Agenda Item #: 6B-2

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	**August 25, 2026**	**[ ] Consent**	**[X] Regular**
		[ ] Ordinance	**[ ] Public Hearing**
Department:	**Housing and Economic Development**		

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

A) approve Housing Bond Loan Program (HBLP) – Affordable Housing Multifamily Development funding award to DM Redevelopment II Ltd., in the amount of $4,987,000 for the Residences at Martin Manor II Project (Project);

B) delegate authority to the County Administrator, or designee, to execute the Loan Agreement, amendments thereto, and all other documents necessary for Project implementation that do not substantially change the scope of work, terms, or conditions of the Loan Agreement; and

C) approve a Budget Transfer of $4,987,000 within the HBLP Fund to recognize the allocation of HBLP funds to the Project.

Summary: On November 18, 2025, the Palm Beach County Board of County Commissioners (BCC) conceptually approved HBLP funding in the amount of $4,987,000 for the Project. The Project consists of two (2) residential buildings containing a total of 105 affordable County-assisted rental units to be located at 1350 N. Dixie Hwy, Boca Raton. HBLP funds will be allocated on a per-unit basis, and all 105 units will be designated as County-assisted units. All units will be restricted to eligible households earning at or below 70% of the Area Median Income (AMI), with affordability levels extending to eligible households earning as low as 30% AMI (incomes no greater than $89,950 and $38,550 for a family of four [4], respectively).

A Declaration of Restrictions will be recorded to ensure long-term affordability for a period of 50 years. The total Project cost is $47,984,719 approximately $400,484 per unit or $477 per residential square foot. The County HBLP investment of $4,987,000 represents approximately 10.39% of the total development cost with a per County-assisted unit cost of $47,495. **(Continued on Page 3)**

Background and Policy Issues: **(Continued on Page 3)**

Attachments:
1. Terms and Conditions Sheet
2. Preliminary Third-Party Underwriter's Report
3. 2026 Income/Rent Limits Chart
4. Budget Transfer
5. Disclosure of Ownership Interests Form

Recommended By: ______________________ 7/16/26
Department Director **Date**

Approved By: Jonathan Brown 7/28/2026
Deputy County Administrator **Date**

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2026	2027	2028	2029	2030
Capital Expenditures					
Operating Costs	$4,987,000				
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	$4,987,000				

# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included in Current Budget? Yes X No ____
Does this Item include the use of Federal funds? Yes ____ No X
Does this item include the use of State funds? Yes ____ No X

Budget Account No.:

Fund 1117 **Dept** 143 **Unit** 7311 **Object** 8201 **Program Code/Period** N/A

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Approval of this agenda item will allocate $4,987,000 in HBLP funds to the Residences at Martin Manor II Project.

C. Departmental Fiscal Review:

Valerie Alleyne, Division Director III
Finance and Administrative Services, HED

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

7/21/26
OFMB
7/21/26
VS 7/21

7/23/26
Contract Development and Control
7.23.26

B. Legal Sufficiency:

7/24/26
Assistant County Attorney II

C. Other Department Review:

Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

Summary:
Based on the preliminary underwriter's report, County funds will be provided in the form of a 1% interest, repayable loan secured by a mortgage. The loan shall be secured by a mortgage and note that requires repayment of principal and interest within 20 years. Long term affordability restrictions will be recorded through a Declaration of Restrictive Covenants that will survive repayment of the loan.

Funding sources for this project are as follows:

Development Sources	
Grand Bridge/Freddie Mac	$8,990,000
PBC HBLP (PBC HED.HBLP.2025.2)	$4,987,000
Boca Raton Housing Authority	$4,200,000
FHFC – HC 9% / Bank of America	$29,247,075
Deferred Development Fee	$560,644
Total Development Sources	***$47,984,719***

The Loan Agreement and related documents pursuant to these HBLP funds will be between the County and DM Redevelopment II Ltd, or their respective successors and/or assigns. To facilitate Project implementation, staff request authorization for the County Administrator, or designee, to execute the Loan Agreement and all related documents. District 3 (TJC)

Background and Policy Issues:
The Department of Housing and Economic Development is administering the voter-approved HBLP. HBLP funds may be issued all at once or in tranches, as determined by the BCC, for the purposes stated in County Resolution R2022-1405. The HBLP Allocation Process criteria include approved General Guidelines from Resolution R2022-0626, including, but not limited to, funding criteria and processes, project requirements, loan terms, deed restrictions, project selection, credit underwriting and compliance and monitoring requirements.

DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT
COMPREHENSIVE LOAN TERM SHEET

Project and Funding Program Information

Funding program: Housing Bond Loan Program (HBLP)

RFP number and name: RFP.HED.HBLP.2025.2

Project name: The Residences at Martin Manor II

Borrower name: DM ReDevelopment II Ltd.

Contracting entity: Atlantic Pacific Communities, LLC

Project type: Multifamily Rental Development-Affordable Housing

Brief Project Description: The project will consist of the new construction of a 105-unit rental development comprised of two garden-style residential buildings.

Loan Terms

Loan amount: $4,987,000

Rental Increases: Rent increases on individual units will be permitted only at lease renewal

Interest rate: 1%

Affordability period: 50 Years

Affordability:

- **16** units at 30% AMI
- **3** units at 40% AMI
- **16** units at 50% AMI
- **70** units at 70% AMI

Number of total project units: 105

Number of County-assisted units:105

Percentage of County-assisted units:100%

Additional information:

Bond Loan term:
- 20-year term
- Payments deferred until primary loan conversion
- Principal Payments are based on a 50-year amortization calculation
- Payments are subject to available cash flow with unmade payments deferred to the end of the term

Personal Guarantee: Completion and Operating Deficit Guarantee

Term commencement: Upon closing of the loan concurrent with primary financing

Property re-sale:
If the project development is sold, or 50% (aggregate) or more of the ownership changes to a non-affiliated entity, the loan must be satisfied.

Estimated Construction start: Last Quarter of 2026

Construction Draws: Loan funds shall be disbursed based on a percentage of construction costs, as determined by a qualified third-party inspector, in accordance with the County's draw schedule. Disbursements shall be made through a draw process, with a maximum of eight (8) construction draws. The percentage of completion for each draw shall be based on the construction contract and the percentage of work completed.

Construction Considerations:

Bond requirements:
Payment and performance bond equal to 100% of the total hard construction cost of the project

Retainage requirements: 10% retainage until work is 50% completed, 0% retainage required thereafter

The terms outlined above shall be detailed in the loan documents consisting of a loan agreement, mortgage and security agreement, promissory note, and declaration of restrictions.

Projects must be Shovel Ready prior to final approval by the Board of County Commissioners in order to be eligible for funding.

DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT
COMPREHENSIVE LOAN TERM SHEET

Shovel Ready is defined as a project where the proposer has site control and the property has the correct and approved development requirements for the project including zoning designation, platting, site plan approval for the housing units it proposes to create.

Please attach any documentation to verify that the project is **Shovel Ready.**

All terms contained herein are contingent upon approval by the Palm Beach County Board of County Commissioners (BCC). The funding for this project and the terms contained herein are anticipated to be presented to the BCC for final approval at the August 18, 2026, agenda meeting. **Project construction must commence within one year of BCC final approval.**

By signing below, you are verifying that this project is **Shovel Ready,** as well as acknowledging and accepting of loan terms:

Requirements/Preconditions to Disbursement of County Funds:

- Jurisdiction of authority approval of site plan and development order
- Jurisdiction of authority approval of project construction plans, including civil design/utilities, etc.
- Jurisdiction of authority issuance of primary building permit
- Executed construction contract

X Accept Terms ☐ **Does Not Accept Terms**

Borrower Name:

By: **DM Redevelopment II, Ltd.,**
a Florida limited partnership

By: APC DM Redevelopment II, LLC,
a Florida limited liability company, its managing general partner

Kenneth Naylor
Name (printed)

Vice President
Title

FIRST HOUSING
SERVICE - FINANCE - COMPLIANCE

May 22, 2026

Mr. Jeff Bolton
Director
Department of Housing and Economic Development
301 N. Olive Avenue
West Palm Beach, FL 33401

Re: The Residences at Martin Manor II ("Development")
Preliminary Review of the Palm Beach County Application

Dear Mr. Bolton:

First Housing Development Corporation of Florida ("First Housing" or "FHDC") has done an initial review of the Palm Beach County application for the Development. A summary of the information known at this time is below; however, this information is subject to change during full credit underwriting.

Development Highlights

- County funds will be provided on a per-unit basis and the total of all County fundings shall not account for more than 15% of the total unit cost as allocated to the County-Assisted funding units, as the Development has 9% tax credit funding.
    - County funds are currently 10.39% of loan to cost for the entire Development.
- County-Assisted Housing Units shall bear the affordability requirements of the RFP for no less than 50 years.
    - The Development has committed to an affordability period of 50 years under the Palm Beach County application.
- A required minimum debt service coverage ("DSC") ratio on the senior debt will be no less than 1.10 DSC and no more than 1.50 DSC.
    - The Development is currently showing a DSC of 1.49x on the senior debt.

Background

The Development is to be located on Glades Road, Boca Raton, FL 33432 and will consist of 105 units within two residential buildings. Closing is scheduled for third quarter 2026. The Development is targeting a July 2026 Board Meeting for presentation of the credit underwriting report.

DM Redevelopment II, Ltd. ("Applicant") is a Florida limited partnership, formed on April 5, 2024, expressly to construct, own, and operate the Development. The General Partner with 0.0051% ownership interest in the Applicant is BRHA DM Redevelopment II, LLC, a Florida limited liability company, formed March 28, 2024. The Managing General Partner with 0.0049% ownership interest in the Applicant is APC DM Redevelopment II, LLC, a Florida limited liability company, formed March 26, 2024. The initial retiring Limited Partner, with a 99.99% ownership interest in the Applicant, is Howard D. Cohen Revocable Trust to be replaced at closing by the Syndicator, Bank of America, N.A.

The Developer is DM Redevelopment Developer II, LLC.

Atlantic Pacific Companies ("APC") is an award-winning fourth-generation national real estate firm based in Miami specializing in the creation of successful mixed-use, mixed-finance, inclusive multifamily communities. APC leverages its 130-year track record, $4.1B of multifamily assets, over 22,400 multifamily units under management, and 750+ professionals to create and care for high-quality housing for every income level.

The Boca Raton Housing Authority ("BRHA") was established in 1979 under Florida Statutes Chapter 421 and is a governmental agency dedicated to providing safe, affordable housing and supportive services for low-income families in Boca Raton, Florida. Governed by a seven-member Board of Commissioners appointed by the City Council, BRHA operates as an independent agency in accordance with Governmental Accounting Standards Board.

Palm Beach County (West Palm Beach-Boca Raton HMFA)

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	8	606	30%			$658	$102	$556		$556	$556	$556	53,376
1	1.0	1	606	30%			$658	$102	$556	$2,417	$2,417	$2,417	$2,417	29,004
1	1.0	1	606	40%			$877	$102	$775		$775	$775	$775	9,300
1	1.0	8	606	50%			$1,096	$102	$994		$994	$994	$994	95,424
1	1.0	36	606	70%			$1,535	$102	$1,433		$1,433	$1,433	$1,433	619,056
2	2.0	6	898	30%			$789	$123	$666	$2,891	$2,891	$2,891	$2,891	208,152
2	2.0	1	898	40%			$1,052	$123	$929		$929	$29	$929	11,148
2	2.0	7	898	50%			$1,315	$123	$1,192		$1,192	$1,192	$1,192	100,128
2	2.0	28	898	70%			$1,841	$123	$1,718		$1,718	$1,718	$1,718	577,248
3	2.0	1	1068	30%			$912	$134	$778	$3,804	$3,804	$3,804	$3,804	45,648
3	2.0	1	1068	40%			$1,216	$134	$1,082		$1,082	$1,082	$1,082	12,984
3	2.0	1	1068	50%			$1,520	$134	$1,386		$1,386	$1,386	$1,386	16,632
3	2.0	6	1068	70%			$2,128	$134	$1,994		$1,994	$1,994	$1,994	143,568
		105	80,052											1,921,668

The Utility Allowances are based on estimates from Enercon Services, Inc. and approved by Florida Housing Finance Corporation for underwriting purposes.

PERMANENT FINANCING INFORMATION						
Lien Position	First	Second	Third			**Totals**
Source	Reg. Mtg Lender	Other Local	Seller Financing	FHFC - HC 9%	Def. Dev. Fee	
Lender/Grantor	Grandbridge/ Freddie Mac	Palm Beach County	Boca Raton Housing Authority	Bank of America, N.A.	DM Redevelopment Developer II, LLC	
Permanent Amount	$8,990,000	$4,987,000	$4,200,000	$29,247,075	$560,644	$47,984,719
Permanent Funding Per Unit	$85,619	$47,495	$40,000	$278,544	$5,339	$456,997
% of Permanent Funding	18.7%	10.4%	8.8%	61.0%	1.2%	100.0%
Underwritten Interest Rate	7.03%	1.00%	1.00%			
Loan Term	15	17	42			
Amortization	30	50	0			
Must Pay or Cash Flow Dependent	Must-Pay	Cash Flow	Cash Flow			
Permanent Debt Service, No Fees	$719,903	$126,785	$42,000			$888,688
Permanent Debt Service, with Fees	$719,903	$131,285	$42,000			$893,188
Debt Service Coverage, with Fees	1.49x	1.26x	1.20x			
Operating Deficit & Debt Service Reserves	$830,000					
# of Months covered by the Reserves	6.7					
Market Rate/Market Financing LTV	25%	39%	50%			
Restricted Market Financing LTV	57%	88%	115%			
Loan to Cost - Cumulative	19%	29%	38%			

It is anticipated that the Palm Beach County Loan will bear interest at 1%, with principal payments based on a 50-year amortization schedule.

Sources Overview

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Reg. Mtg Lender	Bank of America, N.A.	$27,000,000	$8,990,000	$85,619
Other Local	Palm Beach County	$4,987,000	$4,987,000	$47,495
Seller Financing	Boca Raton Housing Authority	$4,200,000	$4,200,000	$40,000
FHFC - HC 9%	Bank of America, N.A.	$8,774,122	$29,247,075	$278,544
Def. Dev. Fee	DM Redevelopment Developer II, LLC	$3,023,597	$560,644	$5,339
TOTAL		$47,984,719	$47,984,719	$456,997

Construction Loan:

First Housing has received a Term Sheet, dated February 10, 2026, which indicates that Bank of America, N.A. ("Bank of America") will provide a construction loan in the lesser of: a) $27,000,000, b) 85% of the total Loan to Cost, or c) 80% of the adjusted loan to the adjusted loan value ratio. The adjusted loan to value ratio is the sum of the appraised value of the land and improvements calculated on a restricted rent income approach plus the value of the tax credits. The loan term will be 30 months, with one, six-month conditional extension option. The loan will require interest only payments until maturity. The interest rate of the construction loan will be floating at a rate equal to the Daily Secured Overnight Financing Rate ("SOFR"), plus a SOFR Adjustment of 0.10%, and a SOFR Margin of 1.95%. The underwritten construction loan interest is equal to the Daily SOFR of 3.58% (as of May 20, 2026), plus SOFR Adjustment of 0.10%, a SOFR Margin of 1.95%, and a 0.25% underwriting cushion for an all-in rate of 5.88%.

Permanent Loan:

First Housing has received a Letter of Commitment, dated May 19, 2026, which indicates that Grandbridge Real Estate Capital LLC ("Grandbridge") will provide a permanent loan in the amount of $8,990,000, subject to final underwriting, 80% loan to value, and a 1.15 debt service coverage ratio. The total loan term is 18 years (3-year unfunded forward commitment followed by a 15-year term). Payments of principal and interest will be based on a 30-year amortization schedule. The permanent loan interest is estimated to be 7.03%, which assumes a 10-year treasury rate of 4.57% (as of May 20, 2026) plus a spread of 2.46%. The term sheet indicates the lending program will be Freddie Mac or Fannie Mae.

Palm Beach County Housing Bond Loan Program:

The Development was preliminarily awarded a Housing Bond Loan Program loan in the amount of $4,987,000. First Housing has included a loan term of 20 years of which 3 years is for the construction term and 17 years is the permanent loan term. First Housing has assumed an interest rate of 1%. First Housing has included interest and principal payments based on a 50-year amortization schedule. First Housing has assumed that the principal payments will be based on available cash flow.

The additional fee included in the Debt Service calculation for the Palm Beach County loan is an annual monitoring fee of $4,500, which is subject to change.

Seller Financing:

First Housing received a term sheet, dated August 7, 2025, for a Lessor Note in the amount of $4,200,000. During construction, the interest rate is 0% for a term of 30 months. During the permanent period, the Note will bear interest at 1% for a term of 42 years. The Note will be non-amortizing with annual interest payments only based on available cash flow. All principal and accrued interest will be due the earlier of 1) the sale or refinancing of the Development or 2) at maturity.

Housing Credit Equity:

Syndication Contributions:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	$4,387,061	15.00%	Closing
2nd Installment	$4,387,061	15.00%	50% Construction Completion
3rd Installment	$11,698,830	40.00%	Stabilization
4th Installment	$8,274,123	28.29%	Conversion
5th Installment	$500,000	1.71%	Receipt of 8609s
Total	$29,247,075	100.00%	

Syndicator Name	Bank of America, N.A.
Date of LOI	2/10/2026
Total Credits Per Syndication Agreement:	$32,500,000
Annual Credits Per Syndication Agreement:	$3,250,000
Calculated HC Exchange Rate:	$0.90
Limited Partner Ownership Percentage:	99.99%
Proceeds Available During Construction:	$8,774,122

Deferred Developer Fee:

In order to balance the sources and uses of funds during the construction period, the Developer must defer $3,023,597 or 51.20% of the total Developer Fee of $5,905,252 during the construction period. To balance the sources and uses of funds during the permanent period, the Developer is required to defer $560,644 or approximately 9.49% of the total Developer Fee of $5,905,252.

Operating Pro Forma – The Residences at Martin Manor II

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			$1,921,668	$18,302
	Other Income: (1.31%)				
	Miscellaneous			$25,200	$240
	Gross Potential Income			$1,946,868	$18,542
	Less:				
	Physical Vac. Loss	Percentage:	4.00%	$77,875	$742
	Collection Loss	Percentage:	1.00%	$19,469	$185
Total Effective Gross Income				$1,849,525	$17,615
		Annual Escalation Rate (Income):	2.00%		
EXPENSES:	Fixed:				
	Real Estate Taxes			$0	$0
	Insurance			$227,850	$2,170
	Variable:				
	Management Fee	Percentage:	6.00%	$110,971	$1,057
	General and Administrative			$52,500	$500
	Payroll Expenses			$173,250	$1,650
	Utilities			$57,750	$550
	Marketing and Advertising			$5,250	$50
	Maintenance and Repairs/Pest Control			$47,250	$450
	Grounds Maintenance and Landscaping			$15,750	$150
	Contract Services			$5,250	$50
	Security			$49,875	$475
	Reserve for Replacements			$31,500	$300
Total Expenses				$777,196	$7,402
		Annual Escalation Rate (Expenses):	3.00%		
Net Operating Income				$1,072,328	$10,213
Debt Service Payments					
	First Mortgage - Grandbridge/ Freddie Mac			$719,903	$6,856
	Second Mortgage - Palm Beach County			$126,785	$1,207
	Third Mortgage - Boca Raton Housing Authority			$42,000	$400
	First Mortgage Fees - Grandbridge/ Freddie Mac			$0	$0
	Second Mortgage Fees - Palm Beach County			$4,500	$43
	Third Mortgage Fees - Boca Raton Housing Authority			$0	$0
Total Debt Service Payments				$893,188	$8,507
Cash Flow after Debt Service				$179,140	$1,706
Debt Service Coverage Ratios					
	DSC - First Mortgage plus Fees			1.49x	
	DSC - Second Mortgage plus Fees			1.26x	
	DSC - Third Mortgage plus Fees			1.20x	
Financial Ratios					
	Operating Expense Ratio			42.02%	
	Break-even Econ Occup Ratio (all debt)			86.10%	
	Break-even Econ Occup Ratio (must pay debt)			77.20%	

The Real Estate Tax expense is based on the Applicant's estimate and plan to apply for the ad valorem property tax exemption passed under House Bill 7031. Section 196.19782, Florida Statutes, provides a 100% ad valorem property tax exemption for affordable housing properties containing more than 70 affordable units and constructed on government lands leased to a developer for longer than 30 years. Beginning in the calendar year after placement in service of the Development, the property must apply to the Palm Beach County property appraiser by March 1st of the tax year. Applying for this particular exemption requires a 30-year total compliance period.

Recommendation:

Based on the preliminary data provided by the Developer, First Housing has included a Palm Beach County loan in the amount of $4,987,000. First Housing has assumed a 1% interest rate, a 20-year loan term, and principal payments based on a 50-year amortization. First Housing has assumed that the interest and principal payments will be based on available cash flow. It is anticipated that during credit underwriting the assumptions in this letter may change based on market conditions and third party reports.

At this time First Housing is recommending the following Guarantors, which is subject to change during credit underwriting.

Construction Completion Guarantor(s):	
CC Guarantor 1:	DM Redevelopment II, Ltd.
CC Guarantor 2:	BRHA DM Redevelopment II, LLC
CC Guarantor 3:	APC DM Redevelopment II, LLC
CC Guarantor 4:	Howard D. Cohen Revocable Trust
CC Guarantor 5:	Howard D. Cohen
CC Guarantor 6:	DM Redevelopment Developer II, LLC
CC Guarantor 7:	APC DM Redevelopment Developer II, LLC
CC Guarantor 8:	BRHA Developer, LLC
Operating Deficit Guarantor(s):	
OD Guarantor 1:	DM Redevelopment II, Ltd.
OD Guarantor 2:	BRHA DM Redevelopment II, LLC
OD Guarantor 3:	APC DM Redevelopment II, LLC
OD Guarantor 4:	Howard D. Cohen Revocable Trust
OD Guarantor 5:	Howard D. Cohen
OD Guarantor 6:	DM Redevelopment Developer II, LLC
OD Guarantor 7:	APC DM Redevelopment Developer II, LLC
OD Guarantor 8:	BRHA Developer, LLC

Prepared by:
DRAFT
Stephanie Petty
Senior Credit Underwriter

Reviewed by:
DRAFT
Edward Busansky
Senior Vice President

Exhibit 1 – 15-Year Pro-Forma

FINANCIAL COSTS:	Year 1	Year 1 Per Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
OPERATING PRO FORMA																
INCOME:																
Gross Potential Rental Income	$1,921,668	$18,302	$1,960,101	$1,999,303	$2,039,289	$2,080,075	$2,121,677	$2,164,110	$2,207,392	$2,251,540	$2,296,571	$2,342,503	$2,389,353	$2,437,140	$2,485,882	$2,535,600
Other Income: (1.31%)																
Miscellaneous	$25,200	$240	$25,704	$26,218	$26,742	$27,277	$27,823	$28,379	$28,947	$29,526	$30,116	$30,719	$31,333	$31,960	$32,599	$33,251
Gross Potential Income	$1,946,868	$18,542	$1,985,805	$2,025,521	$2,066,032	$2,107,353	$2,149,500	$2,192,490	$2,236,339	$2,281,066	$2,326,687	$2,373,221	$2,420,686	$2,469,099	$2,518,481	$2,568,851
Less:																
Physical Vac. Loss Percentage: 4.00%	$77,875	$742	$79,432	$81,021	$82,641	$84,294	$85,980	$87,700	$89,454	$91,243	$93,067	$94,929	$96,827	$98,764	$100,739	$102,754
Collection Loss Percentage: 1.00%	$19,469	$185	$19,858	$20,255	$20,660	$21,074	$21,495	$21,925	$22,363	$22,811	$23,267	$23,732	$24,207	$24,691	$25,185	$25,689
Total Effective Gross Income	$1,849,525	$17,615	$1,886,515	$1,924,245	$1,962,730	$2,001,985	$2,042,025	$2,082,865	$2,124,522	$2,167,013	$2,210,353	$2,254,560	$2,299,651	$2,345,644	$2,392,557	$2,440,408
Annual Escalation Rate (Income): 2.00%																
EXPENSES:																
Fixed:																
Real Estate Taxes	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Insurance	$227,850	$2,170	$234,686	$241,726	$248,978	$256,447	$264,141	$272,065	$280,227	$288,634	$297,293	$306,211	$315,398	$324,860	$334,605	$344,644
Variable:																
Management Fee Percentage: 6.00%	$110,971	$1,057	$113,191	$115,455	$117,764	$120,119	$122,521	$124,972	$127,471	$130,021	$132,621	$135,274	$137,979	$140,739	$143,553	$146,425
General and Administrative	$52,500	$500	$54,075	$55,697	$57,368	$59,089	$60,862	$62,688	$64,568	$66,505	$68,501	$70,556	$72,672	$74,852	$77,098	$79,411
Payroll Expenses	$173,250	$1,650	$178,448	$183,801	$189,315	$194,994	$200,844	$206,870	$213,076	$219,468	$226,052	$232,834	$239,819	$247,013	$254,423	$262,056
Utilities	$57,750	$550	$59,483	$61,267	$63,105	$64,998	$66,948	$68,957	$71,025	$73,156	$75,351	$77,611	$79,940	$82,338	$84,808	$87,352
Marketing and Advertising	$5,250	$50	$5,408	$5,570	$5,737	$5,909	$6,086	$6,269	$6,457	$6,651	$6,850	$7,056	$7,267	$7,485	$7,710	$7,941
Maintenance and Repairs/Pest Control	$47,250	$450	$48,668	$50,128	$51,631	$53,180	$54,776	$56,419	$58,112	$59,855	$61,651	$63,500	$65,405	$67,367	$69,388	$71,470
Grounds Maintenance and Landscaping	$15,750	$150	$16,223	$16,709	$17,210	$17,727	$18,259	$18,806	$19,371	$19,952	$20,550	$21,167	$21,802	$22,456	$23,129	$23,823
Contract Services	$5,250	$50	$5,408	$5,570	$5,737	$5,909	$6,086	$6,269	$6,457	$6,651	$6,850	$7,056	$7,267	$7,485	$7,710	$7,941
Security	$49,875	$475	$51,371	$52,912	$54,500	$56,135	$57,819	$59,553	$61,340	$63,180	$65,076	$67,028	$69,039	$71,110	$73,243	$75,440
Reserve for Replacements	$31,500	$300	$31,500	$31,500	$31,500	$31,500	$31,500	$31,500	$31,500	$31,500	$31,500	$32,445	$33,418	$34,421	$35,454	$36,517
Total Expenses	$777,196	$7,402	$798,458	$820,334	$842,845	$866,008	$889,842	$914,367	$939,603	$965,571	$992,293	$1,020,736	$1,050,005	$1,080,126	$1,111,122	$1,143,020
Annual Escalation Rate (Expenses): 3.00%																
Net Operating Income	$1,072,328	$10,213	$1,088,057	$1,103,911	$1,119,885	$1,135,977	$1,152,183	$1,168,498	$1,184,919	$1,201,441	$1,218,060	$1,233,824	$1,249,646	$1,265,519	$1,281,435	$1,297,388
Debt Service Payments																
First Mortgage - Grandbridge/ Freddie Mac	$719,903	$6,856	$719,903	$719,903	$719,903	$719,903	$719,903	$719,903	$719,903	$719,903	$719,903	$719,903	$719,903	$719,903	$719,903	$719,903
Second Mortgage - Palm Beach County	$126,785	$1,207	$126,785	$126,785	$126,785	$126,785	$126,785	$126,785	$126,785	$126,785	$126,785	$126,785	$126,785	$126,785	$126,785	$126,785
Third Mortgage - Boca Raton Housing Authority	$42,000	$400	$42,000	$42,000	$42,000	$42,000	$42,000	$42,000	$42,000	$42,000	$42,000	$42,000	$42,000	$42,000	$42,000	$42,000
First Mortgage Fees - Grandbridge/ Freddie Mac	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Second Mortgage Fees - Palm Beach County	$4,500	$43	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500
Third Mortgage Fees - Boca Raton Housing Authority	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Debt Service Payments	$893,188	$8,507	$893,188	$893,188	$893,188	$893,188	$893,188	$893,188	$893,188	$893,188	$893,188	$893,188	$893,188	$893,188	$893,188	$893,188
Cash Flow after Debt Service	$179,140	$1,706	$194,869	$210,723	$226,697	$242,789	$258,995	$275,310	$291,731	$308,253	$324,872	$340,636	$356,458	$372,331	$388,247	$404,200
Debt Service Coverage Ratios																
DSC - First Mortgage plus Fees	1.49x		1.51x	1.53x	1.56x	1.58x	1.60x	1.62x	1.65x	1.67x	1.69x	1.71x	1.74x	1.76x	1.78x	1.80x
DSC - Second Mortgage plus Fees	1.26x		1.28x	1.30x	1.32x	1.33x	1.35x	1.37x	1.39x	1.41x	1.43x	1.45x	1.47x	1.49x	1.51x	1.52x
DSC - Third Mortgage plus Fees	1.20x		1.22x	1.24x	1.25x	1.27x	1.29x	1.31x	1.33x	1.35x	1.36x	1.38x	1.40x	1.42x	1.43x	1.45x
Financial Ratios																
Operating Expense Ratio	42.02%		42.32%	42.63%	42.94%	43.26%	43.58%	43.90%	44.23%	44.56%	44.89%	45.27%	45.66%	46.05%	46.44%	46.84%
Break-even Econ Occup Ratio (all debt)	86.10%		85.49%	84.90%	84.33%	83.78%	83.25%	82.74%	82.25%	81.79%	81.34%	80.95%	80.57%	80.22%	79.88%	79.57%
Break-even Econ Occup Ratio (must pay debt)	77.20%		76.76%	76.34%	75.94%	75.56%	75.19%	74.84%	74.51%	74.19%	73.89%	73.65%	73.42%	73.20%	73.00%	72.82%

Palm Beach County 2026 Multifamily Income Limits and Rents

Income Category	2026 Income Limit by Number of Persons in Household									
	1	2	3	4	5	6	7	8	9	10
30%	**$ 27,000**	**$ 30,850**	**$ 34,700**	**$ 38,550**	**$ 41,650**	**$ 44,750**	**$ 47,800**	**$ 50,900**	**$ 53,970**	**$ 57,054**
40%	$ 36,000	$ 41,100	$ 46,250	$ 51,400	$ 55,500	$ 59,650	$ 63,750	$ 67,900	$ 71,960	$ 76,072
50%	**$ 45,000**	**$ 51,400**	**$ 57,850**	**$ 64,250**	**$ 69,400**	**$ 74,550**	**$ 79,700**	**$ 84,850**	**$ 89,950**	**$ 95,090**
60%	$ 54,000	$ 61,680	$ 69,420	$ 77,100	$ 83,280	$ 89,460	$ 95,640	$ 101,820	$ 107,940	$ 114,108
70%	**$ 63,000**	**$ 71,950**	**$ 81,000**	**$ 89,950**	**$ 97,150**	**$ 104,350**	**$ 111,600**	**$ 118,800**	**$ 125,930**	**$ 133,126**
80%	$ 72,000	$ 82,250	$ 92,550	$ 102,800	$ 111,050	$ 119,300	$ 127,500	$ 135,750	$ 143,920	$ 152,144
90%	**$ 81,000**	**$ 92,520**	**$ 104,130**	**$ 115,650**	**$ 124,920**	**$ 134,190**	**$ 143,460**	**$ 152,730**	**$ 161,910**	**$ 171,162**
100%	$ 90,000	$ 102,800	$ 115,700	$ 128,500	$ 138,800	$ 149,100	$ 159,400	$ 169,700	$ 179,900	$ 190,180
110%	**$ 99,000**	**$ 113,080**	**$ 127,270**	**$ 141,350**	**$ 152,680**	**$ 164,010**	**$ 175,340**	**$ 186,670**	**$ 197,890**	**$ 209,198**
120%	$ 108,000	$ 123,360	$ 138,840	$ 154,200	$ 166,560	$ 178,920	$ 191,280	$ 203,640	$ 215,880	$ 228,216
140%	**$ 126,000**	**$ 143,920**	**$ 161,980**	**$ 179,900**	**$ 194,320**	**$ 208,740**	**$ 223,160**	**$ 237,580**	**$ 251,860**	**$ 266,252**

2026 Median Income: $107,600

Based on Florida Housing Finance Corporation *Multifamily Rental Programs and CWHIP Homeownership Program*

130% AMI limits imputed by Palm Beach County based on FHFC rent limits.

Income Category	2026 Rent Limit by Number of Bedrooms in Unit					
	0	1	2	3	4	5
30%	**$ 675**	**$ 723**	**$ 867**	**$ 1,002**	**$ 1,118**	**$ 1,233**
40%	$ 900	$ 963	$ 1,156	$ 1,336	$ 1,491	$ 1,645
50%	**$ 1,125**	**$ 1,205**	**$ 1,446**	**$ 1,670**	**$ 1,863**	**$ 2,056**
60%	$ 1,350	$ 1,446	$ 1,735	$ 2,004	$ 2,236	$ 2,468
70%	**$ 1,575**	**$ 1,686**	**$ 2,025**	**$ 2,338**	**$ 2,608**	**$ 2,880**
80%	$ 1,800	$ 1,928	$ 2,313	$ 2,673	$ 2,982	$ 3,290
90%	**$ 2,025**	**$ 2,169**	**$ 2,603**	**$ 3,007**	**$ 3,354**	**$ 3,702**
100%	$ 2,250	$ 2,410	$ 2,892	$ 3,341	$ 3,727	$ 4,113
110%	**$ 2,475**	**$ 2,651**	**$ 3,181**	**$ 3,675**	**$ 4,100**	**$ 4,525**
120%	$ 2,700	$ 2,892	$ 3,471	$ 4,009	$ 4,473	$ 4,936
140%	**$ 3,150**	**$ 3,374**	**$ 4,049**	**$ 4,677**	**$ 5,218**	**$ 5,759**

DISCLOSURE OF OWNERSHIP INTERESTS

TO: **PALM BEACH COUNTY CHIEF OFFICER,
OR HIS OR HER OFFICIALLY DESIGNATED REPRESENTATIVE**

**STATE OF FLORIDA
COUNTY OF PALM BEACH**

BEFORE ME, the undersigned authority, this day appeared _____Kenneth Naylor_________________, by means of X physical presence OR ______ online notarization hereinafter referred to as "Affiant," who being by me first duly sworn, under oath, deposes and states as follows:

1. Affiant appears herein as:

[ ] an individual *or*
[X] the ____VP of APC DM Redevelopment II, LLC, the Managing GP of DM Redevelopment II. Ltd_____________.
[position—e.g., sole proprietor, president, partner, etc.] [name & type of entity—e.g., ABC Corp., XYZ Ltd. Partnership, etc.].
The Affiant or the entity the Affiant represents herein seeks to do business with Palm Beach County through its Board of County Commissioners.

2. Affiant's address is: ___161 NW 6th Street, Suite 1020, Miami, FL, 33136_

3. Attached hereto as Exhibit "A" is a complete listing of the names and addresses of every person or entity having a five percent (5%) or greater interest in the Affiant's corporation, partnership, or other principal. Disclosure does not apply to nonprofit corporations, government agencies, or to an individual's or entity's interest in any entity registered with the Federal Securities Exchange Commission or registered pursuant to Chapter 517, Florida Statutes, whose interest is for sale to the general public.

4. Affiant acknowledges that this Affidavit is given to comply with Palm Beach County policy, and will be relied upon by Palm Beach County and the Board of County Commissioners. Affiant further acknowledges that he or she is authorized to execute this document on behalf of the entity identified in paragraph one, if any.

5. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

6. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief it is true, correct and complete.

FURTHER AFFIANT SAYETH NAUGHT.

_Kenneth Naylor______________, Affiant
(Print Affiant Name)

The foregoing instrument was acknowledged before me by means of x *physical presence OR ______ online notarization this* 26th *day of* June*, 20*25*, by* Kenneth Naylor*, [*X*] who is personally known to me or [ ] who has produced ______________ as identification and who did take an oath.*

MARLENE CASAR SANCHEZ
Notary Public - State of Florida
Commission # HH 415083
My Comm. Expires Oct 19, 2027
Bonded through National Notary Assn.

Notary Public Marlene Sanchez

(Print Notary Name)
State of Florida at Large
My Commission Expires: ____________________
Notary Public

____
(Print Notary Name)
State of Florida at Large
My Commission Expires: ____________________

EXHIBIT "A"

DISCLOSURE OF OWNERSHIP INTERESTS IN AFFIANT

Affiant must identify all entities and individuals owning five percent (5%) or more ownership interest in Affiant's corporation, partnership or other principal, if any. Affiant must identify individual owners. For example, if Affiant's principal is wholly or partially owned by another entity, such as a corporation, Affiant must identify the other entity, its address, and the individual owners of the other entity. Disclosure does not apply to any nonprofit corporation, government agency, or to an individual's or entity's interest in any entity registered with the Federal Securities Exchange Commission or registered pursuant to Chapter 517, Florida Statutes, whose interest is for sale to the general public.

Name	Address
BRHA DM Redevelopment II, LLC	2333A W GLADES ROAD, BOCA RATON, FL 33431
Boca Raton Housing Authority (sole member of BRHA DM Redevelopment II, LLC)	2333A W GLADES ROAD, BOCA RATON, FL 33431
APC DM Redevelopment II, LLC	161 NW 6th Street, Suite 1020, Miami, FL 33136
Howard D. Cohen Revocable Trust (99% member of APC DM Redevelopment II, LLC)	161 NW 6th Street, Suite 1020, Miami, FL 33136
Howard D. Cohen (sole Trustee/Beneficiary of Howard D. Cohen Revocable Trust)	161 NW 6th Street, Suite 1020, Miami, FL 33136

26-0922

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
EXPENDITURE BUDGET TRANSFER

BGEX 143 063026*1665

FUND 1117 - Housing Bond Program

ACCOUNT NUMBER	ACCOUNT NAME	UNIT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED as of 07/20/2026	REMAINING BALANCE
EXPENDITURES									
143-7311-8201	Contributions Non-Govts-Agnces	Residences at Marlin Manor II Project (August 18,2026)	0	0	4,987,000	0	4,987,000		4,987,000
143-7299-9902	Operating Reserves	Housing Bond Program Reserves - FY2026	0	40,676,329	0	4,987,000	35,689,329		35,689,329
	Total Expenditures				4,987,000	4,987,000			

SIGNATURES | **DATES**

Initiating Department/Division — 7/21/2026

Administration/Budget Department Approval — 7/21/26

OFMB Department - Posted

BY BOARD OF COUNTY COMMISSIONERS

At Meeting of: 8/25/2026

Deputy Clerk to the
Board of County Commissioners