD will be required to guarantee completion of the Project under the terms and conditions contained in the Completion Guaranty attached hereto as **Exhibit 7 - Completion Guaranty.** The Completion Guaranty must be executed by both Applicant and Key Principal and returned to OCD within ninety (90) days of acceptance of this Award Agreement; provided, however, the Completion Guaranty shall be returned to the Applicant and shall be null and void and of no effect if Applicant does not receive funding pursuant to this Award Agreement.

(c) Notwithstanding the foregoing, if a Key Principal is an organization exempt from payment of federal income tax under Section 501(a) of the Internal Revenue Code of 1986, as amended ("**Code**"), as an entity organized under Section 501(c)(3) of the Code, the Key Principal's obligations under

the Operating Deficit Guaranty shall (A) not extend more than five (5) years from the date that the Project first achieves "break-even operations", and (B) be capped at an amount equal to "six (6) months" of operating expenses. For purposes of this section, "break-even operations" mean the date upon which (i) the Project achieves 95 percent occupancy, and (ii) the revenues received from the normal operation of the Project equal all accumulated operational costs of the Project for a period of three (3) consecutive months after completion of construction computed on a cash basis and in accordance with the Project and Loan Documents.

9. Loan Documents: The Gap Financing Loan will be evidenced and secured by the following (collectively referred to herein as the "Loan Documents"):

(a) Promissory Note evidencing the Gap Financing Loan (Exhibit 6 – Gap Financing Note);

(b) A Loan Agreement (Exhibit 8 – Loan Agreement);

(c) A Mortgage, Assignment of Leases and Rents, and Security Agreement, which Mortgage shall (i) constitute a first lien upon the Project, and (ii) constitute a first lien upon and security interest in all fixtures and personal property relating to or located in the Project, and (iii) secure all obligations to OCD under the Loan Documents (Exhibit 9 – Mortgage, Assignment of Leases and Rents, and Security Agreement);

(d) UCC-Financing Statements covering the fixtures and personal property located at the Project;

(e) The Regulatory Agreements (a form of the CDBG Regulatory Agreement is attached as Exhibit 4 – CDBG Regulatory Agreement);

(f) The Operating Deficit Guaranty (Exhibit 5 – Operating Deficit Guaranty);

(g) The Performance and Completion Guaranty (Exhibit 7 – Completion Guaranty);

(h) The PBRA Contract, if applicable (Exhibit 2 – PBRA Contract);
and

(i) The Subordination Agreement, if applicable (Exhibit 10-Subordination Agreement);

(j) The Intercreditor Agreement, if applicable (Exhibit 11-Intercreditor Agreement);

(k) Such other documents, agreements, instruments or certificates as OCD and its counsel may require, including such documents as OCD in its sole discretion deems necessary or appropriate to effectuate the terms and conditions of this Award Agreement, and to comply with the requirements of the Master Term Sheet, the Piggyback Program Description, and the laws of the State of Louisiana.

10. Compliance Requirements:

Applicant agrees to abide by any and all applicable (a) federal, state, parish and municipal laws, codes, ordinances, rules and regulations applicable to the Project, whether presently existing or hereafter promulgated, including without limitation environmental laws, building codes, land use, and zoning codes, (b) CDBG program requirements, HUD regulations and the provisions of 24 CFR Part 570, as amended from time to time, and (c) federal regulations and policies issued pursuant to these regulations. These regulations include, but are not limited to:

- (a) the Architectural Barriers Act of 1968 (42 U.S.C. §§4151-4157);
- (b) the Uniform Federal Accessibility Standards, as set forth in 24 CFR Part 570.614;
- (c) the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973;
- (d) the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. §276(a) to (a-7) 24 CFR Part 570.603). If the Award is funded pari passu, any construction contracts entered into by Applicant shall include a provision for compliance with the Davis-Bacon Act and supporting Department of Labor regulations;
- (e) compliance with the environmental requirements of the Program, which include submitting a report in form and substance acceptable to OCD, which must provide an environmental assessment of such construction in accordance with 24 CFR Part 58, and be approved by OCD before commencing such work;
- (f) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended (49 CFR Part 24) and Section 104(d) of the Housing and Community Project Act of 1974 as amended, and 24 CFR Part 570.606; and
- (g) for existing properties built prior to 1978, the Lead-Based Paint Poisoning Protection Act (42 U.S.C. §4831(b)) and the Residential Lead Based Paint Hazard Reduction Act of 1992 (42 U.S.C. §§4851-4856) and implementing regulations at 24 CFR Part 35.

11. Construction of Project:

Construction of the Project shall be commenced not later than ninety (90) days after of the Construction Start Date listed in the Application, but in no event later than May 15, 2009, or this Award Agreement shall be come null, void and of no effect.

12. Expenses:

Applicant shall pay all costs and expenses incurred in connection with the Gap Financing Loan and the PBRA Contract (including by way of illustration and not limitation): recording fees, title insurance costs, attorney fees, escrow fees, flood zone determination fees, survey fees, appraisal costs, environmental and historic property review, and site inspection fees.

13. Nonassignability:

This Award Agreement is made exclusively with Applicant and is neither assignable nor transferable voluntarily or involuntarily by Applicant, without the prior written approval of OCD, which may be granted or withheld in its

sole discretion. Any such assignment or transfer or attempted assignment or transfer shall be null and void, and shall result in this Award Agreement being automatically terminated, in which event neither Applicant nor OCD shall have any further rights or obligations to the other under this Award Agreement.

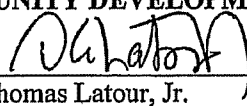
- 14. Indemnification:** Applicant agrees to indemnify and to defend and hold OCD harmless against (a) any brokerage commissions or finder's fees claimed by any broker or other party in connection with the transactions contemplated hereby; (b) any claims related to losses, costs, damages or expenses that OCD may incur, directly or indirectly, including reasonable attorneys' fees, as a result of or in connection with the presence or removal of any environmental contamination or hazardous materials at, on or under the Project or any adjacent or proximate property, and the violation of any applicable federal and state environmental laws at or in connection with the Project. Such indemnities may be contained in the Loan Agreement or in separate indemnity agreements to be executed and delivered by Applicant at Closing.
- 15. Environmental Assessment:** Prior to the execution of any agreement provided for in this Award Agreement, and prior to any demolition or grading of the Project, or other choice-limiting actions, such as acquisition of the project site, or commencement of construction, Applicant must submit an environmental report in form and substance acceptable to OCD, which must provide for written approval and environment assessment of the Project in accordance with 24 CFR Part 58. No choice limiting action with respect to the Project may commence until Applicant has received written approval of the environmental assessment from OCD.
- 16. Joint and Several Liability:** If Applicant consists of more than one natural persons and/or entities, the liability of each of them for Applicant's obligations under this Award Agreement and any associated documents including, without limitation, the Loan Documents, shall be joint and several, and *in solido*.
- 17. Breach of Conditions:** OCD hereby reserves for itself, its successors and assigns, the right to pursue all remedies, either at law or in equity, to enforce the conditions of this Award Agreement, including but not limited to, seeking specific performance of Applicant's obligations. OCD may also, prior to closing, and in its sole and absolute discretion, declare this Award Agreement null and void upon an event of default or breach by Applicant of any of Applicant's representations contained in the Application, or any of the terms and conditions in the Master Term Sheet, the Piggyback Program Description or this Award Agreement, in which event neither Applicant nor OCD shall have any further rights or obligations under this Award Agreement.
- 18. Closing Date:** The PBRA Contract, if applicable, shall be executed, and the Gap Financing Loan shall close on or before December 31, 2009, or this Award Agreement may be terminated by OCD, in its sole discretion, by written notice to Applicant, in which event OCD shall no longer have any obligation to enter into the PBRA Contract or to make the Gap Financing Loan, and Applicant shall have no further rights under this Award Agreement.

OCD's obligation under this Award Agreement shall be subject to satisfaction of all of the conditions contained herein, or in any document referred to herein. The issuance of this Award

Agreement shall not prejudice OCD's rights of review and approval, including without limitation, of all documents and materials heretofore delivered to OCD by or on behalf of Applicant.

The terms of this Award Agreement, both prior to and after acceptance by Applicant, may be waived or modified only by a written instrument signed by OCD and shall survive the execution of the Loan Documents to the extent not inconsistent therewith. **TIME IS OF THE ESSENCE OF THIS AWARD AGREEMENT.**

**STATE OF LOUISIANA, DIVISION OF
ADMINISTRATION, OFFICE OF
COMMUNITY DEVELOPMENT**

By: 
Name: Thomas Latour, Jr.
Title: Multi-Family Housing Supervisor

List of Exhibits:

- Exhibit 1 – Special Conditions
- Exhibit 2 – PBRA Contract – NA
- Exhibit 3 – Exhibit B-PBRA Contract – NA
- Exhibit 4 – CDBG Regulatory Agreement
- Exhibit 5 – Operating Deficit Guaranty
- Exhibit 6 – Gap Financing Note
- Exhibit 7 – Completion Guaranty
- Exhibit 8 – Loan Agreement
- Exhibit 9 – Mortgage, Assignment of Leases and Rents, and Security Agreement
- Exhibit 10- Subordination Agreement
- Exhibit 11- Intercreditor Agreement

APPLICANT:

By: _____, a _____

Name: _____
Title: _____

KEY PRINCIPAL:

By: _____, a _____

Name: _____
Title: _____

CDBG Legal Documents: Property Specific Addendum
Page 1: Property Information

Property Name	Douglas & Andry Sustainable Apartments, LLC	OCD# 18	LHFA# N/A
Parish	Orleans	18 units	
Applicant	Douglas & Andry Sustainable Apartments, LLC 1614B Oretha Castle Haley Boulevard New Orleans, LA 70113	attn: Noel James (504) 525-2505 james@gchp.net	
State Gap Financing	\$2,700,000.00		
Secured By	First Lien Mortgage		
Hard Debt Portion			
Monthly Payment	\$0.00		
Soft Debt Portion	\$2,700,000.00	AFR	Compound Interest 30 year term
Annual Payment	Standard		
			The first \$5,600 of Surplus Cash Plus one-third of the next \$18,000 of Surplus Cash Plus two-thirds of any remaining Surplus Cash
Private First Mortgage	\$0.00	0	0
Lender	N/A		
State PBRA	Not Requested	0 units requested	
PBRA Level of Affordability:	Not Applicable		
PBRA Payment Standard:	60%		
Number of PSH Units:	3 units, representing 16.67% of total units		
Construction Start	March 31, 2009		
Construction Completion	March 31, 2010		
Last Building P-I-S	April 1, 2010		
Initial Reserves:	\$62,482.00 Initial operating deficit reserves		
	\$0.00 Initial replacement reserve		
	\$0.00 1:		
	\$0.00 2:		
	\$0.00 4:		
	\$0.00 5:		
Repl. Reserve Deposit	\$5,400.00 per year		
(first year)	\$450.00 per month		

CDBG Legal Documents: Property Specific Addendum
Page 2: Affordability Commitment and Special Conditions

# BRs	With Rental Assistance *	Without Rental Assistance							Total Units
		<= 20% AMI	>20% <=30% AMI	>30% <=40% AMI	>40% <=50% AMI	>50% <=60% AMI	>60% <=80% AMI	Non LIHTC Units	
0 BR	0	0	0	0	0	0	0	0	0
1 BR	0	3	0	0	0	9	0	0	12
2 BR	0	0	0	0	0	0	0	6	6
3 BR	0	0	0	0	0	0	0	0	0
4 BR	0	0	0	0	0	0	0	0	0
5 BR	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
Total Units	0	3	0	0	0	9	0	6	18
No State PBRA									

* If no longer covered by the rental assistance contract, these units become restricted at 60% AMI

Special Condition 1	Sponsor will perform cost accounting sufficient to assure OCD that no CDBG funds are used for the non-residential portion of the development.
Special Condition 2	Private loan from Global Green is a cash flow note and subordinate to the CDBG loan; payments may be made only from the owner's share of surplus cash.
Special Condition 3	
Special Condition 4	
Special Condition 5	
Special Condition 6	

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by Vice-Chair Allison A. Jones and seconded by Commissioner Guy T. Williams:

RESOLUTION

A resolution of intention to finance the acquisition, construction, equipping and/or rehabilitation of each multifamily housing project receiving **CDBG Funds from the Office of Community Development ("OCD")**; authorizing not exceeding amounts of Multifamily Housing Revenue Bonds to each of the projects that applied to OCD for CDBG Funds; 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, the Agency has previously authorized not exceeding \$200,000,000 million Multifamily Housing Revenue Bonds in one or more series pursuant to a resolution adopted by the Board of Commissioners on October 15, 2008; and

WHEREAS, each developer listed in Schedule I hereto, (collectively, the "Developer" individually a "Developer") has submitted to OCD an application for CDBG Funds and to the Agency an application for tax credits relating to each Developer's interest in the acquisition, construction, equipping and/or rehabilitation of one or more multifamily housing facilities, more particularly described in Schedules I-A through I-Z hereto (the "Projects") within the State, subject to the Agency's agreement to finance each Project by the issuance of tax-exempt revenue bonds issued pursuant to the Act and with a private activity volume cap allocation under Section 146 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Agency deems it necessary and advisable that to take such action as may be required under applicable statutory provisions to confirm the Agency's willingness to issue revenue bonds in one or more series to finance at least fifty percent (50%) of the cost of each Project set forth in Schedules I-A through I-Z hereto, together with costs incident to the authorization, issuance and sale of the bonds, the aggregate costs of each Project and costs of authorization, issuance and sale of the bonds being presently estimated to be the amount set forth in Schedules I-A through I-Z hereto; and

WHEREAS, each Developer will arrange for the acquisition, construction, rehabilitation and/or equipping of each representative 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 acquisition, construction, rehabilitation and/or equipping of an exempt facility bond project; and

WHEREAS, the primary purpose of this resolution is to satisfy the requirements of said income tax regulations with respect to the Project set forth in Schedule I-A through I-Z 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 Projects listed in Schedules I-A through I-Z are hereby approved and the financing of the acquisition, construction, equipping and/or rehabilitation 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 for each Project in Schedules I-A through I-Z hereto. It is the intent of this resolution to induce the financing of each 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 each Developer may exercise its rights and perform its obligations with respect to the financing of the Developer's 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. At least fifty percent (50%) of the costs of financing the Project will be paid in part 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 each 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 operation of each Project, as well as the financing of each Project, will comply with all Federal, State and local laws and regulations and each Developer will obtain all necessary approvals and permits required thereunder.

SECTION 4. 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 each 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 5. 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 of 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.

SECTION 6. The Chairman of the Board of Commissioners and/or the President is authorized to execute the standard form of the Preliminary Agreement with each Developer.

SECTION 7. All commitments by the Agency herein with respect to each Project are subject to the condition that on or before 36 months from the date of adoption hereof, the Agency and each Developer shall have agreed to mutually acceptable terms for the financing documents and the sale and delivery of the Bonds or other obligations.

SECTION 8. Each Developer will comply with all rules, regulations and reviews of the Agency in effect or undertaken from time to time.

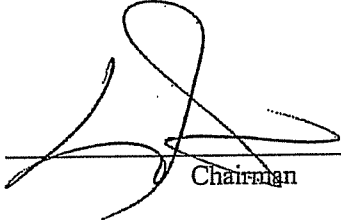
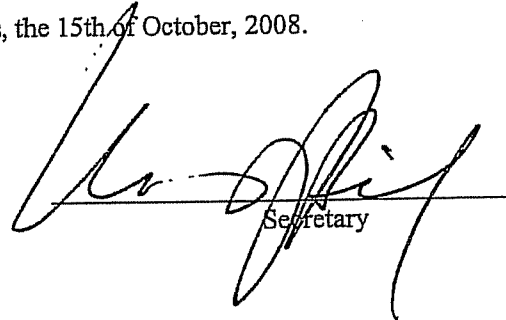
This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: Wayne W. Woods, Allison A. Jones, Robert Pernell, Guy T. Williams,
Maureen Clary, Mayson H. Foster, Walter O. Guillory, Joseph
Scontrino, III, Katie Anderson, Susan Sonnier obo Kristy Nichols.

NAYS:

ABSENT: John Kennedy, J. Mark Madderra, Tyrone A. Wilson, Roy W. Lester.

And the resolution was declared adopted on this, the 15th of October, 2008.


Chairman
Secretary

SCHEDULE I-R

INITIAL OWNER/OPERATOR: Douglas & Andry Sustainable Apartments, LLC

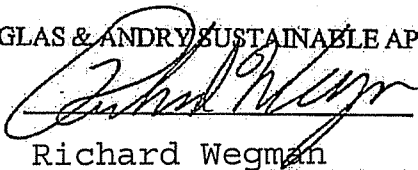
BOND AMOUNT: Not exceeding \$9,274,951

PROJECT NAME	LOCATION	ESTIMATED NUMBER OF UNITS	ESTIMATED TOTAL COST
Douglas & Andry	5413 Peters Street New Orleans, Louisiana 70117	18	\$9,274,951

I, the Initial Owner/Operator, have reviewed the information above and hereby certify this Schedule I to be accurate and complete as of this date.

Initial Owner/Operator: DOUGLAS & ANDRY SUSTAINABLE APARTMENTS, LLC

By:

By: 
Richard Wegman

Date: 11-5-08

DECISION BRIEF

Allocation of \$372,981 in 4% Low Income Housing Credits for GCHP-MLK, LLC New Orleans, Louisiana

Issue:

The GCHP-MLK, LLC, is requesting the Louisiana Housing Finance Agency to allocate \$372,981 in 4% Low Income Housing Credits for the development of a seventy (70) unit project located at 1931 Martin Luther King Blvd. in New Orleans, Orleans Parish, Louisiana. The project is 30% (21) Market Rate units and 70% (49) low income units, in which 21% (15) of the units will be set-aside for households whose incomes are at or below 30% of the area median income.

The project has been awarded \$8,181,036 from the LRA/OCD Piggyback 2 Round and has also been awarded Bonds with the amount not to exceed \$12,504,402.

This Multifamily senior development will be developed with 30 1-BR units and 40 2-BR units. The Total Development Cost of this project will be around \$ 13,317,100.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The project will enhance the housing stock for the citizens of Louisiana.
- Bond Financing leveraged with Low Income Housing Tax Credit (LIHTC) will contribute to the project's equity.

Cons: None**Recommendation:**

Staff recommends approval of this request to issue 4% Low Income Housing Credits subject to the preliminary feasibility analysis of Foley & Judell, L.L.P.

LOUISIANA HOUSING FINANCE AGENCY

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

RESOLUTION

A resolution establishing the maximum qualified basis and low-income housing credits to GCHP-MLK, LLC; 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, and 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 GCHP-MLK, LLC's 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 GCHP-MLK, LLC:

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. GCHP-MLK, LLC (the "Project") is hereby preliminarily approved for Tax Credits in the amount of three-hundred, seventy-two thousand, nine-hundred-eighty-one dollars (\$372,981.00) upon the receipt of the Bond application, commitment of CDBG funds and 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, 8th day of July 2009.

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 two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 8, 2009, "A resolution establishing the maximum qualified basis and low-income housing credits to GCHP-MLK, LLC; 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."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 8th day of July, 2009.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by Vice-Chair Allison A. Jones and seconded by Commissioner Guy T. Williams:

RESOLUTION

A resolution of intention to finance the acquisition, construction, equipping and/or rehabilitation of each multifamily housing project receiving **CDBG Funds from the Office of Community Development ("OCD")**; authorizing not exceeding amounts of Multifamily Housing Revenue Bonds to each of the projects that applied to OCD for CDBG Funds; 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, the Agency has previously authorized not exceeding \$200,000,000 million Multifamily Housing Revenue Bonds in one or more series pursuant to a resolution adopted by the Board of Commissioners on October 15, 2008; and

WHEREAS, each developer listed in Schedule I hereto, (collectively, the "Developer" individually a "Developer") has submitted to OCD an application for CDBG Funds and to the Agency an application for tax credits relating to each Developer's interest in the acquisition, construction, equipping and/or rehabilitation of one or more multifamily housing facilities, more particularly described in Schedules I-A through I-Z hereto (the "Projects") within the State, subject to the Agency's agreement to finance each Project by the issuance of tax-exempt revenue bonds issued pursuant to the Act and with a private activity volume cap allocation under Section 146 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Agency deems it necessary and advisable that to take such action as may be required under applicable statutory provisions to confirm the Agency's willingness to issue revenue bonds in one or more series to finance at least fifty percent (50%) of the cost of each Project set forth in Schedules I-A through I-Z hereto, together with costs incident to the authorization, issuance and sale of the bonds, the aggregate costs of each Project and costs of authorization, issuance and sale of the bonds being presently estimated to be the amount set forth in Schedules I-A through I-Z hereto; and

WHEREAS, each Developer will arrange for the acquisition, construction, rehabilitation and/or equipping of each representative 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 acquisition, construction, rehabilitation and/or equipping of an exempt facility bond project; and

WHEREAS, the primary purpose of this resolution is to satisfy the requirements of said income tax regulations with respect to the Project set forth in Schedule I-A through I-Z 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 Projects listed in Schedules I-A through I-Z are hereby approved and the financing of the acquisition, construction, equipping and/or rehabilitation 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 for each Project in Schedules I-A through I-Z hereto. It is the intent of this resolution to induce the financing of each 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 each Developer may exercise its rights and perform its obligations with respect to the financing of the Developer's 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. At least fifty percent (50%) of the costs of financing the Project will be paid in part 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 each 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 operation of each Project, as well as the financing of each Project, will comply with all Federal, State and local laws and regulations and each Developer will obtain all necessary approvals and permits required thereunder.

SECTION 4. 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 each 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 5. 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 of 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.

SECTION 6. The Chairman of the Board of Commissioners and/or the President is authorized to execute the standard form of the Preliminary Agreement with each Developer.

SECTION 7. All commitments by the Agency herein with respect to each Project are subject to the condition that on or before 36 months from the date of adoption hereof, the Agency and each Developer shall have agreed to mutually acceptable terms for the financing documents and the sale and delivery of the Bonds or other obligations.

SECTION 8. Each Developer will comply with all rules, regulations and reviews of the Agency in effect or undertaken from time to time.

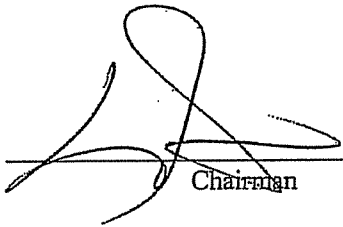
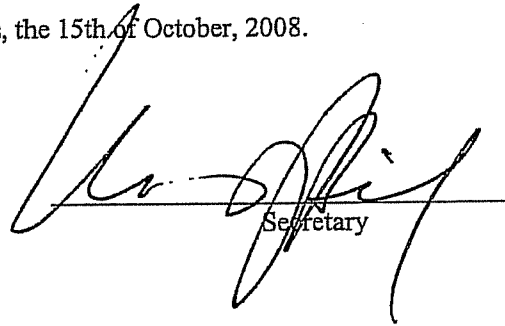
This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: Wayne W. Woods, Allison A. Jones, Robert Pernell, Guy T. Williams,
Maureen Clary, Mayson H. Foster, Walter O. Guillory, Joseph
Scontrino, III, Katie Anderson, Susan Sonnier obo Kristy Nichols.

NAYS:

ABSENT: John Kennedy, J. Mark Madderra, Tyrone A. Wilson, Roy W. Lester.

And the resolution was declared adopted on this, the 15th of October, 2008.


Chairman
Secretary

SCHEDULE I-W

INITIAL OWNER/OPERATOR: GCHP-MLK, LLC

BOND AMOUNT: Not exceeding \$12,504,402

PROJECT NAME	LOCATION	ESTIMATED NUMBER OF UNITS	ESTIMATED TOTAL COST
GCHP-MLK, LLC	1931 Martin Luther King Jr. Boulevard New Orleans, Louisiana 70113	70	\$12,504,402

I, the Initial Owner/Operator, have reviewed the information above and hereby certify this Schedule I to be accurate and complete as of this date.

Initial Owner/Operator: GCHP-MLK, LLC

By: _____

By: _____

Date: _____

BOBBY JINDAL
GOVERNOR



ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Community Development
Disaster Recovery Unit

**AWARD ACCEPTANCE AGREEMENT
LOUISIANA CDBG PIGGYBACK PROGRAM ROUND 2
THE ROAD HOME**

December 16, 2008

GCHP MLK, LLC
Gulf Coast Housing Partnership Inc
1614B Oretha Castle Haley Boulevard
New Orleans, LA 70113
Attn: Sara Meadows Tolleson

Re: GCHP – MLK, LLC – OCD# 23

Dear Applicant:

The State of Louisiana, Division of Administration, Office of Community Development ("OCD") is providing funds from the United States of America, HUD Community Development Block Grant ("CDBG") Program to qualified applicants, in accordance with the CDBG Piggyback Program (the "Program") under the Louisiana Recovery Authority ("LRA") Action Plan known as The Road Home.

Pursuant to your application to OCD, including, but not limited to, the completed printed application submitted by you, all written responses to any deficiency letter issued to you by OCD, and all written attachments, addenda, and amendments pertaining thereto (collectively, the "Application"), OCD has agreed to award you the following PBRA Contract and/or Gap Financing Loan (the "Award") (as those terms are defined in that certain Round 2 Master Term Sheet as adopted by OCD on May 29, 2008 (the "Master Term Sheet"), and except as expressly modified by the Master Term Sheet, the CDBG Piggyback Program description adopted by LRA and OCD on September 28, 2006 (the "Piggyback Program Description")), for the above-referenced project, as described in your Application (the "Project"). Applicant acknowledges receipt and review of the Master Term Sheet and the Piggyback Program Description. Any capitalized terms not defined herein shall have the definitions given to them in the Piggyback Program Round 2 Loan Documents (as defined below).

This Award Acceptance Agreement (the "Award Agreement") is subject to the Special Conditions as noted on Exhibit 1 - Special Conditions attached hereto. Any conflicts or inconsistencies between this Award Agreement and the Special Conditions shall be resolved in favor of the Special Conditions.

The Award Agreement along with the accompanying attachments describes the terms and conditions of your award.

Please execute the original and return it to the Office of Community Development at the following address to ensure that it is RECEIVED NO LATER THAN 5PM CST ON **DECEMBER 24, 2008**:

Office of Community Development
Disaster Recovery Unit
Attn: Piggyback Program
150 North 3rd Street, Suite 500
Baton Rouge, LA 70801

Any Award Agreement not fully executed and received by the time and date specified above may be deemed withdrawn and no longer available to the applicant.

In executing the Award Agreement, you should ensure that the entire form is completed including (1) providing the information requested in Section B 1 regarding the Applicant and the Key Principal; and (2) ensuring that both the Applicant and the Key Principal fully execute the Award Acceptance Agreement.

Note that the key legal documents are provided as exhibits in order to be responsive to public comment received by this Office asking that the terms of the award be as specific as possible. These documents are not to be completed at this time as that will occur in association with the actual closing.

Any questions regarding the Award Agreement should be directed to Thomas LaTour at 225-219-9624.

A. GENERAL CONDITIONS TO FUNDING THIS AWARD

OCD's obligation to perform and fund the Award is conditioned on the following conditions being performed, satisfied, or waived by OCD, in OCD's sole discretion (collectively, the "Award Conditions"):

1. **Low Income Housing Tax Credits and Bond Authority:** Within one hundred twenty (120) days of the date of this Award Agreement, Applicant must receive a reservation, commitment and issuance from the LHFA to the Applicant for the Project, of not less than \$349,027 in 4% Low Income Housing Tax Credits ("Tax Credits") for the Project and tax-exempt bond authority. Applicant and the Project must be in compliance with all applicable provisions of Section 42 of the Internal Revenue Code of 1986, as amended.
2. **Compliance by Applicant:** Compliance with the terms and conditions of the Application, this Award Agreement, the CDGB Program requirements more fully set for below, and with the applicable terms and conditions of the Master Term Sheet and the Piggyback Program Description.
3. **Execution and Delivery of Award:** Execution and delivery by the Applicant of documentation acceptable to OCD evidencing and securing the funds provided by OCD under this Award Agreement, including without limitation the Loan Documents.
4. **Special Conditions:** Compliance with the Special Conditions, as applicable.

B. TERMS AND CONDITIONS OF THE AWARD

**1. Applicant and
Key Principal:**

[Applicant to insert name and address/email/phone no.]

GCHP-MCK, LLC
1648 Oretha Castle Haley Boulevard
New Orleans, LA 70113
folleson@gchp.net
(504) 525-2505

[Applicant to insert name and address/email/phone no. of proposed Key Principal]

Kathy Laborde
Gulf Coast Housing Partnership
1648 Oretha Castle Haley Boulevard
New Orleans, LA 70113
laborde@gchp.net
(504) 525-2505

Applicant will provide a "Key Principal" with adequate financial assets acceptable to OCD, which may include the general partner of an Applicant limited partnership or the managing member of an Applicant limited liability company, or other Affiliate of Applicant, to guarantee those limited personal obligations (non-recourse carve-outs) and to execute and deliver the Completion Guaranty and the Operating Deficit Guaranty as described in Paragraph 8 below.

A Key Principal must be a person or entity who has an economic interest in Applicant, or who will otherwise obtain a material financial benefit from the Gap Financing Loan and/or PBRA Contract, as described below. For the purposes of determining a Key Principal: (a) "Affiliate" means any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which has a controlling interest in Applicant; and (b) "controlled by", "under common control with", or which has a "controlling interest" means (i) the direct or indirect power (under contract, equity ownership, the right to vote or determine a vote, or otherwise) to direct the financial, legal, beneficial or other interests of a company (or other entity) and includes the definition of "control" in 24 CFR 401.310(a)(2); or (ii) the power to vote, directly or indirectly, 25 percent or more of any class of the voting stock of a company; or (iii) the ability to direct in any manner the election of a majority of a company's (or other entity's) directors, trustees or members; or (iv) the ability to exercise a controlling influence over the company's or entity's management and policies. For purposes of this definition, a general partner of a limited partnership is presumed to be in control of that partnership, and a managing member of a limited liability company is presumed to be in control of that limited liability company.

**2. Program
Description:**

The purpose of the Program is to provide funds to qualified applicants for the restoration, rehabilitation, replacement, construction, development and operation of residential rental properties damaged by either Hurricane Katrina or Hurricane Rita ("Hurricanes"), in order to provide housing for Louisiana residents affected by the Hurricanes. Reference is hereby made to the Master Term Sheet and Piggyback Program Description for complete Program details and requirements and the following websites: www.doa.la.gov/cdbg.htm or www.lhfa.state.la.us.

**3. Project
Commitments:**

This Award Agreement is based on Applicant's compliance with certain continuing commitments regarding the Project, as more fully described and as

contained in the Regulatory Agreements and the Application, including without limitation the following:

Affordability and Market Rate Commitments: The Project will contain the number of market rate units, and the number of assisted and unassisted units, by type, for each of the following Area Median Income ("AMI") levels, as set forth below and as more fully described in the Regulatory Agreements:

Unit Type	Assisted Units	20% AMI	30% AMI	40% AMI	50% AMI	60% AMI	Market Rate	Total Units
0 BR								
1 BR		4	5			12	9	30
2 BR			6			22	12	40
3 BR								
4 BR								
Total		4	11			34	21	70

Permanent Supportive Housing Commitment: The Project will contain 4 units at 20% AMI complying with applicable Program requirements for Permanent Supportive Housing, as set forth and as more fully described in the Regulatory Agreements.

APPLICABLE

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NOT
APPLICABLE

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(check one)

PBRA Contract: Applicant and the Project will comply with all of the terms, covenants, restrictions and requirements set forth in the PBRA Contract.

Regulatory Agreements. Applicant and the Project will comply with all of the terms, covenants, restrictions, and requirements set forth in the Regulatory Agreements.

4. **Gap Financing Loan:**

APPLICABLE

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APPLICABLE

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(check one)

(a) **Principal Amount:** The principal amount of the Gap Financing Loan is Eight Million One Hundred and Eighty One Thousand and Thirty Six and 00/100 (\$8,181,036.00) Dollars, bearing interest at the rate of 0%, computed on the basis of a 360-day year, consisting of twelve 30-day months, to be repaid in annual installments solely from "Surplus Cash", to the extent Surplus Cash is generated from the operation of the Project, as follows:

The sum of (A) one-third (1/3) of the first \$1,000.00 per unit of Surplus Cash generated from the operation of the Project; plus (B) two-thirds (2/3) of Surplus Cash in excess of (A)

"Surplus Cash" means any cash (excluding tenant security deposits) remaining at the end of each fiscal year of the Applicant after: (A) payment of all operating expenses for the Project for such fiscal year; (B) payment of all sums due or currently required to be paid under the terms of any Permanent Loan Mortgage encumbering the Project and the promissory note secured by such

Permanent Loan Mortgage; and (C) payment of all amounts required to be deposited into any reserve fund for the payment of operating expenses, any reserve for replacements to the Project, or any other special reserve funds required to be maintained by the Project under the Permanent Loan Mortgage or the Loan Documents. OCD's right to be paid from Surplus Cash shall terminate at such time as the principal and interest amounts due on the Gap Financing Note are paid in full. Notwithstanding the requirement of repayment from Surplus Cash, the Gap Financing Loan shall not be construed as a joint venture, partnership or other association between Applicant and OCD, other than a debtor/creditor relationship.

(b) **Maturity:** The Gap Financing Loan shall mature on the earliest to occur of: (i) sale or refinancing of the Project except as expressly permitted in the Loan Documents; (ii) acceleration following an Event of Default under the Loan Documents that is not cured within any applicable grace or cure period; or (iii) the Maturity Date as defined in the Loan Agreement.

(c) **Security:** Payment of the Gap Financing Loan shall be evidenced and secured by the Loan Documents to be executed and delivered by Applicant at Closing.

5. General Loan
Conditions

(a) **Funding of Gap Financing Loan:**

(i) Completion:

APPLICABLE:

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NOT

APPLICABLE

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(check one)

OCD will fund the full amount of the Gap Financing Loan, subject to adjustment based on final cost certification and subsidy layering review, as set forth below, in one disbursement following construction of the Project, upon receipt by OCD of final certificates of occupancy (or their equivalents) for all buildings and units comprising the Project and upon compliance with the other conditions to funding set forth in the Loan Agreement; OR

(ii) **Pari Passu Funding during construction:**

APPLICABLE:

☐

NOT

APPLICABLE

☒

(check one)

OCD will fund the Gap Financing Loan during the construction of the Project on a *pari passu* basis with Applicant's construction lender and LIHTC syndicator, on terms and conditions acceptable to OCD in its sole and uncontrolled discretion, which conditions shall include without limitation, review and approval of draw requests and payment and reimbursement of additional costs, fees and expenses of OCD. The terms and conditions regarding OCD's funding during construction of the Project shall be negotiated between Applicant, OCD, Applicant's construction lender and LIHTC syndicator prior to closing the Gap Financing Loan, and if the parties are unable to agree upon the terms and conditions governing OCD's obligation to fund during construction of the Project, Applicant shall be deemed to have received funding at Completion.

(b) **Use of Proceeds:** Proceeds from the Gap Financing Loan are to be used solely to support the development, restoration, replacement, rehabilitation, construction and operation of the Project in accordance with the Application and the terms and conditions of the Loan Documents.

(c) **Non-Recourse Loan:** The Gap Financing Loan is non-recourse to the Applicant; provided however, the nonrecourse carveouts set forth in the Loan Documents are personal obligations of the Applicant and shall be guaranteed by one or more Key Principals acceptable to OCD under the terms and conditions set forth in the Loan Documents. The obligations of each Key Principal shall survive any foreclosure proceeding, any foreclosure sale, any delivery of any deed in lieu of foreclosure, and any release of record of the Mortgage. OCD may pursue its remedies against any Key Principal without first exhausting its remedies against the Applicant or the Project.

(d) **Permanent Mortgage Loan:** The terms and conditions of Applicant's permanent mortgage loan on the Project, if any, shall acknowledge and permit the Gap Financing Loan, and consent to the execution and delivery of the Loan Documents.

(e) **Additional Project Debt:** Other than the permanent mortgage encumbering the Project, if any, without the prior written consent of OCD, no other indebtedness of the Applicant or the Project may have a lien priority senior to that of the Gap Financing Loan; no other indebtedness of the Applicant or any other person or entity may be secured by the Project; and no other unsecured indebtedness of the Applicant (excluding operating expenses for the Project incurred in the ordinary course of business) may be payable except from distributed Surplus Cash.

(f) **Cost Certification.** Applicant acknowledges and agrees that the principal amounts of the Gap Financing Loan set forth in this Award Agreement were calculated based upon estimated costs for the development, restoration, rehabilitation, and construction of the Project provided by the Applicant. Applicant agrees to provide OCD with a cost certification audit acceptable to OCD (the "**Cost Certification Audit**") prepared by an independent third party consulting or accounting firm ("**Audit Firm**") acceptable to OCD, certifying the costs incurred and paid by Applicant in the development, restoration, replacement, rehabilitation, and construction of the Project, and including such other information as OCD may require. Applicant agrees to cooperate with OCD and to provide any documentation deemed necessary to OCD for a complete audit. OCD agrees that the Audit Firm providing the LIHTC Cost Certification accepted by the LHFA is acceptable to OCD.

(g) **Reduction of Gap Financing Loan.** Notwithstanding anything to the contrary contained herein, OCD may reduce the principal amounts of the Indebtedness in the event the Cost Certification Audit or the final subsidy layering analysis of the Project completed by OCD discloses that the actual costs incurred by Applicant in the development, restoration, replacement, rehabilitation, and/or construction of the Project were less than the estimated costs for the development, restoration, replacements, rehabilitation, and/or construction of the Project upon which the calculation of the principal amount of the Indebtedness as set forth in the Award Agreement were based. The principal amounts of the Gap Financing Loan may be reduced based on the actual Project costs incurred by Applicant, the amount of Tax Credits awarded to the Project, amount of the bond proceeds and the final amount, terms and conditions of the Applicant's Permanent Loan, if any. If the amount of Gap Financing Loan proceeds advanced to Applicant prior to completion of the Cost Certification

Audit and final subsidy layering analysis, exceeds the principal amount of the Gap Financing Loan supported by the Cost Certification Audit and final subsidy layering analysis ("Excess Proceeds"), OCD may reduce the amount of the final disbursement, and Applicant shall pay OCD the amount of any remaining Excess Proceeds in one lump sum payment within thirty (30) days of receiving written notice from OCD that the Excess Proceeds are due and payable.

(h) Due on Sale or Transfer Restrictions.

(1) Subject to the terms of this subsection (h), and absent OCD's written waiver, 100% of the amounts due under the Gap Financing Loan are due upon the sale or refinancing of the Project, including without limitation, payment of all principal and accrued and unpaid interest. OCD may, in its sole discretion, accept less than 100% of the amounts then due, but said waiver will not constitute forgiveness of the amounts due under the Gap Financing Loan.

(2) The Owner hereby covenants and agrees not to sell, transfer or otherwise dispose of the Project, or any portion thereof, without obtaining the prior written consent of OCD, which consent shall be in OCD's sole discretion. Notwithstanding the foregoing: (A) the pledge to a limited partner by a general partner of the general partner's interest in a partnership agreement as security for the performance of all of the general partner's obligations under the partnership agreement shall not constitute a refinancing for purposes of this Award Agreement or of the Loan Documents; (B) a sale, transfer, pledge, encumbrance or other disposition of investor limited partner/investor member interests in Applicant shall not require OCD's consent unless such transaction results in a sale of more than 51% of the investor limited partner/investor member interest in Applicant; and (C) the change in the general partner/managing member of Applicant by the investor limited partners/investor members as general partner/managing member of Applicant in accordance with the terms of the limited partnership agreement/operating agreement of Applicant shall not require OCD's consent; provided, however that (i) Applicant shall provide OCD with notice of any such change; and (ii) the entity replacing the general partner/managing member of the Applicant is under direct or indirect common control or management with the investor limited partner/investor member. OCD will allow transfers by an identified investor member/limited partner to an affiliate of such entity, upon review by OCD of the terms of such transfer.

(i) Restrictions on Identity of Interest. Applicant shall be required to notify OCD in writing prior to contracting with any Identity of Interest entity, and shall include in its audited financial statements a disclosure of all amounts paid to any Identity of Interest entity. OCD will have the right, in its sole discretion, to require the cancellation of any contract between Applicant and any Identity of Interest entity, and all such contracts shall permit such cancellation. An "Identity of Interest" relationship exists if any officer, director, board member, or authorized agent of any project team member (consultant, general contractor, supplier, vendor, vendee, attorney, management agent, seller of the land, etc.):

(1) is also an officer, director, board member or authorized agent of any other project team member;

(2) has any financial interest in any other project team member's firm or corporation;

(3) is a business partner of an officer, director, board member, or authorized agent of any other project team member;

(4) has a family relationship through blood, marriage or adoption with an officer, director, board member, or authorized agent of any project team member; or

(5) advances any funds or items of value to the Applicant.

6. **PBRA Contract:** OCD agrees to provide project based rental assistance ("PBRA") for ☐ units available to households at 30% AMI and ☐ units available to households at 20% AMI at the Project (collectively, "Contract Units"), in accordance with a PBRA contract substantially in the same form as that attached hereto in Exhibit 2 - PBRA Contract (herein, the "PBRA Contract"). Applicant agrees to execute and deliver the PBRA Contract and operate and maintain the Contract Units for the time period, at the affordability levels, and subject to the payment standards as set forth in the PBRA Contract,
- APPLICABLE
☐
- NOT
APPLICABLE:
☒
(check one)

The amount of PBRA may be reduced by OCD following the Cost Certification Audit, the final determination of the amount of Tax Credits awarded to the Project, the amount of any bond proceeds and the final amount, terms and conditions of the Applicant's permanent mortgage loan. Funding of the PBRA is conditioned upon compliance by Applicant and the Project with the terms and conditions set forth in the PBRA Contract and the Regulatory Agreements.

7. **Regulatory Agreements:**

The Project will be encumbered by a regulatory agreement in favor of the LHFA in connection with the issuance of the Tax Credits ("**Tax Credit Regulatory Agreement**") and a regulatory agreement in favor of OCD in substantially the form attached hereto as **Exhibit 4 - CDBG Regulatory Agreement** ("**CDBG Regulatory Agreement**"). The Tax Credit Regulatory Agreement and the CDBG Regulatory Agreements are hereinafter sometimes referred to as the "**Regulatory Agreements**".

(a) **Tax Credit Regulatory Agreement.** Applicant shall be required to comply with the terms and conditions of the Tax Credit Regulatory Agreement for the duration of its term. OCD will be considered a third party beneficiary of the Tax Credit Regulatory Agreement and shall be entitled to enforce its terms against the Applicant to the fullest extent as if a party thereto.

(b) **CDBG Regulatory Agreement.** As a condition to disbursement of proceeds under the Gap Financing Loan and any PBRA Contract, Applicant will be required to execute and deliver the CDBG Regulatory Agreement. The CDBG Regulatory Agreement shall (i) run with the land; (ii) have a term of thirty-five (35) years; (iii) survive (A) the expiration of any PBRA Contract, and (B) the repayment of any Gap Financing Loan; and (iv) contain the applicable terms, conditions, restrictions and regulations agreed to in the Application, and as required by the Master Term Sheet and Piggyback Program Description. The CDBG Regulatory Agreement shall be recorded in the real estate records in the Parish where the Project is located, and shall be subordinate only to those liens and encumbrances agreed to by OCD, in its sole discretion.

8. **Guarantees:**

(a) Applicant and a Key Principal acceptable to OCD will be required to guarantee certain personal obligations and annual operating deficits until the Project has generated Surplus Cash for two (2) consecutive fiscal years. The Operating Deficit Guaranty shall guarantee the reimbursement of deficits beginning the first day of the first full fiscal year for the Applicant following completion of construction. The annual operating deficit shall be fully paid and funded by the guarantors under the Operating Deficit Guaranty on or before the date on which annual audited financial statements for the Project are due to OCD under the Loan Agreement and/or PBRA Contract, as applicable. The form of the Operating Deficit Guaranty is attached hereto as **Exhibit 5 - Operating Deficit Guaranty.**

(b) Applicant and a Key Principal acceptable to OCD will be required to guarantee completion of the Project under the terms and conditions contained in the Completion Guaranty attached hereto as **Exhibit 7 - Completion Guaranty.** The Completion Guaranty must be executed by both Applicant and Key Principal and returned to OCD within ninety (90) days of acceptance of this Award Agreement; provided, however, the Completion Guaranty shall be returned to the Applicant and shall be null and void and of no effect if Applicant does not receive funding pursuant to this Award Agreement.

(c) Notwithstanding the foregoing, if a Key Principal is an organization exempt from payment of federal income tax under Section 501(a) of the Internal Revenue Code of 1986, as amended ("**Code**"), as an entity organized under Section 501(c)(3) of the Code, the Key Principal's obligations under the Operating Deficit Guaranty shall (A) not extend more than five (5) years from

the date that the Project first achieves "break-even operations", and (B) be capped at an amount equal to "six (6) months" of operating expenses. For purposes of this section, "break-even operations" mean the date upon which (i) the Project achieves 95 percent occupancy, and (ii) the revenues received from the normal operation of the Project equal all accumulated operational costs of the Project for a period of three (3) consecutive months after completion of construction computed on a cash basis and in accordance with the Project and Loan Documents.

9. Loan Documents:

The Gap Financing Loan will be evidenced and secured by the following (collectively referred to herein as the "Loan Documents"):

(a) Promissory Note evidencing the Gap Financing Loan (Exhibit 6 – Gap Financing Note);

(b) A Loan Agreement (Exhibit 8 – Loan Agreement);

(c) A Mortgage, Assignment of Leases and Rents, and Security Agreement, which Mortgage shall (i) constitute a second lien upon the Project, and (ii) constitute a second lien upon and security interest in all fixtures and personal property relating to or located in the Project, and (iii) secure all obligations to OCD under the Loan Documents (Exhibit 9 – Mortgage, Assignment of Leases and Rents, and Security Agreement);

(d) UCC-Financing Statements covering the fixtures and personal property located at the Project;

(e) The Regulatory Agreements (a form of the CDBG Regulatory Agreement is attached as Exhibit 4 – CDBG Regulatory Agreement);

(f) The Operating Deficit Guaranty (Exhibit 5 – Operating Deficit Guaranty);

(g) The Performance and Completion Guaranty (Exhibit 7 – Completion Guaranty);

(h) The PBRA Contract, if applicable (Exhibit 2 – PBRA Contract); and

(i) The Subordination Agreement, if applicable (Exhibit 10-Subordination Agreement);

(j) The Intercreditor Agreement, if applicable (Exhibit 11-Intercreditor Agreement);

(k) Such other documents, agreements, instruments or certificates as OCD and its counsel may require, including such documents as OCD in its sole discretion deems necessary or appropriate to effectuate the terms and conditions of this Award Agreement, and to comply with the requirements of the Master Term Sheet, the Piggyback Program Description, and the laws of the State of Louisiana.

10. Compliance

Applicant agrees to abide by any and all applicable (a) federal, state, parish and municipal laws, codes, ordinances, rules and regulations applicable to the

Requirements: Project, whether presently existing or hereafter promulgated, including without limitation environmental laws, building codes, land use, and zoning codes, (b) CDBG program requirements, HUD regulations and the provisions of 24 CFR Part 570, as amended from time to time, and (c) federal regulations and policies issued pursuant to these regulations. These regulations include, but are not limited to:

- (a) the Architectural Barriers Act of 1968 (42 U.S.C. §§4151-4157);
- (b) the Uniform Federal Accessibility Standards, as set forth in 24 CFR Part 570.614;
- (c) the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973;
- (d) the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. §276(a) to (a-7) 24 CFR Part 570.603). If the Award is funded pari passu, any construction contracts entered into by Applicant shall include a provision for compliance with the Davis-Bacon Act and supporting Department of Labor regulations;
- (e) compliance with the environmental requirements of the Program, which include submitting a report in form and substance acceptable to OCD, which must provide an environmental assessment of such construction in accordance with 24 CFR Part 58, and be approved by OCD before commencing such work;
- (f) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended (49 CFR Part 24) and Section 104(d) of the Housing and Community Project Act of 1974 as amended, and 24 CFR Part 570.606; and
- (g) for existing properties built prior to 1978, the Lead-Based Paint Poisoning Protection Act (42 U.S.C. §4831(b)) and the Residential Lead Based Paint Hazard Reduction Act of 1992 (42 U.S.C. §§4851-4856) and implementing regulations at 24 CFR Part 35.

- 11. **Construction of Project:** Construction of the Project shall be commenced not later than ninety (90) days after of the Construction Start Date listed in the Application, but in no event later than May 15, 2009, or this Award Agreement shall be come null, void and of no effect.
- 12. **Expenses:** Applicant shall pay all costs and expenses incurred in connection with the Gap Financing Loan and the PBRA Contract (including by way of illustration and not limitation): recording fees, title insurance costs, attorney fees, escrow fees, flood zone determination fees, survey fees, appraisal costs, environmental and historic property review, and site inspection fees.
- 13. **Nonassignability:** This Award Agreement is made exclusively with Applicant and is neither assignable nor transferable voluntarily or involuntarily by Applicant, without the prior written approval of OCD, which may be granted or withheld in its sole discretion. Any such assignment or transfer or attempted assignment or transfer shall be null and void, and shall result in this Award Agreement being automatically terminated, in which event neither Applicant nor OCD shall have

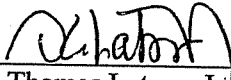
any further rights or obligations to the other under this Award Agreement.

- 14. Indemnification:** Applicant agrees to indemnify and to defend and hold OCD harmless against (a) any brokerage commissions or finder's fees claimed by any broker or other party in connection with the transactions contemplated hereby; (b) any claims related to losses, costs, damages or expenses that OCD may incur, directly or indirectly, including reasonable attorneys' fees, as a result of or in connection with the presence or removal of any environmental contamination or hazardous materials at, on or under the Project or any adjacent or proximate property, and the violation of any applicable federal and state environmental laws at or in connection with the Project. Such indemnities may be contained in the Loan Agreement or in separate indemnity agreements to be executed and delivered by Applicant at Closing.
- 15. Environmental Assessment:** Prior to the execution of any agreement provided for in this Award Agreement, and prior to any demolition or grading of the Project, or other choice-limiting actions, such as acquisition of the project site, or commencement of construction, Applicant must submit an environmental report in form and substance acceptable to OCD, which must provide for written approval and environment assessment of the Project in accordance with 24 CFR Part 58. No choice limiting action with respect to the Project may commence until Applicant has received written approval of the environmental assessment from OCD.
- 16. Joint and Several Liability:** If Applicant consists of more than one natural persons and/or entities, the liability of each of them for Applicant's obligations under this Award Agreement and any associated documents including, without limitation, the Loan Documents, shall be joint and several, and *in solido*.
- 17. Breach of Conditions:** OCD hereby reserves for itself, its successors and assigns, the right to pursue all remedies, either at law or in equity, to enforce the conditions of this Award Agreement, including but not limited to, seeking specific performance of Applicant's obligations. OCD may also, prior to closing, and in its sole and absolute discretion, declare this Award Agreement null and void upon an event of default or breach by Applicant of any of Applicant's representations contained in the Application, or any of the terms and conditions in the Master Term Sheet, the Piggyback Program Description or this Award Agreement, in which event neither Applicant nor OCD shall have any further rights or obligations under this Award Agreement.
- 18. Closing Date:** The PBRA Contract, if applicable, shall be executed, and the Gap Financing Loan shall close on or before December 31, 2009, or this Award Agreement may be terminated by OCD, in its sole discretion, by written notice to Applicant, in which event OCD shall no longer have any obligation to enter into the PBRA Contract or to make the Gap Financing Loan, and Applicant shall have no further rights under this Award Agreement.

OCD's obligation under this Award Agreement shall be subject to satisfaction of all of the conditions contained herein, or in any document referred to herein. The issuance of this Award Agreement shall not prejudice OCD's rights of review and approval, including without limitation, of all documents and materials heretofore delivered to OCD by or on behalf of Applicant.

The terms of this Award Agreement, both prior to and after acceptance by Applicant, may be waived or modified only by a written instrument signed by OCD and shall survive the execution of the Loan Documents to the extent not inconsistent therewith. **TIME IS OF THE ESSENCE OF THIS AWARD AGREEMENT.**

**STATE OF LOUISIANA, DIVISION OF
ADMINISTRATION, OFFICE OF
COMMUNITY DEVELOPMENT**

By: 
Name: Thomas Latour, Jr.
Title: Multi-Family Housing Supervisor

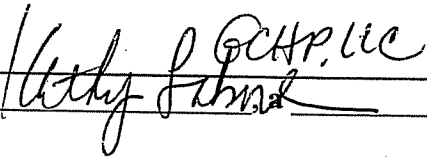
List of Exhibits:

- Exhibit 1 – Special Conditions
- Exhibit 2 – PBRA Contract – NA
- Exhibit 3 – Exhibit B-PBRA Contract – NA
- Exhibit 4 – CDBG Regulatory Agreement
- Exhibit 5 – Operating Deficit Guaranty
- Exhibit 6 – Gap Financing Note
- Exhibit 7 – Completion Guaranty
- Exhibit 8 – Loan Agreement
- Exhibit 9 – Mortgage, Assignment of Leases and Rents, and Security Agreement
- Exhibit 10- Subordination Agreement
- Exhibit 11- Intercreditor Agreement

APPLICANT:

GCHP-MUK, LLC
By: 
Name: Kathy Laborde
Title: President

KEY PRINCIPAL:

Kathy Laborde GCHP, LLC
By: 
Name: Kathy Laborde
Title: President

CDBG Legal Documents: Property Specific Addendum
Page 1: Property Information

Property Name	GCHP-MLK, LLC	OCD# 23	LHFA# NA
Parish	Orleans	70 units	
Applicant	GCHP-MLK, LLC 1614-B Oretha Castle Haley Blvd New Orleans, LA 70113	attn: Sara Meadows Tolleson (504) 525-2505 tolleson@gchp.net	
State Gap Financing Secured By	\$8,181,036.00 Second Lien Mortgage		
Hard Debt Portion Monthly Payment	\$0.00		
Soft Debt Portion Annual Payment	\$8,181,036.00 Standard	0.000% Simple interest	30 year term
	One-third of the first \$70,000 of Surplus Cash Plus two-thirds of any remaining Surplus Cash		
Private First Mortgage Lender	\$995,394.00 Morgan Keegan	6.250%	30 years
State PBRA	Not Requested		0 units requested
PBRA Level of Affordability:	Not Applicable		
PBRA Payment Standard:	60%		
Number of PSH Units:	4 units, representing 5.71% of total units		
Construction Start	June 1, 2009		
Construction Completion	June 1, 2010		
Last Building P-I-S	June 1, 2010		
Initial Reserves:	\$0.00 Initial operating deficit reserves \$0.00 Initial replacement reserve \$5,000.00 1: Marketing \$99,146.00 2: Permanent Insurance \$0.00 4: \$0.00 5:		
Repl. Reserve Deposit (first year)	\$33,250.00 per year \$2,770.83 per month		

CDBG Legal Documents: Property Specific Addendum
Page 2: Affordability Commitment and Special Conditions

# BRs	With Rental Assistance *	Without Rental Assistance						Non LIHTC Units	Total Units
		<= 20% AMI	>20% <=30% AMI	>30% <=40% AMI	>40% <=50% AMI	>50% <=60% AMI	>60% <=80% AMI		
0 BR	0	0	0	0	0	0	0	0	0
1 BR	0	4	5	0	0	12	0	9	30
2 BR	0	0	6	0	0	22	0	12	40
3 BR	0	0	0	0	0	0	0	0	0
4 BR	0	0	0	0	0	0	0	0	0
5 BR	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
Total Units	0	4	11	0	0	34	0	21	70
No State PBRA									

* If no longer covered by the rental assistance contract, these units become restricted at 60% AMI

Special Condition 1 No later than March 15, 2009, Sponsor must provide evidence satisfactory to OCD of NORA's site control of the lot(s) to be donated to the project (1918-20 Thalia Street, New Orleans).

Special Condition 2
Special Condition 3
Special Condition 4
Special Condition 5
Special Condition 6

DECISION BRIEF:

Request for Extension of Carryover for New Covington

Issue

The developer for New Covington Apartments (08(GO)-48), New Covington Apartments LP is requesting an extension of Carryover from June 1, 2009 to December 15, 2009.

Citing unforeseen issues, that has delayed with the project; the developer is requesting the extension from June 1, 2009 to December 15, 2009.

New Covington Apartments in Covington, Louisiana consists of 24 buildings of multifamily housing that contain 94 units consisting of twenty-four (24) one-bedroom units, forty-six (46) two-bedroom and twenty-four (24) three-bedroom units.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.

Cons:

- Deadline currently established
- Recapture credits

Recommendation:

Staff recommends the extension to the Carryover date on the aforementioned projects to December 15, 2009.

DECISION BRIEF:

Request for Extension of Carryover for Hardwood Apartments

Issue

The developer for Hardwood Apartments (08(GO)-12), Hardwood Housing, LP is requesting an extension of Carryover from June 1, 2009 to June 30, 2009.

Citing unforeseen issues, that has delayed with the project; the developer is requesting the extension from June 1, 2009 to June 30, 2009.

Hardwood Apartments in St. Francisville, Louisiana consists of 20 buildings of multifamily housing that contain 40 units consisting of fourteen (14) one-bedroom units, twelve (12) two-bedroom and fourteen (14) three-bedroom units.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.

Cons:

- Deadline currently established
- Recapture credits

Recommendation:

Staff recommends the extension to the Carryover date on the aforementioned projects to June 30, 2009.

LOUISIANA HOUSING FINANCE AGENCY

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

RESOLUTION

A resolution authorizing an extension of submission of Carryover Allocation Documentation requirements as stipulated in the December 2008 Lightning Round Memorandum distributed by Louisiana Housing Finance Agency (the "Agency") from June 1, 2009 to June 30, 2009 for Hardwood Apartments and to December 15, 2009 for New Covington; and providing for other matters in connection therewith.

WHEREAS, the LHFA Board of Commissioners, at the December 10, 2008, meeting, adopted a resolution providing for the reservation of currently unallocated and/or returned 2008 Lightning Round Per Capita Low Income Housing Tax Credits (LIHTC) to certain residential rental facilities in its 2008 Lightning Round and a deadline for submission of Carryover Allocation Documents of June 1, 2009 and providing for other matters in connection therewith;

WHEREAS, said revision provided for carryover documents to be submitted no later than June 1, 2009, including an appropriate attorney or CPA opinion in the format prescribed by the Agency with evidence that expenditures of at least ten percent (10%) of a projects cost had been incurred on or before June 1, 2009,

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. The carryover deadline of June 1, 2009 is extended to June 30, 2009 for Hardwood Apartments.

SECTION 2. The carryover deadline of June 1, 2009 is extended to December 15, 2009 for New Covington Apartments.

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 implement the Board's actions.

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 8th day of July, 2009.

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 two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 8, 2009, "A resolution authorizing an extension of submission of Carryover Allocation Documentation requirements as stipulated in the December 2008 Lightning Round Memorandum distributed by Louisiana Housing Finance Agency (the "Agency") from June 1, 2009 to June 30, 2009 for Hardwood Apartments and to December 15, 2009 for New Covington; 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 8th day of July, 2009.

Secretary

(SEAL)

DECISION BRIEF:

Request for Extension of Carryover for Lafitte Redevelopment Adjudicated Housing

Issue

The developer for Lafitte Redevelopment Adjudicated Housing (08(GO)-74), Lafitte Adjudicated Housing LLC is requesting an extension of Carryover from June 15, 2009 to December 15, 2009.

Citing unforeseen issues, that has delayed with the project; the developer is requesting the extension from June 15, 2009 to December 15, 2009.

Lafitte Redevelopment Adjudicated Housing in New Orleans, Louisiana consists of 55 buildings of multi-family housing that contain 84 units consisting of twenty-seven (27) two-bedroom units, forty-four (44) three-bedroom and thirteen (13) four-bedroom units.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.

Cons:

- Deadline currently established
- Recapture credits

Recommendation:

Staff recommends the extension to the Carryover date on the aforementioned projects to December 15, 2009.

LOUISIANA HOUSING FINANCE AGENCY

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

RESOLUTION

A resolution authorizing an extension of submission of Carryover Allocation Documentation requirements as stipulated in the 2007/2008(FA) QAP by Louisiana Housing Finance Agency (the "Agency") from December 31, 2008 to December 15, 2009 Lafitte Redevelopment Adjudicated Housing; and providing for other matters in connection therewith.

WHEREAS, the LHFA Board of Commissioners, at the May 22, 2008, meeting, adopted a resolution approving submission of reprocessing applications made by the developers of Lafitte Redevelopment and division of said project into multiple phases and providing for other matters in connection therewith;

WHEREAS, said revision provided for carryover documents to be submitted no later than December 31, 2008, including an appropriate attorney or CPA opinion in the format prescribed by the Agency with evidence that expenditures of at least ten percent (10%) of a projects cost had been incurred on or before December 31, 2009;

WHEREAS, the Agency granted an allocation to Lafitte Redevelopment Adjudicated Housing on December 31, 2008 with the condition that the taxpayer will incur 10% of reasonably expected basis 6 months after an allocation is made as allowed for by Section 42(h)(1)(E)(ii) of the Internal Revenue Code;

WHEREAS, the Agency has received a request from the developer of Lafitte Redevelopment Adjudicated Housing for an extension until December 15, 2009;

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. The carryover date of June 15, 2009 is extended to December 15, 2009 for Lafitte Redevelopment Adjudicated Housing.

SECTION 2. The Agency staff and counsel are authorized and directed to prepare the forms of such documents and agreements as may be necessary to implement the Board's actions.

SECTION 3. 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 8th day of July 2009.

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 two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 8, 2009, captioned "A resolution authorizing an extension of submission of Carryover Allocation Documentation requirements as stipulated in the 2007/2008(FA) QAP by Louisiana Housing Finance Agency (the "Agency") from December 31, 2008 to December 15, 2009 Lafitte Redevelopment Adjudicated Housing; 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 8th day of July, 2009.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY

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

RESOLUTION

A resolution to ratify action of staff to hold a new public hearing on June 29, 2009 and to re-open the application period of 07/08 applications for the Tax Credit Assistance Program, ("TCAP"), and extend application deadline to July 1, 2009 and to extend the 2009 QAP application deadline to July 6, 2009.

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, at the end of May, staff submitted its request to HUD in order to be considered for an award of Tax Credit Assistance Program, ("TCAP") funds.

WHEREAS, on June 11th, the day after the last Board meeting, HUD requested additional information for its final review of the TCAP application and further informed the agency that the public hearing it conducted for TCAP was ineffective public notice because it was held before HUD's final guidance was issued on TCAP application procedure.

WHEREAS, in order to keep the remaining program deadlines, the LHFA staff, after conferring with Multi-family Committee Chair and Board Chair, held a new public hearing on June 29th and re-opened the application period of '07/'08 applications for the Tax Credit Assistance Program and extended the application deadline to July 1, 2009 and extended the application deadline for 2009 QAP applications to July 6, 2009.

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. The Board hereby ratifies the staff's action in re-opening the application period of '07/'08 applications for the Tax Credit Assistance Program and extending the application deadline to July 1, 2009 and extended the application deadline for 2009 QAP applications to July 6, 2009, which rises to an amendment of the QAP.

SECTION 2. The Board hereby adopts the revised timelines for the '07/'08 applications and the 2009 QAP applications as established in Exhibits A and B, attached hereto.

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 implement the Board's actions.

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 8th day of July, 2009.

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 two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 8, 2009, "A resolution to ratify action of staff to hold a new public hearing on June 29, 2009 and to re-open the application period of 07/08 applications for the Tax Credit Assistance Program and extend application deadline to July 1, 2009 and to extend the 2009 QAP application deadline to July 6, 2009."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 8th day of July, 2009.

Secretary

(SEAL)

REVISED TIMELINE FOR TCAP ROUND

June 19, 2009	Memo to Development Community
June 29, 2009	TCAP Discussion and Comment
July 1, 2009	Application Deadline
July 13, 2009	Preliminary Rank and Score
July 14, 2009	Begin 10 Day Challenge Period
July 24, 2009	End of 10 Day Challenge Period and submission of completion of Environmental Assessment
August, 12, 2009	Board Approval TCAP Funds

Revised Timeline of 2009 Credit Ceiling Reservations for Competitive Applications

Estimated Competitive Application Timetable:

April 8, 2009	Board Approves Draft QAP
April 15, 2009	Statewide Publication of QAP Public Hearing Notice
April 30, 2009	Board Conducts Public Hearing on QAP
May 13, 2009	Board Adopts Final QAP- Simultaneous submission to Governor and Joint Committee on Budget (JLCB)
May 20, 2009	Application Workshop
June 29, 2009	Board Conducts Public Hearing on QAP
July 6, 2009	Final Application Deadline
August 12, 2009	Preliminary Rank and Score
August 14, 2009	Begin Ten-Day Challenge Period
August 24, 2009	End Ten-Day Challenge Period and submission of completion of Environmental Assessment
September 9, 2009	Board Approval of Rank & Reservation of Tax Credits

DECISION BRIEF:

Exterior Design Waiver for Brick/Stucco Option Claiborne Homes I #06(2)-225 & Beechgrove Homes #07/08 (FA)-22

Issue

The Agency recently implemented a new policy of On-Site construction inspections to ensure tax credit projects are being built in accordance to their QAP and point selections.

According to field reports received on Claiborne Homes I #06(2)-225 & Beechgrove Homes #07/08 (FA)-22 projects, fiber cement siding was used as a substitution for the all brick/stucco exterior that was selected in the LIHTC application.

The selection criteria for the 2006 (2) & 07/08 (FA) QAP states the project should have all brick/stucco exterior for the 10 points to be allotted.

Staff has reviewed Claiborne Homes I #06(2)-225 & Beechgrove Homes #07/08 (FA)-22 and has come to the conclusion that the projects would have been funded without the brick/stucco option points.

It is staff's recommendation to provide a waiver of brick/stucco points for the Claiborne Homes I #06(2)-225 & Beechgrove Homes #07/08 (FA)-22 and allow those projects to continue with construction according to plans and specs previously submitted.

Pros:

- This will increase the production of much needed housing in Louisiana.
- The proposed action would provide relief to a development that has already commenced construction.
- The selection criteria changes are optional as they are not mandated by the QAP.
- LHFA Board has previously approved a similar request for Walnut Square (New Orleans, LA)

Cons:

- It could possibly result in substandard construction in Tax Credit Projects.
- Fiber cement siding is not as durable as brick/stucco.

Recommendation:

Upon consideration of the information provided by the developer, staff's research, and upon a similar request made previously, staff is recommending approval of a waiver of the brick/stucco points from the selection criteria due to brick/stucco not evidenced on Plans & Specs.

CLAIBORNE HOMES I, L.L.C.
6540 Lapalco Boulevard
Marrero, LA 70072

BEECHGROVE HOMES L.L.C.
5905 Hooper Road
Baton Rouge, LA 70811

Kevin Harvey
Louisiana Housing Finance Agency
2415 Quail Drive
Baton Rouge, LA 70808

Re: Claiborne Homes I (#06(2)-225) & Beechgrove Homes (#07/08(FA)-22)

Dear Mr. Harvey:

Beechgrove Homes LLC is in receipt of a Construction Deficiency letter that identifies the Project as not meeting the Brick/Stucco Selection Criterion. To date, Claiborne Homes I has not received a similar letter. The NRP Group LLC ("NRP") is the Co-Developer and General Contractor for the General Partner entities owning both developments, and as Claiborne Homes I also will present this deficiency, this letter is meant to address both.

NRP was hired by Claiborne Homes I G.P., L.L.C. and Beechgrove Homes G.P., L.L.C. to co-develop Claiborne Homes I and Beechgrove Homes, and to act as the General Contractor for both. Upon the deals' award of Low Income Housing Tax Credits by the Louisiana Housing Finance Agency, NRP began to conduct the typical array of due diligence. We initially realized that building materials and subcontractors were in short supply in Louisiana due to the population shift caused by Hurricanes Katrina and Rita, and that it was going to be impossible for us to conform to schedule and budget if we followed the Brick/Stucco Selection Criterion asserted in the LIHTC applications for both developments.

↗ We petitioned the Agency to consider a substitute product to satisfy the Brick/Stucco Selection Criterion, and thereby keep the points associated with this criterion, as an adequate replacement. Fiber cement siding was a perfect substitute from our perspective;

its cost was within projected limits originally developed for the Brick/Stucco requirement, and the efficiency of installation it afforded us meant that there would be no delay in buildout. Higher skilled labor, in shorter supply than lower skilled labor, was not needed. The Agency's Board entertained our request, but denied it for aesthetic reasons.

Subsequent to this denial, we learned new information concerning the unreliability of the soils comprising the site for Claiborne Homes I and Beechgrove Homes, and concerning the outrageous cost of flood insurance in the wake of Hurricanes Katrina and Rita. We were forced to modify our designs such that the houses' foundations sit approximately seven feet above grade on pile structural supports. The cost to design these foundations in order to accommodate the weight of brick and stucco was beyond the scope of the developments. Fiber cement siding became our best choice. We discussed with the Agency how it would respond were we simply to proceed with the fiber cement siding option, and we were given little feedback beyond verbal acknowledgement of what the relevant Qualified Action Plans offered, which was that there was no rule in place to address a deviation from a LIHTC application that was not a Reprocessing Change or a Material Change. Numerous inquiries to the Agency went unanswered, until we arrived at a point where we no longer could delay finalizing design and closing financing on the deals.

Both the 2006 Second Funding Round QAP (which governs Claiborne Homes I) and the GO Zone 2007/2008 Forward Allocation QAP (which governs Beechgrove Homes) regulate two types of changes –a Reprocessing Change and a Material Change. The definitions are the same in each QAP:

REPROCESSING CHANGE: Any change other than a material change relating to (i) adjustments of sources or uses of funds in excess of 5%, (ii) increases or decreases in the number of units, unit mix, square footage, etc. greater than 5%, (iii) an applicant's inability to comply with the project schedule proposed in the Application by more than three months in any element of the Project and (iv) any increase in the interest rate of long term debt required to complete the Project.

MATERIAL CHANGE: Notwithstanding the provisions of any prior Qualified Allocation Plan, a material change for any project, including projects receiving a reservation or allocation from a prior Calendar year credit Ceiling, shall mean any Reprocessing Change which results (i) in the project deemed not feasible or not viable or (ii) a reduction of points from the Selection Criteria below the minimum score or below the score of the highest ranked project on the waiting list for the year in which the credits were allocated. Any change caused by force majeure or circumstances beyond the control of an Owner will not be a material change if the Agency's Board of Commissioners concurs that such change was beyond the control of the Owner. The Agency also considers the following to be material changes: removal of any managing general partner, bankruptcy of any managing general partner, site change, or change in unit design (increase or decrease in number of units, unit mix, square footage etc. greater than 10%).

The decision to utilize fiber cement siding did not result in changes to either development's sources and uses of funds; in fact, it avoided this. It did not result in changes to the elements identified as changes to unit design. The decision therefore did not create Reprocessing Changes for either development. A Material Change, according to its definition, must first be a Reprocessing Change or must fit into one of the four specifically stated categories—removal of a managing general partner, bankruptcy of a managing general partner, site change, or a 10%+ change to the number of units, unit mix, or square footage. Thus, neither a Reprocessing Change nor a Material Change occurred to Claiborne Homes I or Beechgrove Homes.

Notwithstanding the conclusion that the construction deviation of the Projects complies with their QAPs, we took liberty to analyze whether the points deduction for not applying Brick/Stucco exteriors would have resulted in either deal scoring below the score of the next highest ranking project on the applicable waiting list. Attached to this letter are the Final Rankings for the Second 2006 Application Round's Qualified Non-Profit Pool and the 2007/2008 Forward Allocation Round's Mixed Income Pool. Claiborne Homes I was the fifth highest scoring applicant in the Second 2006 Application Round's Qualified Non-Profit Pool, at 535 points. Claiborne Homes II and Claiborne Homes III, second and third phases to Claiborne Homes I, scored the same but were disqualified under the Agency's policy concerning phased deals. The next highest scoring submission, then, was Village at McNeese (06(2)-115), which scored 515 points. Subtracting the 10 points for the Brick/Stucco requirement from Claiborne Homes I's final score would result in the applicant scoring 525 points. The loss of these points, therefore, would not create a Material Change per the Second 2006 Application Round QAP.

Likewise, Beechgrove Homes was the second highest scoring applicant in the 2007/2008 Forward Allocation Round Mixed Income Pool, at 806 points. The third highest scoring submission, CJ Peete III (07/08(FA)-25), scored 765 points. Deducting the 10 points for the Brick/Stucco Selection Criterion would leave Beechgrove Homes with 796 points, meaning that no Material Change occurred per the 2007/2008 Forward Allocation QAP. In other words, there would not have been a reallocation of awards for either Claiborne Homes I or Beechgrove Homes.

The development team ultimately concluded that neither a Reprocessing Change nor a Material Change occurred from the decision to use fiber cement siding in lieu of the Brick/Stucco Selection Criterion for Beechgrove Homes or Claiborne Homes I. NRP is sympathetic to the Agency's desire to enforce policies that ensure the highest quality affordable housing is built during Louisiana's recovery. In building 160 new single family affordable homes of superior quality in one of the GO Zone's Eight Most Affected Parishes, NRP has furthered this goal. The decision to use fiber cement siding was made necessary by labor and supply shortages, and structural design impositions created by the nature of local soils and the regional high cost of flood insurance.

Please direct further correspondence to my attention at 216.475.8900,
bdrobnick@nrpgroup.com, or via mail at 5309 Transportation Boulevard, Cleveland,
Ohio 44125. Thank you.

Sincerely,



Brian Drobnick
Development Project Manager
Claiborne Homes I L.L.C. & Beechgrove Homes L.L.C.

Cc: Louis Russell; Mattye Jones; Venus Williams; Duane D. Pierce; Ken Outcalt; John
Leonard; Mike Ekis

Enclosures

2006(2) GO Zone Final Ranking

QNP POOL
\$6,128,762.10 available

Project No.	Project Name / Address	Credits Requested	Type of Construction	Applicant Self Score	LHFA Staff Score	New Score
06(2)-289	The Savoy II Apts ⁽²⁾ 6847, 6861, 6873 Cindy Pl. New Orleans, LA 70127	\$859,782.00	NC/C	585	635	585
06(2)-219	Louise Landing Bailey Vincent Subdivision Lake Charles, LA 70601	\$1,128,000.00	SS/NC	610	485	585
06(2)-284	NAPFE Towers 3200 Garden Oaks Drive New Orleans, LA 70114	\$1,249,999.00	Sub Rehab	575	565	565
06(2)-288	The Savoy I Apts ⁽²⁾ 6840, 6852, 6866 Cindy Pl. New Orleans, LA 70127	\$859,782.00	NC/C	585	465	550
06(2)-225	Claiborne Homes I ⁽³⁾ Claiborne Blvd/ Beechgrove Blvd Westwego, LA 70094	\$1,051,504.00	SS/NC	535	525	535
06(2)-226	Claiborne Homes II ⁽³⁾ Claiborne Blvd/ Beechgrove Blvd Westwego, LA 70094	\$ 1,051,504.00	SS/NC	535	525	535
06(2)-227	Claiborne Homes III ⁽³⁾ Claiborne Blvd/ Beechgrove Blvd Westwego, LA 70094	\$ 1,051,504.00	SS/NC	535	525	535
06(2)-115	Village at McNeese ⁽²⁾ South Park Rd., 400 ft. south of McNeese Lake Charles, LA 70605	\$756,000.00	SS/NC	475	430	515
06(2)-118	Village at South Park ⁽²⁾ Northeast corner of South Park & Smith Rds. Lake Charles, LA 70605	\$1,221,000.00	SS/NC	495	365	505
06(2)-249	Wisdom Manor 4324 General Ogden St New Orleans, LA 70129	\$485,000.00	NC/C	560	380	500
06(2)-213	Georgetown of New Orleans II ⁽³⁾ 7209 E. Suffolk Drive New Orleans, LA 70126	\$1,102,030.00	Acq/Rehab	530	435	500
06(2)-214	Georgetown of New Orleans III ⁽³⁾ 7209 E. Suffolk Drive New Orleans, LA 70126	\$1,003,956.00	Acq/Rehab	530	435	500
06(2)-211	Forest Park Apartments 3708 Garden Oaks Drive New Orleans, LA 70114	\$1,250,000.00	NC/C	525	415	495
06(2)-276	Renoir Acres Estates I ⁽²⁾ 2700 Block S. Belgis Pkwy Sulphur, LA 70665	\$750,000.00	SS/NC	600	380	495

(2) Project exceeds total allocation per project (phasing)
(3) Must meet all HUD/FHA requirements
(4) Site control in question
(5) Incomplete submission

Project No.	Project Name / Address	Credits Requested	Type of Construction	Applicant Self Score	LHFA Staff Score	New Score
06(2)-154	Nazarath Inn II ⁽³⁾ 9630 Haynes Blvd. New Orleans, LA 70127	\$792,474.00	Acq/Rehab	495	485	495
06(2)-153	Nazarath Inn I ⁽²⁾ 9630 Haynes Blvd. New Orleans, LA 70127	\$886,316.00	Acq/Rehab	495	485	495
06(2)-151	St. John Berchman Manor 3400 St. Anthony Ave. New Orleans, LA 70122	\$876,166.00	Acq/Rehab	485	340	485
06(2)-152	Delille Inn 6924 Chef Menture Hwy. New Orleans, LA 70126	\$428,287.00	Acq/Rehab	485	350	485
06(2)-235	Townhomes of Sherwood Forest Greenwell Springs & N. Sherwood Forest Baton Rouge, LA 70814	\$1,250,000.00	SS/NC	515	455	485
06(2)-274	Monet Acres Estates I ⁽²⁾ Old Spanish Trail near N. Belgis Parkway Sulphur, LA 70665	\$765,000.00	SS/NC	600	385	485
06(2)-275	Monet Acres Estates II ⁽²⁾ Old Spanish Trail near N. Belgis Parkway Sulphur, LA 70665	\$765,000.00	SS/NC	600	385	485
06(2)-114	Village at Pebble Creek SW corner of Hwy 22 and Weaver Lane Ponchatoula, LA 70454	\$898,869.00	SS/NC	490	450	480
06(2)-277	Renoir Acres Estates II ⁽⁴⁾ 2700 Block S. Belgis Pkwy Sulphur, LA 70665	\$750,000.00	SS/NC	600	380	480
06(2)-319	West End Estates II ⁽²⁾ South Landry St. New Iberia, LA 70560	\$1,130,716.00	SS/NC	500	445	475
06(2)-302	West End Estates I ⁽²⁾ Field Street New Iberia, LA 70563	\$1,240,518.00	SS/NC	500	425	475
06(2)-150	St. Martin Manor 1501 N. Johnson Street New Orleans, LA 70146	\$1,249,999.00	Acq/Rehab	470	395	470
06(2)-159	Church Point Subdivision 720 Gayle Drive Church Point, LA 70525	\$765,000.00	SS/NC	470	460	470
06(2)-160	North Abbeville Subdivision I ⁽²⁾ North Lafitte Road Abbeville, LA 70510	\$950,000.00	SS/NC	510	445	470

(2) Project exceeds total allocation per project (phasing)

(3) Must meet all HUD/FHA requirements

(4) Site control in question

(5) Incomplete submission

As of 8/21/2006

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2006(2) GO Zone Final Ranking

GNP POOL
\$5,128,752.10 available

Project No.	Project Name / Address	Credits Requested	Type of Construction	Applicant Self Score	LINEA Staff Score	New Score
06(2)-234	Senior Residences of Central Hooper Rd & Joor Rd Central, LA 70818	\$1,147,006.00	SS/NC	520	440	470
06(2)-128	St. Paul Estates NW Corner of Hwy 433 and Magazine St. Hammond, LA 70401	\$1,250,000.00	SS/NC	470	395	470
06(2)-248	Whispering Oak US 171 & Griffith St Lake Charles, LA 70601	\$328,070.00	NC/C	555	305	470
06(2)-212	Georgetown of New Orleans I ⁽²⁾ 7209 E. Suffolk Drive New Orleans, LA 70126	\$1,093,384.00	Acq/Rehab	530	455	465
06(2)-215	Bayberry Woods Residences Hooper Road Baton Rouge, LA 70811	\$1,050,000.00	NC/C	460	450	460
06(2)-278	Serra Cedar Phase I ⁽²⁾ Lagneaux, South of Duhan Rd Lafayette, LA 70506	\$569,000.00	SS/NC	600	420	460
06(2)-280	Serra Cedar Phase III ⁽²⁾ Lagneaux, South of Duhan Rd Lafayette, LA 70506	\$569,000.00	SS/NC	600	420	460
06(2)-279	Serra Cedar Phase II ⁽²⁾ Lagneaux, South of Duhan Rd Lafayette, LA 70506	\$594,000.00	SS/NC	600	420	460
06(2)-301	Dale Street Seniors Dale Street New Iberia, LA 70563	\$867,788.00	SS/NC	500	450	455
06(2)-155	Annunciation Inn 1220 Spain Street New Orleans, LA 70117	\$904,333.00	Acq/Rehab	475	440	450
06(2)-207	Tanglewood Apartments 1300 Tanglewood Dr. Westwego, LA 70094	\$1,250,000.00	Sub/Rehab	470	425	450
06(2)-158	South Side Subdivision 1635 South Cutting Street Jennings, LA 70546	\$522,000.00	SS/NC	450	440	440
06(2)-281	Serra Cedar Phase IV ⁽²⁾ Lagneaux, South of Duhan Rd Lafayette, LA 70506	\$569,000.00	SS/NC	600	425	435
06(2)-285	Hickory Ridge Phase I ⁽²⁾ West Gloria Switch Rd Carencro, LA 70520	\$569,000.00	SS/NC	600	410	435

(2) Project exceeds total allocation per project (phasing)

(3) Must meet all HUD/FHA requirements

(4) Site control in question

(5) Incomplete submission

As of 8/21/2006

3 of 6

2006(2) GO Zone Final Ranking

QNP POOL
\$5,128,752.10 available

Project No.	Project Name / Address	Credits Requested	Type of Construction	Applicant Self Score	LHA Staff Score	New Score
06(2)-116	Village at Crooked Creek Southeast corner of Holly St. and Minnesota Park Rd. Hammond, LA 70401	\$842,236.00	SS/NC	480	415	435
06(2)-286	Hickory Ridge Phase II ⁽²⁾ West Gloria Switch Rd Carenco, LA 70520	\$594,000.00	SS/NC	600	410	435
06(2)-287	Hickory Ridge Phase III ⁽²⁾ West Gloria Switch Rd Carenco, LA 70520	\$569,000.00	SS/NC	600	410	435
06(2)-216	Bayberry Residences at Hooper Pointe Hooper Road Baton Rouge, LA 70811	\$1,249,999.00	SS/NC	430	420	430
06(2)-316	Dale Street Estates Dale St. New Iberia, LA 70563	\$736,387.00	SS/NC	470	405	425
06(2)-140	200 Carondelet Phase I ⁽²⁾ 200 Carondelet Street New Orleans, LA 70130	\$1,249,999.00	Hist Rehab	420	420	420
06(2)-224	The Woodlands Apartments 3010 Sandra Drive New Orleans, LA 70114	\$1,249,999.00	Acq/Rehab	420	420	420
06(2)-228	Terlings Homes Teurlings Road Lafayette, LA 70501	\$1,110,469.00	SS/NC	420	420	420
06(2)-295	Cottages of Acadiana Landry/ Garber St. Broussard, LA 70518	\$618,963.00	SS/NC	475	400	420
06(2)-172	Woodale Seniors Wooddale Blvd/ Franwood Drive Baton Rouge, LA 70806	\$860,781.00	SS/NC	465	400	415
06(2)-265	New Orleans Neighborhood Cooperative I ⁽⁴⁾ Holy Cross Neighborhood New Orleans, LA 70117	\$3,513,676.00	SS/NC	605	405	415
06(2)-266	New Orleans Neighborhood Cooperative II ⁽⁴⁾ Holy Cross Neighborhood New Orleans, LA 70117	\$3,513,676.00	SS/NC	605	405	415
06(2)-267	New Orleans Neighborhood Cooperative III ⁽⁴⁾ Holy Cross Neighborhood New Orleans, LA 70117	\$3,513,676.00	SS/NC	605	405	415
06(2)-189	Oakwood Terrace Subdivision Mickens Road Baton Rouge, LA 70811	\$1,249,000.00	SS/NC	455	410	410

(2) Project exceeds total allocation per project (phasing)
(3) Must meet all HUD/FHA requirements
(4) Site control in question
(5) Incomplete submission

2006(2) GO Zone Final Ranking

QNP POOL
\$8,128,762.10 available

Project No.	Project Name /Address	Credits Requested	Type of Construction	Applicant Self Score	LHFA Staff Score	New Score
06(2)-206	West Gardens Talbot Ave. Thibodaux, LA 70301	\$547,473.00	SS/NC	445	410	410
06(2)-171	Juban Homes Juban Road & Orchard Drive Denham Springs, LA 70726	\$1,130,496.00	SS/NC	415	385	405
06(2)-139	Resurgence S. Dupre, S. White, Erato, Clio New Orleans, LA 70125	\$1,249,451.00	NC/C	585	360	390
06(2)-313	Belle Rose Gardens 211 Arceneaux Road Carencro, LA 70518	\$505,102.00	NC	415	385	385
06(2)-229	Moss Street Seniors Moss Street Lafayette, LA 70501	\$910,114.00	SS/NC	415	380	380
06(2)-273	Smiley Heights Senior Apts Near Ardenwood & Renoir Baton Rouge, LA 70806	\$1,250,000.00	NC/C	395	380	380
06(2)-264	St. Martin Haven Estates 6938-5 Main Hwy St. Martinville, LA 70582	\$676,117.00	SS/NC	445	370	370
06(2)-117	Arbors at Acadiana Parcel B-Vacant Land near Acadiana Mall Lafayette, LA 70503	\$1,112,120.00	NC/C	375	335	365
06(2)-251	Ames Creek Apartments Ames Blvd Marrero, LA 70072	\$1,205,831.00	NC/C	390	270	365
06(2)-141	200 Carondelet Phase II ⁽²⁾ 200 Carondelet Street New Orleans, LA 70130	\$1,249,999.00	Hist Rehab	395	365	365
06(2)-142	200 Carondelet Phase III ⁽²⁾ 200 Carondelet Street New Orleans, LA 70130	\$1,249,999.00	Hist Rehab	395	365	365
06(2)-270	Smiley Heights Multifamily Phase III ⁽²⁾ Near Ardenwood & Renoir Baton Rouge, LA 70806	\$1,196,287.00	NC/C	405	345	345
06(2)-268	Smiley Heights Multifamily Phase I ⁽²⁾ Near Ardenwood & Renoir Baton Rouge, LA 70806	\$557,668.00	NC/C	405	330	330
06(2)-272	Smiley Heights Multifamily Phase V ⁽²⁾ Near Ardenwood & Renoir Baton Rouge, LA 70806	\$1,039,982.00	NC/C	430	330	330
06(2)-315	Cypress Trails Apt. Homes 810 Moss St. Lafayette, LA 70501	\$1,246,814.00	NC	440	325	325

(2) Project exceeds total allocation per project (phasing)

(3) Must meet all HUD/FHA requirements

(4) Site control in question

(5) Incomplete submission

As of 8/21/2006

5 of 6

2006(2) GO Zone Final Ranking

QNP POOL
\$5,128,752.10 available

Project No.	Project Name / Address	Credits Requested	Type of Construction	Applicant Self Score	LHFA Staff Score	New Score
06(2)-271	Smiley Heights Multifamily Phase IV ⁽²⁾ Near Ardenwood & Renoir Baton Rouge, LA 70806	\$1,027,436.00	NC/C	430	305	305
06(2)-269	Smiley Heights Multifamily Phase II ⁽²⁾ Near Ardenwood & Renoir Baton Rouge, LA 70806	\$904,350.00	NC/C	355	275	275
06(2)-230	Cedarwood Manor ⁽⁵⁾ 3484 Cedarcrest Avenue Baton Rouge, LA 70816	\$1,137,540.00	Acq/Rehab	370	0	0

(2) Project exceeds total allocation per project (phasing)
(3) Must meet all HUD/FHA requirements
(4) Site control in question
(5) Incomplete submission

**LOUISIANA HOUSING FINANCE AGENCY
LIHTC 2007/2008(FA) FINAL Pool Ranking**

Mixed Income Pool
\$30,180,000.00 available

Count	Project No.	Project Name / Address	Development Contact Person / Address	Credits Requested	GDBG Requested	No of Units	Parish	Self-Score	LHFA Score	FINAL SCORE
1	07/08(FA)-13	200 Carondelet 200 Carondelet New Orleans, LA 70130	Reliance- Carondelet Assoc I, LP Deborah Blinderman 805 E. Broward Blvd. Ste 200 Ft. Lauderdale, FL 33301 954-927-4545	\$2,030,000	\$26,500,000	190	Orleans	942	801	826
2	07/08(FA)-22	Beechgrove Homes Claiborne Pkwy and Beechgrove Blvd Westwego, LA 70094	Beechgrove Homes, LLC Curtis Cheney 6449 Patio Court Gonzales, LA 70737 225-473-0043	\$416,757	\$13,900,000	100	Jefferson	841	786	806
3	07/08(FA)-25	CJ Peete III 2520 Washington Ave New Orleans, LA 70113	CJ Peete III, LLC Desiree Octave/ Shawn Barney 4100 Touro Street New Orleans, LA 70122 504-915-0589	\$7,340,542	\$27,000,000	410	Orleans	880	765	765
4	07/08(FA)-38	Crescent Garden Homes Multiple Addresses 701104	CGH Partners 2007, LP Gary R Gibbs 2701 Houma Street, Ste C Metairie, LA 70006 901-606-8975	\$360,000	\$14,717,062	143	Orleans	869	489	764
5	07/08(FA)-37	The Meadows E McNeese & 5th Ave 70606	EMAC Partners 2007, LP Gary R Gibbs 2701 Houma Street, Ste C Metairie, LA 70006 901-606-8975	\$450,000	\$19,116,061	180	Calcasieu	769	448	733
6	07/08(FA)-47	The Marquis Apts 710 Broad Street New Orleans, LA 70119	Neville Crossing, LLC Matt Harris/ Doug Backes 975 One Lincoln Centre 5400 LBJ Freeway Dallas, TX 75240 972-320-8500	\$2,095,620	\$27,000,000	250	Orleans	788	688	688
7	07/08(FA)-07	Lakeside Apts Oak Harbor Blvd Stidell, LA 70458	Matt Harris/ Doug Backes 975 One Lincoln Centre 5400 LBJ Freeway Dallas, TX 75240 972-320-8500	\$1,633,750	\$22,000,000	250	St Tammany	788	383	683
8	07/08(FA)-43	Renoir Acres Estates II 2700 Block S Beglis Pkwy Sulphur, LA 70665	Renoir Acres II, LP Will J. Belton 6554 Florida Blvd, Ste 107 Baton Rouge, LA 70806 225-926-8124	\$371,000	\$4,420,000	60	Calcasieu	870	665	680

**LOUISIANA HOUSING FINANCE AGENCY
LIHTC 2007/2008(FA) FINAL Pool Ranking**

Mixed Income Pool
\$30,180,000.00 available

Count	Project No.	Project Name / Address	Development Contact/Person / Address	Credits Requested	CDBG Requested	No of Units	Parish	Self Score	LHFA Score	FINAL SCORE
9	07/08(FA)-41	Walnut Square Apt 8501 I-10 Service Rd New Orleans, LA 70127	Preservation Housing IV, LLC Thomas G. Vaccaro 1090 Vermont Ave, NW Ste 400 Washington, DC 20005 202-789-5300	\$1,381,751	\$18,410,899	209	Orleans	765	410	675
10	07/08(FA)-06	Tiffany Apts Rodeo Rd. Abbeyville, LA 70510	Dunbar Meadow, LLC Mathye Jones 5843 Royal Crest Drive Dallas, TX 75273 972-982-8450	\$1,767,121	\$19,600,000	250	Vermillion	792	670	670
11	07/08(FA)-28	Wellwood Manor 2139 US Hwy 90 Avondale, LA 70094	Classic Const. of NO Wellwood Manor, LLC Joseph Stebbins 1477 Louisiana Ave, Ste 102 New Orleans, LA 70115 504-231-9729	\$673,373	\$5,024,954 Gap \$555,853 PSH Gap	84	Jefferson	695	454	664
12	07/08(FA)-57	Canterbury House Apts 13150 I-10 Service Road New Orleans, LA 70128	Canterbury House-NO East, LP Michael Roderer 500 E. 96th Street, Ste 300 Indianapolis, IN 46240 317-663-6818	\$1,099,890	\$8,054,782	276	Orleans	710	455	655
13	07/08(FA)-44	Monet Acres Estates II Old Spanish Trail, Near S Belgis Pkwy Sulphur, LA 70665	Monet Acres II, LP Will J. Belton 6554 Florida Blvd, Ste 107 Baton Rouge, LA 70806 225-926-8124	\$371,000	\$4,580,000	60	Calcasieu	900	640	650
14	07/08(FA)-29	Constance Lofts 1041-53 Constance Street New Orleans, LA 70130	Classic Const. of NO Constance Lofts, LLC Joseph Stebbins 1477 Louisiana Ave, Ste 102 New Orleans, LA 70115 504-231-9729	\$463,104	\$4,677,398 PSH GAP: \$348,799	47	Orleans	654	614	649
15	07/08(FA)-11	The Crescent Club 3000 Tulane Ave New Orleans, LA 70119	The Crescent Club NO I, LLC Matthew Schwartz 900 St. Peters St. New Orleans, LA 70130 504-831-2230	\$1,941,189	\$19,600,000	226	Orleans	629	581	631
16	07/08(FA)-42	Rivergarden CS II 1800, 1900 St. Thomas, 501 Josephine New Orleans, LA 70130	LGD Rental II, LLC Chris Clement 909 Poydras, Ste 3100 New Orleans, LA 70130 504-566-0204	\$2,361,109	\$26,054,822	310	Orleans	700	610	630

12/14/2006

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**LOUISIANA HOUSING FINANCE AGENCY
LIHTC 2007/2008(FA) FINAL Pool Ranking**

Mixed Income Pool
\$30,180,000.00 available

Count	Project No.	Project Name / Address	Development Contact Person / Address	Credits Requested	CDBG Requested	No of Units	Parish	Self-Score	LIHTC Score	FINAL SCORE
17	07/08(FA)-10	The Preserve 4301 Tulane Ave New Orleans, LA 70119	The Preserve NO I, LLC Matthew Schwartz 900 St. Peters St. New Orleans, LA 70130 504-831-2230	\$1,566,666	\$15,950,000	183	Orleans	630	561	628
18	07/08(FA)-40	Nine 27 1026 Constance & 931 Poyfane New Orleans, LA 70130	1026 Constance, LLC Chris Clement 909 Poydras, Ste 3100 New Orleans, LA 70112 504-566-0504	\$359,366	\$12,727,185	76	Orleans	675	573	620
19	07/08(FA)-08	Villas at Lake Forest 12399 Chef Menteur Hwy New Orleans, LA 70129	The Villas at Lake Forest, LP William Shircliff 1473 S. 4th St Louisville, KY 40208 502-638-0534	\$1,489,003	22,320,538 Gap 915,911 OD	230	Orleans	669	609	619
20	07/08(FA)-36	Levey Gardens Bulard & Levey New Orleans, LA 70128	Levey Gardens Partners 2207, LP Peter Waxman 609 Jefferson Street Baton Rouge, LA 70806 504-232-6955	\$250,000	\$11,614,548	100	Orleans	754	486	511
21	07/08(FA)-01	Timberlane Apts 680 Lapalco Blvd Gretna, LA 70056	Timberlane Apts, LLC James E. Neville 504-828-1253 680 Lapalco Blvd Gretna, LA 70056	\$629,930	\$5,200,000	165	Jefferson	389	300	350
TOTALS				\$29,051,171	\$330,288,812	3799				

12/14/2006

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LOUISIANA HOUSING FINANCE AGENCY

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

RESOLUTION

Approving the exterior design waiver for the Brick/Stucco option for Claiborne Homes I #06(2)-225 & Beechgrove Homes #07/08(FA)-22; 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 is requesting Claiborne Homes I #06(2)-225 & Beechgrove Homes #07/08 (FA)-22 selected the brick/stucco option on the selection criteria be allowed to waive points associated with that selection.

WHEREAS, Agency has reviewed the request and, based upon the information provided, is recommending approval of the request for the exterior design waiver for the brick/stucco option:

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. The Agency approves the point waiver for the brick/stucco option within the selection criteria contingent upon the developer provides the cost savings that were made and what alternative did the developer use to put back into the project.

SECTION 2. The Agency staff and counsel are authorized and directed to prepare the forms of such documents and agreements as may be necessary to implement the Board's actions.

SECTION 3. 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 8th day of July, 2009.

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 two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 8, 2009, "Approving the exterior design waiver for the Brick/Stucco option for Claiborne Homes I #06(2)-225 & Beechgrove Homes #07/08 (FA)-22; 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 8th day of July, 2009.

Secretary

(SEAL)

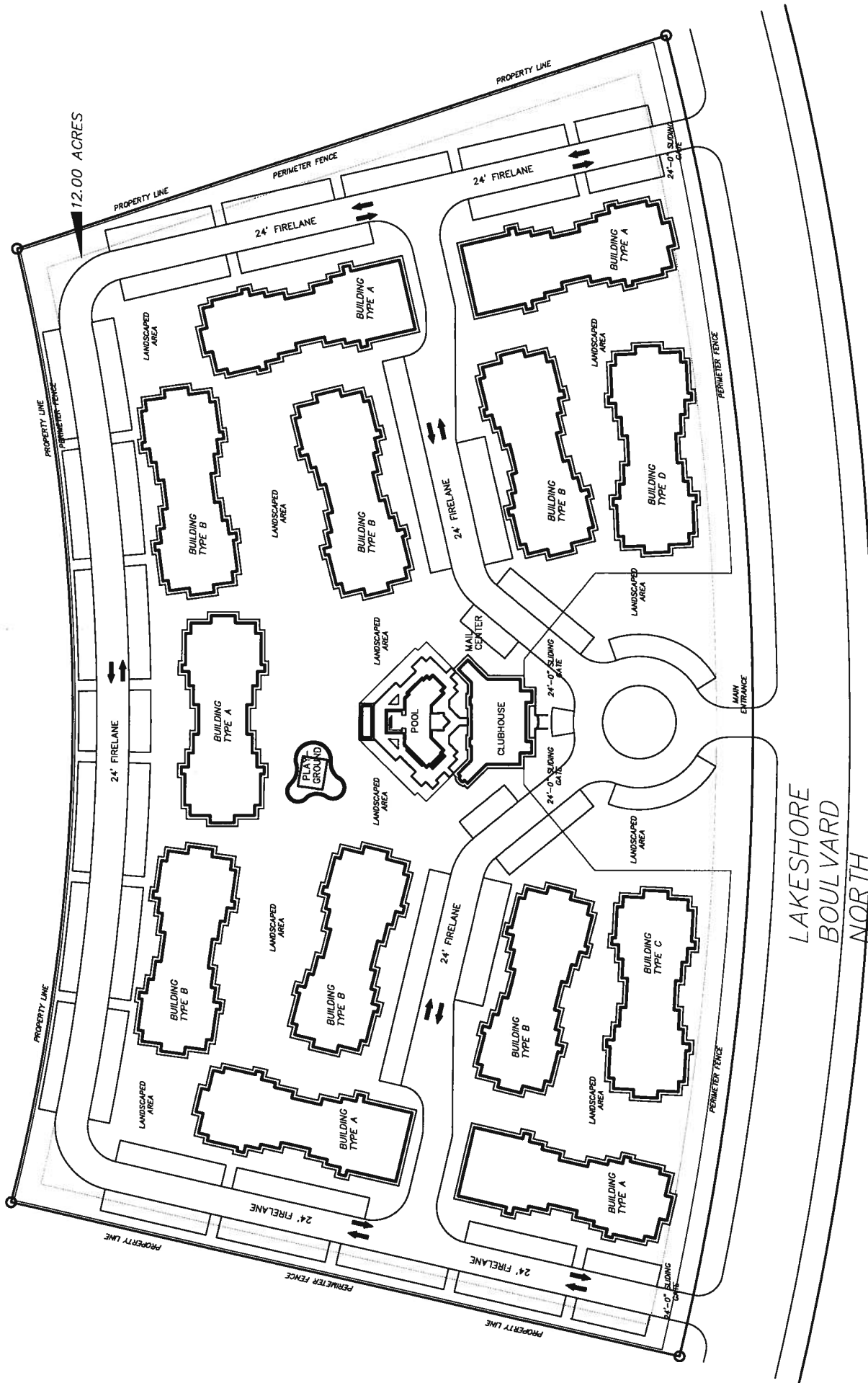
DECISION BRIEF:

Request by Lakeside Apartments to Change Building Configuration

<u>Issue</u> Norfolk Point, LLC is requesting the Louisiana Housing Finance Agency approve the following change request relating to this project: <u>A reduction of building configuration</u> Lakeside Apartments was awarded \$1,633,750 in the 2007/2008 Forward Allocation funding round. The project is located in Slidell, Louisiana. In November 2008 the project was at 65% completion. Lakeside was submitted as a 3-story complex with 250 units and it is still a 3-story complex –now it is L-shaped with the buildings connected. Lakeside is currently 41% occupied and 61% leased. Lakeside Apartments submitted an application for multi-family homes with thirteen (13) buildings. They are request an approval to build six (6) building instead of thirteen (13).	<u>Pros:</u> • Lakeside Apartments unit count did change neither did the square footage. It did not have a five percent (5%) increase in Total Development Cost <u>Cons:</u> None <u>Recommendation:</u> The QAP under which this project was funded allows for such changes and does not consider them to be material. However staff felt in light the circumstances surrounding other projects making similar changes, that it was best to make the board aware of these changes. Staff recommends approval of this request for reduction in buildings subject receipt of revised applications reflecting the changes and notification being given to local community and proper governmental unit where project is located.
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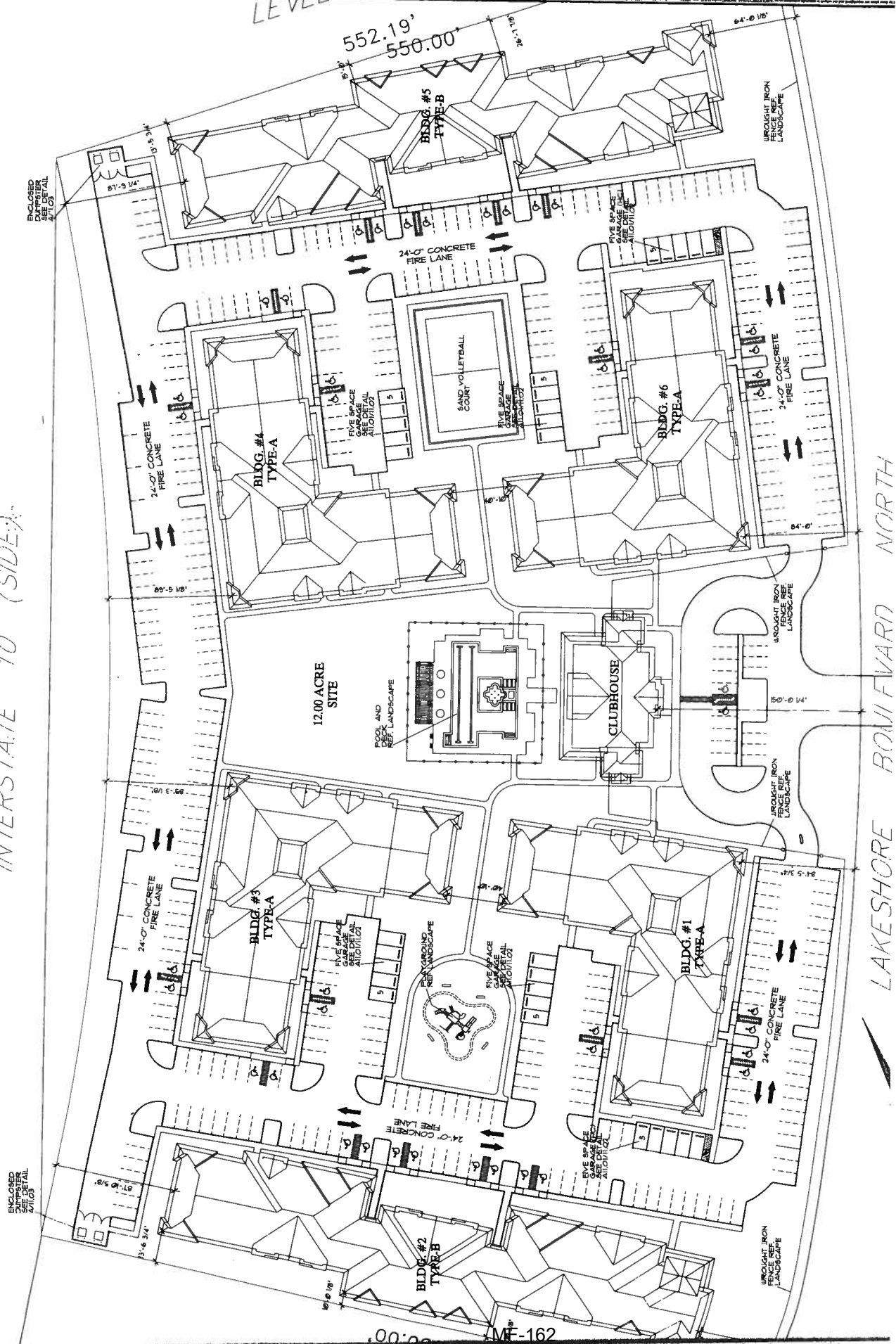
NOTICE TO PUBLIC

NORFOLK POINT, LLC is making an application for Housing Tax Credits funds with the Louisiana Housing Finance Agency to develop Lakeside apartments, a new construction garden style family community to be located near Oak Harbor Boulevard in St Tammany Parish, Louisiana. Lakeside apartments will be a Mixed Income development and will consist of a maximum of 250 apartment homes. Lakeside apartments will provide supportive services that may include Adult Basic Education, personal finance, after school programs for the residents on a voluntary basis. The total cost of the development will be approximately \$46 million and will be funded with approximately \$17 million in investor equity generated by the sale of the Tax Credits and approximately \$22 million LRA/OCD Road Home funds along with approximately \$7 million through a privately placed loan.



ARCHITECTURAL SITE PLAN





DECISION BRIEF:

The Marquis Apartments to Change Building Configuration 710 Broad Street, New Orleans, LA (Orleans Parish)

Issue

Neville Crossing, LLC is requesting the Louisiana Housing Finance Agency approve the following change request relating to this project:

A reduction of building configuration

The Marquis Apartments is new construction development and was awarded \$2,095,620 in the 2007/2008 Forward Allocation funding round. The project is located in New Orleans, Louisiana. In January 2009 the project was at 50% completion.

The Marquis Apartments submitted an application for new construction of multi-family units with four (4) buildings and two hundred fifty (250) units. They are request an approval to build three (3) building instead of four (4) and maintaining the original unit count and mix.

The developer reported to staff that the changes were necessary after further due diligence of the site post application submission. The parking requirements and certain site restrictions along with more efficient design made the changes necessary.

Pros:

- The Marquis Apartments unit count did not change neither did the square footage. It did not have a five percent (5%) increase in Total Development Cost therefore; it does not need to reprocess.
- St. Joe Lofts was granted a wavier to eliminate 1 building because of structural issues.

Cons:

- Levy Garden is still receiving negative comment for change.

Recommendation:

The QAP under which this project was funded allows for such changes and does not consider them to be material. However staff felt in light the circumstances surrounding other projects making similar changes, that it was best to make the board aware of these changes.

Staff recommends approval of this request for reduction in buildings subject receipt of revised applications reflecting the changes and notification being given to local community and proper governmental unit where project is located.

NOTICE TO PUBLIC

NEVILLE CROSSING, LLC is making an application for Housing Tax Credits funds with the Louisiana Housing Finance Agency to develop Marquis Apartments, a new construction garden style family community to be located at the intersection of South Broad and Poydras Street in New Orleans, Orleans Parish, Louisiana. Marquis apartments will be a Mixed Income development and will consist of a maximum of 250 apartment homes. Marquis apartments will provide supportive services that may include Adult Basic Education, personal finance, after school programs for the residents on a voluntary basis. The total cost of the development will be approximately \$57 million and will be funded with approximately \$22 million in investor equity generated by the sale of the Tax Credits and approximately \$27 million LRA/OCD Road Home funds along with approximately \$8 million through a privately placed loan.

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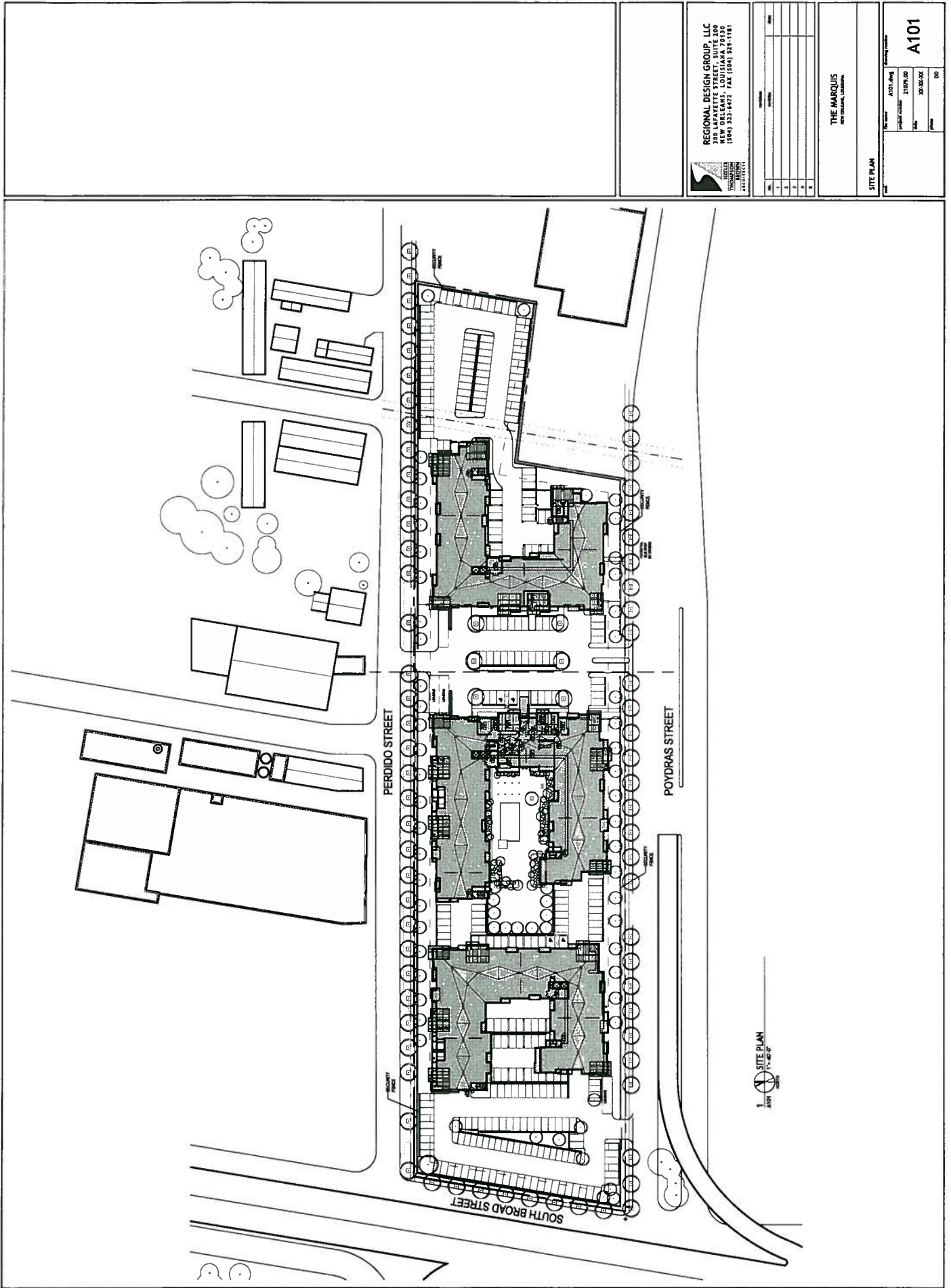
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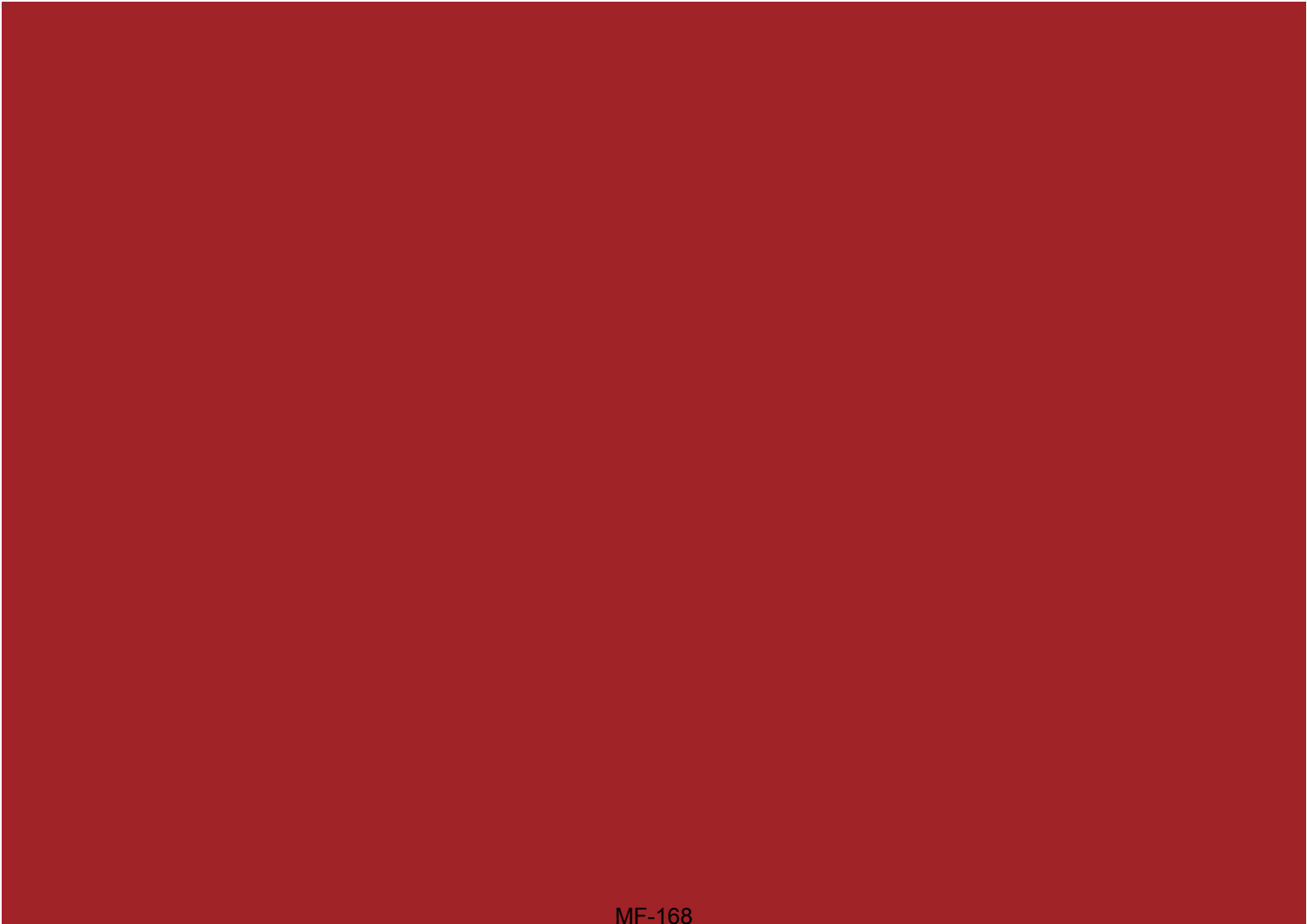
"NEW MARQUIS SITE PLAN"



THE HOUSE THAT UNCLE SAM BUILT

The Continued Expansion of
Subsidized Housing in New Orleans





INTRODUCTION

Currently, New Orleanians are in the process of reviewing and commenting on a draft master plan for the city. The plan is expansive, addressing complex subjects such as infrastructure, economic development, housing and land use. The housing element, in particular, has been a subject of intense discussion among citizens and planners.

In order for the master plan to serve as an effective guide for the city, it must be grounded in the realities of today and realistic possibilities for tomorrow. In the housing arena, this requires an assessment of multiple factors, including current and future supply and demand for both market-rate and subsidized housing. The assessment is needed to formulate a plan that meets the housing needs of the community as a whole and connects to the city's economic development goals.

Building on prior BGR research, this report provides numbers on one part of the supply equation: the existing and projected subsidized rental housing supply in the city and in the metropolitan context.

BGR first analyzed the supply of subsidized housing in the New Orleans area in a 2007 report, *Cementing Imbalance*.¹ It found that, prior to Hurricane Katrina, New Orleans had two-thirds of the region's subsidized rental households, but only 38% of its population and 38% of its low-skill jobs. BGR projected that the city's share of subsidized households would hold steady, despite the city's significant population loss and a decline in the employment base. It also projected that subsidized households as a percentage of all households in New Orleans would nearly double from the pre-Katrina level.

Since 2007, market forces and program changes have altered the prospects for some types of subsidized housing, calling into question the continued validity of BGR's earlier projections. This report provides an update that takes into account programmatic changes since 2007 and projects that have fallen by the wayside.

KEY FINDINGS

In the aftermath of Hurricanes Katrina and Rita, the federal government made available significant funding for rebuilding low- and moderate-income housing. As a result of these programs, the number of subsidized rental units in the city has already rebounded past pre-Katrina levels, and is expected to far surpass those levels by 2012. Subsidized housing will assist more of the poorest households in New Orleans than before the disaster, and a far greater number of low- and moderate-income households with incomes between 40% and 80% of median. This is occurring on a much-reduced overall population base.

BGR projects that, by 2012:

- New Orleans will have approximately 35,700 units of subsidized rental housing – an increase of approximately 15,800 units over the pre-Katrina level.
- Subsidized rental units as a percentage of all housing will more than double, rising from 10% pre-Katrina to 25%.
- The number of housing units for very low-income households will increase by 3,600 (22%) over pre-Katrina levels.
- Although it will have only 27% of the region's population,² New Orleans will have 70% of the subsidized housing in the region.

WHY IT MATTERS

The dramatic projected increase in the volume and market share of subsidized housing underscores the importance of carefully analyzing this segment of the market and its potential impacts on the city as a whole.

Across the United States, government subsidized housing programs have played a critical role in filling unmet housing needs. But the housing programs have also had a downside. In a number of places, such programs have contributed to the concentration of poverty and low-income residents in the core city. The asso-

GLOSSARY

Income Terms

For the purposes of this report, BGR uses certain income definitions employed by the state in its post-Katrina housing programs.

Affordable – HUD’s benchmark for determining whether a renter household’s housing expenditures (rent and utilities) are affordable is 30% of gross income.

Area median income – An annual HUD estimate of median gross income for metropolitan areas and non-metropolitan counties. For the seven-parish New Orleans metro area, the median income in 2009 is \$59,800 for a four-person household. HUD uses the four-person median income as the basis for setting program income limits. Such limits vary by household size.

Very low income – Up to 40% of area median income, or \$23,920 for a four-person household and \$21,520 for a three-person household. The highest monthly housing expenditure affordable to a four-person very low-income household is \$598; it is \$538 for a three-person household.

Low income – Up to 60% of area median income, or \$35,880 for a four-person household and \$32,280 for a three-person household. The highest monthly housing expenditure affordable to a four-person low-income household is \$897; it is \$807 for a three-person household.

Moderate income – 60% to 80% of area median income. Eighty percent of area median income is \$47,850 for a four-person household and \$43,050 for a three-person household. The highest monthly housing expenditure affordable to a four-person moderate-income household is \$1,196; it is \$1,076 for a three-person household.

Types of Subsidized Housing

Public housing units – Rental apartments supported by federal public housing operating subsidies. To be eligible, tenants must have incomes at or below 80% of area median income. Many have very low incomes.

Tenant-based vouchers – Federal rental subsidies, administered by a public housing authority, for units that tenants choose in the private market. This category includes the Section 8 Housing Choice Voucher and post-Katrina DHAP voucher programs. To be eligible, households must have incomes at or below 80% of area median income. However, federal law gives priority to households with incomes at or below 30% of area median income.

HUD project-based rental assistance – HUD agreements with owners of multifamily apartment complexes to pay the difference between the approved rent and what the tenant can afford. To be eligible, tenants must have incomes at or below 80% of area median income. Nationwide, two-thirds of the households in these units are elderly and disabled. Many have very low incomes.

Low income housing tax credits – Federal income tax credits administered by the Internal Revenue Service and awarded to developers by the Louisiana Housing Finance Agency. Developers typically sell the credits to raise equity capital for their projects. The tax credits may be claimed annually for 10 years against eligible development costs for units restricted to low-income households. The units are generally affordable to households with incomes between 45% and 60% of area median income. Federal tax law requires the owner to comply with rent and income restrictions on designated units for 30 years after they are made available for occupancy. GO Zone Housing Tax Credits are a form of low income housing tax credits.

Small Rental Property Program – A rental housing initiative, formulated by the Louisiana Recovery Authority and the state Office of Community Development, that uses CDBG funds to provide forgivable loans to landlords for the repair of hurricane-damaged small rental properties, primarily those with one to four units. In return for financing, landlords must comply for 5 to 10 years (longer for nonprofits) with certain tenant income and rent restrictions. Depending on the level of CDBG assistance, the landlord sets maximum rents per restricted unit at levels affordable to households earning 50%, 65% or 80% of area median income.

Subsidized housing – Rental units with tenant income, and in some cases rent, restrictions imposed by the above programs. **Subsidized households** refer to the households that occupy those units.

ciated problems are well known. They include a negative impact on the quality of life in cities, greater burdens and a declining tax base for core city governments, limited opportunities for economic advancement by the poor, and a mismatch between jobs and affordable housing at the regional level.

The extent to which subsidized housing benefits or hurts a city depends on many factors including location, concentration, the income level of tenants and the quality of management. Any housing analysis or plan must begin with a firm grasp of the numbers.

BACKGROUND

Prior to Hurricane Katrina, there were more than 19,800 subsidized rental units in Orleans Parish. They included units in the private market rented by 9,100 households using Section 8 vouchers and 5,200 units in the city's public housing developments.³ The balance consisted of units in tax credit and HUD-assisted developments. Subsidized rental units made up 10% of the city's total housing, and 19% of its rental housing.⁴ An estimated 83% of the subsidized rental units assisted households with very low incomes.⁵

Many other renters resided in low-cost, unsubsidized, small rental properties. The 2005 disaster inflicted significant damage on these and other rental properties. Renters returning to the city faced higher rents for the limited number of available units, while landlords confronted higher construction costs plus higher insurance, maintenance and other operating costs.

To help address the rental housing crisis, Congress provided three types of assistance: a special allocation of low income housing tax credits (GO Zone Housing Tax Credits); Community Development Block Grant (CDBG) funds; and temporary rental assistance vouchers for displaced households in the private market (DHAP vouchers). The state used the CDBG funds to provide supplemental funding for some tax credit developments and, through its Small Rental Property Program, forgivable repair loans to landlords who agreed to rent restrictions.

The influx of federal recovery aid has provided fund-

ing for a host of new apartment complexes, increased the number of mixed-income developments and accelerated the overhaul of the city's public housing. It has also greatly expanded the pool of subsidies targeted to low- and moderate-income working households. It has not, however, contributed significantly to the restoration of small rental properties. Nor has it addressed the regional imbalance in the provision of subsidized housing among jurisdictions.

CURRENT AND PROJECTED NUMBERS

Although most of the housing units financed by post-storm programs have not yet materialized, the number of subsidized rental units already exceeds pre-storm levels by 4,100 units. This is due primarily to an 82% increase in the number of housing vouchers. In total, BGR estimates that the programs reviewed for this study provide 24,000 subsidized rental housing units in Orleans Parish. Approximately 7,400 are units with

METHODOLOGY

BGR compiled data on subsidized households and units from a variety of public reports, data sets, maps, and other documents prepared by the U.S. Department of Housing and Urban Development (HUD), the Housing Authority of New Orleans (HANO), other local public housing authorities, the Louisiana Housing Finance Agency, the state Office of Community Development, the University of New Orleans Institute for Economic Development and Real Estate Research, and the U.S. Census Bureau. BGR also conducted interviews and site visits. Unless otherwise indicated, the data are current as of April 2009.

BGR examined the five types of subsidized rental housing that account for the vast majority of the New Orleans area's subsidized rental supply: public housing, low income housing tax credits, tenant-based vouchers, HUD project-based rental assistance contracts and the Louisiana Recovery Authority's Small Rental Property Program. BGR did not include housing built under other federal programs, such as tax-exempt bonds and parish housing funds received from HUD. It did not include properties that will be funneled through the New Orleans Redevelopment Authority for development.

Table 1: Change in Subsidized Rental Units, Orleans Parish, 2005 to 2012

Program	Pre-Katrina Subsidized (2005)	Current Subsidized (April 2009)	Projected Subsidized (2012)	Change in Units, 2005-2012	Change in Units, 2009-2012
Tenant-Based Vouchers (1) (2)	9,122	16,617	16,660	+7,538	+43
Public Housing:					
Public Housing Units	5,146	2,474	3,433	-1,713	+959
Other Subsidized Units (3)	36	269	2,135	+2,099	+1,866
Low Income Housing Tax Credits (4)	2,493	2,419	4,291	+1,798	+1,872
HUD Project-Based Rental Assistance (5)	3,068	1,399	2,628	-440	+1,229
Small Rental Property Program (6)	0	821	6,557	+6,557	+5,736
Total	19,865	23,999	35,704	+15,839	+11,705

(1) Tenant-based vouchers pre-Katrina consisted only of Section 8 vouchers in use. The current total includes both Section 8 and DHAP vouchers in use as of March 31. The projected vouchers consist only of Section 8 vouchers. HANO expects voucher usage to remain near its current level, approximately 98% of funding capacity.

(2) Section 8 vouchers can be used in units built with low income housing tax credits. BGR has not reduced the number of Section 8 units to reflect overlaps with tax credit units. HANO has indicated that the overlap is currently small. It may, however, increase in the future as new tax credit developments come on line.

(3) "Public housing units" are those that receive public housing operating subsidies. "Other subsidized units" refers to all other subsidized units included in public housing redevelopments. The pre-Katrina total does not include 2,233 public housing units that HANO had removed from leasing or slated for demolition. The projected total reflects all subsidized rental units in HANO's current redevelopment plan, assuming they are completed by 2012. Market-rate units associated with the redevelopments of public housing sites are not included.

(4) This category does not include low income housing tax credit units associated with public housing redevelopments; those are included in Public Housing above. Nor does the category include market-rate units associated with tax credit developments.

(5) Project-based rental units do not include units in projects that also received low income housing tax credits. Those units are counted in the totals for low income housing tax credits. Market-rate units associated with the projects are not included in the above figures.

(6) The Small Rental Property Program is a new post-Katrina program. The current figure consists of units in properties with closings scheduled as of April 16. The projected figure consists of units in properties that had been mailed commitment letters as of April 16. Market-rate or owner-occupied units associated with the properties are not included.

Source: BGR analysis of tenant-based voucher and public housing data provided by HANO; low income housing tax credit data from HUD and the Louisiana Housing Finance Agency; data on supplemental CDBG funds for tax credit projects and Small Rental Property Program operation status reports provided by the state Office of Community Development; and project-based rental assistance contract data provided by HUD.

project-based subsidies, such as tax credits, HUD contracts, CDBG funds and public housing funds. Approximately 16,600 units are supported by Section 8 or DHAP vouchers, which move with the tenant in the private market.

The DHAP voucher program will be phased out by August 31, 2009. Approximately 70% of households on DHAP vouchers will transfer to Section 8 vouchers. The balance will not be eligible for Section 8 vouchers. However, the funding currently used for these households' DHAP vouchers will go toward Section 8 vouchers for other lower-income households.

BGR estimates that by 2012 New Orleans will have approximately 35,700 units of subsidized rental housing. This represents an increase of 15,800 units over the pre-Katrina level, and 11,700 units over the current

level. In percentage terms, the number of subsidized units is now 21% higher than its pre-Katrina level and is expected to be 80% higher by 2012. Table 1 summarizes the projected changes by program.

In making its 2012 estimate, BGR assumed that all units that currently have tax credit or Small Rental Property Program awards and those included in HANO redevelopment plans would proceed to completion. Some might not, for a variety of reasons:

- The Small Rental Property Program has been struggling, and only 13% of the Orleans units with award commitments have scheduled closings. In December 2008, the LRA addressed one impediment by offering property owners the option of receiving repair funds up-front, rather than on a reimbursement basis.

- A weakened economy and less demand from traditional purchasers of tax credits are taking a toll on tax credit developments.⁶ To date, 24 developments in New Orleans have already lost GO Zone Housing Tax Credit awards.⁷ Six other developments containing 962 units have not closed on their financing.⁸
- HANO has not yet secured funding for approximately 1,200 of the subsidized rental units planned for its public housing site redevelopments.⁹

Distribution of Subsidies by Income Levels

As first discussed in *Cementing Imbalance*, the post-Katrina federal subsidies will significantly increase the supply of subsidized housing available to households making between 40% and 80% of area median income. BGR estimates that the percentage of subsidized rental housing for such households will rise from 17% to 44%.

Due to the conversion of many DHAP vouchers into Section 8 vouchers, BGR estimates the number of subsidized housing units for very low-income households will increase from pre-Katrina levels by approximately 3,600 units (22%), rather than decline as projected in 2007.¹⁰

Subsidized Housing as a Percentage of Total Housing

Prior to Hurricane Katrina, subsidized rental housing comprised 10% of total housing in New Orleans. At present, it accounts for 18% of the total.¹¹ BGR projects that subsidized housing units will represent 25% of total housing in 2012.¹² The dramatic post-Katrina percentage change is due to both an increase in the total number of subsidized rental housing units and a decrease in the total number of housing units in the city.

Affordability Trends

Prior to Hurricane Katrina, many renters experienced an affordability problem, although this was driven more by low incomes than high housing costs.

Housing expenditures (rent and utilities) for nearly half of New Orleans' renter households exceeded 30% of income – HUD's benchmark for determining affordability. Not surprisingly, the affordability problem was most acute for those reporting annual incomes below \$20,000.

From 2004 to 2007, the median rental housing expenditures as a percentage of household income rose from 30.6% to 37.9%.¹³ More renter households with incomes in excess of \$20,000 experienced affordability problems. The median rent and utilities totaled \$892 per month in 2007, compared to \$566 per month in 2004.¹⁴

Post-Katrina wage increases have offset some of the higher housing costs. With workers displaced, many companies faced labor shortages and responded with higher wages. The U.S. Department of Labor reports that as of April 2008 a worker at the 10th percentile in the region's earnings distribution made \$8.25 an hour, up 28% from \$6.45 an hour pre-Katrina. The median wage rose by a similar percentage, going from \$13 to \$16.83 an hour.¹⁵

In 2007, the median cost for rent and utilities (\$892 per month) was affordable for the median full-time wage earner.¹⁶ While the median wage earner may be keeping up with the post-Katrina rent hikes, others continue to face difficulties paying the rent. Struggling renters include people working lower-wage jobs, part-time or not at all, as well as low-income elderly and disabled residents. The increase in subsidized units projected through 2012 will help offset this burden for some residents.

THE METRO PERSPECTIVE

As noted in *Cementing Imbalance*, prior to Hurricane Katrina subsidized housing was concentrated heavily in Orleans Parish. Although that parish had only 38% of the region's population, it held two-thirds of its subsidized households. The post-Katrina subsidized housing programs have reinforced the pre-Katrina distribution. BGR projects that New Orleans' share of the region's subsidized rental housing will increase despite its dramatic population loss. Jefferson Parish, current-

Table 2: Projected supply of subsidized rental housing units in the seven-parish region in 2012

Parish	Tenant-Based Vouchers (1)	Public Housing Sites (2)	Low Income Housing Tax Credits (3)	HUD Project-Based Rental Assistance (4)	Small Rental Repair Program (5)	Total	% of Parish's Total Housing	% of Region Total
Orleans	16,660	5,568	4,291	2,628	6,557	35,704	25%	70%
Jefferson	4,732	637	2,245	1,713	706	10,033	5%	20%
St. Tammany	526	174	1,048	335	164	2,247	2%	4%
St. Bernard	490	0	200	230	766	1,686	11%	3%
St. John the Baptist	357	318	92	115	0	882	5%	2%
St. Charles	349	129	68	0	0	546	3%	1%
Plaquemines	0	0	0	0	25	25	0%	0%
Total	23,114	6,826	7,944	5,021	8,218	51,123		

(1) Projections assume that funding capacity remains at current levels and the voucher usage rate is 98% of capacity.

(2) Calculations for public housing sites include both traditional public housing units and, in Orleans only, 2,135 units of other subsidized housing. The projected Orleans total reflects all subsidized rental units in HANO's current redevelopment plan, assuming they are completed by 2012.

(3) This category does not include low income housing tax credit units associated with Orleans Parish public housing redevelopments; those are included in Public Housing Sites above. Nor does the category include market-rate units associated with tax credit developments.

(4) Project-based rental units do not include units in projects that also received low income housing tax credits. Those units are counted in the totals for low income housing tax credits. Market-rate units associated with projects are not included in the above figures.

(5) The Small Rental Property Program is a new post-Katrina program. The projections consist of units in properties that had been mailed commitment letters as of April 16. Market-rate or owner-occupied units associated with the projects are not included.

Source: BGR analysis of tenant-based voucher and public housing data provided by parish housing authorities and HUD reports; low income housing tax credit data from HUD and the Louisiana Housing Finance Agency; data on supplemental CDBG funds for tax credit projects and operation status reports for the Small Rental Property Program, provided by the state Office of Community Development; project-based rental assistance contract data provided by HUD; and ESRI forecasts for total parish housing units in 2013.

ly the most highly populated parish in the region, will have 20% of the region's subsidized rental housing. St. Tammany Parish will have 4% of such housing.

Table 2 presents the projected supply of subsidized rental housing in Orleans and the suburban parishes. In each of the suburban parishes, subsidized rental housing will represent a significantly smaller percentage of the parish's total housing than in Orleans (for example, 5% in Jefferson and 2% in St. Tammany, compared to 25% in Orleans.)

CONCLUSION

Since the 2005 disaster, an influx of federal aid has propelled a radical transformation of the city's subsidized rental housing market. From accelerated public housing redevelopments to new mixed-income complexes to increased housing vouchers, the federal aid has reshaped and expanded the supply. BGR estimates that the absolute number of subsidized units is 21% higher than its pre-Katrina level and will be 80% high-

er by 2012. Relative to the overall market, subsidized rental units now represent 18% of total housing in New Orleans, compared to 10% pre-Katrina. BGR projects that the percentage will grow to 25% by 2012.

In planning for the future of the city, policymakers should strive for a housing market that accommodates different income levels without placing a disproportionate burden on the city. Achieving that goal requires a strategic, data-driven approach. Analysis must begin with the development of a comprehensive picture of current and future housing supply and demand. Once the picture comes into focus, policymakers can work toward ensuring the subsidized housing supply is sized appropriately to the overall market. They can also integrate housing strategy with the city's economic development and blight remediation strategies. The forthcoming Master Plan provides a prime opportunity for confronting these issues.

END NOTES

¹ *Cementing Imbalance: A Post-Katrina Analysis of the Regional Distribution of Subsidized Rental Housing*, found at www.bgr.org.

² The percentage of the region's population is based on forecasts by ESRI, a geographic information technology and data company. The forecasts project a 2013 population of approximately 335,000 for Orleans Parish and a total population of approximately 1,262,000 for the seven-parish metro area.

³ The pre-Katrina total does not include 2,233 public housing units that HANO had removed from leasing or slated for demolition.

⁴ BGR estimated pre-Katrina total housing units and total rental housing units using data from the U.S. Census Bureau's 2004 American Community Survey. BGR adjusted the total number of housing units reported in the survey by deducting seasonal, recreational and other vacant properties. This resulted in 190,665 total housing units. To estimate total rental housing units, BGR added the survey's totals for renter-occupied and vacant-for-rent units. This produced a total of 102,379 rental units.

⁵ The term "very low income" refers to households with incomes up to 40% of area median income. See the glossary of this report for definitions of this and other terms.

⁶ U.S. Department of Housing and Urban Development, *Post-Katrina New Orleans: The State of Affordable Rental Housing*, Impact 200 Key Initiative 8.2, November 2008.

⁷ With the exception of six projects that have remained viable, the developments are not included in Table 1. Fifty-eight projects in New Orleans have current tax credit awards. BGR analysis of Louisiana Housing Finance Agency, *Housing Pipeline Report*, February 17, 2009.

⁸ These units are included in Table 1.

⁹ These units are included in Table 1.

¹⁰ BGR estimated the number of subsidized units for very low-income households separately for each housing program. The estimates were based on actual units targeted to such households, to the extent such targeting occurs in the program. In other cases, BGR based its estimates on the most recent available tenant income statistics or estimates for the subsidized units provided by the program.

¹¹ BGR estimates that New Orleans has 131,700 housing units, excluding blighted and abandoned properties. To arrive at that estimate, BGR took ESRI's estimate of approximately 122,500 households in Orleans Parish in 2008 and assumed a vacancy rate

of 7%. The households estimate is similar to the 2008 households estimate of 120,500 included in an analysis prepared for the New Orleans Master Plan draft. Zimmerman/Volk Associates, Inc., *An Analysis of Residential Market Potential: The City of New Orleans, Louisiana*, March 2009, p. 31.

¹² The total number is based on ESRI's projection of approximately 145,000 housing units for 2013.

¹³ Census, American Community Survey, op. cit.

¹⁴ Ibid.

¹⁵ U.S. Department of Labor, Bureau of Labor Statistics, National Compensation Surveys, prepared for the New Orleans metropolitan area, December 2004 (Table 6-1) and April 2008 (Table 6).

¹⁶ BGR calculated that the rent and utilities affordable at the median full-time earnings, as reported in the U.S. Census Bureau's 2007 American Community Survey, was \$881 per month.

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BGR

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CHANGE SERVICE REQUESTED

Low Income Housing Tax Credit Exception Log

(Reprocessing Changes)

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App Rec'v'd	App Sent to F&J	Feasible Amount
					Award	Bldgs	Units	Request	Bldgs	Units			
1	#06-14	St. Landry Place	St. Landry	APPROVED	\$300,000.00	30	30	\$300,000.00	28	28	yes	yes	\$300,000.00
2	#06-44	Oakmont Village	Rapides	APPROVED	\$299,999.00	18	36	\$299,999.00	17	34	yes	yes	\$299,999.00
3	#06-46	Northern Heights	Caddo	APPROVED	\$288,025.00	20	40	\$288,025.00	40	40	yes	yes	\$288,025.00
4	#06-47	Orchard Heights	Lincoln	APPROVED	\$288,025.00	20	40	\$288,025.00	40	40	yes	yes	\$288,025.00
5	#06-49	Camelot Villa	Caddo	APPROVED	\$285,198.00	6	40	\$300,000.00	6	36	yes	yes	\$300,000.00
6	#06(2)-123	Canterbury House Apts	St. Tammany	APPROVED	\$1,229,073.00	5	120	\$1,250,000.00	4	120	yes	yes	\$1,229,073.00
7	#06(2)-125	West Crowley	Acadia	No Action Needed	\$1,226,272.00	68	68		65	65	no		
8	#06(2)-126	North Abbeville II	Vermilion	No Action Needed	\$1,064,947.00	60	60		57	57	no		
9	#06(2)-127	North Shore Subdivision	St. Tammany	APPROVED	\$1,229,631.00	4	84	\$1,249,999.50	2	84	yes	yes	\$1,228,731.00
10	#06(2)-128	St. Paul Estates	Tangipahoa	APPROVED	\$1,250,000.00	70	70	\$1,250,000.00	64	64	yes	yes	\$1,250,000.00
11	#06(2)-129	Pine Grove	Tangipahoa	APPROVED	\$1,101,447.00	59	59	\$1,101,447.00	54	56	yes	yes	\$1,101,447.00
12	#06(2)-134	Pine Crest	St. Tammany	APPROVED	\$1,204,021.00	4	84	\$1,249,999.50	2	84	yes	yes	\$1,204,021.00
13	#06(2)-159	South Church Point	Acadia	No Action Needed	\$735,662.00	40	40		38	38	no		
14	#06(2)-161	South Rayne Subd.	Acadia	No Action Needed	\$968,495.00	52	52		50	50	no		
15	#06(2)-168	Audrey Heights	St. Tammany	APPROVED	\$619,128.00	22	40	\$619,128.00	19	36	yes	yes	\$616,146.00
16	#06(2)-170	Frenchmen's Creek	Calcasieu	No Action Needed	\$593,988.00	40	40	\$605,000.00	40	40	yes	yes	\$593,988.00
17	#06(2)-190	Country Lane	St. Tammany	APPROVED	\$1,168,139.00	64	64	\$1,177,272.00	60	60	yes	yes	
18	#06(2)-260	Flint Goodridge	Orleans	APPROVED	\$941,489.00	1	89	\$1,000,500.00	2	89	yes	yes	\$952,268.00
19	#06(2)(N)-333	England Drive Subd.	Rapides	No Action Needed	\$721,095.00	41	41		39	39	no		
20	#06(2)(N)-334	Southeast Oakdale Subd.	Allen	No Action Needed	\$641,786.00	34	34		33	33	no		
21	#06(2)(N)-338	Pecan Grove I	Rapides	APPROVED	\$717,260.00	40	40	\$750,000.00	36	36	yes	yes	\$717,260.00

Low Income Housing Tax Credit Exception Log (Reprocessing Changes)

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App Rec'v'd	App Sent to F&J	Feasible Amount
					Award	Bldgs	Units	Request	Bldgs	Units			
22	#06(R)-414	Richland East Subdivision	Richland	No Action Needed	\$339,485.00	24	24		23	23	no		
23	#06(R)-440	S Range Homes I	Tangipahoa	APPROVED	\$369,901.00	15	30	\$380,396.00	9	30	yes	yes	\$372,123.00
24	#06(R)-441	S Range Homes II	Tangipahoa	APPROVED	\$369,901.00	15	30	\$380,396.00	10	30	yes	yes	\$372,123.00
25	#06(R)-467	Bobby Smith I	Acadia	No Action Needed	\$333,939.00	24	24		23	23	no		
26	#06(R)-468	Bobby Smith II	Acadia	No Action Needed	\$332,194.00	24	24		23	23	no		
27	#07/08(FA)-07	Lakeside Apartments	St. Tammany	Awaiting application	\$1,633,750.00	13	250		6	250	no		
28	#07/08(FA)-10	The Preserve	Orleans	No Action Needed	\$1,560,899.00	1	183	\$1,566,666.00	1	183	yes	yes	\$1,566,666.00
29	#07/08(FA)-11	The Crescent Club	Orleans	No Action Needed	\$1,934,044.00	2	226	\$1,941,189.00	2	228	yes	yes	\$1,941,189.00
30	#07/08(FA)-13	200 Carondelet	Orleans	No Action Needed	\$1,939,337.00	1	190	\$1,939,337.00	1	190	yes	yes	\$1,939,337.00
31	#07/08(FA)-36	Levy Gardens	Orleans	APPROVED	\$250,000.00	100	100	\$250,000.00	15	100	yes	yes	\$250,000.00
32	07/08(FA)-42	Rivergarden CSII	Orleans	AOC	\$2,267,146.00	26	310	\$2,361,109.00	31	310	yes	yes	
33	#07/08(FA)-47	Marquis Apartments	Orleans	No Action Needed	\$2,062,352.00	4	250		3	250	no		
34	#07/08(FA)-48	Sulphur Retirement Comm.	Calcasieu	APPROVED	\$750,722.00	2	60	\$750,722.00	2	60	yes	ys	\$750,722.00
					\$31,017,350.00	949	2872		815	2741			

Low Income Housing Tax Credit Exception Log
(Reprocessing Changes)

Comments
Project has HOME Funds (\$400,000)
Project has HOME Funds
less than 5%
Project recently received approval for site change/less than 5%
Developer originally requested to correct basis
less than 5%
less than 5%
Developer would like to waive scattered site requirement
Developer changed unit mix
less than 5%
less than 5%

Low Income Housing Tax Credit Exception Log
(Reprocessing Changes)

Comments
less than 5%
less than 5%
less than 5%
Project has CDBG Funds
Converted one market unit to low income
Converted one market unit to low income
Reduced Eligible Basis
Sq. Foot increase by 3%/Name Change
Increase in # of bldgs
Project has CDBG Funds
Project restructured CDBG Funds

Low Income Housing Tax Credit Exception Log
(MATERIAL CHANGES)

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App Rec'v'd	App Sent to F&J	Feasible Amount
					Award	Bldgs	Units	Request	Bldgs	Units			
1	#06-13	Springhill Senior	Webster	APPROVED	\$273,000.00			NOT NECESSARY					
2	#06-14	St. Landry Place	St. Landry	APPROVED	\$300,000.00			NOT NECESSARY					
3	#06-15	Broadmoor Village	Tangipahoa	APPROVED	\$293,137.00	32	32	\$299,000.00	24	24	yes	yes	\$293,889.00
4	#06-16	Belvedeere Estates	Tangipahoa	APPROVED	\$293,137.00	32	32	\$299,000.00	24	24	yes	yes	\$293,889.00
5	#06-20	Meridian Court	Caddo	APPROVED	\$299,528.00	27	27	\$299,999.00	27	27	yes	yes	\$299,563.00
6	#06-22	Orchard Creek	Lincoln	APPROVED	\$212,090.00	5	40	\$212,090.00	6	30	yes	yes	\$212,090.00
7	#06-35	Southern Woods	EBR	DENIED	\$300,000.00	15	60		1	54	no		
8	#06(2)-77	Filmore Parc I	Orleans	APPROVED	\$ 889,142.04	21	108	NOT NECESSARY					
9	#06(2)-78	Fillmore Parc II	Orleans	APPROVED	\$ 460,202.00	10	56	NOT NECESSARY					
10	06(2)-150	St. Martin Manor	Orleans	APPROVED	\$1,204,069.00	2	140	\$2,052,769.00	3	140	yes	yes	\$2,024,878.00
11	06(2)-151	St. John Berchman's	Orleans	APPROVED	\$814,958.00	1	149	\$1,084,930.00	1	149	yes	yes	\$1,084,930.00
12	06(2)-152	Delille Inn	Orleans	APPROVED	\$422,257.00	1	51	\$530,998.00	1	51	yes	yes	\$530,555.00
13	#06(2)-165	Falstaff Apartments	Orleans	APPROVED	\$1,210,755.00	7	156	\$1,210,755.00	5	147	yes	yes	\$1,210,755.00
14	#f06(2)-169	Bayou Place II	Iberia	APPROVED	\$435,685.00	25	25	NOT NECESSARY					
15	#06(2)-250	Bayou Gardens	Orleans	DENIED	\$1,111,674.00	6	160		5	110	no		
16	#06(2)-303	Bywater Art Lofts	Orleans	APPROVED	\$765,000.00	5	54	\$736,191.00	1	37	yes	yes	\$736,191.00
17	#06(2)-328	River Apartments	St. Tammany	DENIED	\$803,911.00	30	48		30	48	no		
18	#06(2)-330	Brickwood Apartments	Jefferson	DENIED	\$1,196,075.00	9	72		9	72	no		
19	#06(2)-331	Westover Apartments	Jefferson	DENIED	\$1,120,179.00	9	72		9	72	no		

Low Income Housing Tax Credit Exception Log
(MATERIAL CHANGES)

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App Rec'v'd	App Sent to F&J	Feasible Amount
					Award	Bldgs	Units	Request	Bldgs	Units			
20	#06(2)(N)-351	Passman Plaza III	Ouachita	APPROVED	\$402,930.00	10	60	NOT NECESSARY					
21	#06(R)-436	Bayou Place I	Iberia	APPROVED	\$316,330.00	25	25	NOT NECESSARY					
22	#06(R)-459	Melrose Peppermill II	EBR	APPROVED	\$246,807.00	5	29	\$290,000.00	5	29	yes	yes	\$228,177.00
23	07-05BF	New Savoy I	Orleans	APPROVED	\$1,308,879.00	84	158	\$1,459,624.00	84	158	yes	yes	\$0.00
24	#07/08(FA)-02	Forest Towers II	Jefferson	APPROVED	\$3,413,506.00	2	200	\$3,413,506.00	1	200	yes	yes	\$3,413,506.00
25	#07/08(FA)-02	The Terraces	Orleans	DENIED	\$3,413,506.00	1	200	NOT NECESSARY					
26	#07/08(FA)-04	St. Joe Lofts	Orleans	APPROVED	\$1,250,000.00	2	63	\$1,250,000.00	5	61	yes	yes	\$1,250,000.00
27	07/08(FA)-08	Villas at Lake Forest/The Muses	Orleans	APPROVED	\$1,483,522.00	11	230	\$1,483,522.00	1	230	yes	yes	
28	#07/08(FA)-09	750 Jeff Davis	Orleans	APPROVED	\$1,619,782.00	1	72	NOT NECESSARY					
29	#07/08(FA)-10	The Preserve	Orleans	APPROVED	\$1,560,899.00	1	183	NOT NECESSARY					
30	#07/08(FA)-11	Crescent Club	Orleans	APPROVED	\$1,934,044.00	3	228	NOT NECESSARY					
31	07/08(FA)-12	Cypress Manor I	Orleans	APPROVED	\$1,013,770.00	3	56	\$1,053,081.00	1	51	yes	yes	\$0.00
32	#07/08(FA)-14	McCaleb Supportive	Orleans	APPROVED	\$712,206.00	1	43	NOT NECESSARY					
33	07/08(FA)-21	St. Bakhita	Jefferson	APPROVED	\$1,085,491.00	28	55	\$1,751,666.00	20	100	yes	yes	\$1,748,118.00
34	07/08(FA)-24	BW Cooper I	Orleans	APPROVED	\$ 6,676,761.00	178	410	\$6,676,761.00	178	410	yes	yes	\$6,676,761.00
35	07/08(FA)-25	CJ Peete III	Orleans	APPROVED	\$ 7,012,377.00	178	410	\$8,125,700.00	121	460	yes	yes	\$8,125,700.00
36	07/08(FA)-26	St. Bernard	Orleans	APPROVED	\$ 7,069,243.00	209	465	\$7,400,000.00	209	465	yes	yes	\$7,400,000.00

Low Income Housing Tax Credit Exception Log
(MATERIAL CHANGES)

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App Rec'v'd	App Sent to F&J	Feasible Amount
					Award	Bldgs	Units	Request	Bldgs	Units			
37	07/08(FA)-38	Crescent Gardens	Orleans	APPROVED	\$ 405,000.00	143	143						
38	07/08(FA)-41	Walnut Square	Orleans	APPROVED	1,381,751.00	16	209	NOT NECESSARY					
39	#07/08(FA)-45	The AMOS Project	Orleans	DENIED/RECAPTURED	\$1,182,756.00	70	70	\$1,182,756.00	70	70	yes	yes	
40	07/08(FA)-46	Renaissance Place	Orleans	APPROVED	\$ 2,576,528.00	3	307	NOT NECESSARY					
41	#07/08(FA)-49	Oak Villa	Jefferson	APPROVED	\$1,250,000.00	1	80	\$1,250,000.00	1	80	yes	yes	\$1,215,756.00
42	#07/08(FA)-30	Lafitte Redevelopment	Orleans	APPROVED	\$ 12,800,000.00	206	568	\$12,800,000.00	253	568	yes	yes	\$ 12,800,000.00
43	08(GO)-35	Sugarhill Crossing	St. James	Awaiting Application		100	100				no	no	
44	08(GO)-66	Eleven-37	Orleans	APPROVED	\$1,143,584.00	1	49	NOT NECESSARY					

Low Income Housing Tax Credit Exception Log
(MATERIAL CHANGES)

Comments
Reduction in eligible age of elderly residents to 55
MGP Change
25% Change in units
25% Change in units
SITE CHANGE due to City Council opposition (only 1.3 miles change)/Projects serves Households in Poverty
25% Change in units/Project also has HOME Funds
SITE DECREASE (43%)
GARBAGE DISPOSAL WAIVER
GARBAGE DISPOSAL WAIVER
Increase in Credits
Increase in Credits
Increase in Credits
Households in Poverty waived
Both phases treated as one project (75% real brick)
Requested (160 units to 110/31% Change)
41% Change
SITE CHANGE /Denied July 2007
SITE CHANGE /Denied July 2007
SITE CHANGE /Denied July 2007

Low Income Housing Tax Credit Exception Log
(MATERIAL CHANGES)

Comments
Project built contrary to application
Both phases treated as one project (75% real brick)
LOT CHANGE (delete 2, add 3)
Increase in 4% Credits
SITE CHANGE (Jefferson to Orleans)/HAP Contract/Project has Set-Aside for Deep Affordability/Elderly Project
Elimination of Garbage Disposals/Substitution of HVACs
Developer wants to split allocation
SITE CHANGE (Same Parish)/City Council Support/Project has Set-Aside for Deep Affordability/PSH Project
GARBAGE DISPOSAL WAIVER
GARBAGE DISPOSAL WAIVER
GARBAGE DISPOSAL WAIVER
Increase in Credits
GARBAGE DISPOSAL WAIVER
Consolidated w/ #06(R)-471, Ninth Ward (10 bldgs, 20 units, \$266,359) & #06(R)-472, Ninth Ward (13 bldgs, 25 units, \$394,509)
Site increases of 12%/Unit mix changes
Consolidated w/ #06(2)-184, CJ Peete I (25 bldgs, 50 units, \$1,113,316)
Small decrease in acreage of project

Low Income Housing Tax Credit Exception Log
(MATERIAL CHANGES)

Comments
waiver of Brick/Stucco on bldgs located in Historic Districts & PIS Extension
Waiver of Brick/Stucco on bldgs
PBRA Issues/Project is requesting \$1.05m in CDBG Funds
Reduction of washers/dryers
Site Change (Jefferson to Orleans)/Project has set-aside for deep affordability/Elderly Project
Project split into 6 phases
Site Change (within same parish)
Request to change Unit Mix

Low Income Housing Tax Credit Exception Log **(EXTENSIONS)**

SINCE JULY 2008

Count	Project No.	Project Name	Parish	Status	Award	Bldgs	Units	Type of Extension	Extension Request	Comments
1	06(R)-440	S Range Homes I	Tangipahoa	APPROVED	\$369,901.00			PIS	12/31/2009	
2	06(R)-441	S Range Homes II	Tangipahoa	APPROVED	\$369,901.00			PIS	12/31/2009	
3	06(2)-329	Elmwood Homes	Orleans	APPROVED	\$703,415.00			PIS	12/31/2009	
4	07/08(PC)-054	Macadoo SRO	Caddo	APPROVED	\$417,470.00			Carryover	6/30/2008	
5	06(2)-317	LOR/ROS Residences	Jefferson	APPROVED	\$915,412.00			Closing	7/31/2008	
Blanket Extension for all Projects scheduled to close on 6/30/08								Closing	9/30/2008	
6	07/08(FA)-04	St. Joe Lofts	Orleans	APPROVED	\$1,250,000.00			PIS	12/31/2010	
7	07/08(FA)-08	The Muses	Orleans	APPROVED	\$1,483,522.00			Closing	11/1/2008	
8	06(2)-150	St. Martin Manor	Orleans	APPROVED	\$1,204,069.00			Carryover	11/15/2008	

Low Income Housing Tax Credit Exception Log *(Project Swapping Credit Years)*

Count	Project No.	New Project No.	Project Name	Parish	Original Reservation	Additonal Award	Application Rec'v'd	Application Sent to F&J	Feasible Amount	New Reservation	Reservation Letter Sent
1	#06-73	07-04(R)	Southern Place	Evangeline	\$213,903.00	\$86,095.00	yes	yes	\$299,998.00	\$299,998.00	9/28/2007
2	#06(2)(N)-351	07-06(R)	Passman Plaza III	Ouachita	\$402,930.00	\$0.00	yes	yes	\$402,930.00	\$402,930.00	7/26/2007
3	06(R)-407	07-11(R)	St. Landry Crossing	St. Landry	\$354,000.00	\$0.00	yes	yes	\$354,000.00	\$354,000.00	11/20/2007
4	06(R)-409	07-12(R)	Hideaway Crossing	Rapides	\$354,000.00	\$0.00	yes	yes	\$354,000.00	\$354,000.00	11/20/2007
5	06-34		Southern Breeze	St. Landry	\$300,000.00						