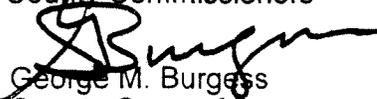


**Date:** December 9, 2004  
**To:** Honorable Chairperson Barbara Carey-Shuler, Ed. D. and Members, Board of County Commissioners

**ED&HS**  
**Agenda Item No. 4 (B)**

**From:**   
George M. Burgess  
County Manager

**Subject:** Resolution Authorizing The County Manager or His Designee to Vacate Resolution R-376-01 and Convey 68 Unused Lots to MDHA Development Corporation for the Development of Affordable Housing and direct Miami-Dade Housing Finance Authority (HFA) to Return Approximately \$5.5 million to MDHA; and Execute Any Necessary Agreements

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RECOMMENDATION

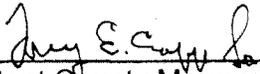
It is recommended that the Board of County Commissioners (BCC) vacate Resolution R-376-01 and convey approximately 68 unused lots from Miami-Dade Housing Finance Authority (HFA) to MDHA Development Corporation for the development of affordable housing and direct HFA to return approximately \$5.5 million to MDHA.

BACKGROUND

The Board of County Commissioners on April 10, 2001 by Resolution R-376-01 allocated \$6 million of Surtax funds to the HFA for the purpose of constructing one hundred fifty single-family homes in the HOPE VI Revitalization area for purchase by public housing residents.

During the May 19, 2004 EDHS Committee meeting, Commissioner D. Role directed that the remaining balance of the Surtax allocation and the unused infill lots be returned to MDHA for the construction of the remaining affordable housing units. Additionally, Commissioner Rolle directed that an expedited emergency audit of the remaining funds be conducted by Miami-Dade Audit and Management Department prior to the transfer of the funds and lots to MDHA.

Attached is the detailed audit report from Miami-Dade Audit and Management department.

  
Assistant County Manager  
Tony E. Crapp, Sr.



**MEMORANDUM**  
(Revised)

**TO:** Hon. Chairperson Barbara Carey-Shuler, Ed.D.  
and Members, Board of County Commissioners

**DATE:** December 14, 2004

**FROM:** Robert A. Ginsburg  
County Attorney

**SUBJECT:** Agenda Item No.

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No.

Resolution No. \_\_\_\_\_

RESOLUTION VACATING RESOLUTION R-376-01 AND DIRECTING THE COUNTY MANAGER OR HIS DESIGNEE TO CONVEY 68 UNUSED LOTS FROM MIAMI-DADE HOUSING FINANCE AUTHORITY (HFA) TO MDHA DEVELOPMENT CORPORATION FOR THE DEVELOPMENT OF AFFORDABLE HOUSING AND DIRECT HFA TO RETURN APPROXIMATELY \$5.5 MILLION TO MIAMI-DADE HOUSING AGENCY (MDHA); AND EXECUTE ANY NECESSARY AGREEMENTS

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA that this Board vacates Resolution R-376-01 and approves the conveyance of 68 lots from Miami-Dade Housing Finance Authority (HFA) to MDHA Development Corporation for the development of affordable housing and direct HFA to return approximately \$5.5 million to MDHA; and execute any necessary agreements as set forth in the attached memorandum; and further authorizes the County Manager or his designee to execute agreements, contracts, and amendments on behalf of Miami-Dade County, following approval by the County Attorney's Office; and to exercise amendment, modification, renewal, cancellation and termination clauses on behalf of Miami-Dade County, Florida.

The foregoing resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:



Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 9(A)(2)  
4-10-01

OFFICIAL FILE COPY  
CLERK OF THE BOARD  
OF COUNTY COMMISSIONERS  
DADE COUNTY, FLORIDA

RESOLUTION NO. R-376-01

RESOLUTION DIRECTING THE COUNTY MANAGER TO REALLOCATE A GRANT IN THE AMOUNT OF SIX MILLION DOLLARS 00/00 (\$6,000,000.00) OF SURTAX FUNDS FROM MIAMI-DADE HOUSING AGENCY TO THE HOUSING FINANCING AUTHORITY FOR THE CONSTRUCTION OF ONE HUNDRED AND FIFTY SINGLE FAMILY HOMES TO BE PURCHASED BY PUBLIC HOUSING RESIDENTS; DIRECTING THE HOUSING FINANCE AUTHORITY TO GIVE CURRENT RESIDENTS OF SCOTT/CARVER HOMES, WHOSE HOMES ARE BEING DEMOLISHED AS PART OF THE HOPE VI REDEVELOPMENT OF SCOTT-CARVER HOMES, THE RIGHT OF FIRST REFUSAL TO PURCHASE THE NEWLY CONSTRUCTED UNITS; DIRECTING THE COUNTY MANAGER TO DEVELOP AND USE CREATIVE AND INNOVATIVE INITIATIVES TO FOSTER HOMEOWNERSHIP OPPORTUNITIES FOR CURRENT RESIDENTS OF SCOTT/CARVER HOMES; AUTHORIZING THE COUNTY MANAGER TO NEGOTIATE, EXECUTE AND AMEND CONTRACTS

WHEREAS, the HOPE VI Revitalization Program is designed to end the physical, social and economic isolation of obsolete and distressed public housing by recreating and supporting sustainable communities, and lifting residents from dependence and persistent poverty; and

WHEREAS, the County intends to demolish the public housing developments of Scott/Carver Homes as a result of the HOPE VI Revitalization Program; and

WHEREAS, the current residents of Scott/Carver Homes shall be displaced as a result of the demolition of their homes; and

WHEREAS, Miami-Dade County currently has six million dollars 00/00 (\$6,000,000.00) in Surtax funds to be allocated for the purpose of developing affordable housing; and

0.0.2018

WHEREAS, there is a need for approximately one hundred and fifty (150) units of affordable housing in and around Scott/Carver Homes; and

WHEREAS, the current residents of Scott/Carver Homes and other public housing will require affordable housing upon the completion of the revitalization program,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DADE COUNTY, FLORIDA, that the County Manager is directed to reallocate a grant of six million dollars 00/00 (\$6,000,000.00) of Surtax funds from Miami-Dade Housing Agency to the Housing Finance Authority for the purpose of constructing one hundred and fifty (150) single family homes to be purchased by public housing residents; directs the Housing Finance Authority to give current residents of Scott/Carver Homes, whose homes are being demolished as a part of the HOPE VI Redevelopment of Scott/Carver Homes, the right of first refusal to purchase the newly constructed units; directs the County Manager to develop and use all creative and innovative initiatives to foster and increase the opportunity for the current residents of Scott/Carver Homes to purchase these single family homes; and authorizes the County Manager to negotiate, execute and amend contracts concerning the development of the new units following the approval of the County Attorney's Office.

The foregoing resolution was sponsored by Commissioner Dorrin D. Rolle and offered by Commissioner Jimmy L. Morales, who moved its adoption. The motion was seconded by Commissioner Gene Margolis and upon being put to a vote, the vote was as follows:

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01.01.2019

Agenda Item No. 9(A)(2)  
Page No. 3

Dr. Miriam Alonso	aye	Bruno A. Barreiro	aye
Dr. Barbara M. Carey-Shuler	aye	Betty T. Ferguson	aye
Gwen Margolis	aye	Joe A. Martinez	absent
Jimmy L. Morales	aye	Dennis C. Moss	aye
Pedro Reboredo	absent	Dorrian D. Rolle	aye
Natacha Seijas	aye	Katy Sorenson	aye
Javier D. Souto	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 10th day of April, 2001. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF COUNTY  
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as  
to form and legal sufficiency. *gab*

By: KAY SULLIVAN  
Deputy Clerk

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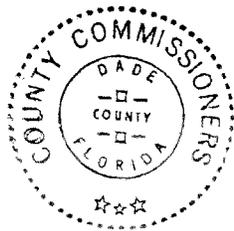
STATE OF FLORIDA            )  
  )  
COUNTY OF MIAMI-DADE    )

SS:

I, **HARVEY RUVIN**, Clerk of the Circuit and County Court, in and for Miami-Dade County, Florida and Ex-Officio Clerk of the Board of County Commissioners of said County, **DO HEREBY CERTIFY**, that the above and foregoing is a true and correct copy of Resolution No. R-376-01, adopted by said Board of County Commissioners, at its meeting held on April 10, 2001.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on this 7th day of July A.D., 2004.

**HARVEY RUVIN**, Clerk  
Board of County Commissioners  
Dade County, Florida



By Michael Tate  
Deputy Clerk

SEAL

Board of County Commissioners  
Miami-Dade County, Florida

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# Memorandum



**Date:** October 13, 2004

**To:** Honorable Alex Penelas, Mayor  
Honorable Chairperson Barbara Carey-Shuler, Ed.D. and Members  
Board of County Commission

**From:** George M. Burgess  
County Manager 

**Subject:** Audit Report – HFA Surtax Loan Funding Utilization

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For your information and review, attached is a copy of the captioned Audit Report dated September 30, 2004 prepared by the Audit and Management Services Department, which includes responses from the Housing Finance Authority of Miami-Dade County. This report was requested by Dorrin D. Rolle, Chair of the Economic Development and Human Services Committee, during the Committee's May 19, 2004 meeting.

Please contact Cathy Jackson, Director, Audit and Management Services Department, if you have questions or require clarification.

## Attachment

- c: Honorable Harvey Ruvlin, Clerk of the Courts
- Robert Ginsburg, County Attorney
- Corinne Brody, Special Assistant – Strategic Management Initiatives
- Tony E. Crapp, Sr., Assistant County Manager
- Patricia J. Braynon, President, Housing Finance Authority of Miami-Dade County
- Cathy Jackson, Director, Audit and Management Services Department
- David Morris, PhD., Director, Office of Strategic Business Management
- Jennifer Glazer-Moon, Director Designate, Office of Strategic Business Management
- Alphonso K. Brewster, Acting Director, Miami-Dade Housing Agency
- Opal A. Jones, Executive Director, Miami-Dade Affordable Housing Foundation, Inc.
- Charles Anderson, Commission Auditor

**Date:** September 30, 2004

**To:** Patricia J. Braynon, President  
Housing Finance Authority of Miami-Dade County

**From:**   
Cathy Jackson, Director  
Audit and Management Services Department

**Subject:** Audit Report – HFA Surtax Loan Funding Utilization

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## PURPOSE AND SCOPE

As requested during the May 19, 2004 Economic Development and Human Services Committee meeting, we audited Surtax loan funding disbursed by the Housing Finance Authority of Miami-Dade County (HFA) for the period May 1, 2001 through April 30, 2004. This request was prompted by a directive from the Committee Chair to reallocate \$6 million in Documentary Stamp Surtax funds from HFA back to the Miami-Dade Housing Agency (MDHA). The purpose of our review was to determine if funds were expended and administered according to established program guidelines.

## BACKGROUND

Pursuant with Resolution R-376-01 dated April 10, 2001, \$6 million in Documentary Stamp Surtax funds were reallocated from MDHA to HFA to construct 150 single-family homes for purchase by public housing residents and provide second mortgage loans for qualified buyers. HFA was directed to give priority purchase rights to residents of the Scott/Carver public housing development whose homes were being demolished under the federal HOPE VI redevelopment program. To effect this mandate, HFA partnered with Miami-Dade Affordable Housing Foundation, Inc. (the Foundation), a non-profit organization formed in 1999 by HFA, to assist with project supervision, homebuyer education, credit counseling and loan packaging services.

The Foundation is certified as a Community Development Finance Institution/Enterprise and Homebuyer Counseling Service by the U. S. Treasury Department and U. S. Department of Housing and Urban Development, respectively. For administrative services rendered, the Foundation is paid interest earned on the principal share of program funds. Additionally, the Foundation is reimbursed for non-salary, direct program-related expenditures such as land acquisition, lot maintenance, title and conveyance fees.

## SUMMARY RESULTS

Of the \$6 million appropriated for housing development, only \$481,000 was disbursed as of April 30, 2004. As shown in Table I, \$290,000 was used to fund five home mortgage loans to former Scott/Carver residents, with the remaining \$191,000 used to acquire and/or maintain undeveloped land inventory. Only one of the 150 homes slated for development with program funds was completed and sold. Another home is in the early stages of construction, while a third is still in the permitting process.

Second mortgage financing for four other homeowners from the Scott/Carver project was provided from HFA surtax funds. Delays in housing development have been attributed to the lengthy process of obtaining clear Title on properties conveyed by the County, which required between 6 to 18 months to resolve. The Foundation also expressed concern that existing program guidelines designed to assure construction quality increase building costs, and thus qualified developers have been reluctant to commence construction on deeded parcels. Instead, qualified applicants from the HOPE VI targeted area have purchased other properties built by the same developers yielding higher returns. We understand HFA has agreed to return unused surtax funds to MDHA to expedite achievement of program goals.

Table I HFA Surtax Fund Allocation - Scott/Carver Project For the Period May 1, 2001 through April 30, 2004			
<u>Program Revenues:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Initial Surtax funds allocation	\$ 6,000,000	\$ -	\$ 6,000,000
Interest earnings	-	260,962	260,962
	<u>6,000,000</u>	<u>260,962</u>	<u>6,260,962</u>
<u>Program Expenditures:</u>			
Five mortgage loans	(289,900)	-	(289,900)
Land acquisition/maintenance	(190,988)	-	(190,988)
Program administration fees	-	(252,749)	(252,749)
	<u>(480,888)</u>	<u>(252,749)</u>	<u>(733,637)</u>
<b>Balance as of April 30, 2004</b>	<b><u>\$ 5,519,112</u></b>	<b><u>\$ 8,213</u></b>	<b><u>\$ 5,527,325</u></b>

Source: HFA/Foundation program records and supporting bank account statements.

Interest earned on the principal share of program funds was paid to the Foundation for administration services rendered. From program inception (April 10, 2001) through April 30, 2004, interest totaled \$261,000, of which \$253,000 was disbursed to the Foundation. Program revenues and expenditures are summarized in Schedule I; project expenditures, excluding mortgage loans, are detailed in Schedule II. Overall, program expenditures were properly documented, authorized and in compliance with program guidelines. Findings pertaining to land inventory status, achievement of program goals and recommendations to improve administration are more fully discussed below, along with HFA responses. We reaffirm our findings and recommendations, and now consider this audit closed. We would like to express our appreciation for the courtesies and assistance extended to our staff during the audit process. Please contact Susie Gugliotta, Audit Manager, at 305-349-6100, if you have questions or require additional information.

### HFA Response

It is critical that the record remain unequivocally clear regarding the facts of the HFA Surtax Audit Report. The facts are as follows:

- This audit revealed no evidence of fraud, abuse or mismanagement – all funds are accounted for;

- Twelve Scott/Carver public housing families have indeed become new homeowners through the combined efforts of the HFA and Foundation;
- The Foundation sought and found alternative sources of financing in addition to HOPE VI funds to assure mortgage amounts that residents could reasonably manage;
- Staff provided hands-on homebuyer education, financial training and socio-emotional support for residents for well over three years;
- Staff exceeded fiduciary responsibilities by soliciting vendors from the Department of Business Development's approved vendor list;
- The contractor's minimum building standards were enhanced including: expanding the square footage of the homes to be built while lowering the purchase price to an average of \$76 per square foot (\$13 lower than MDHA's reported \$89 per square foot).

The audit report fails to fully document the effecting Board of County Commission Resolutions. Three BCC Resolutions effecting the use and scope of HOPE VI funds were approved. The first Resolution, R-376-01, dated April 10, 2001 reallocated funds from MDHA to HFA to construct 150 single-family homes in the HOPE VI target area. The second Resolution, R-1248-01, dated November 6, 2001 expanded the geographic boundaries of the former HOPE VI target area. The third Resolution, R-510-03, dated February 11, 2003 was created and approved due to "insufficient vacant property within the HOPE VI target area" and directed the Foundation to include the purchase and rehabilitation of existing homes in the HOPE VI target area. This audit report incorrectly measures the success of this project by failing to acknowledge the twelve families served according to the approved use of HOPE VI funds which included the five families that received mortgage financing through the program.

On September 16, 2003, at a regularly-scheduled Foundation board meeting, the Foundation's Board of Directors voiced their displeasure over the Foundation's role in the Scott/Carver HOPE VI project. According to the transcribed minutes of that, "The Foundation has all of the responsibility and liability, but no control over the project. The Board suggested that the Foundation relinquish its role." In the fall of 2003, the Foundation's President and Executive Director engaged in discussions regarding returning the HOPE VI money and related land to the County. On various subsequent occasions Foundation staff communicated the Board's directions to former MDHA Director Rene Rodriguez, MDHA Acting Director Alphonso Brewster, MDHA employee Emma Duffie and Commissioner Dorrin P. Rolle's staff member Edgar Duarte.

**Status of Conveyed Properties**

Since May 2002, the County has conveyed 71 properties to the Foundation, four of which were purchased at a total cost of \$30,000 and the remainder deeded at a nominal \$10 price per conveyance to

develop affordable infill housing for Scott/Carver and other public housing residents (Schedule III). To date, only one has been completed and sold, with another in early stages of construction and a third in the permitting stage.

Delays in development are attributed to the lengthy process required to clear clouded Titles. Many properties had County liens which, although waived at conveyance, were not documented in court records and Quiet Title suits had to be filed, requiring an additional six to 18 months (Table II). As of July 19, 2004, Titles had been cleared on 45 (64%) of the 71 properties and 12 of the 45 were subsequently deeded to four developers under contract. On April 19, 2004, two other lots with clouded Titles were deeded to Habitat for Humanity of Greater Miami, a non-profit organization that has agreed to pursue clear Title and subsequent property development for eligible buyers.

Generally, contracts average eight months, with developers given a maximum two months to select lots and five months to complete construction after approval by the Foundation. Within 14 days following completion of construction and issuance of Certificate of Occupancy, the Foundation is required to close on properties by funding second mortgages for eligible qualified buyers. Nonetheless, our inspection of properties on July 19, 2004 disclosed that while most developers have had properties from 7 to 9 months, only one is under construction and another is in the permitting stage. The Foundation expressed concern that existing program guidelines designed to assure construction quality increase building costs, and thus qualified developers have been reluctant to commence construction on deeded parcels. Instead, qualified applicants from the HOPE VI targeted area have purchased other properties built by the same developers yielding higher returns.

**Table II**  
**County Properties Deeded to MDHA**  
**Summary of Delay in Obtaining Clear Title**

Conveyance No.	No. of Lots	Date Deeded	Delay		No. of Lots	
			Range Mos.	Average Mos.	Title Cleared	Title Pending
1	4	05/01/02	6-18	13	4	0
2	15	08/15/02	6-7	6	13	2
3	6	10/24/02	3-17	12	6	0
4	11	03/05/03	7-12	11	11	0
5	25	07/25/03	10-12	12	11	14
6	10	03/09/04	N/A	N/A	0	10
Total:					45	26

**Notes:**  
 N/A=Not applicable - title is still pending.  
<sup>1</sup> Delay periods relate to properties for which titles have been cleared;  
 exclude those which are still pending.

Source: Foundation document files and County records.

Contracts with pre-qualified developers were close to expiration or have already expired. The Office of the County Attorney should be consulted regarding cancellation or re-assignment of these contracts in connection with planned reallocation of Surtax funds and return of underlying properties to MDHA.

**HFA Response**

When land is conveyed to a developer, the contract and promissory note allow for an extension beyond the contractual period, if necessary, for developers to complete construction. Developer Tricia Dean, for example, has been subject to permitting delays in their quest to build a HOPE VI home. We have provided the Audit Department with tracking numbers for this developer's attempts to obtain quiet title to conveyed property. To reiterate, twelve families were assisted in accordance with the approved use of HOPE VI funds.

**Property Maintenance**

On July 19, 2004 we inspected 19 (27%) of the 70 lots in inventory to determine property condition and construction progress (Exhibit A). The foundation for one property has been completed, however, other lots were undeveloped. While the majority of the undeveloped lots were well maintained, seven showed signs of dumping, overgrown grass and unauthorized vehicles parked on the premises. Since November 2002, the Foundation has contracted with South Florida Landscaping Services, Inc. (South Florida) to maintain the lots. The Foundation and developers under contract are reminded to adequately maintain lots to avoid unsafe and unsanitary conditions that could negatively impact public safety and/or subject them to fines. Properties should be inspected periodically to assure the lawn maintenance service provider is complying with contract terms. We also recommend signs be posted to identify lots as property funded under the County's Infill Housing Initiative, further alerting against illegal use or trespassing.

Following an initial three-month term, the contract with South Florida has been month-to-month and informally extended by letter as lots were added to inventory. The most recent extension dated April 14, 2004 requires monthly lawn maintenance at approximately \$2,915 per month for 58 lots (including one property now sold). Since contract inception through April 2004, maintenance expenses totaled approximately \$32,000. Although the monthly fee charged per lot has not significantly increased since inception (from \$46 to \$50), the number of lots has tripled and we recommend this contract be competitively re-bid to afford opportunities to other qualified service providers.

**HFA Response**

Lawn maintenance occurred every two weeks. Tracking and invoicing of service was in compliance with contractual terms.

"No Trespassing" signs were posted on properties already acquired by the Foundation. As additional properties were conveyed, signs were ordered, however, some had not been installed on these properties. Nevertheless, the posting of signs does not deter illegal dumping or prevent vandalism. It would be fiscally irresponsible to expend funds on daily security oversight for an industry problem that cannot be stemmed. A maintenance contract does not prevent illegal dumping which is a widespread and inherent problem.

The Foundation, though not required, competitively bid for service providers from the County’s minority business development list. It would be irresponsible to re-bid a contract for a project we were actively seeking to return to the County.

**Achievement of Program Goals**

Through its Homebuyers Club, the Foundation completed credit counseling for 177 member families from the Scott/Carver housing development, of which 30 (17%) have established savings plans (Individual Development Accounts) towards future home purchases. Five families acquired homes with \$289,900 in second mortgage loans provided by Surtax monies. One home was built on a lot conveyed for this project, while the other four were erected on land owned or separately acquired from the County by developers. While all loan applicants met income levels, as well as housing and debt ratios, to qualify for Surtax loan funding, three applicants received loans exceeding the maximum subsidy based on the percentage of area median income (Table III). Prospectively, program guidelines should be strictly followed.

Loan #	Purchase Price	Applicant's % of Median Income	Maximum Subsidy		Actual Surtax Loan		Amount in Excess of Guidelines
			%	Amount	%	Amount	
10002	\$ 100,000	28	60	\$ 60,000	62.00	\$ 62,000	\$ 2,000
10004	110,000	32	45	49,500	71.73	78,900	29,400
10005	114,000	34	45	51,300	48.25	55,000	3,700
Total							\$ 35,100

Notes: <sup>1</sup> Applicant's income as a percentage of area median income for household size.  
<sup>2</sup> Maximum subsidy/actual surtax loan amounts as a percentage of purchase price.

Source: Foundation mortgage loan files and MDHA Surtax loan guidelines.

**HFA Response**

BCC R-510-03 directs the County Manager to develop and use all creative and innovative initiatives to foster and increase the opportunity for the current residents of Scott/Carver Homes to purchase these single-family homes. The implicit program goals included helping impacted families with the education, information, support and purchase of their first home. Throughout the process of preparing HOPE VI residents to purchase their first home, the residents gained an understanding of the homebuying process, the construction process and the bureaucratic process.

Hence, several HOPE VI homeowners have expressed appreciation for the step-by-step help they received, and for the affordability of their new home.

Mrs. Muldrow wrote, “I would advise anybody to get in the program. The interest rate is good and my monthly payment is low.”

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Ms. Thomas wrote, “Just a few words of appreciation for the assistance that was given to me when I was in the program. I just want you and everyone within your organization to know that it couldn’t have happened without you guys help.”

“I’m living paycheck to paycheck, I’m not going to lie to you,” said Ms. Moss in a June 24, 2004 *Miami Herald* article. “But I don’t have a rough time paying my mortgage.”

The stated goal of the HOPE VI Surtax program as framed by the three BCC Resolutions was the provision of homeownership for displaced HOPE VI residents. The Foundation adhered to two sets of guidelines in the implementation and administration of the HOPE VI Surtax program. The first was the three establishing BCC Resolutions. The second set of guidelines was the State Surtax Guidelines. Those guidelines allowed for maximum flexibility in funding loan packages and helping Scott/Carver residents become homeowners. Moreover, those guidelines provided staff with a clear set of operating paradigms instead of mercurial and abstract procedures produced by the Housing Agency. Even this audit report concludes that the program guidelines were adhered to as quoted on page 2 under Summary Results, “Overall, program expenditures were properly documented, authorized and in compliance with program guidelines.”

#### **Reimbursement for Project Expenditures**

Overall, project expenditures were properly documented, authorized by the Foundation Executive Director and HFA Director/Foundation President, and disbursement checks were co-signed by the President and another Board member. However, the Foundation did not submit supporting invoices with reimbursement requests. Generally, amounts billed as Land Acquisition and Maintenance Services were supported only by data copied from the monthly general ledger, which did not consistently detail check numbers and payees. Commencing April 2003, ledger entries grouped monthly expenditures, further limiting HFA’s ability to assure expenses submitted were proper. For example, our review disclosed HFA inadvertently reimbursed the Foundation \$44,326 for expenses previously paid (including one \$1,505 expenditure reimbursed three times). We also noted other expenses totaling \$39,726 dating back to June 2001 that had not been submitted for reimbursement. Prior to our review, HFA identified and applied the \$44,326 overpayment to unbilled expenditures of \$39,726. Reimbursement requests should be accompanied by copies of paid invoices and expenditures tracked individually to avoid payment duplication.

#### **HFA Response**

The Foundation’s accountant does maintain a general ledger account that tracks individual payments received to the program. That ledger is available for review. The overpayment was discovered and corrected by the Foundation’s CPA and the HFA Trust Account Manager during a routine monthly reconciliation of the general ledger. The Foundation was fully aware of and chose not to seek reimbursement for the \$39,726 in costs from June 2001 through the period of the audit. The HFA will now require copies of paid invoices with reimbursement requests to avoid duplication of payment.

**Lack of Formal Agreement for Services Rendered**

A formal agreement outlining scope of services, compensation terms, deliverables and responsibilities of both parties was never executed between HFA and the Foundation. Informally, the parties understood that interest from Surtax funds would be disbursed periodically to the Foundation as compensation for services rendered. In October 2001, HFA deducted \$21,459 from Foundation administrative fees to recoup organizational start-up costs paid on behalf of the Foundation between August 1998 and September 1999. Prospectively, agreements for program development and support activities should clearly define the scope of services, rights and responsibilities of parties, compensation terms and program budget.

**HFA Response**

From the outset, the Foundation agreed to participate in the HOPE VI Surtax project in cooperation with the HFA. The payment terms for the Foundation's partnership—as has been stated before the HFA Board—were that any hard costs associated with the project would be billed to the principal balance. These interest payments were deemed income for the Foundation and would be used to offset any administrative expenses for operating the project. As such, excess funds derived from the interest were booked as unrestricted retained earnings. Subsequently, those funds, as would be any unrestricted dollars, were available to pay any legitimate Foundation expense. In this case the Foundation elected to pay an outstanding debt to the HFA.

Although a draft agreement was prepared, the Foundation and HFA made a conscious decision not to enter into a formal agreement thereby allowing for maximum flexibility, creativity and innovation in the development and operation of the program as specifically outlined in R-1248-01, handwritten page 4.

CJ:rmb

Attachments

- c: Honorable Harvey Ruvin, Clerk of the Courts
- Robert Ginsburg, County Attorney
- Corinne Brody, Special Assistant – Strategic Management Initiatives
- Tony E. Crapp, Sr., Assistant County Manager
- David Morris, PhD., Director, Office of Strategic Business Management
- Jennifer Glazer-Moon, Director Designate, Office of Strategic Business Management
- Alphonso K. Brewster, Acting Director, Miami-Dade Housing Agency
- Opal A. Jones, Executive Director, Miami-Dade Affordable Housing Foundation, Inc.
- Charles Anderson, Commission Auditor

**Housing Finance Authority of Miami-Dade County (HFA)**  
**Surtax Loan Funding Utilization**  
**For the Period May 1, 2001 through April 30, 2004**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<b><u>Program Revenues:</u></b>			
Initial Surtax Fund Allocation (5/01/01)	\$ 6,000,000		\$ 6,000,000
Interest Earnings		\$ 260,962	<u>260,962</u>
			<u>6,260,962</u>
<b><u>Program Expenditures:</u></b>			
Five Mortgage Loans	(289,900)		
Title clearance	(74,978)		
Land Acquisition	(30,000)		
Conveyance Fees	(19,095)		
Lot Maintenance	(32,581)		
Program Development/Marketing	(14,770)		
Property Taxes and Fees	(13,446)		
Other	<u>(6,118)</u>		
	(480,888)		(480,888)
MDAHFI <sup>1</sup> Program Administration Fee		<u>(252,749)</u>	<u>(252,749)</u>
			<u>(733,637)</u>
<b>Balance as of April 30, 2004</b>	<b><u>\$ 5,519,112</u></b>	<b><u>\$ 8,213</u></b>	<b><u>\$ 5,527,325</u></b>

**Source:** HFA bank statements and MDAHFI general ledger/disbursement records.

**Notes:**

<sup>1</sup> MDAHFI = Miami-Dade Affordable Housing Foundation, Inc.

**Housing Finance Authority of Miami-Dade County (HFA)  
Program Expenditures Disbursements  
For the Period from May 1, 2001 through April 30, 2004**

Payee	Description	MDA/HFA Payment Date	Amount	Notes	Total
<b><u>Title/Lien Clearance</u></b>					
Arturo Alfonso	Quiet Title Suits	03/24/04	\$ 5,250	3	
Arturo Alfonso	Quiet Title Suits	03/03/04	2,250	3	
Arturo Alfonso	Quit-Claim Deeds	03/02/04	300	3	
Arturo Alfonso	Fight Solid Waste Lien	12/02/03	500	1	
Arturo Alfonso	Quiet Title Suits	11/05/03	7,125		
Arturo Alfonso	Quiet Title Suits-25 New Lots	10/08/03	24,900	1	
Arturo Alfonso	Quiet Title Suits-15 New Lots	06/18/03	10,725		
Arturo Alfonso	Quiet Title Suits-6 Lots	02/19/03	5,520		
Arturo Alfonso	15 Quiet Title Suits	10/24/02	14,625		
Arturo Alfonso	Retainer Fee for Quiet Title Suits	09/12/02	750	3	
Arturo Alfonso	4 Title Searches	08/28/02	239	3	
Arturo Alfonso	Retainer Fee for Quiet Title-4 Lots	06/02/02	2,744		
Clyne & Self	Professional Services	11/20/02	50	3	\$ 74,978
<b><u>Land Acquisition/Transfer to Developer</u></b>					
Arturo Alfonso	Closings on 2 lots	12/13/03	848	1	
Arturo Alfonso	Transfer 5 lots	11/06/03	2,538		
Arturo Alfonso	Lot transfers	11/05/03	2,214		
Arturo Alfonso	Transfer of 3 lots	10/10/03	1,096	1	
Cashiers Check Purchases:					
City National Bank	10 County properties	03/02/04	15	3	
City National Bank	11 County properties	03/02/04	30	3	
City National Bank	25 County properties	07/10/03	35	1	
City National Bank	25 County properties	07/10/03	15	1	
City National Bank	11 County properties	03/13/03	26		
City National Bank	11 County properties	03/13/03	15		
City National Bank	County Properties	10/17/02	26		
City National Bank	County Properties	10/17/02	15		
City National Bank	County Properties	07/31/02	30		
City National Bank	County Properties	07/31/02	15		
City National Bank	County Properties	07/31/02	15		
City National Bank	County Properties	07/31/02	21		
City National Bank	Purchase of County Owned Land	04/22/02	28,505		
City National Bank	Recording Fees	04/22/02	335		
City National Bank	5% Bid for land in Hope VI-County Owned	11/07/01	1,505	1, 2	
Refer to Source and Notes on Page 5 of 5.					

**Housing Finance Authority of Miami-Dade County (HFA)  
Program Expenditures Disbursements  
For the Period from May 1, 2001 through April 30, 2004**

Payee	Description	M/D/YE Payment Date	Amount	Notes	Total
Clyne & Self	Professional Services	04/09/03	1,447	3	
Clyne & Self	Professional Services	02/20/03	600	3	
Clyne & Self	Professional Services	07/23/02	100	3	
Clyne & Self	Professional Services	06/02/02	838	3	
Clyne & Self	Professional Services	05/08/02	1,313	3	
ESQ Title Company	Scott Homes Lot	04/10/02	7,500		49,095
<b><u>Lot Maintenance</u></b>					
South Florida Landscaping Services, Inc.	Lawncutting on 46 Lots (Scott)	03/17/04	2,295	3	
South Florida Landscaping Services, Inc.	Maintenance Clean-Up & Removal	03/02/04	774	3	
South Florida Landscaping Services, Inc.	Lawncutting on 46 Lots (Scott)	02/17/04	2,295	3	
South Florida Landscaping Services, Inc.	Maintenance Clean-Up (Bulk Trash)	01/29/04	630	3	
South Florida Landscaping Services, Inc.	Lawncutting on 46 Lots (Scott)	01/29/04	2,295	3	
South Florida Landscaping Services, Inc.	Maintenance Clean-Up (Bulk Trash)	01/06/04	369	3	
South Florida Landscaping Services, Inc.	Lawncutting on 57 Lots (Scott)	12/10/03	2,805	1	
South Florida Landscaping Services, Inc.	Maintenance and Clean-Up	11/24/03	315		
South Florida Landscaping Services, Inc.	Lawn Service on 57 Lots	11/05/03	2,805		
South Florida Landscaping Services, Inc.	Maintenance Clean-Up	10/10/03	243	1	
South Florida Landscaping Services, Inc.	Lawn Service on 61 Lots (Scott)	10/10/03	2,985	1	
South Florida Landscaping Services, Inc.	Lawn Service on 61 Lots (Scott)	09/04/03	2,985		
South Florida Landscaping Services, Inc.	Lawn Service on 36 Lots (Scott)	07/10/03	1,765	1	
South Florida Landscaping Services, Inc.	Lawn Service on 36 Lots (Scott)	06/18/03	1,765		
South Florida Landscaping Services, Inc.	Maintenance Clean-Up/ Tree trim on 1 Lot	06/12/03	475		
South Florida Landscaping Services, Inc.	Lawn Service on 25 Lots (Scott)	05/28/03	1,150		
South Florida Landscaping Services, Inc.	Lawn Service on 25 Lots (Scott)	04/24/03	1,150		
South Florida Landscaping Services, Inc.	Lawn Service on 25 Lots (Scott)	04/09/03	1,150		
South Florida Landscaping Services, Inc.	Lawn Service on 25 Lots (Scott)	03/12/03	1,150		
South Florida Landscaping Services, Inc.	Lawn Service on 19 Lots (Scott)	01/21/03	880		
South Florida Landscaping Services, Inc.	Lawn Service on 19 Lots (Scott)	01/07/03	880		
South Florida Landscaping Services, Inc.	Lawn Service on 19 Lots (Scott)	12/05/02	880		
The Sign Shoppe	No Trespassing Signs	03/05/03	540		32,581
<b>Refer to Source and Notes on Page 5 of 5.</b>					

**Housing Finance Authority of Miami-Dade County (HFA)**  
**Program Expenditures Disbursements**  
**For the Period from May 1, 2001 through April 30, 2004**

	Description	MDA/HF/ Payment Date	Amount	Notes	Total
<b>Program Development/ Marketing</b>					
Chris I Graphics	Program Development/ Advertising	04/17/02	450	3	
Clyne & Self	Legal Fees	01/10/02	1,190	3	
Clyne & Self	Scott Homes Program Development	11/14/01	113	3	
Color Graphics of Mia	Mini Folders w/ pockets	05/08/02	750	3	
Color Graphics of Mia	Cards & Envelopes	04/25/02	85	3	
Color Graphics of Mia	Business Cards	02/11/02	45	3	
Color Graphics of Mia	Homebuyers Club Covers	01/24/02	248	3	
Daily Business Review	Ad for Scott-Carver Project	01/04/02	42	3	
Daily Business Review	Ad for Scott-Carver Project	07/24/01	45	3	
Dairio De Las America	Ad for Scott-Carver Project	01/04/02	78	3	
Dairio De Las America	Ad for Scott-Carver Project	07/30/01	68	3	
Global Elegance Catering	Scott Carver Home Buyers Club Meeting	12/11/01	500	3	
James McQueen	Reimbursement	04/30/02	60	3	
Miami Times	Ad for Scott-Carver Project	01/04/02	168	3	
Michaelsons Trophy	Award Plaque - Scott Homes	05/14/03	63	3	
Milli Membicla	Scott Carver Folders	06/24/01	6	3	
Opal Jones	Reimbursement - Program Development	04/30/02	73	3	
Opal Jones	American Express - Program Development	01/15/02	283	3	
Rolle Family Reunion (Catering Service)	Scott/Carver Meeting - December 3, 2003	12/10/03	200	3	
SFAPMW Mortgage	Program Development - Training	07/12/02	60	3	
Sharita Laster	Reimbursement - Program Development	01/29/02	95	3	
The Miami Herald	Ad for Scott-Carver Project	03/06/02	368	3	
The Miami Herald	Ad for Scott-Carver Project	07/30/01	278	3	
The Miami Herald	Ad for Scott-Carver Project	07/24/01	170	3	
The Resource Co. Unlimited	Tool Kits for Scott Carver	01/30/02	1,687	3	
The Resource Co. Unlimited	Christmas Cards - Scott Carver	01/16/02	4,455	3	
The Sign Shoppe	Smith Home Sign	12/05/02	122	3	
The Sign Shoppe	Scott Homes Sign	07/23/02	540	3	
World Printing	Home Buyers Club brochures	03/04/02	2,483	3	
Zap Courier	Scott RFP Submissions	02/05/02	45	3	14,770
Refer to Source and Notes on Page 5 of 5.					

Housing Finance Authority of Miami-Dade County (HFA)  
 Program Expenditures Disbursements  
 For the Period from May 1, 2001 through April 30, 2004

	Description	Date	Amount	Note	Total
<b><u>Tax Collector/ Code Enforcement</u></b>					
Cashiers Check Purchase:					
City National Bank	Property taxes on 33 Lots (Scott)	09/18/03	6,992		
Clerk of Courts, Code Enforcement	Civil Violation Notice #2003-906217	07/10/03	260	1	
Clerk of Courts, Code Enforcement	Citation #898518	11/07/02	260		
Miami - Dade County Tax Collector	2003 Property Taxes for Scott Homes	11/25/03	5,864	1	
Miami - Dade County Tax Collector	2002 Property Taxes on 4 Lots for Scott Homes	10/30/02	70		13,446
<b><u>Project Administration - Office Supplies</u></b>					
Apricot Office Supplies	Office Supplies	07/10/02	31	3	
Copier Masters, Inc	1 Toner	10/21/03	32	3	
Copier Masters, Inc	2 Toners - Scott Homes	03/12/02	64	3	
Opal Jones	Reimbursement - Office Supplies	12/04/01	25	3	
Postmaster	Postage	08/26/03	123	3	
Postmaster	Postage	07/23/03	93	3	
Postmaster	500 Stamps	03/12/03	185	3	
Postmaster	Scott Homes	02/05/03	185	3	
Postmaster	500 Stamps	01/21/03	185	3	
Postmaster	Postage	11/22/02	185	3	
Postmaster	Postage	10/18/02	185	3	
Postmaster	Postage	09/26/02	93	3	
Postmaster	Scott Homes	08/19/02	93	3	
Postmaster	Postage	06/26/02	74	3	
Postmaster	Stamps	05/08/02	85	3	
Postmaster	Stamps	01/30/02	326	3	
Postmaster	Scott Homes	01/04/02	68	3	
Postmaster	1500 Stamps	10/23/01	170	3	
Quil Products	Office Supplies	12/02/02	84	3	
Quil Products	Office Supplies	11/07/02	109	3	
Quil Products	Office Supplies	10/18/02	13	3	
Quil Products	Office Supplies	07/31/02	14	3	
Quil Products	Office Supplies	07/03/02	45	3	
Viking Office Products	Office Supplies	09/12/02	11	3	
Viking Office Products	Office Supplies	08/19/02	6	3	
Viking Office Products	Office Supplies	03/22/02	58	3	
Viking Office Products	Office Supplies	01/04/02	6	3	
Viking Office Products	Office Supplies	09/13/01	105	3	
Viking Office Products	Office Supplies	08/23/01	48	3	2,700
Refer to Source and Notes on Page 5 of 5.					

**Housing Finance Authority of Miami-Dade County (HFA)  
Program Expenditures Disbursements  
For the Period from May 1, 2001 through April 30, 2004**

Payee	Description	MDAHFI Payment Date	Amount	Notes	Total
<b>Other</b>					
Not Available (Credit Report)	Scott Homes	Not Available	160	3	
Merchant Associates Credit	Scott Homes	01/10/02	72	3	
Opal Jones	Reimbursement - Other Misc.	01/21/03	52	3	
Susan Garcia	Other - Misc.	Not Available	133	3	417
<b>Total Expenditures Before Adjustments</b>					<b>187,987</b>
<i>Adjustments to balance to amount disbursed by HFA:</i>					
Expenses reimbursed twice ( Note <sup>1</sup> )			42,821		
Expense reimbursed a third time ( Note <sup>2</sup> )			1,505		
Expenses not submitted for reimbursement (Note <sup>3</sup> )			(39,726)		
Amounts deducted by HFA from April 2004 reimbursement request, representing County refund of taxes paid on two properties by MDAHFI, which had been previously reimbursed by HFA; adjustment made twice, apparently in error.			(1,549)		
Reimbursement for settlement charges and taxes paid by MDAHFI on loan closing - Anderson			1,514		
Unreconciled Difference			(14)		3,001
<b>Total Expenditures Reimbursed by HFA from Surtax Funds</b>					<b>\$ 190,988</b>
<b>Source:</b> Miami-Dade Affordable Housing Foundation, Inc. general ledger and supporting invoices, as well as HFA reimbursement records.					
<b>Notes:</b>					
<sup>1</sup> Identified expenses were reimbursed a second time during the period of December 2003 or April 2004 and total \$42,821					
<sup>2</sup> Identified expense for \$1,505 was reimbursed three times (in April 2002, December 2003 and April 2004).					
<sup>3</sup> Identified expenses were not previously submitted for reimbursement. These totaled \$39,726 and were offset against the April 2004 overpayment by HFA.					

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Housing Finance Authority of Miami-Dade County  
 Status of Properties Conveyed to MDAHFI by Miami-Dade County  
 As of July 19, 2004

Property ID	Parcel ID	Parcel Address	Parcel Area	Parcel Date	Parcel Status	Parcel Notes	Parcel Reference
5	R-598-03	06/03/03	07/25/03				
	01-3114-017-0640	N/A	07/15/04	N/A	Vacant Land		Page 15
	01-3114-018-0640	N/A	07/15/04	N/A	Vacant Land		
	01-3114-036-0380	N/A	07/14/04	N/A	Vacant Land		
	30-3104-003-0260	N/A	07/14/04	N/A	Vacant Land		
	01-3115-005-0950	N/A	07/12/04	N/A	Vacant Land		
	30-3103-008-0320	N/A	07/08/04	N/A	Vacant Land		Page 14
	30-3111-038-0130	N/A	07/07/04	N/A	Vacant Land		
	30-3115-037-0130	N/A	06/21/04	N/A	Vacant Land		
	30-3111-043-0050	N/A	06/15/04	N/A	Vacant Land		
	01-3113-023-0342	N/A	06/10/04	N/A	Vacant Land		Page 13
	30-3110-028-0680	N/A	05/11/04	N/A	Vacant Land		
	01-3114-016-0710	Pending	N/A	N/A	Vacant Land		
	01-3114-017-0550	Pending	N/A	N/A	Vacant Land		
	01-3114-018-0120	Pending	N/A	N/A	Vacant Land		
	01-3114-018-0890	Pending	N/A	N/A	Vacant Land		
	01-3114-018-1310	Pending	N/A	N/A	Vacant Land		
	01-3114-036-0200	Pending	N/A	N/A	Vacant Land		
	01-3114-036-1800	Pending	N/A	N/A	Vacant Land		Page 16
	30-3110-035-0710	Pending	N/A	N/A	Vacant Land		
30-3110-057-0340	Pending	N/A	N/A	Vacant Land			
30-3110-057-1850	Pending	N/A	N/A	Vacant Land			
30-3111-023-0170	Pending	N/A	N/A	Vacant Land			
30-3111-038-0120	Pending	N/A	N/A	Vacant Land			
30-3111-038-0610	Pending	N/A	N/A	Vacant Land		Page 17	
30-3115-005-6390	Pending	N/A	N/A	Vacant Land			
01-3114-027-0510	Pending	N/A	N/A	Vacant Land		Page 18	
01-3114-027-0880	Pending	N/A	N/A	Vacant Land			
01-3114-036-2250	Pending	N/A	N/A	Vacant Land			
30-2134-005-0870	Pending	N/A	N/A	Vacant Land			
30-2135-000-0170	Pending	N/A	N/A	Vacant Land		Page 19	
30-3103-019-0640	Pending	N/A	N/A	Vacant Land			
30-3110-028-1130	Pending	N/A	N/A	Vacant Land			
30-3111-041-0010	Pending	N/A	N/A	Vacant Land			
30-3111-041-0240	Pending	N/A	N/A	Vacant Land			
30-3115-017-0260	Pending	N/A	N/A	Vacant Land			
<b>Total Number of Properties: 71</b>							<b>Number of Properties Inspected: 19</b>

Source: Miami-Dade County Board of County Commissioners Resolutions, MDAHFI records and audit observations

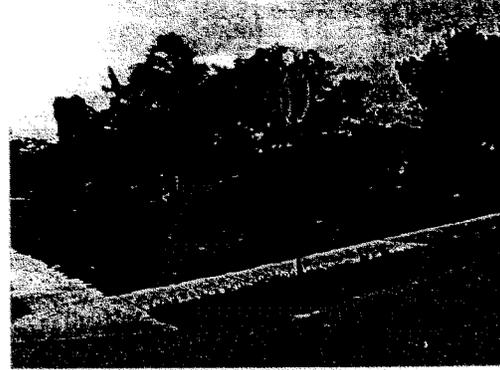
Notes:

<sup>1</sup> Lots are located in an area already being developed by Habitat for Humanity of Greater Miami (Habitat); therefore, lots were deemed to be Habitat for construction of homes for Scott/Carver residents. Lots were also contested by lien holders during the quiet title process, in which Habitat agreed to pay a settlement.

N/A = Not Applicable

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



6295 N.W. 23 Avenue  
Folio #30-3115-037-0160

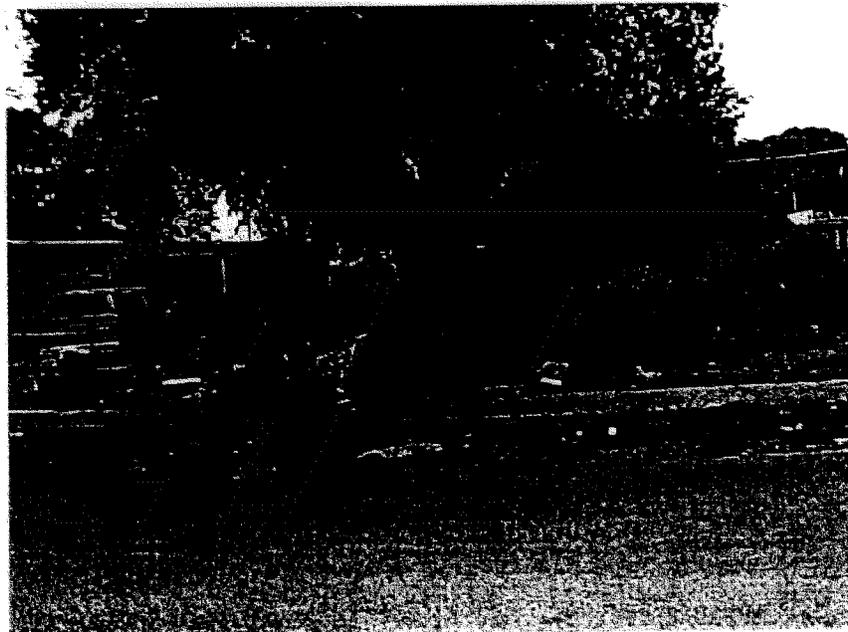
Conveyance #1 - Deeded to MDAHFI on 5/01/02

Title Cleared 11/27/02

Deeded on 12/17/03 to Tricia Property Management Corporation

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



3014 N.W. 63 Street  
Folio #30-3116-006-0360

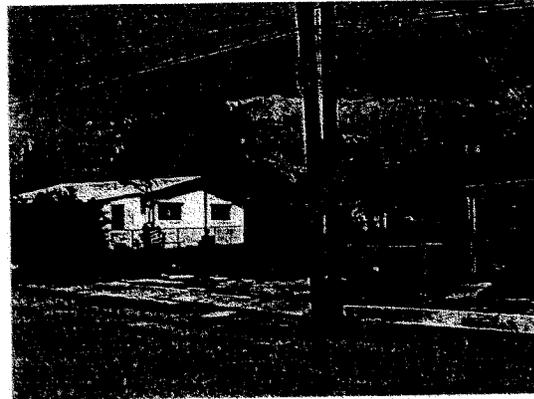
Conveyance #1 – Deeded to MDAHFI on 5/01/02

Title Cleared 6/19/03

Deeded on 11/21/03 to E & S Construction, Inc.

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



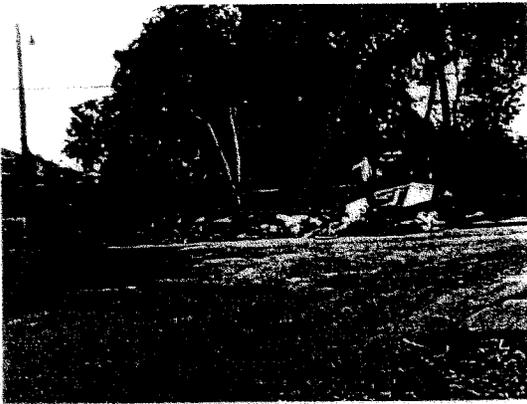
Adjacent 3061 N.W. 64 Street  
Folio #30-3116-006-0041

Conveyance #1 – Deeded to MDAHFI on 5/01/02

Title Cleared 11/26/03

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



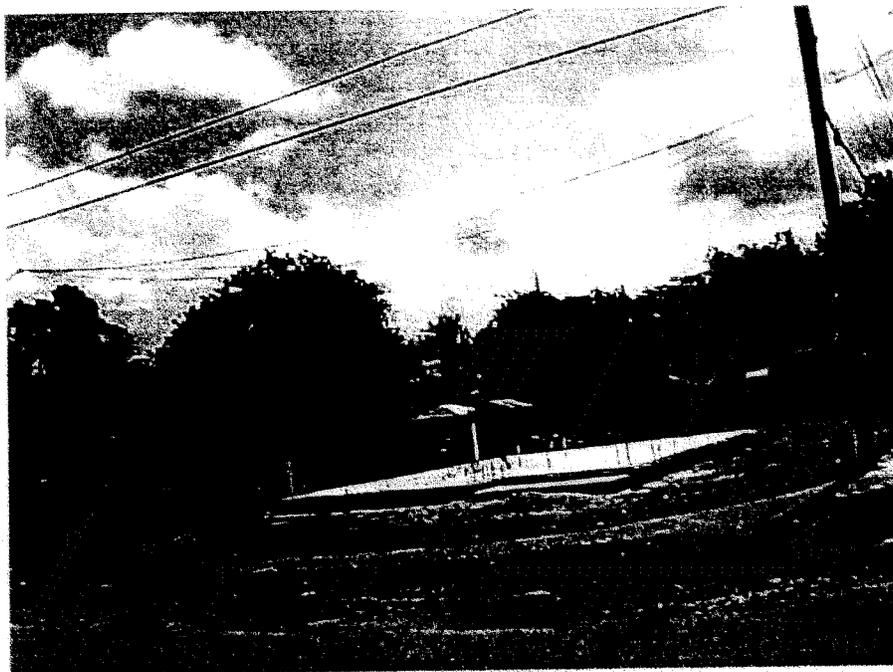
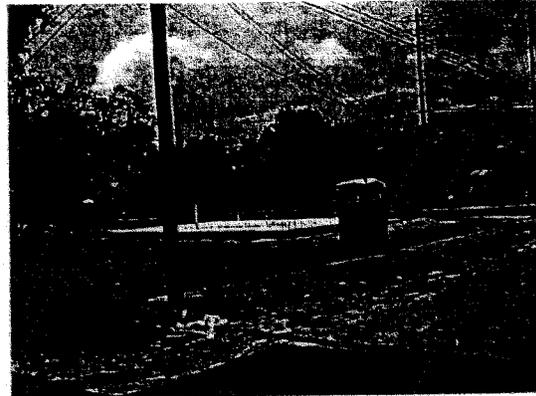
**1311 N.W. 77 Terrace  
Folio #30-3111-027-0090**

Conveyance #2 – Deeded to MDAHFI on 8/15/02

Title Cleared 2/25/03

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



8401 N.W. 14 Court  
Folio #30-3111-040-0090

Conveyance #2 – Deeded to MDAHFI on 8/15/02

Title Cleared 2/25/03

Deeded on 10/10/03 to Fortex Construction, Inc.

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



SW Corner N.W. 77 Street & 31 Avenue  
Folio #30-3109-020-0370

Conveyance #2 -- Deeded to MDAHFI on 8/15/02

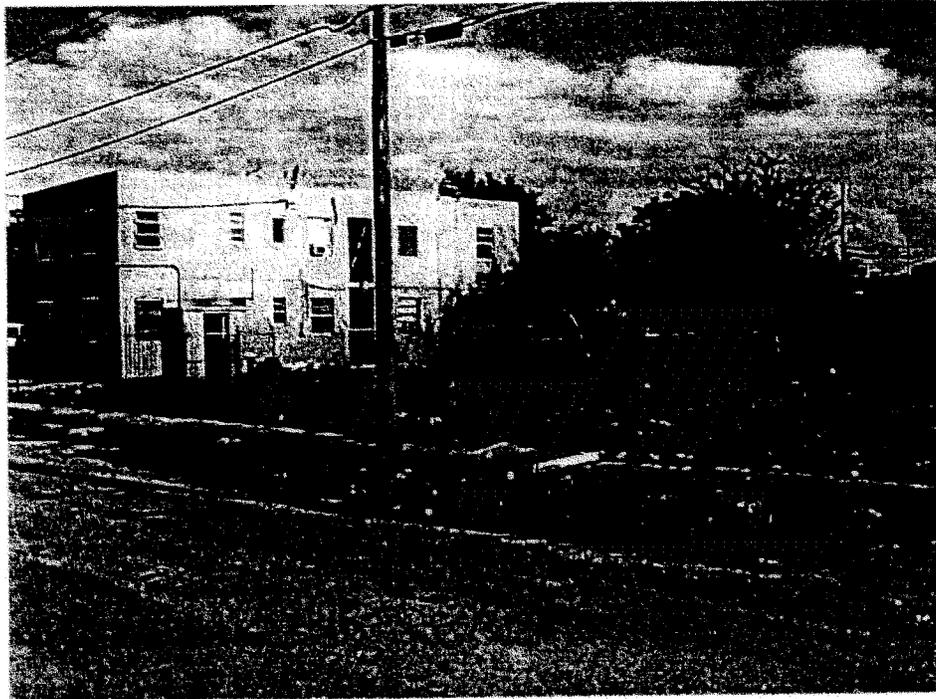
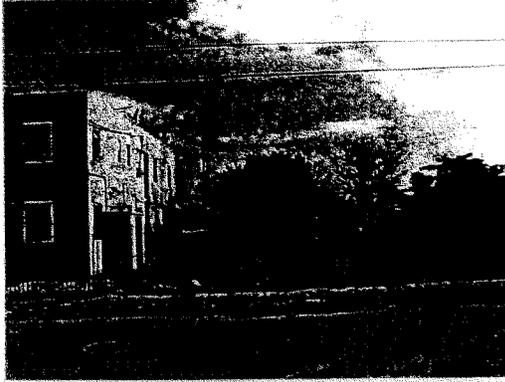
Title Cleared 3/14/03

Deeded on 11/07/03 to Fortex Construction, Inc.

(Permits being pulled)

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



1627 N.W. 62 Terrace  
Folio #01-3114-000-0070

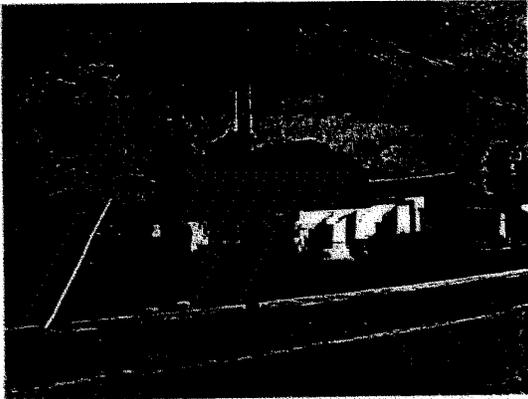
Conveyance #2 – Deeded to MDAHFI on 8/15/02

Title Cleared 2/26/03

Deeded on 11/07/03 to Capital Homes of Florida

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



1320 N.W. 77 Street  
Folio #30-3111-027-0220

Conveyance #3 - Deeded to MDAHFI on 10/24/02

Title Cleared 11/25/03

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Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



1811 N.W. 83 Street  
Folio #30-3110-043-0220

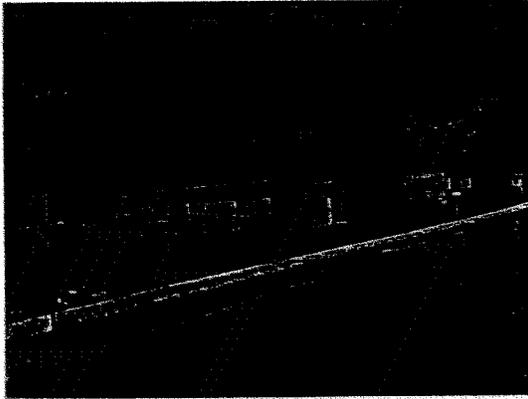
Conveyance #3 – Deeded to MDAHFI on 10/24/02

Title Cleared 1/20/04

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**Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004**

Inspection Conducted July 19, 2004



**2480 N.W. 68 Street  
Folio #30-3115-043-0680**

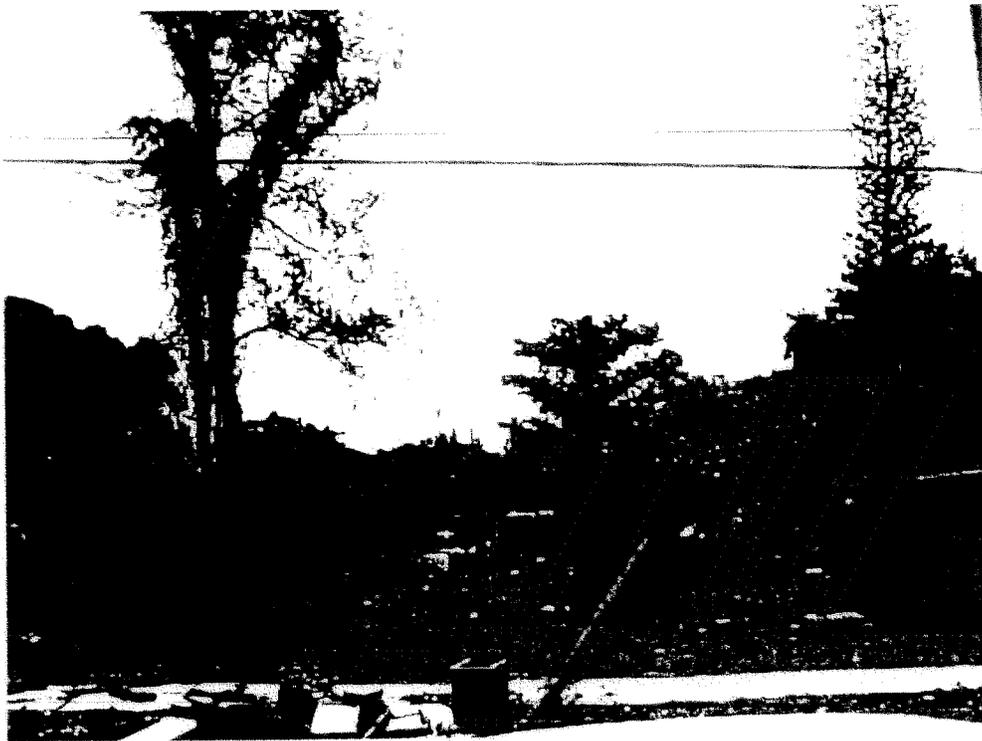
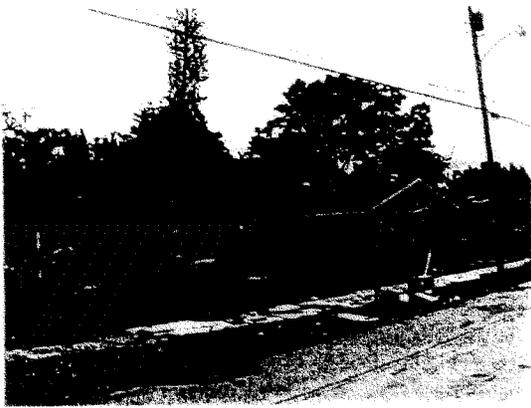
Conveyance #4 – Deeded to MDAHFI on 3/05/03

Title Cleared 2/12/04

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Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



Adjacent to 7759 N.W. 16 Avenue  
Folio #30-3111-031-0460

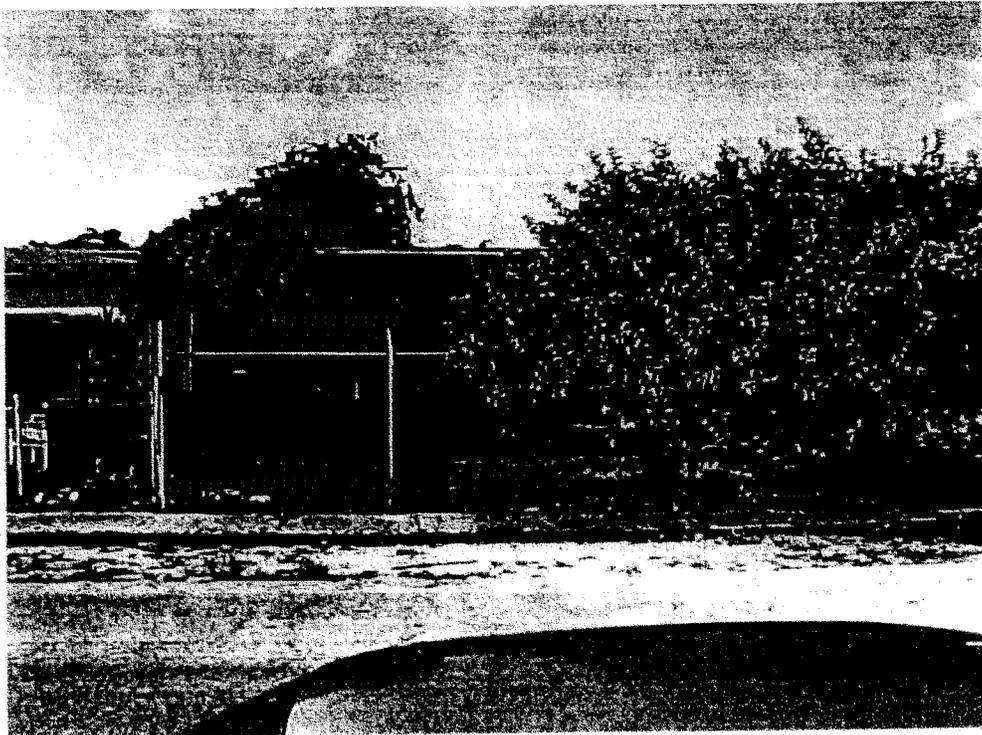
Conveyance #4 – Deeded to MDAHFI on 3/05/03

Title Cleared 2/23/04

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Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



1610 N.W. 62 Terrace  
Folio #01-3114-027-1370

Conveyance #4 – Deeded to MDAHFI on 3/05/03

Title Cleared 3/11/04

**Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004**

Inspection Conducted July 19, 2004



**6901 N.W. 3 Avenue  
Folio #01-3113-023-0342**

Conveyance #5 – Deeded to MDAHFI on 7/25/03

Title Cleared 6/10/04

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



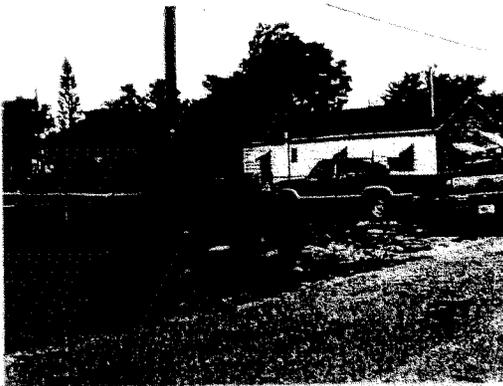
2143 N.W. 97 Street  
Folio #30-3103-008-0320

Conveyance #5 – Deeded to MDAHFI on 7/25/03

Title Cleared 7/08/04

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



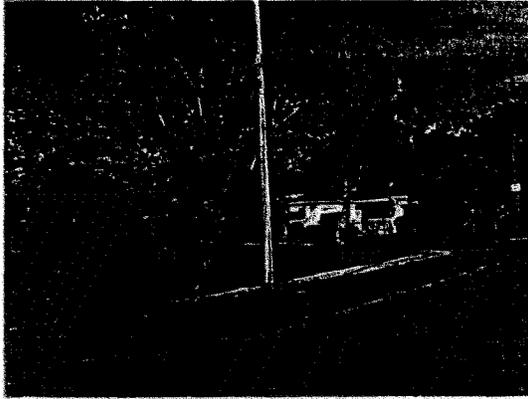
1450 N.W. 68 Terrace  
Folio #01-3114-018-0640

Conveyance #5 – Deeded to MDAHFI on 7/25/03

Title Cleared 7/15/04

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



1090 N.W. 65 Street  
Folio #01-3114-036-1800

Conveyance #5 – Deeded to MDAHFI on 7/25/03

Title Pending

91

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



1657 N. W. 73 Street  
Folio #30-3111-038-0610

Conveyance #5 – Deeded to MDAHFI on 7/25/03

Title Pending

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



1541 N.W. 64 Street  
Folio #01-3114-027-0510

Conveyance #6 – Deeded to MDAHFI on 3/09/04

Title Pending

Housing Finance Authority of Miami-Dade County  
Sample Inspection of Properties Conveyed to MDAHFI  
During the Period May 1, 2002 through March 9, 2004

Inspection Conducted July 19, 2004



1021 N.W. 103 Street  
Folio #30-2135-000-0170

Conveyance #6 – Deeded to MDAHFI on 3/09/04

Title Pending