



May 8, 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
Millennia Housing Project)

It is our understanding that Brevard FL TC, LP (Millennia Housing Development, Ltd.) has requested the Brevard County Housing Finance Authority (the "Authority") issue not to exceed \$24,840,000 Multi-Family Housing Revenue Bonds (Millennia Housing Project) (the "Bonds") to finance the acquisition, rehabilitation, equipping and development of Millennia Housing Project (the "Project"). The Project consists of three existing apartment complexes: (i) Jupiter Ridge (formerly Arch Creek Run) located at 173 Rachel Street, Melbourne, FL that contains 96 units (52 one bedroom, 37 two bedroom and 7 three bedroom apartments); (ii) Armstrong Glen (formerly Cocoa Lakes) located at 201 St. Clair Drive, Cocoa, FL that contains 50 units (18 one bedroom, 20 two bedroom and 12 three bedroom apartments) and (iii) Sand Point Village (formerly Forest Park South) located at 512 Rockpit Road, Titusville, FL that contains 68 units (16 one bedroom, 16 two bedroom and 36 three bedroom apartments), all of which will be rented to families.

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 is being developed and is currently expected to include the issuance of a private 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