



**Marion County  
Board of County Commissioners**

**Community Services**

2710 E. Silver Springs Blvd.  
Ocala, FL 3447  
Phone: 352-671-8770  
Fax: 352-671-8769

**MARION COUNTY COMMUNITY SERVICES  
PRELIMINARY LOAN COMMITMENT AGREEMENT  
FOR CONSTRUCTION FINANCING**

October 7, 2025

Stacy Banach  
Madison Oaks West II, LLC  
c/o New South Residential, LLC  
558 W. New England Ave., Suite 230  
Winter Park, FL 32789

**Re: *Madison Oaks West Phase 2 – 96 Units  
Ocala, Marion County, Florida***

Dear Mr. Banach:

We are pleased to advise you that, on or before the date set forth above, we have preliminarily approved a construction loan for the above referenced development. This preliminary commitment is made based upon the financial information and projections provided to us in support of your grant proposal and application, and under the following terms and conditions:

- Borrower:** Madison Oaks West II, LLC, a Florida limited liability company
- Loan Amount:** Construction of **Phase 2**: \$460,000.00 sourced through a Federal or State affordable housing program providing low interest funding.
- Loan Terms:** 0% interest, forgivable, 30 year mortgage and note  
Full repayment due upon: 1) the project not meeting project requirements set forth in the signed agreement; 2) conversion of the units from affordable to market rate rents.
- Security:** Provided the loan-to-value of the primary loan and the loan provided for herein will not exceed 80% of the fair market value of the project upon completion, Marion County will take a second position mortgage lien on the above proposed development; a promissory note, a second position (if needed) on the assignment of rents and profits; a personal guarantee of repayment from a member, officer or partner of Borrower subject to County's approval; the pledge and securing of any Developer Fee as a source for repayment of this loan ; and any additional security as Marion County may deem fit, including, but not limited, to an assignment of the construction contract for the construction of the improvements consented to by the contractor; an assignment of the architect's contract for design of the improvements

consented to by the architect; and/or a security interest in the plans, specifications and materials employed in the construction of the improvements.

**Conditions to Funding Construction Loan:**

1. Successful award and allocation of annual low income housing tax credits from the Florida Housing Finance Corporation for the RFA 2025-201 only;
2. Complete plans and specifications approved by Marion County;
3. Phase 1 Environmental Review satisfactory to Marion County showing compliance with all applicable environmental laws;
4. The providing of any partnership agreements and any associated resolutions, articles, bylaws, minutes of meetings and other documents necessary to evidence the partner's good standing and authority to enter into the loan;
5. A Federal or State program being available in the amount sought and Madison Oaks West II, LLC, qualifying for same;
6. Madison Oaks West II, LLC **Phase 2**, obtaining Low Income Housing Tax Credit(s) from the Florida Housing Finance Corporation; and,
7. A fully executed regulatory agreement, reflecting the occupancy and rent restrictions, as well as all other provisions governing the Federal or State affordable housing program providing the subject funding. Although the exact funding program is not known at this time, Madison Oaks West II, LLC, acknowledges it is familiar with the types of programs available and the nature of the associated restrictions and affirmatively seeks to take advantage of the low interest funding such programs offer.

To the fullest extent permitted by law Madison Oaks West II, LLC, and its affiliates, shall hold harmless, defend and indemnify Marion County, its elected officials, officers, employees, and agents, from and against any fines, suits, demands, penalties, liabilities, claims, losses, settlements, judgements, awards, and expenses, including reasonable attorney's fees and costs (and reasonable attorney's fees and costs on appeal), and damages (including but not limited to actual and consequential damages), to which Marion County, its elected officials, officers, employees, and agents may sustain, or which may be asserted against them, arising out of or allegedly arising out of or related to the issuance of this letter, and to reimburse each indemnified party upon demand for any legal or other expense incurred in connection with investigating or defending any of the foregoing.

The Loan may be made to a nonprofit entity solely for the purpose of re-lending the proceeds of such loan to the Borrower (Madison Oaks West II, LLC) for the purposes set forth herein. Further, the parties agree that the loan proceeds shall be advanced by the County solely to reimburse expenses incurred by the Borrower for the construction of the Project and may be advanced directly to the Borrower for the payment of such expenses and will be treated for all purposes as if such loan advances had been made to the nonprofit and then further remitted to the Borrower. The Borrower may provide the requisite security documents to the nonprofit which will be further assigned to the County.

All third-party beneficiary rights are expressly negated. No person who is not a party to this preliminary commitment shall have or enjoy any rights under this letter. No change, amendment or modification of this preliminary commitment shall be valid unless made in writing, addressed to the Borrower and signed by a duly authorized officer of Marion County Board of County Commissioners.


This commitment will expire on April 1, 2026 or sooner if denial of the tax credits is received.

Marion County Community Services thanks Madison Oaks West II, LLC, for the opportunity to partner in the development of affordable rental housing.

Sincerely,

\_\_\_\_\_  
Kathy Bryant, Chair  
Marion County Board of  
County Commissioners

Agreed and Accepted this Day:  
Madison Oaks West II, LLC

By: \_\_\_\_\_

Printed Name: Stacy Banach

Its: Authorized Representative

Date: 9/8/25