
Louisiana Housing Finance Agency



Multifamily Rental Housing Program

Brenda Evans, Program Administrator
Loretta Wallace, Program Administrator
Marjorianna Willman, Program Manager

December 8, 2010

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MEMORANDUM

To: Chairman Guy T. Williams
Commissioner J. Mark Madderra
Commissioner Allison A. Jones
Commissioner Susan Sonnier
Commissioner Katie Anderson

From: Loretta Wallace, Program Administrator
Brenda Evans, Program Administrator

Date: December 1, 2010

Re: Multifamily Rental Housing Program Committee

There will be a Multifamily Rental Housing Program Committee meeting, Wednesday, December 8, 2010 at 11:00 A.M. at the Louisiana Housing Finance Agency, V. Jean Butler Board Room, located at 2415 Quail Drive, Baton Rouge, LA.

The following Resolutions will be presented to the Board:

- A resolution accepting the proposal of Merchant Capital, L.L.C. or such other purchaser as may be designated by the Agency or the initial owner/operator of the **Mallard Crossing Apartments 11316 Greenwell Springs Road, Baton Rouge, Louisiana**, for the purchase of not exceeding Fourteen Million One Hundred Seven Thousand Dollars (\$14,107,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Mallard Crossing Apartments Project) in one or more series; and providing for other matters in connection therewith.
- A resolution conditionally authorizing the change of the General Partner from **Cypress Trails, #09(PC)-51, (810 Moss Street Lafayette, LA 70501)** as stipulated in the 2009 QAP by Louisiana Housing Finance Agency with respect to project's submitting a request for such removal of the managing general partnership; and providing for other matters in connection therewith.
- A resolution providing the award of the Calendar Year 2010 Housing Ceiling to certain residential rental facilities; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to award 2010 housing credit dollar amounts to such facilities; and providing for other matters in connection therewith.

Other Business.

November 22, 2010

MULTIFAMILY RENTAL HOUSING COMMITTEE MEETING

Notice is hereby given of a regular meeting of the Multifamily Rental Housing Program Committee will be held on **Wednesday, December 8, 2010 at 11:00 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.

AGENDA

1. Call to order, roll call and introduction of guests.
2. Approval of the November 10, 2010 Multi-Family Committee meeting minutes.
3. Multifamily Update
 - A resolution accepting the proposal of Merchant Capital, L.L.C. or such other purchaser as may be designated by the Agency or the initial owner/operator of the **Mallard Crossing Apartments 11316 Greenwell Springs Road, Baton Rouge, Louisiana**, for the purchase of not exceeding Fourteen Million One Hundred Seven Thousand Dollars (\$14,107,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Mallard Crossing Apartments Project) in one or more series; and providing for other matters in connection therewith.
 - A resolution conditionally authorizing the change of the General Partner from **Cypress Trails, #09(PC)-51, (810 Moss Street Lafayette, LA 70501)** as stipulated in the 2009 QAP by Louisiana Housing Finance Agency with respect to project's submitting a request for such removal of the managing general partnership; and providing for other matters in connection therewith.
 - A resolution providing the award of the Calendar Year 2010 Housing Ceiling to certain residential rental facilities; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to award 2010 housing credit dollar amounts to such facilities; and providing for other matters in connection therewith.
4. Other Business
5. Adjournment

Milton J. Bailey, LHFA President

**If you require special services or accommodations, please contact Barry E. Brooks at
(225) 763-8773 or via email bbrooks@lhfa.state.la.us**

Pursuant to the provisions of LSA-R.S. 42:6.1, upon two-thirds vote of the members present, the Board of Commissioners of the Louisiana Housing Finance Agency may choose to enter executive session, and by this notice, the Agency reserves its right to go into executive session as provided by Law.

**Louisiana Housing Finance Agency
Multifamily/Tax Credit Meeting Minutes
Wednesday, November 10, 2010
2415 Quail Drive
Baton Rouge, LA 70808
10:00 A.M.**

Commissioners Present

Chairman Guy T. Williams
Vice-Chairman J. Mark Madderra
Commissioner Katie Anderson
Commissioner Donald B. Vallee
Commissioner Allison A. Jones
Commissioner Adena R. Boris

Commissioners Absent

Staff Present

Milton J. Bailey
Annie Robinson
Wendy Hall
Loretta Wallace
Leslie Strahan
Marjorianna Willman
Ronald Burrough
LaTosha Overton
Louis Russell
Nicole Carter
MaKeisha Johnson-August
Annie Clark
Urshala Hamilton
Terri Ricks
Ricky Patterson

Counsel Present

Wayne Neveu, Foley & Judell

Guests Present

Attached

Multifamily Chairman Guy Williams called the meeting to order at 10:00 a.m. The first item for approval by the Commissioners was the October 13, 2010 Multifamily Committee minutes. There was no discussion of this item and Chairman Williams requested approval of the minutes by his fellow Commissioners. Commissioner Anderson made a motion and it was seconded by Vice-Chairman Madderra and was unanimously approved for recommendation to the Full Board.

Mrs. Marjorianna Willman presented the following resolutions to the Committee:

- A resolution accepting the proposal of Capital One, NA or such other purchaser as may be designated by the Developer for the purchase of not to exceed Fifteen Million Dollars (\$15,000,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (**Blue Plate Lofts Project located at 1315 South Jefferson Davis Parkway, New Orleans, Orleans, Parish, Louisiana**) 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.

Mrs. Willman explained that this issue was presented before the committee on the bond side and on the tax credit side there are a couple of issues. Mrs. Terri Ricks interjected that in the senior staff meeting Loretta had mentioned that she was recommending approval of the resolution. Vice-Chairman Madderra questioned what was being approved since this issue had been previously brought before them in April? Loretta Wallace answered that it was the sales resolution. The first resolution presented was for preliminary approval of the resolution and then once everything is in place the sale of the bond is brought before the committee for approval. She continued by explaining that this resolution was to approve the sale of bonds to Capital One. There were no other questions and Chairman Williams requested approval of the resolution by his fellow Commissioners. Commissioner Anderson made a motion and it was seconded by Vice-Chairman Madderra and was unanimously approved for recommendation to the Full Board.

- A resolution approving the Recapture/Reallocation of GO Zone Credits; and providing for other matters in connection therewith.

Mrs. Willman explained that the resolution for recapture was for projects that did not submit reprocessing applications during the 2010 funding round nor closed. Staff contacted each developer and informed them of the decision to recapture the credits. Vice-Chairman Madderra asked Legal if it would be appropriate to recapture the credits now or should the Agency wait until the December 31, 2010 deadline. Mrs. Ricks voiced her concern that the issue should be referred to Mr. Wayne Neveu as he specifically handles Tax Credit concerns. She continued by stating that she had received no opposition or concern in terms of the recapture of these projects from Mr. Neveu and he had been involved in the entire process. Vice-Chairman Madderra stated that he wanted to make sure the Agency was not in an erroneous position. Mrs. Ricks replied that the Agency was well within its right to recapture the credits because those projects were well past the project schedules. There were no other questions and

Chairman Williams requested approval of the resolution by his fellow Commissioners. Vice-Chairman Madderra made a motion and it was seconded by Commissioner Anderson and was unanimously approved for recommendation to the Full Board.

Chairman Williams asked for a political update on the lame duck session in Congress. Annie Clark came forward and stated that the climate is hopeful but not expectant that there will be some movement on Tax legislation. There are three types of legislation that Congress will be discussing: unemployment insurance, tax extenders bill or extending the Bush tax cuts. No one knows just yet what is going to happen she stated. Chairman Williams asked was there anything the Agency needed to do in anticipation of the extension and Ms. Clark answered that the Agency needed to continue putting pressure on the delegation and tax credit committees to get the extension. Commissioner Vallee asked where the funding would come from to help extend the Placed in Service deadline and Ms. Clark answered that that is a part of the question Congress has to answer. It could be brought about by way of an emergency spending bill but the decision hasn't been made yet.

Vice-Chairman Madderra asked Mr. Neveu about the Go Zone recapture and if he foresees any problem with the Agency moving forward to recapture the credits. Mr. Neveu responded that the recapture is the best strategy at this point and the decision is consistent with the decision the Board made in the previous month's meeting. The decision to recapture is based on the Board stating that any project with Go Zone credits other than PHA and CDBG projects that were not going to be placed in service would have their credits recaptured. Those eight (8) projects on the list were within that category permitting recapture and reallocation to other projects with need for additional Go Zone credits. Commissioner Vallee asked what type of communication staff has had with the affected developers. Mrs. Willman stated that she spoke with all the affected developers on the previous week to advise them of the situation, she specifically mentioned Andrea Cooper and stated that Ms. Cooper was expecting the credits to be recaptured. Commissioner Vallee requested that staff send a confirmation letter referencing the conversation regarding recapture to all the impacted developers.

- A resolution approving the 2010 Funding Round Preliminary Scores and Ranking; and providing for other matters in connection therewith.

Mrs. Willman explained that staff received 83 applications which have been reviewed and the F&V and Market Study reports had been received and also reviewed by staff as well as forwarded to the developer. The developer will have a chance to challenge the results of the reviews during the challenge period which is from November 5 - 15, 2010. Commissioner Vallee questioned the new spreadsheet that was included in the Board books; his concern was relative to an 8823 project. Chairman Williams interjected that the issue had been resolved and the project is back on the list. Commissioner Vallee asked who was on the challenge committee in reference to the challenge period and Mrs. Willman replied that ordinarily staff would review the challenges and then a determination is made. Commissioner Vallee then asked when would the Board become involved and Mrs. Willman answered that the Board is involved in the process in December when the final awards list is brought before them for consideration of approval. Commissioner Vallee surmised that the Board would not have an opportunity to hear or make a decision on the challenge and Mrs. Ricks interjected that typically those who want to

further challenge what staff has come up with as a recommendation, can have their say at the Committee meeting before staff's recommendation is approved. Commissioner Vallee opined that the process seemed arbitrary and outside people should be able to review the challenge and have oversight and review of it if not some members of the Board or Committee. Mr. Neveu agreed with Mrs. Rick's explanation of the process and stated that there are technical reviews that occur on the staff level as well as the external/consultant level. Issues that are raised in the challenge period are issues that are associated with a combination of nuance interpretation of data in the file and/or mistakes that may have been made in interpreting that data. In which case, consultants and staff will work with the applicant to resolve the issues; to the extent that there are unresolvable issues at that point the applicant is advised why there is a problem that causes a failure of staff to recommend approval of the project. It is then at that point that the Board gets the continued objection from the applicant for appeal. Commissioner Vallee asked whether the applicant had sufficient time to appeal to the Board, prior to the allocation of the credits. President Bailey interjected that the developer had adequate time to appeal to the Board and he reminded Commissioner Vallee that appeals to the Board are ongoing. There were no other questions and Chairman Williams requested approval of the resolution by his fellow Commissioners. Commissioner Vallee made a motion and it was seconded by Commissioner Anderson and was unanimously approved for recommendation to the Full Board.

- A resolution for the approval of the Fifth Competitive Tax Credit Assistance Program (TCAP) Awards and providing for other matters in connection therewith.

Commissioner Vallee recalled that at a previous meeting the Committee decided on a \$1 million dollar cap and according to the spreadsheet staff is going over that limit. Chairman Williams explained that the resolution was "use it" or "lose it" in its nature, and so everyone got everything they applied for. Commissioner Vallee then asked was this everyone that needed additional funds or was the presented spreadsheet the highest ranking projects. Mrs. Willman responded that everyone that requested credits was represented on the list. Commissioner Vallee then asked about the Old Morrison Homes project whether staff had considered the viability of funds from the City of New Orleans. Mrs. Willman answered in the affirmative and Commissioner Vallee continued by explaining that from what he understood, Old Morrison may not receive those funds. Mr. Neveu interjected that there is a deadline of expenditure on the funds and the closing would require that all sources of funding be at the closing table. To the extent that there is a commitment from the City that is evident in the application that suggests that the amount is necessary to make the project work, at the processing stage it's relied upon. At the closing stage, prior to the closing there will be a comprehensive report done on all TCAP projects to let the Board know which ones have closed and which ones haven't. Commissioner Vallee stated that the commitments by the former Mayor will need to be reevaluated at this time and that some of the commitments are being withdrawn. Then he asked that if the money could not be utilized by Old Morrison what else could be done with the funds without losing them and Mr. Neveu explained that unlike 1602 funds, the expenditure deadline for 75% of the committed amount to a specific project has to be evidenced by February 16, 2011. He continued that every project with TCAP funds is expected to close by December 17, 2010. The reports that he previously mentioned will be available to update the Board as to the progress being made toward closing. Mr. Neveu then explained that if the project was to receive City monies then the

City would have to execute Mortgage and have as well executed the Credit Agreement referencing their acknowledgement of participation in the transaction. President Bailey questioned whether in the event that City fund or other funds evaporate, the developer would have an opportunity to bring other funds to the table to replace those that were lost. Mr. Neveu replied that it is possible but that public funds are generally made available on a very soft basis so that any replacement of soft funds would have to be with other soft funds. There were no other questions and Chairman Williams requested approval of the resolution by his fellow Commissioners. Commissioner Anderson made a motion and it was seconded by Commissioner Vallee and was unanimously approved for recommendation to the Full Board.

- Discussion and update of Lafitte Projects: Lafitte **Offsite Rehabs III #08(GO)-70** (Multiple Addresses, New Orleans, Orleans Parish, Louisiana); **Lafitte Senior Housing #08(GO)-71** (700 North Galvez, New Orleans, Orleans Parish, Louisiana); **Lafitte Blocks 1-3 #08(GO)-72** (Multiple Addresses, New Orleans, Orleans Parish, Louisiana); **Lafitte Redevelopment Blocks 5-7 #08(GO)-73** (Multiple Addresses, New Orleans, Orleans Parish, Louisiana); and **Lafitte Adjudicated #08(GO)-74** (Multiple Addresses, New Orleans, Orleans Parish, Louisiana).

Chairman Williams asked for the condensed version of what Lafitte would present to the Full Board. The following people came forward and announced themselves before the Committee: Fred Tombar, Senior advisor to Secretary Donovan at HUD; David Gilmore, Federal Administrative Receiver of the Housing Authority of New Orleans (HANO); Jim Kelly, Catholic Charities and Providence; Matt Moran, Enterprise Community Partners; Judith Moran, Chief Operating Officer for the Housing Authority of New Orleans (HANO); Lisa Gomez, Principal with L&M Development Partners; Robin Zimble L&M Development Partners; and Michelle Whetten, Enterprise Community Development. There was a brief discussion by all parties concerning the Lafitte issue and Congress possibly extending the Go Zone Act.

Commissioner Allison Jones asked that since all Board members were not in attendance for the discussion, could the presentation in Multifamily be put on hold and the full presentation be made before the Full Board. Chairman Williams responded that the version presented was condensed and that the meeting would be adjourned to allow Full Board participation in the discussion. Since there were no other issues to be heard the meeting was adjourned at 10:44 a.m.

DECISION BRIEF:

The sale of \$14,107,000 in Multifamily Housing Revenue Bonds for Mallard Crossing Apartments in Baton Rouge, East Baton Rouge Parish, Louisiana

Issue

On September 12, 2007, the Louisiana Housing Finance Agency's Board of Commissioners approved a resolution authorizing the issuance of not exceeding Fourteen Million, One Hundred Seven Thousand Dollars (\$14,107,000) of Multifamily Housing Revenue bonds for the purpose of financing the construction of a 216 unit facility.

This resolution requests the Board's approval in considering the proposal of Merchant Capital, L.L.C., as purchaser (the "Purchaser") and taking action with respect to the parameter sale of not exceeding Fourteen Million, One Hundred Seven Thousand Dollars (\$14,107,000) of the Bonds pursuant thereto.

Mallard Crossing LP is located at 11316 Greenwell Springs Road, Baton Rouge, East Baton Rouge Parish, Louisiana. All of the 216 rental units will be set-aside for households whose incomes are at or below 60% of the area median income.

In addition to the Bond Proceeds, other sources of funding to be utilized in the construction of this development will be Nine Million, Four Hundred Twenty-Eight Thousand, Two Hundred Twelve Dollars \$(9,428,212) from Equity Contribution and One Million, Four Hundred Seventy-Five Thousand, One Hundred Forty-Five Dollars (\$1,475,145) from Deferred Development Fee.

Mallard Crossing Apartments will consist of one hundred eight (108) two-bedroom units and one hundred eight (108) 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.
- 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 Merchant Capital, L.L.C. or such other purchaser as may be designated by the Agency or the initial owner/operator of the Mallard Crossing Apartments for the purchase of not exceeding Fourteen Million, One Hundred Seven Thousand Dollars (\$14,107,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Mallard Crossing 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 September 12, 2007, adopted a resolution approving and authorizing the issuance of not exceeding Fourteen Million One Hundred Seven Thousand Dollars (\$14,107,000) of Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Mallard Crossing Apartments Project) in one or more series and authorized the publication of a Notice of Intention to Sell at Private Sale (the "Notice") in connection therewith; and

WHEREAS, said bonds are being designated as "Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Mallard Crossing Apartments Project) Series 2010" in the aggregate principal amount of not exceeding Fourteen Million, One Hundred Seven Thousand Dollars (\$14,107,000) (the "Bonds"); and

WHEREAS, as set forth in said resolution, the Supplemental Notice of Sale was published on November 18, 2010, in "The Advocate" and in "The Daily Journal of Commerce" on November 19, 2010 for an amount not to exceed \$14,107,000; and

WHEREAS, in accordance with the aforesaid resolution adopted by the Agency on September 12, 2007, the sale of the Bonds was scheduled for December 8, 2010; and

WHEREAS, the Agency did meet on December 8, 2010, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of Merchant Capital, L.L.C., as purchaser (the "Purchaser"), and taking action with respect to the parameter sale of not exceeding Fourteen Million One Hundred Seven Thousand Dollars (\$14,107,000) 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 Merchant Capital, L.L.C., for the purchase of bonds designated "Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Mallard Crossing Apartments Project) Series 2010" in the aggregate principal amount of not exceeding \$14,107,000, 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 are in 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, 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. The Agency or Mallard Crossing, LP, may designate another purchaser of the Bonds on or before delivery if the Purchaser specified herein is unable to purchase the Bonds at the delivery within the herein specified parameter terms.

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

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

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

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

SECTION 6. The Chairman, Vice Chairman, President, Vice President and/or Secretary, be and they are hereby approved, authorized and directed to execute and deliver or cause to be executed and delivered all documents required to be executed on behalf of the Agency, and delivered to effect delivery of the Bonds to the Purchaser, or deemed by any of them necessary or advisable to implement this resolution, the Indenture, or to facilitate the sale of the Bonds.

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

SECTION 8. 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 December, 2010.

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 December 8, 2010 entitled, "A resolution accepting the proposal of Merchant Capital, L.L.C. or such other purchaser as may be designated by the Agency or the initial owner/operator of the Mallard Crossing Apartments for the purchase of not exceeding Fourteen Million, One Hundred Seven Thousand Dollars (\$14,107,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Mallard Crossing 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 December 2010.

Secretary

(SEAL)

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

Date: August 15, 2007

- (1) **PROJECT NAME:** Mallard Crossing
- (2) **AMOUNT OF BOND
ISSUE REQUESTED
(NOT TO EXCEED):** \$ 14,107,000
- (3) **PROJECT DESCRIPTION:**
- 1) Number of Units 192
 - 2) Total Land Area 12.56 +/- Acres
 - 3) Density: 15.29 # of Units per Acre
Low Rise _____ Low Rise _____
 - 4) New Construction: Yes
Rehabilitation: _____
 - 5) Land Control: Current Legal Owner of Land:
Mallard Crossings, LP
 - 6) Number of Parking Spaces Per Unit 2.5
 - 7) Census tract where Project located 35.07
 - 8) State Representative District 65
Name of Representative Clif Richardson
 - 9) State Senatorial District 15
Name of Senator Sharon Weston Broome
- (4) **LOCATION:
(STREET ADDRESS OR
LEGAL DESCRIPTION OF
LAND AND PARISH):** 11316 Greenwell Springs Road
Baton Rouge, LA 70814
- (5) **CONTACT PERSON
FOR PROJECT:** Michael B. Gross
Phone: 502-638-0534 ext. 25
- (6) **DEVELOPMENT TEAM:**
- Developer: LDG Multifamily Development, 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): CW Capital
Contact: Frank Baldasare
Phone: 678-256-1410

Provider of Credit
Enhancement on Mortgage
Loan (if known): Freddie Mac
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:** A-3.2 and B1
The site is zoned properly for multifamily
development, the type and number of units proposed
for the property.

(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:** Amount

SOURCES OF FUNDS:

Bond Proceeds	\$14,107,000	55.6 % Dev. Cost
Other Sources (list)		
<u>Equity Contribution</u>	\$9,428,212	<u>37.2 % Dev. Cost</u>
<u>Deferred Developer Fee</u>	\$1,592,915	<u>5.8 % Dev. Cost</u>
<u>Net C/f from operations</u>	\$356,758	<u>1.4% Dev. Cost</u>
TOTAL FUNDS	\$ <u>25,367,115</u>	
LAND COSTS	\$ <u>1,300,000</u>	\$ <u>10.23</u> per sq. ft.

BUILDING ACQUISITION COSTS

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

CONSTRUCTION \$17,179,010 \$ 81,127 per D/U
(or Rehabilitation Costs)

PROFESSIONAL FEES:

	<u>Amount</u>	<u>% of Total Funds</u>
Architectural	\$473,088	2.1 %
Engineering	\$ _____	_____ %
Legal:		
Counsel to Issuer	\$ _____	_____ %
Bond Counsel	\$ 50,685	.2 %
Special Tax Counsel (specify firm name)	\$ _____	_____ %
Other Legal (specify firm & purpose)	\$ _____	_____ %
Borrower Counsel Fee	\$ 35,000	
Trustee Counsel Fee	\$ 7,500	
Disclosure Counsel	\$ _____	
_____	\$ _____	
_____	\$ _____	.2 %
_____	\$ _____	_____ %
Total Professional Fees	\$ _____	_____ %

UNDERWRITING:

Management Fee	\$ _____
Sales Commission	\$ _____
Underwriter's Counsel	\$ 30,000
Net to Underwriters	\$ _____
Expenses (list)	
<u>Origination fee construction</u>	
<u>Origination fee perm loan</u>	
<u>Application fee</u>	
<u>Due Diligence</u>	
_____	\$ 68,100
Total Underwriting Fee:	\$98,100

COSTS OF ISSUANCE:

Printing	\$ _____
Publishing/Advertising/ Recording	\$ 5,000
Rating Expense	\$ _____

Letter of Credit Fees and other credit expenses	\$ _____	
Consultants	\$ <u>25,000</u>	
Insurance	\$ _____	
Issuer's Financing Fees	\$ <u>9,080</u>	
Trustee Bank's initial fee and expenses	\$ <u>4,000</u>	
Other:		
Bond Commission Fees	\$ <u>11,350</u>	
Accountant Verification	\$ <u>9,500</u>	
 Total Costs of Insurance	\$ <u>63,930</u>	\$480.43 per D/U
Amount of Mortgage Requested	\$ <u>9,080,000</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>Total Sq. Ft.</u>
Eff.	_____	_____	_____	_____	_____	_____
1 BR	_____	_____	_____	_____	_____	_____
2 BR	<u>96</u>	<u>87,264</u>	_____	_____	<u>96</u>	<u>87,264</u>
3 BR	<u>96</u>	<u>112,512</u>	_____	_____	<u>96</u>	<u>112,512</u>
Other	_____	_____	_____	_____	_____	_____
Total	<u>192</u>	<u>199,776</u>	_____	_____	<u>192</u>	<u>199,776</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>
Eff.	_____	_____	_____
1 BR	_____	_____	_____
2 BR	_____	_____	_____
3 BR	_____	_____	_____
Other	_____	_____	_____
Total	_____	_____	_____

(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 _____%.

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

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

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

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

 x 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 x

(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.

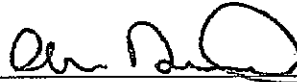
Moderate Income--households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined and adjusted from time to time by HUD.

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.

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

Mallard Crossings, LP
PROJECT OWNER

By: 
Authorized Representative

Dated: 8/24/07

DECISION BRIEF:

Request for change of the Managing General Partner and also for a change in the Building and Unit Configurations for Cypress Trails Apartment Homes, located at 810 Moss Street, Lafayette, Lafayette Parish, Louisiana.

Issue

Cypress Trails Limited Partnership, the Taxpayer, and Lafayette Public Trust Financing Authority (LPTFA), the Fiscal Partner for Cypress Trails Apartments, #(09(PC)-51), is requesting the agency's approval of the change of the Managing General Partner (MGP), Lafayette Low Income Housing Management Inc. (LLIHMC). Cypress Trails is also requesting to change the Building and Unit Configurations from the Original Application submittal. These changes rise to the level of a material change and must have Board approval.

As outlined in the attached supplemental material, the developer is requesting that the Fiscal Member/Partner, LPTFA be substituted for the MGP, Lafayette Low Income Housing Management, Inc. due to extraordinary circumstances surrounding LLIMC. The developer stated that LLIHMC was initially brought into the transaction due to their level of affordable housing experience. It is their position currently that although the proposed substitute managing general partner does not have direct project experience, due to its level of experience with multi-family financing development this rises to the level of development experience.

Cypress Trails Apartment Homes will remain located at 810 Moss Street, Lafayette, Louisiana. The Projects original design was 10 residential buildings containing 80 units of affordable housing. Cypress Trails is requesting to increase from 10 buildings to 18 buildings, which is a 44% change, and to reduce the total number of units from 80 units to 72 units, which is exactly a 10% change. The reduction in units is needed to cover cost overruns in the project. All seventy-two (72) units will be 2 bedroom units. Fifty-one (51) units will be targeted at or below 60% AMI and twenty-one (21) units will have Project Based Contracts.

The project's sources of funds include a reservation of \$800,000 in LIHTC Per Capita Tax Credits, \$924,724 in HOME funds, \$700,000 from LPTFA, a \$2,050,000 first mortgage and \$280,299 in Deferred Developer fees. The Projects expected Total Development Cost is \$9,704,423.00.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The Fiscal Partner for the project has performed many of the functions customarily performed by the MGP.

Cons:

- The Board has approved only two requests for a change in the MGP of a project, St. Landry Place, #06-14, and The Meadows, #07/08(FA)-37. The request for St. Landry Place was made by the Federal Home Loan Bank of Dallas (FHLB). The reason cited by the FHLB is that the USDA is investigating the MGP do to the use of USDA's funds. The Request for the Meadows was made by First NBC Bank. The reason cited was issues with the expenditures of funds advanced by the Office of Community Development, "OCD.

Recommendation:

Staff recommends approval of the change in MGP from Lafayette Low Income Housing Management Corporation (LLIHMC) to Lafayette Public Trust Financing Authority (LPTFA).

LaTosha Overton

From: Greg Gachassin [ggachassin@cartesiancompany.com]
Sent: Wednesday, November 17, 2010 1:39 PM
To: Ronald Burrough, Jr.
Cc: Richard Becker; Marjorianna Willman; Kacee Thompson; Todd Little
Subject: Cypress Trails Reprocessing Request Addendum approval re: GP
Attachments: CT_GP Change Req.pdf

Ronald,

As you guys are nearing the completion of the reprocessing request on Cypress Trails, please see the attached addendum request regarding the General Partner. In light of current activities surrounding the originally intended co-GP we are requesting a change although such change should not affect any of the requirements, as identified in the attached letter.

Thank you for your consideration and please call with any questions.

Sincerely,

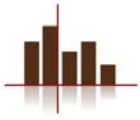


Greg Gachassin
President, Owner

The Cartesian Company

326 Settlers Trace Blvd, Suite 100B | Lafayette, LA 70508

337.234.7659 office | 337.280.6825 cell | ggachassin@cartesiancompany.com



November 17, 2010

Mr. Ronald Burrough
Housing Finance Specialist
Louisiana Housing Finance Agency
2415 Quail Drive
Baton Rouge, LA 70808

RE: Reprocessing Application of Cypress Trails #09-(PC)51

Dear Mr. Burrough,

Please accept this request as an addendum to the reprocessing application referred to above. As LHFA has not yet completed its review and approval of such reprocessing we would like the request described herein considered and approved in conjunction with the reprocessing application.

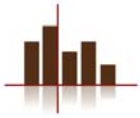
At the time of the original submission of the tax credit application by Cypress Trails Limited Partnership, Sponsored by the Lafayette Public Trust Financing Authority (LPTFA), a quasi governmental entity, the LPTFA selected as a its co-General Partner the Lafayette Low Income Housing Management Corporation (LLIHMC), an affiliate of The Housing Authority of the City of Lafayette. At that time the selection was made to include LLIHMC by the LPTFA as it was the interpretation that only an entity with a completed tax credit development could satisfy the requirements of "Development Experience" in Section F(1) of the 2009 QAP. Since this time it has become clear to the LPTFA that it meets the definition of "Development Experience" on its own and wishes not to include the LLIHMC as a co-General Partner.

The requirement of "Development Experience" in the 2009 QAP allows for options of experience, which are:

- a. GP or Sponsor must have successfully developed, operated and maintained in compliance either one (1) Louisiana low-income housing tax credit project or;
- b. The development of public/affordable housing.

The LPTFA has had substantial experience in the development of affordable housing since 1978 by the development, management and production of:

- a. Single Family Mortgage Revenue Bond programs.
- b. Multi-Family Bond Finance developments.
- c. Down-Payment assistance programs for affordable home buyers.



The LPTFA has developed and managed over \$500,000,000 of mortgage revenue bond programs that has allowed the purchase of affordable housing by over 5000 families of low and moderate income levels.

The LPTFA began a down-payment assistant program over 10 years ago that has provided assistance to over 500 families of low and moderate income levels to purchase affordable homes.

In addition the LPTFA has provided bond financing for more than 200 apartment students at UL Lafayette.

By the descriptions above Cypress Trails Limited Partnership with its sponsor the Lafayette Public Trust Financing Authority certifies that it meets the "Development Experience" requirement of the 2009 QAP. In addition Cypress Trails Limited Partnership requests approval from LHFA that the Lafayette Low Income Housing Management Corporation not be required as a General Partner in Cypress Trails and that only Cypress Trails Corporation (a wholly owned affiliate of LPTFA) be the General Partner.

Upon approval of the reprocessing application we request that this approval be granted as well.

If you have any questions, or need any additional information, please feel free to contact me via email: ggachassin@cartesiancompany.com or phone: (337) 234.7659.

Sincerely,

Greg Gachassin, President
Cypress Trails Limited Partnership, Project Consultant

Cc: Richard Becker, General Counsel to Cypress Trails

OWNERSHIP INFORMATION

(Please note: The Agency reserves tax credits to the Taxpayer and the managing general partner of the Taxpayer. Reservations are not transferrable. Any changes in managing general partner is deemed a material change.)

For-Profit	<input type="checkbox"/>
Non-Profit	<input checked="" type="checkbox"/>

(Complete information below)

NAME OF PARTNERSHIP

Cypress Trails Limited Partnership

FEDERAL ID NUMBER

27-1278326

NAME OF MANAGING GENERAL PARTNER

Lafayette Low Income Housing Management, Inc.

Telephone (337) 237-6000

% Ownership 0.01%

I. PREVIOUS PARTICIPATION OF MANAGING GENERAL PARTNER

List all projects in which the managing general partner has requested an allocation of low-income housing tax credits or sold a project which received an allocation of low income housing tax credits. Attach a separate sheet with additional information if necessary.

Project Name and Location	Application Date	Staus
St. Antoines Gardens	15-May-05	Complete

II. DISCLOSURE OF IDENTITIES OF INTEREST RELATED PARTIES:

The undersigned duly authorized representative of the Developer/Taxpayer hereby certifies under penalty of perjury that the following persons are (i) members of the Agency's Board of Commissioners or Agency Staff who are related to or having any identity of interest with the Developer/Taxpayer or (ii) affiliates, employees, consultants or otherwise related to or having an identity of interest with the Developer/Taxpayer and who have applied for an Allocation of Tax Credits in the calendar year within which this Application has been submitted or who have any interests in any project receiving Tax Credits and/or project subject to compliance monitoring by the Agency.

Related Board Members and Staff:

(1)	Walter Guillory is executive Director of Lafayette Housing Authority - Affiliate of GP
(2)	
(3)	
(4)	
(5)	

Related Affiliates, Employees, Consultants, Etc.:

(1)	NONE
(2)	
(3)	
(4)	
(5)	

The undersigned duly authorized representative of the owner (the "Taxpayer") of the captioned project (the "Project") hereby certifies under penalty of perjury that the Contractor certifying the construction and/or rehabilitation requirements for the Project as well as the cost estimates for the Project bear a relationship either to the Taxpayer or the General Partner within the meaning of Section 267(b) or Section 707(b)(1) of the Internal Revenue Code of 1986, as amended, after substituting 5% for 50% in Section 267(b) and Section 707(b)(1) and does not have any identity of interest with any member of the Board, staff, consultant or other affiliate of the Agency.

WITNESS my signature on this, the ____ day of _____, _____.

Builder IS NOT related to Taxpayer or General Partner

Taxpayer

By: _____

Sworn to and subscribed before me
this ____ day of _____, _____.

Notary Public, State of _____

SITE CONTROL WORKSHEET

I. Applicant must have control of the site and existing building(s) if any.

A. Please indicate the method of site control:

x	Purchase (please complete Section B below)
	Option to Purchase (please complete Section C below)
	Lease (please complete Section D below)

B. Purchase Information

Purchase Price:	\$315,000
To be Paid:	
Total Cost:	\$315,000
Outstanding Balance:	
Site Area:	217,800 Square Feet
Cost/S.F.:	\$1.45
Date of Purchase:	31-Mar-06

C. Option Information

Option Price:	
To be Paid:	
Total Cost:	\$0
Outstanding Balance:	
Site Area:	
Cost/S.F.:	\$0.00
Date of Option:	

D. Lease Information

Amount Paid for Leasehold Interest:	
Annual Ground Rent:	*
Lease Term:	years
Remaining Years:	years
Site Area:	0 Square Feet
Cost/S.F.:	\$0.00
Date of Lease:	

* You must include Annual Ground Rent as a Miscellaneous Expense under Uses of Funds.

E. Attached to and made a part hereof are copies of the site control documents.

II. Complete this section if applicant does not have control of the site and existing building(s) if any.

A. What is the estimated Purchase Price for the site?

B. Provide the following information about the current legal owner:

Name	<input style="width: 250px;" type="text"/>		
Address	<input style="width: 250px;" type="text"/>		
City	<input style="width: 100px;" type="text"/>	State	<input style="width: 50px;" type="text"/>
Telephone	<input style="width: 100px;" type="text"/>	Fax	<input style="width: 50px;" type="text"/>
		Zip	<input style="width: 50px;" type="text"/>

III. Attached to and made a part hereof is a legal description of each parcel of land.

OWNERSHIP HISTORY OF EXISTING BUILDINGS

This worksheet must be completed if Taxpayer is requesting credits for the purchase price of an existing building.

- I. Specify the date on which building was acquired by purchase as defined in Section 179(d)(2) of the Internal Revenue Code of 1986, as amended (the "Code") (substitute 10% for 50% in Sections 267(b) and 179(b)(n)):

N/A

- II. Specify all previous owners of and the purchase price with respect to the building from the January which is ten years prior to the calendar year in which Taxpayer is seeking an award of tax credits to the date the building was or will be acquired by Taxpayer:

Owners	Purchase Price

- III. Do any of the previous owners bear a relationship to the Taxpayer specified in Section 267(b) or Section 707(b)(1) (substitute 10% for 50% in Sections 267(b) and 707(b)(1))?

If Yes, specify which of the previous owners are such related persons:

- IV. Are any of the previous owners and the Taxpayer under common control (within the meaning of subsections (a) and (b) of Section 52 of the Code)?

If Yes, specify which of the previous owners are such related persons:

- V. Is this a distressed property?

If yes, attach written certification from HUD or RD that property is distressed.

LaTosha Overton

From: Marvin Beaulieu [Marvin@FoleyJudell.com]
Sent: Friday, November 19, 2010 4:27 PM
To: Wayne Neveu; Greg Gachassin
Cc: Brenda Evans; Marjorianna Willman; Charlette Minor; Tricia Rome; Ruby Ho; Robert McNeese; Ronald Burrough, Jr.
Subject: RE: Cypress Trails
Attachments: CT HAP Agrmt_Executed.PDF

The only pending item on the F&V was evidence of the rental subsidy which we received from Ronald Burroughs on November 3rd (see attached executed HAP agreement). Therefore, there are no further F&V requirements that have to be met. A new F&V is not required.

To ensure compliance with IRS Circular 230 Notice, Foley & Judell, L.L.P. informs you that any tax advice contained in this communication is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

-----Original Message-----

From: Wayne Neveu
Sent: Friday, November 19, 2010 2:18 PM
To: 'Greg Gachassin'
Cc: Marvin Beaulieu; Brenda Evans; Marjorianna Willman; Charlette Minor; Tricia Rome; Ruby Ho; Robert McNeese
Subject: RE: Cypress Trails

Greg:

I am copying Marvin Beaulieu to respond to item #1 below.

Item #2 must be reviewed by the Brenda and her staff; therefore, I am copying Brenda and her staff to answer #2.

Item #3 should be addressed by Charlotte Minor or Robert McNeese first and then by Tricia Rome when she returns Monday.

To ensure compliance with IRS Circular 230 Notice, Foley & Judell, L.L.P. informs you that any tax advice contained in this communication is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

-----Original Message-----

From: Greg Gachassin [<mailto:ggachassin@cartesiancompany.com>]
Sent: Friday, November 19, 2010 1:13 PM
To: Wayne Neveu
Subject: Cypress Trails

Just wanted to follow up on our call about closing Cypress Trails. As of now Regions has committed to the transaction. We are moving fast and furious on due diligence and expect to close December 22nd. A couple of items to address:

1. We submitted our re-processing app to LHFA about a month ago. They sent the F&V to us for response which we completed about two weeks ago. As of yesterday Ronald Bourough said that he was waiting on you guys to respond to our responses for approval of the reprocessing.
2. Secondly we sent another request to allow the LPTFA to serve as the sole GP as opposed to having the LLIHMC (affiliate of the Lafayette Housing Authority) as a co-GP. Clearly in light of all the chaos surrounding the LHA currently, the LPTFA and investors feel it would be best not to have them in the deal. The development did not compete in a PHA pool but simply had them on for a "development experience" criteria however the LPTFA has development experience as well and I think it should be sufficient. As I understand that LHFA will make this call, Ronald indicated that he sent the request to you guys for review. Hopefully you can support our position given the circumstances.
3. Third will be to address what we need to do for the HOME closing to occur simultaneously with the tax credit closing with Regions.

I look forward to your feedback.

Thanks,



Greg Gachassin
President, Owner

The Cartesian Company

326 Settlers Trace Blvd, Suite 100B | Lafayette, LA 70508

337.234.7659 office | 337.280.6825 cell | ggachassin@cartesiancompany.com

LOUISIANA HOUSING FINANCE AGENCY

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

RESOLUTION

A resolution authorizing the Removal of the Managing General Partnership, Lafayette Low Income Housing Management Corporation (LLIHMC), and changing the building/unit configuration of Cypress Trails Apartments, #09(PC)-51, (located at 810 Moss Street, Lafayette, Louisiana) as stipulated in the 2009 Qualified Allocation Plan (QAP) by Louisiana Housing Finance Agency with respect to project’s submitting a request for such removal of the managing general partner and the building/unit configuration; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the "Agency" or “LHFA”) 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);

WHEREAS, the staff of the LHFA has received the following requests in connection with Cypress Trails Apartments, #09(PC)-51, which is located at 810 Moss Street, Lafayette, Louisiana; and

WHEREAS, staff has reviewed and is recommending the request for the removal of the current Managing General Partner, Lafayette Low Income Housing Management Corporation (LLIHMC), to be replaced by the fiscal partner, Lafayette Public Trust Financing Authority (LPTFA) and the request to change the building/unit configuration from ten (10) buildings to eighteen (18) and eighty (80) units to seventy-two (72) units; and

NOW, THEREFORE, BE IT RESOLVED by the Board, acting as the governing authority of said agency that:

SECTION 1. Staff’s recommendation to allow the replacement of the Managing General Partnership from Lafayette Low Income Housing Management Corporation, to

Lafayette Public Trust Financing Authority and the change to eighteen (18) buildings and seventy-two (72) units is hereby approved.

SECTION 2. The LHFA staff and counsel are authorized and directed to prepare 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 LHFA be hereby authorized, empowered and directed to execute any forms and or documents required to be executed on behalf of and in the name of the LHFA, the terms of which are to be consistent with the provisions of this resolution as approved by the LHFA counsel.

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

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 8th day of December, 2010.

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 "Board"), do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution adopted by said Board on December 8, 2010 captioned, "A resolution authorizing the Removal of the Managing General Partnership, Lafayette Low Income Housing Management Corporation (LLIHMC) and changing the building/unit configuration of Cypress Trails Apartments, #09(PC)-51, (located at 810 Moss Street, Lafayette, Louisiana) as stipulated in the 2009 Qualified Allocation Plan (QAP) by Louisiana Housing Finance Agency with respect to project's submitting a request for such removal of the managing general partner and the building/unit configuration; and providing for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the LHFA on this, the 8th day of December, 2010.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY

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

RESOLUTION

A resolution approving the final rankings of applicants under the 2010 Qualified Allocation Plan Ceiling to certain residential rental 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 allocating and administering programs and/or resources made available pursuant to the 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 LIHTC Program and 1602 Programs; and

WHEREAS, the Agency has solicited applications for awards of housing credit dollar amounts, and 1602 Exchange amounts under the 2010 calendar year qualified allocation plan (the "2010 QAP"); and

WHEREAS, the staff of the Agency has processed applications in accordance with the Implementation Guidelines and is prepared, based upon the feasibility analysis of Foley & Judell, L.L.P., to provide a final ranking of the applications received under the 2010 QAP for each of the residential rental projects described in Exhibit A:

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 final rankings contained in Exhibit A be hereby recognized as the Agency's final rankings for the 2010 QAP.

SECTION 2. 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 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 December, 2010.

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 December 8, 2010 entitled, "A resolution approving the final rankings of applicants under the 2010 Qualified Allocation Plan Ceiling to certain residential rental 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 December 2010.

Secretary

(SEAL)

THIS IS A PLACEHOLDER FOR EXHIBIT A (Award's List) WHICH IS BEING FINALIZED; AT THE TIME PRELIMINARY WAS DUE, STAFF WAS STILL DRAFTING THE INFORMATION