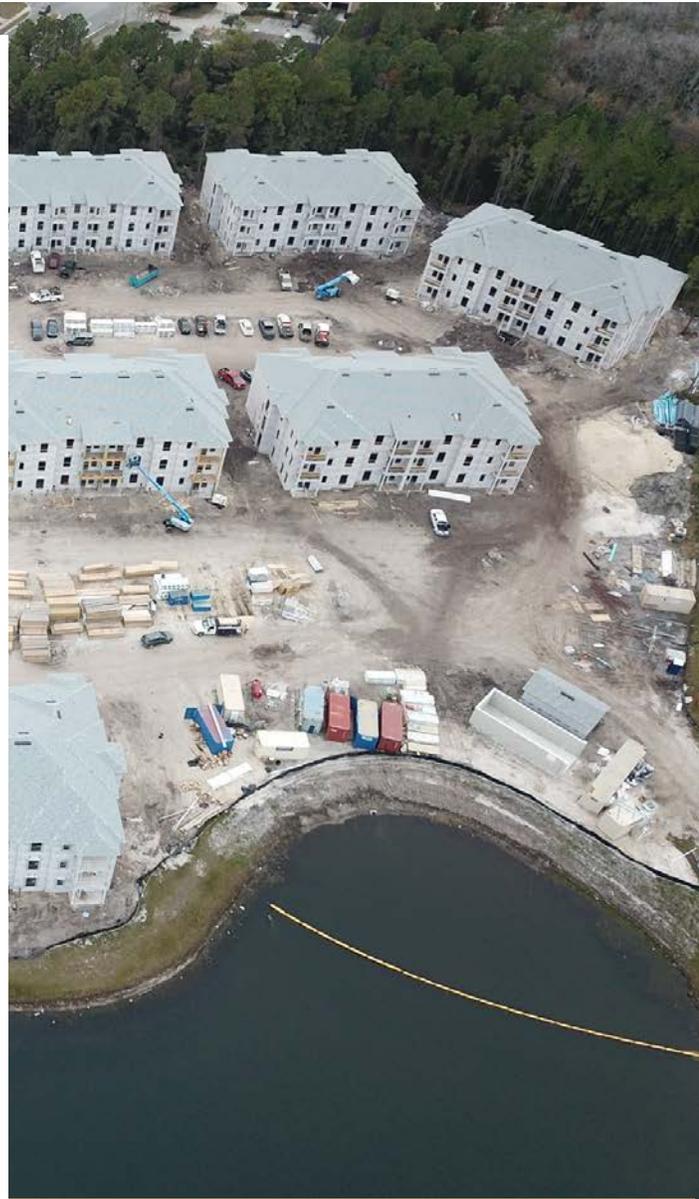


2020 Annual Report



SEPTEMBER 30, 2020

JACKSONVILLE HOUSING FINANCE AUTHORITY

Contents

About the Jacksonville Housing Finance Authority.....	3
Board of Directors	4
Strategic Partnerships	4
Partnerships with Other Counties	4
Partnership with Florida Housing Finance Corporation (FHFC)	5
Sadowski Education Effort.....	5
Rental Development.....	5
The Waves.....	6
Lofts at Jefferson Station.....	6
Lofts at Brooklyn.....	6
Lofts at Murray Hill.....	7
Sydney Trace	7
Ashley Square	7
Parkview Commons	7
Homeownership.....	8
Compliance Reports	9
Active Rental Developments.....	9
Portfolio Average Occupancy	10
Servicing Report.....	11
Fiscal Year 2021 Goals and Objectives.....	12
Contact Information	13
General Contact	13
Professional Team	13

About the Jacksonville Housing Finance Authority

The Jacksonville Housing Finance Authority (JHFA) was created in 1978 as the Duval County Housing Finance Authority (DCHFA). The JHFA's position within City government has been altered several times over the past 42 years, most recently in 2014. The JHFA is a dependent special district, governed by a seven-member Board of Directors appointed by the Mayor (4) and City Council (3).

The JHFA does not receive operating appropriations from the City. The JHFA funds all its operations from revenues generated from its bond and loan programs. The JHFA is essentially a public purpose lending institution that generates its loans from the proceeds of tax-exempt bonds and program income.

The JHFA finances loans to first time homebuyers and to developers who build or rehabilitate rental housing for occupancy by eligible families. Since its inception, the JHFA has provided over \$829 million in funding for the creation of affordable housing. This funding has created over 7,900 units of affordable rental housing and thousands of new homeownership opportunities.

Market Driven Approach

All the JHFA's programs are market driven. The JHFA must structure programs that work from an economic perspective – not because the law says they must, but because the private sector would not invest their money in bonds or loans that are improperly structured or developments that are not feasible.

Board of Directors

The JHFA is governed by a seven-member Board of Directors.

Name	# of Terms	Term Ends / Resolution	Race	Sex	Notes
Bernard E. "Barney" Smith (Chair)	1 of 2	11/20/2023 (2019-820)	W	M	Mayoral Appointment
Spencer Cummings (Vice-Chair)	1 of 2	06/30/2022 (2019-341)	W	M	Mayoral Appointment
Delilah R. "Dee" Bumbarger (Secretary)	1 of 2	06/30/2020 (2016-689)	W	F	Council Appointment
Gloria "Nadine" Sherman Carswell	1 of 2	06/30/2019 (2018-360)	B	F	Council Appointment
Jeffrey Rosen	1 of 2	06/30/2021 (2016-750)	W	M	Mayoral Appointment
Jane L. Scofield	1 of 2	06/30/2022 (2018-736)	W	F	Council Appointment
Matt Swanson	1 of 2	06/30/2024 (2020-674)	W	M	Council Appointment

Strategic Partnerships

Partnerships with Other Counties

The JHFA partners with Brevard, Clay, and Hillsborough Counties to facilitate the pooling and sale of mortgages originated in the home ownership programs of the four counties. By pooling mortgages, marketable volume is achieved more quickly, reducing interest rate risk and quick return of the JHFA's capital investment (for use in making new loans). The JHFA has executed 165 sales for a profit of \$2,036,128 from the sales—funds that are used to make the down payment assistance loans.

Partnership with Florida Housing Finance Corporation (FHFC)

In response to an ongoing request from the JHFA, FHFC allowed Duval County to establish a “Qualifying Financial Assistance Funding Preference” pilot program which enabled the JHFA the opportunity to select its preferred development by allocating a higher level of local government support commitment in 2015. That program was extremely successful and has now been formalized for other large and medium sized programs in the FHFC programs.

FHFC again kept the preference system for the most recent 9% Housing Tax Credit Request for Applications. An applicant that receives “Local Government Area of Opportunity Funding” receives a preference in funding and the applicant automatically receives the maximum score for “proximity” to services and is not penalized if it is within a defined distance from other developments that are under construction or have not yet stabilized.

Sadowski Education Effort

The JHFA continues to be an active participant in the effort to secure state funding for housing programs—funding that comes directly to the City (State Housing Initiative Partnership (SHIP) Program) and to rental developments being built or rehabilitated within the City (State Apartment Incentive Loan (SAIL) Program). The SHIP allocation to Jacksonville for State Fiscal Year 2019-2020 was \$1.294 million and for State Fiscal Year 2020-2021 is to be determined—funds that are used for activities such as permanent supportive housing, owner-occupied rehabilitation and down payment assistance. Since its inception in 2011, the Sadowski Education Effort has resulted in \$21.8 million of SHIP funds and almost \$42.3 million of SAIL funds coming to Jacksonville.

Rental Development

The JHFA encourages the development of affordable rental housing through the issuance of Mortgage Revenue Bonds and the provision of local government support commitments, and other forms of subordinate lending. Over the history of the JHFA and its predecessor agency the Duval County HFA, the JHFA has originated bonds or other loans to developers who built or rehabilitated rental housing. The JHFA and its private sector partners closed on two bond-financed multi-family developments in fiscal year 2020.

Developers seeking to participate in FHFC’s various funding cycles are required to obtain local government support contributions as a component of their application. The JHFA provided local government support contributions for the following developments. Without the JHFA’s contribution, the federal and state resources associated with the developments would not have been secured for Jacksonville. Moreover, Jacksonville would have forgone the associated overall

economic benefit, construction jobs and expansion of affordable housing. Some recent developments are identified below.

The Waves

The Waves development was awarded a Local Government Support Contribution in order to apply to the Fall/Winter 2017 SAIL cycle. This \$29.7 million development involves the new construction of a 15 building, 127-unit, scattered site residential family development in Jacksonville Beach and utilized JHFA bonds. The bond transaction closed in September 2019 and the development has completed construction and is leasing units.



Lofts at Jefferson Station

The Lofts at Jefferson Station development was selected as the JHFA's Local Government Area of Opportunity Funding development for the Fall/Winter 2017 FHFC cycle. This \$20.9 million development involves the new construction of a 98-unit mid-rise residential family development located at 799 Water Street. The development is now fully occupied.

Lofts at Brooklyn

The Lofts at Brooklyn development was selected as the JHFA's Local Government Area of Opportunity Funding development for the Fall/Winter 2018 FHFC cycle. This 133-unit development will cost \$29.3 million and involves the new construction mid-rise residential family development located on Spruce Street. The development is a mix of affordable and workforce units and is under construction





Lofts at Murray Hill

The Lofts at Murray Hill development was selected as the JHFA's Local Government Area of Opportunity Funding development for the Fall/Winter 2019 FHFC cycle. This 117-unit development will cost \$25 million and involves the new construction of mid-rise residential family housing located at 840 Edgewood Avenue and has begun construction.

Sydney Trace

The Sydney Trace development was selected in the JHFA's 2019 Gap Funding cycle and closed on JHFA Multi-Family bonds and City of Jacksonville HOME funds in June 2020. It is currently under construction. This 192-unit development will cost \$35.6 million and involves the new construction of garden-style residential family housing located in the Oakleaf area.



Ashley Square

The Ashley Square development was selected in the JHFA's 2019 Gap Funding cycle and closed on JHFA Multi-Family bonds and City of Jacksonville HOME funds in November 2020. It is currently under construction. This 120-unit development will cost \$26 million and involves the new construction of mid-rise residential elderly housing located at 127 East Ashley Street.

Parkview Commons

The Parkview Commons development was selected in the JHFA's Local Preference Funding cycle and is pending closing. This 122-unit development will cost \$29.1 million and involves the new construction of mid-rise residential housing located at 901 Main Street North.



Homeownership

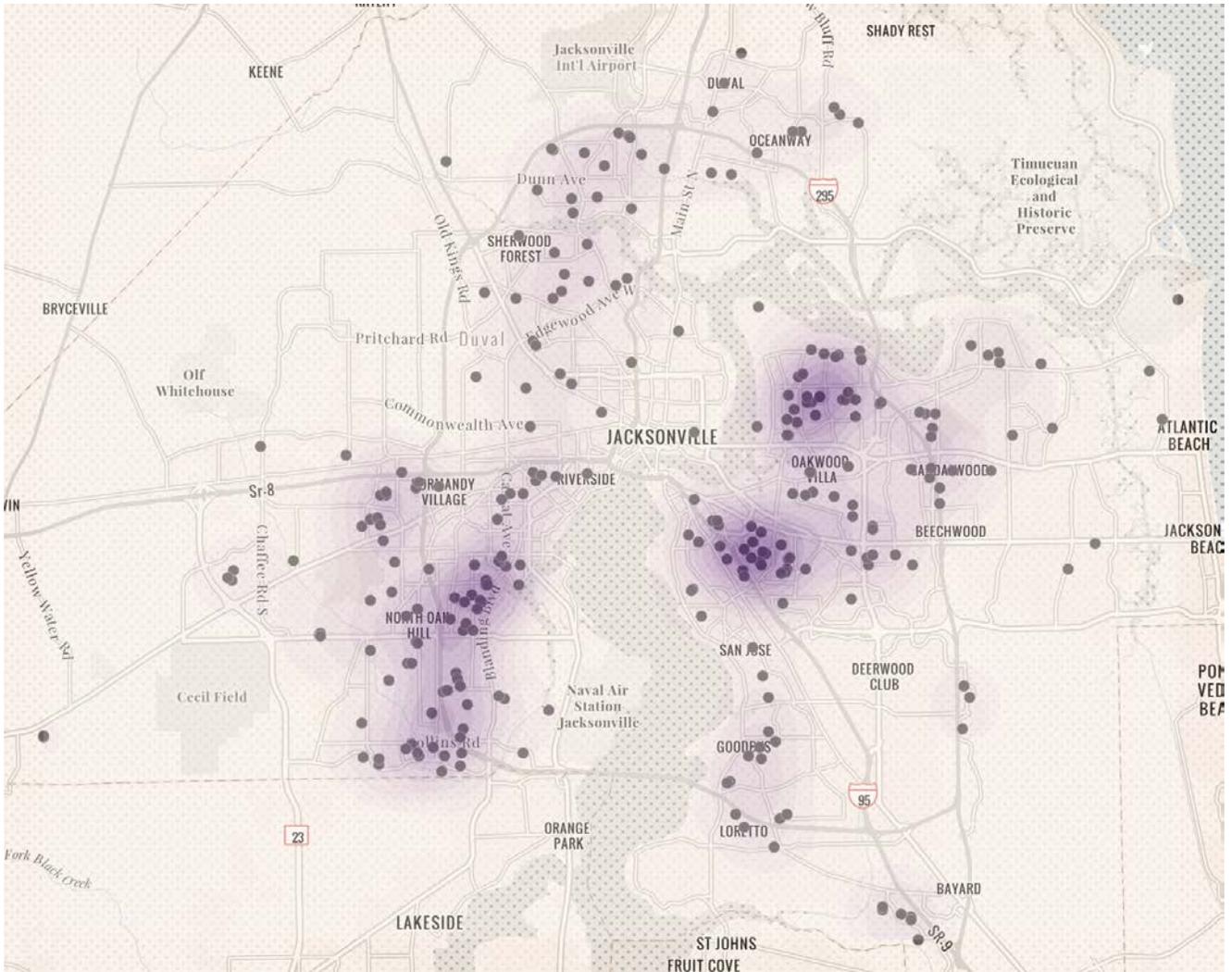
The JHFA's Single Family Loan Program, launched in 2014, does not utilize tax-exempt bonds. Instead, the JHFA is offering affordable 30-year fixed-rate mortgages through participating lenders, and then selling those mortgages. This allows limited JHFA cash reserves to serve as a revolving fund for a continual loan program.

In addition to the fixed rate mortgage (currently 3.125%), the home buyers also receive a mortgage credit certificate (MCC) valued at up to \$2,000 per year. The MCC is a federal tax credit (not deduction) and may be claimed each year that the buyer continues to live in the home. Also, in order to help each borrower achieve home ownership, JHFA provides a \$7,500 down payment assistance loan.

Since inception, this program has generated 597 first mortgage loans totaling over \$81.8 million. The program has distributed MCCs totaling \$38.3 million to date. The average family in the program had a 37-year old head of household, with total family income of \$47,254, and who purchased a \$142,592 priced home.

Since most borrowers can claim the full \$2,000 refundable credit per year, these families will get a collective annual tax savings of over \$1.1 million. This is the functional equivalent of having provided each of the borrowers with a 0.85% first mortgage rate.

Throughout the life of the program, 97% of the homes purchased have been existing housing stock, with the vast majority (92%) being single-family detached houses. The below map represents the distribution of these loans throughout the county since its inception.



Compliance Reports

The information in this section provides information regarding the compliance and servicing status of the developments in the JHFA portfolio.

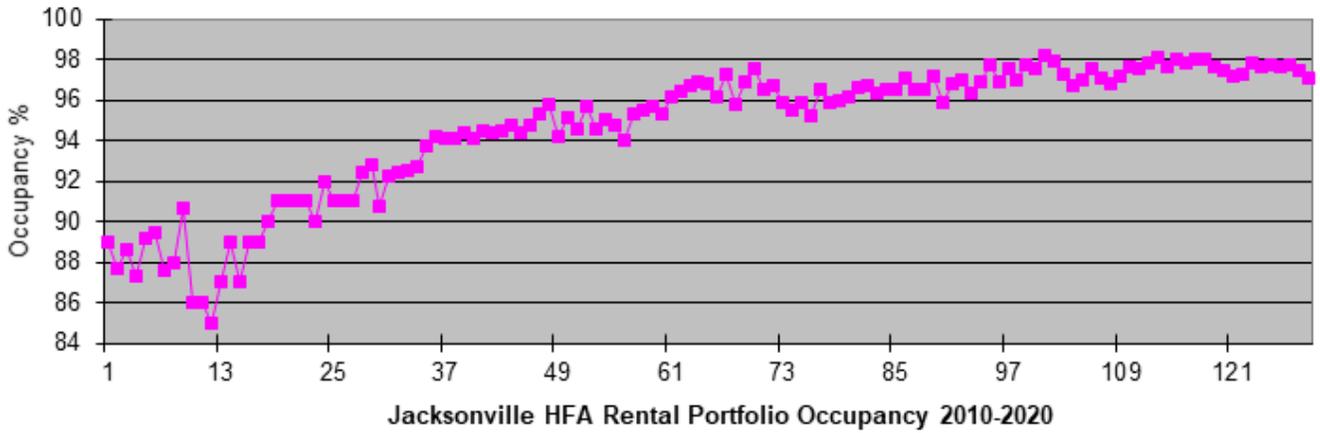
Active Rental Developments

Project Name & Location	Developer	Bonds Issued & Date	Total Units & Occupancy
Bennett Creek 3585 Salisbury Drive 32216	Richman	\$21,600,000 12-21-10	264 97% (-0%)
Brookwood Forest Apartments 1251 Fromage Way 32225	CED	\$10,000,000 2005	168 98% (+3%)
Caroline Arms 6457 Fort Caroline Road 32277	Lincoln Avenue	\$12,500,000 7-3-18	204 98% (+0%)
Caroline Oaks 5175 Main Street N. 32208	Vestcor	\$5,600,000 4-22-15	82 100% (+1%)
Cathedral Terrace 701 N. Ocean St. 32202	Blue Sky	\$12,500,000 1-21-16	200 98% (+0%)
Christine Cove 3730 Soutel Dr 32208	Carlisle	\$6,000,000 2006	96 99% (-1%)

Desert Winds/Silver Creek 233 Sahara Ct. & 300 Silver Creek Trace 32216	LEDIC	\$22,000,000 12-28-18	304 98% (-1%) Rolling Rehab
Hartwood (AKA Hampton Ridge) 11501 Harts Road 32218	Southport	\$5,840,000 2006	110 82% (-12%)
Lofts at LaVilla 995 Water Street 32204	Vestcor	Housing Credits \$265,000 JHFA loan 10-12-16	130 99% (-1%)
Lofts at Monroe 906 W. Monroe Street 32204	Vestcor	Housing Credits \$303,750 JHFA Loan 9-29-17	108 97% (-2%)
Lofts at Jefferson 799 Water Street 32204	Vestcor	Housing Credits \$225,750 JHFA Loan 10-3-18	133 100% (+2%)
Millennia Portfolio Calloway Cove: 55% complete Palmetto Glen- 50% complete The Weldon- 57% complete Valencia Way- 47% complete	Millennia	\$81,600,000 10-24-18	768 Rolling Rehab 200/71% 74/95% 94/86% 400/82%
Mary Eaves 1250 16 th Street West 32209	Vestcor	FHFC bonds \$300,000 JHFA loan 8-19-16	80 99% (+5%)
Monaco Arms 10415 & 10525 Monaco Drive 32218	Lincoln Avenue	\$16,380,000 5-31-19	156 97% (+21%) Rolling Rehab
Mt. Carmel Gardens 5846 Mt. Carmel Terrace 32216	BREC	\$9,750,000 8-19-16	207 100% (+0%)
Oakwood Villa 8201 Kona Avenue 32211	Southport	\$12,700,000 6-30-17	200 98% (-1%)
Peyton Ridge	Vestcor	Housing Credits \$115,000 JHFA loan 4-7-16	123 100% (+2%)
Sydney Trace 8575 Merchants Way 32222	Vestcor	\$21,500,000 6-30-20	195 25% Complete
Timberwood Trace 12250 Atlantic Blvd. 32225	Southport	\$16,000,000 2-1-17	224 93% (-5%)
Timuquana Park Apartments 5615 Seaboard Ave. 32244	Southport	\$4,300,000 2004	100 93% (-5%)
The Waves Scattered Sites in Jacksonville, Beach	JHA/Vestcor	\$15,800,000 9-26-19	127 84% complete 20% occupied (+20%)

Portfolio Average Occupancy

All developments within the JHFA's portfolio are in compliance. The current weighted average occupancy of the portfolio is 97.1%. The following chart tracks portfolio occupancy over the last ten years. Occupancy hit a low point during the housing crisis as persons without employment doubled up in apartments or moved back to family residences. With job creation and new household formation, demand for the existing units has risen dramatically and continues to be strong.



Servicing Report

A servicing report summarizing the performance of all the existing mortgages in the JHFA's portfolio is below.

Subfund	Acct	Project	Principal Balance	Current	1-30	31-60	61-90	91-120	121+
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 234,649	\$ 234,649	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 96,000	\$ 96,000	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 575,000	\$ 575,000	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 184,635	\$ 184,635	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 16,326	\$ 16,326	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 104,153	\$ 104,153	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 53,948	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,948
			\$ 5,183	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,183
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 750,000	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 829,335	\$ 663,468	\$ 41,467	\$ -	\$ 41,467	\$ -	\$ 82,933
			\$ 7,743	\$ 7,743	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 583,497	\$ 583,497	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 84,898	\$ 84,898	\$ -	\$ -	\$ -	\$ -	\$ -
Total Subfund 721			\$ 5,025,362	\$ 4,800,363	\$ 41,467	\$ 0.00%	\$ 41,467	\$ 0.00%	\$ 142,065
			100.00%	95.52%	0.83%	0.00%	0.83%	0.00%	2.83%
			\$ 1,123,453	\$ 1,123,453	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 1,700,000	\$ 1,700,000	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 255,600	\$ 255,600	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 1,088,000	\$ 1,088,000	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 218,000	\$ 218,000	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 962,382	\$ 962,382	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 115,000	\$ 115,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total Subfund 722			\$ 5,912,435	\$ 5,912,435	\$ -	\$ 0.00%	\$ -	\$ 0.00%	\$ -
			100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
			\$ 1,317,664	\$ 1,317,664	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 51,710	\$ 51,710	\$ -	\$ -	\$ -	\$ -	\$ -
Total Subfund 723			\$ 1,369,374	\$ 1,369,374	\$ -	\$ 0.00%	\$ -	\$ 0.00%	\$ -
			100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total JHFA			\$ 12,307,170	\$ 12,082,172	\$ 41,467	\$ 0.00%	\$ 41,467	\$ 0.00%	\$ 142,065
			100.00%	98.17%	0.34%	0.00%	0.34%	0.00%	1.15%

Fiscal Year 2021 Goals and Objectives

The JHFA will continue to aggressively seek partnerships with the private sector—lenders and developers—to create affordable housing opportunities for the citizens of Jacksonville. The JHFA will also continue its support for the Sadowski Education Effort to make sure that resources such as SHIP and SAIL are funded, and tax-exempt housing bonds are protected. While doing all of this, JHFA will continue to structure programs to create the greatest amount of affordable housing for the most efficient costs.

Contact Information

General Contact

Jacksonville Housing Finance Authority
214 North Hogan Street, 7th floor
Jacksonville, FL 32202

☎ (904) 255-8200

☎ (904) 255-8244

www.jaxhfa.org

Laura Stagner, Director – Finance

☎ (904) 255-8279

☎ (904) 357-5919

✉ lstagner@coj.net

Jane Bouda, Compliance

☎ (904) 255-8291

☎ (904) 301-3860

✉ jbouda@coj.net

Professional Team

ISSUER COUNSEL

Office of the General Counsel, 117 West Duval Street, Suite 480, Jacksonville, FL 32202

Contact	Telephone	Fax	E-Mail
Lawsikia Hodges, Esq.	904-255-5059	904-630-1731	LHodges@coj.net
David Migut, Esq.	904-255-5076	904-630-1731	dmigut@coj.net

FINANCIAL ADVISORS

The Hendrickson Company, 1404 Alban Avenue, Tallahassee, FL 32301

Contact	Telephone	Fax	E-Mail
Mark Hendrickson	850-671-5601	850-671-5603	mark@thehendricksoncompany.com

The Community Concepts Group, Inc., P.O. Box 16129, Tallahassee, FL 32317

Contact	Telephone	Fax	E-Mail
Susan Leigh	850-656-2808	850-656-0161	sleighfa@cconceptsgroup.com

BOND COUNSEL

Bryant Miller Olive, 135 West Central Boulevard, Suite 700, Orlando, FL 32801

Contact	Telephone	Fax	E-Mail
Randy Clement, Esq	407-426-7001	407-426-7262	rclements@bmolaw.com
Rhonda Bond-Collins, Esq.	407-398-7997	407-426-7262	rcollins@bmolaw.com

UNDERWRITER

RBC Capital Markets, LLC, 100 2nd Avenue South, Suite 800, St. Petersburg, FL 33701

Contact	Telephone	Fax	E-Mail
Helen Feinberg	727-895-8892	727-895-8895	helen.feinberg@rbccm.com
Denise Rodriguez	727-895-8857	727-895-8895	denise.rodriguez@rbccm.com
Debbie Berner	727-895-8885	727-895-8895	Debbie.berner@rbccm.com

PROGRAM ADMINISTRATOR

eHousingPlus, Inc. 3050 Universal Boulevard, Suite 190 Weston, FL 33331

Contact	Telephone	Fax	E-Mail
Sue Denihan	954-217-0817	954-217-9598	sue@ehousing.cc

TRUSTEE

The Bank of New York Trust Company, N.A., 10161 Centurion Parkway, 2nd Floor, Jacksonville, FL 32256

Contact	Telephone	Fax	E-Mail
Tricia Heintz	904-645-1915	904-645-1998	Tricia.heintz@bnymellon.com