



April 20, 2020

Memorandum

To: Frank Abbate, County Manager
Christine M. Schverak, Assistant County Attorney

From: Jay Glover, Managing Director – PFM Financial Advisors LLC

Re: Review of Financing Structure for the Multi-Family Housing Revenue Bonds (The Venue at Viera Senior Living Project)

It is our understanding that the Venue at Brevard Partners, Ltd., a Florida limited partnership (the "Borrower"), the general partner of which is Southern Affordable Services, Inc., a not-for-profit corporation, has requested the Brevard County Housing Finance Authority (the "Authority") issue not to exceed \$16,755,000 Multi-Family Housing Revenue Bonds (The Venue at Viera Senior Living Project) (the "Bonds") to finance the acquisition, rehabilitation, equipping and development of The Venue at Viera Senior Living Project (the "Project"). The Project is new construction of 145 apartment units (37 one bedroom, 46 two bedroom and 62 three bedroom apartments) located at the southeast corner of the intersection of N. Wickham Road and Wyndham Drive in Melbourne, Florida that will be available to elderly County residents of lower and moderate income.

As financial advisor to Brevard County, Florida (the "County"), PFM Financial Advisors LLC (PFM) is required to certify that the Bonds will meet or exceed the County's debt issuance guidelines, which require an investment grade underlying credit rating for publically offered bonds, provided however that unrated bonds may be approved by the County provided that 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 to be issued as a direct placement financing with a qualified financial institution in minimum denominations of at least \$100,000. Therefore, it is PFM's opinion that the Bonds will meet the criteria required by the County. If the final plan of finance differs from this description, the Borrower will need to provide an updated plan of finance before the issuance of the Bonds. We have also reviewed all of 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.

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.

cc: Kathy Wall, Assistant to the County Manager