



# OFFICE OF THE MAYOR MIAMI-DADE COUNTY, FLORIDA

DANIELLA LEVINE CAVA  
MAYOR

## Miami-Dade County Conditional Loan Commitment

April 23, 2024

To: Mr. Raul F. Rodriguez, President/CEO  
CREI Holdings, LLC , or related entity  
11239 NW 4<sup>th</sup> Terrace  
Sweetwater, FL 33172

Re: Li'l Abner Apartments 3  
11239 NW 4<sup>th</sup> Terrace  
Sweetwater, FL 33172

Type: Multi-Family - New Construction

Dear Borrower:

We are pleased to advise you that on **April 2, 2024**, the Board of County Commissioners (BCC) approved a Conditional Loan Commitment for development activity at the above-listed property (the "Property"). The loan is conditionally committed for the payment of hard construction cost as a portion of the development costs to construct the affordable housing units on the Property. This Conditional Loan Commitment is made based upon FY 2023 Request for Applications requesting Documentary Stamp Surtax (Surtax), State Housing Initiatives Partnership (SHIP), Home Investment Partnerships (HOME) funds. **Resolution No. R-254-24** conditionally allocated up to **\$5,000,000.00** of Surtax/SHIP program funds and is subject to the following terms and conditions:

**Borrower:** CREI Holdings, LLC, or related entity

**Project:** Li'l Abner Apartments 3, a 326-unit, high-rise style affordable housing community located at 11239 NW 4<sup>th</sup> Terrace in Miami-Dade County, FL 33172, in Commission District 12. The development will serve 125 households with incomes at and below 80% of area median income ("AMI") and 195 households with incomes at and below 120% of AMI. See the conditions below regarding applicable AMI for residents based upon the source of funds for the Loan.

- Loan Amount:** The loan shall be in an amount of not-to-exceed \$5,000,000.00 as approved by the BCC in Resolution No. R-254-24 for \$5,000,000.00 and includes all terms and conditions of such BCC approval, including project scope, activity type and, for federal funds, national objective to be achieved (the "Loan"). The loan amount may be decreased as determined by the Mayor or the Mayor's designee, based upon Underwriting (defined below) and information and documentation provided by Borrower.
- Conditions:** The Loan is conditioned upon the terms, conditions and requirements set forth below (the "Conditions"). The County shall not issue a final unconditional loan commitment, enter into a funding contract, close on the Loan or disburse the Loan funds until all the Conditions are met.
- Collateral:** Upon satisfaction of the Conditions, Miami-Dade County (County) and Borrower will enter into a funding contract and loan agreement. The Loan shall be evidenced by a promissory note and secured by a construction/permanent mortgage with assignment of leases and rents, a collateral assignment of leases and rents, a collateral assignment of construction documents, a rental regulatory agreement (where applicable), and any other security or collateral as deemed appropriate by the Mayor or Mayor's designee, in his or her sole discretion, with approval of the County Attorney's Office. Borrower shall additionally be required to provide the County with an environmental indemnification agreement, a UCC-1, title affidavit, partnership affidavit (if applicable), corporate resolution approving the loan documents, opinion of counsel, certification of borrower to borrower's counsel, and title policy making the County an insured. The Collateral shall be determined based upon financial feasibility and subsidy layering underwriting to be performed by County staff in an internal process and by an independent underwriter and paid for by Borrower ("Underwriting") following review of a current title search. Additional forms of security may be required if liens, encumbrances, restrictions or covenants exist on the Property which the Mayor or Mayor's designee determines, in his or her sole discretion, threaten the County's Collateral. The Mayor or Mayor's designee shall determine, in his or her sole discretion and in consultation with the County Attorney's Office, whether the Collateral provided by Borrower is sufficient to close and disburse the Loan.
- Interest Rate:** Loan terms, including interest rates, are those set forth in the FY 2023 Surtax/SHIP/HOME Request for Applications (RFA), for all funding sources for multi-family rental projects. Those terms are 0% interest during construction - years 1 and 2-and 1% interest-only payments for years 3-30 from development cash flow, with another 1% interest accruing and due at maturity. Full principal is due at maturity; and as modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting.
- Repayable:** There will be no penalty for prepayment of the Loan (payment of Loan balance before the end of the repayment term). Repayment terms are those set forth in the FY 2023 Surtax/SHIP/HOME Request for Applications RFA for repaid loan funds in accordance with Section 17-02 of the Code. Terms are applicable for all funding sources listed in the FY 2023 Surtax/SHIP/HOME RFA. All terms may be modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting. The prepayment of any Loan shall not affect the term of affordability set forth in the Rental Regulatory Agreement or in any of the other Loan Documents.

**Term:** The Loan will be for 30 years, or as may be established prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting.

**Conditions:**

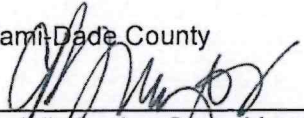
1. Underwriting, as explained above, shall include financial feasibility review, subsidy layering review, and credit review. Underwriting is performed to protect the County's scarce affordable housing funds and is performed to ensure that the Project has sufficient financing to be completed timely and that the Project is not over-subsidized, meaning the Loan is not needed or the Loan Amount is too high. The County reserves the right to reduce the Loan Amount subject to Underwriting. The County further reserves the right to refuse to issue a final, unconditional loan commitment to Borrower or to enter into a contract for the Loan or to close on the Loan in the event that Underwriting determines that the project is financially unfeasible or otherwise is unfeasible. The costs of Underwriting are to be paid by Borrower.
2. Borrower must prove control of the Property through purchase or lease, as evidenced by a deed or lease and recorded memorandum of lease in Borrower's name. Absence of any threat of foreclosure, taking by eminent domain, or pending bankruptcy are additionally required.
3. Borrower must provide the County with written financing commitments showing committed financing for the entire Development Cost of the Project, including any gaps between the Loan and the overall costs to develop the Project. The Development Cost of the Project means the total cost of completing the entire Project, from acquisition to the issuance of Certificate of Occupancy, including but not limited to the costs for acquisition, design and planning, zoning and variances, financing costs, legal costs, construction, and permitting. In the event of a dispute as to what amount constitutes the actual Development Cost, Borrower and County will use the amount determined by Underwriting to be the Development Cost.
4. Conformance of the Project with the County legislation approving the Loan.
5. Complete plans and specifications of the Project.
6. Payment and performance bond in the amount of the entire construction budget or otherwise in conformance with applicable law. Where a payment and performance bond are not required by law, the Mayor or Mayor's designee may alternatively accept – at the Mayor or Mayor's designee's sole discretion – a letter of credit in an amount acceptable to the Mayor or Mayor's designee.
7. Appraisal of the Property showing that the value of the Project and Property, when completed, exceeds the total amount of debt from all sources to be secured by the Project, unless waived by the Mayor or Mayor's designee.
8. A Phase I environmental report requiring no further action.
9. For CDBG and HOME/HODAG funds, if required, the cost of the HUD environmental assessment must be paid by the borrower.
10. Such other conditions which are customary and reasonable for a loan of this nature, such as adhering to all Federal, State and local regulations, ordinances, codes and standards.
11. Meeting all requirements of the State Housing Initiatives Partnership ("SHIP"), Documentary Surtax, Home Investment Partnerships Program ("HOME"), program, as applicable, and County resolutions and ordinances governing affordable housing development.
12. The Loan, if SHIP or Surtax funds, may only be used for the development of affordable housing for residents with household incomes not greater than 140% of AMI. The Loan, if HOME/HODAG or CDBG funds, may only be used for the development of affordable housing for residents with household incomes not greater than 80% of AMI.
13. Pursuant to the Miami-Dade Board of County Commissioners' Resolution No. R-34-15, Developers, its agents and/or representatives, shall provide written notice to the County related to the availability of rental opportunities, including, but not limited to, the number of available units, bedroom size, and rental prices of such rental units at the start of any leasing activity; requiring the developer advertise the information described in newspapers of general circulation.

This Conditional Loan Commitment will expire in six (6) months if not extended by Miami-Dade County. An extension of this Conditional Loan Commitment may be granted at the sole and absolute discretion of Miami-Dade County. Any extension granted will be contingent upon compliance with and in accordance with Resolution No. R-232-14, as applicable and must be signed by the Mayor or Mayor's Designee to be valid. If the loan does not close prior to the expiration or extension of this Conditional Loan Commitment, the funds will be subject to recapture and allocated to other projects. This Conditional Loan Commitment is not assignable. This Conditional Loan Commitment is the sole and complete agreement between the parties as to the terms of the Loan described herein. The terms of this Conditional Loan Commitment may only be changed in writing in a document signed by the Mayor or the Mayor's designee. No representations, written or verbal, of Miami-Dade County employees, or others purporting to act on behalf of Miami-Dade County, may change the terms of this Commitment.

Miami-Dade County wishes to thank you for your proposal and the opportunity to provide financing for this development, and we look forward to closing this transaction.

Sincerely,

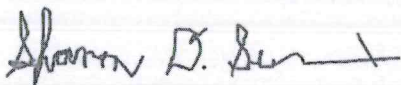
Miami-Dade County

  
\_\_\_\_\_  
Daniella Levine Cava, Mayor

Date: 4/23/24

c: Cathy Burgos, Chief Community Services Officer

Approved as to Form and Legal Sufficiency

  
\_\_\_\_\_  
Assistant County Attorney

Date 4/22/2024