



July 29, 2025

Memorandum

To: Morris Richardson, County Attorney
From: Jay Glover, Managing Director – PFM Financial Advisors LLC
Re: Review of Financing Structure for the Multi-Family Housing Revenue Bonds (Cocoa West Apartments Project)

It is our understanding that Cocoa Leased Housing Associates III, LLLP (the "Borrower") has applied to the Brevard County Housing Finance Authority (the "Authority") to issue tax-exempt private activity bonds (the "Bonds") in an amount not to exceed \$80,000,000 to finance the acquisition, construction, equipping and development of the Cocoa West Apartments, 201 S. Burnett Road, Cocoa, Florida (the "Project"). The Project contains 360 units (90 two bedroom, 180 three bedroom and 90 four bedroom apartments), all of which will be rented to families. The site is properly zoned and will consist of 15 3-story garden style walk-up buildings. A Land Use Restriction Agreement encumbering the property will require that 100% of the apartment units will be set aside and available only to persons earning 60% or less of median income, for as long as the Bonds are outstanding, or for a term of 30 years, whichever is longer.

To issue tax-exempt bonds for the Project, the Authority must receive the limited approval of the Board of County Commissioners (the "Board") as required by applicable federal tax law. As financial advisor to Brevard County, Florida (the "County"), PFM Financial Advisors LLC (PFM) has been asked to certify that the Bonds will meet or exceed the County's debt issuance guidelines, which require an investment grade underlying credit rating for publicly offered bonds, provided however that unrated bonds may be approved by the County if they are sold only to institutional investors in minimum denominations of \$100,000. We have also been asked to ensure that the proposed transaction will not have a negative financial impact on the County, impair the County's credit ratings or impact the County's ability to issue debt in the future.

The Borrower and its' representatives have indicated that a plan of finance has not yet been finalized. However, the Borrower expects the Bonds will be issued within the guidelines as outlined above. Therefore, it is PFM's opinion that the Bonds will meet the criteria required by the County. We have also reviewed the relevant documentation and based on that review can confirm that the proposed issuance of the Bonds will not have a negative financial impact on the County as the Bonds will be payable solely from revenues of the Project and will not pledge the revenues or ad valorem taxes of the County or the Authority.

PFM did not prepare or review any type of feasibility report related to the Borrower's ability to pay debt service on the Bonds and has no responsibility to do so. PFM also bears no liability for potential errors in the information provided by the Borrower or its' representatives.