



FLORIDA HOME PARTNERSHIP
BUILDING A BETTER TOMORROW, TODAY!

Multi-Family Housing Considerations





Multi-Family Housing Considerations

ABOUT FLORIDA HOME PARTNERSHIP (FHP)

- Founded - 1993
- Board - 15
- Staff - 20 (18 FT, 2 PT)
- Designation - State & County CHDO
- Residential & Commercial Contractors
- Constructed Over 650 Homes & Town Homes
- Major Funding - USDA, Hillsborough County & Housing Assistance Council





Multi-Family Housing Considerations

ABOUT EARL PFEIFFER

- Licensed Residential Contractor (3rd Generation Builder)
- Real Estate Broker – Florida & Colorado
- Executive Director of FHP Since 1997
- Over 20 Years Site Development Experience
- I Am a Visionary – I can See What Isn't
- I Am **NOT** A Numbers Guy (i.e., Not a Number Cruncher)
- I Thrive at Putting Deals Together



Multi-Family Housing Considerations

AFTER SEVERAL STAFF RETREAT PLANNING SESSIONS...

AMONG OTHER IDEAS...

- In Our Mission of Housing Low Income Floridians, We Realized That Not Everyone Was Meant to be a Home Owner



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STARRY EYED VISIONS OF BECOMING LANDLORDS...





Multi-Family Housing Considerations

EDUCATION & TRAINING...

- Florida Housing Finance Corporation & McArthur Foundation Sponsored Multi-Family Housing Training Initiative Taught by The Florida Housing Coalition





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EDUCATION & TRAINING...

- FHP Applied
- One of Four Non-profit Agencies from Florida Invited to Attend
- We Trained





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AND WE WENT SHOPPING...





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AND SHOPPING...
AND SHOPPING...





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AND SHOPPING...

- With **The Florida Community Loan Fund**
- We Looked in Pasco County Where the State of Florida Had Special Funding Initiatives
- I Toured Many Properties





Multi-Family Housing Considerations

NOTHING MADE SENSE TO ME...

- From a **Mission Based Purpose**, Potential Purchases May Have Been Good Deals
- But From a **Business Sense...**





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WE JUST KIND OF QUIT LOOKING...

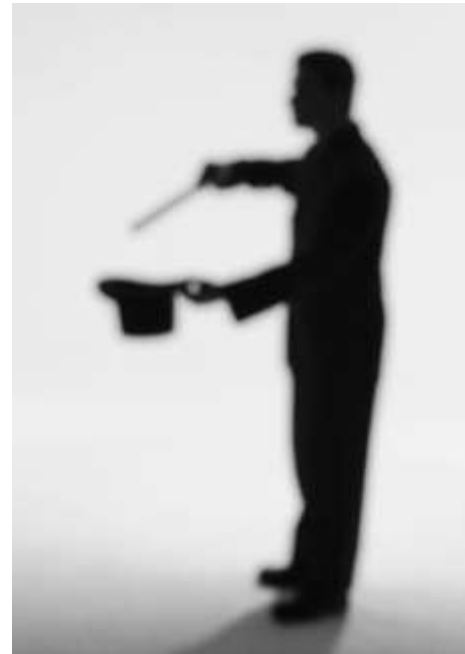
- Then **NSP Happened...**





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WHAT IS THE MAGIC BEHIND NSP?





Multi-Family Housing Considerations

NEIGHBORHOOD STABILIZATION PROGRAM...

- THE MAGIC OF NSP
 1. Properties Sell at Cost Or Appraised Value, Whichever is Less
 2. In Multi-family Properties, Appraised Value is Determined by **Cash Flow** Not **Cost Comparison Sales Approach**

Multi-Family Housing Considerations

BY LUCK OF THE DRAW WE GOT...





Multi-Family Housing Considerations

FRIENDSHIP VILLAGE APARTMENTS - DO THE MATH...

Acquisition:	\$36,753.39
Soft Costs:	\$8,000.00
Eligible Rehab Costs:	\$200,000.00
Rehab / construction Management Fee:	\$20,000.00
TOTAL	\$264,753.39
Change Orders	\$31,000.27
	\$295,753.66
APPRAISED VALUE	\$227,520

**Mortgage
Amount**



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FRIENDSHIP VILLAGE APARTMENTS...

The advertisement is a rectangular sign with a blue border. At the top, it features the Florida Home Partnership logo, which includes a row of icons (a house, a person, a person with a wheel, a house, a person with a wheel, a house, and a person with a wheel) and the text "FLORIDA HOME PARTNERSHIP BUILDING A BETTER TOMORROW, TODAY!". Below the logo, the text reads "Friendship Village Apartments" in a large, green, serif font. Underneath, it lists "2 Bd / 1 Bath Affordable Rental Rates", "2 Wheelchair Accessible Apts", and "Washer & Dryer in Unit". The text "NOT-FOR-PROFIT HOUSING AGENCY WORKS WITH YOU FOR RENTAL INFORMATION CALL" is written in a smaller, blue, sans-serif font. The phone number "813-672-7889" is displayed in a large, red, sans-serif font. At the bottom, there are three logos: the Florida Home Partnership logo on the left, a circular logo in the center, and a house icon on the right.



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FRIENDSHIP VILLAGE APARTMENTS...



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FRIENDSHIP VILLAGE APARTMENTS...






FLORIDA HOME PARTNERSHIP
BUILDING A BETTER TOMORROW, TODAY!

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FRIENDSHIP VILLAGE APARTMENTS...

You're Cordially Invited...

Florida Home Partnership
And the
Hillsborough County Board of County Commissioners
Proudly announce the opening of

Friendship Village

As part of Hillsborough County's Neighborhood Stabilization Program under the Housing and Economic Recovery Act of 2008, you are invited to a ribbon cutting celebrating another successful project that has contributed to the County's economic impact of more than \$3 million to local businesses.


9:00 A.M.
Tuesday, March 13, 2012
1213 E. 127th Ave., Tampa

Following comments and ribbon-cutting, the complex will be open for tours.

Refreshments provided by Florida Home Partnership



Before



After



For more information call
813.672.7860 or email
jocv@flhome.org



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FRIENDSHIP VILLAGE APARTMENTS – DO THE MATH...

OPERATING PRO-FORMA

Rent \$650 / Month – Clients: < 120% AMI

Annual Rent	\$31,200.00
Vacancy	(\$2,808.00)
Effective Gross Income	\$28,392.00
Management	(\$6,458.00)
Operations & Maintenance Expense	(\$3,000.00)
Common Utilities	(\$2,162.00)
Insurance / Reserves / Other	(\$4,600.00)
TOTAL EXPENSES	(\$16,220)
Net Operating Income	\$12,172.00
Debt Service (Loan)	(\$7,584.00)
CASH FLOW	\$4,588.00



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FRIENDSHIP VILLAGE APARTMENTS – THE REALITY...

- 1 Unit Vacant 12 Months – Now a Reliable Tenant Family
- 1 Handicap Unit – Pays on Time – Unit Destroyed
- 1 Unit Did Not Renew – Drug Traffic & Prostitution
- 1 Unit Evicted – Never Paid on Time
- As of October 1, 2012 to Date
 - Revenue - \$15,508
 - Expenses - \$14,440



Multi-Family Housing Considerations

FRIENDSHIP VILLAGE APARTMENTS – THE REALITY...

- As of October 1, 2012 to Date
 - Revenue - \$15,508
 - Expenses - \$14,440
 - No Management Fee
 - No Mortgage Payment
 - No Cash Flow

BUT THERE IS HOPE..., We Will Make it Up in Volume!



Multi-Family Housing Considerations

COMING SOON...



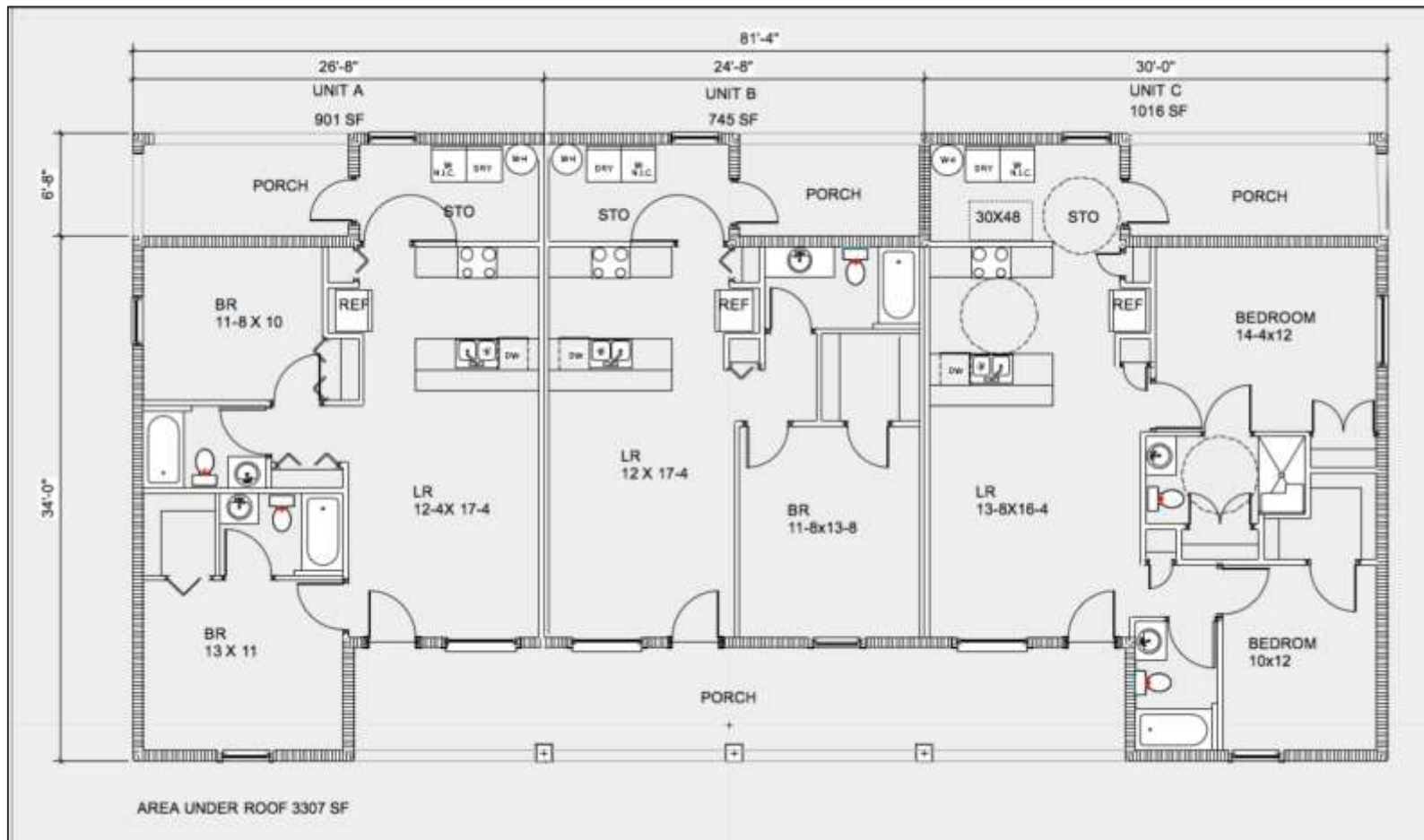
FRIENDSHIP VILLAGE II



FLORIDA HOME PARTNERSHIP
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FRIENDSHIP VILLAGE II...





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FRIENDSHIP VILLAGE II – DO THE MATH...

- 9 Unit Triplexes

Acquisition:	\$36,000.00
Soft Costs:	\$20,000.00
Site / Unit Construction	\$925,000.00
Construction Management	\$85,600.00
TOTAL	\$1,066,600.00
APPRAISED VALUE	\$454,893 .00

**\$118,517.77
/ Unit**



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FRIENDSHIP VILLAGE II - FEATURES...

- 3 – 2BR / 2BA Units – 901 SF
- 3 – 1BR / 1BA Units – 742 SF
- 3 – 2BR / 2BA Handicap Units – 1016 SF
- All Energy Star / Green Certified
- Front & Rear Sitting Porches
- Washer & Dryer Included





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FRIENDSHIP VILLAGE APARTMENTS II – DO THE MATH...

OPERATING PRO-FORMA


Rent \$650 / Month – Clients: < 120% AMI

Annual Rent	\$66,000.00
Vacancy	(\$5,994.00)
Effective Gross Income	\$60,006.00
Management	(\$14,535.00)
Operations & Maintenance Expense	(\$6,750.00)
Utilities	(\$4,869.00)
Insurance / Reserves / Other	(\$10,350.00)
TOTAL EXPENSES	(\$36,504.00)
Net Operating Income	\$23,502.00
Debt Service (Loan)	(\$15,163.00)
CASH FLOW	\$8,339.00



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FOR MORE INFORMATION...

- Earl Pfeiffer
- 813.672.7860
- earl@flhome.org
- www.flhome.org
- Follow us on  - @flhome1
- Like us on  - <http://www.facebook.com/Floridahome>