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FLORIDA HOUSING  
FINANCE CORPORATION

BEFORE THE STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION

COLLEGE ARMS REDEVELOPMENT, LTD

Petitioner,  
vs.

FHFC No. 2012-006UC  
Application No.2011-178C

FLORIDA HOUSING FINANCE  
CORPORATION,

Respondent.

\_\_\_\_\_ /

**PETITION FOR REVIEW**

Pursuant to Section 120.569 and .57, Florida Statutes (F.S.) and Rule 67-48.005(5), Florida Administrative Code (F.A.C.), Petitioner, College Arms Redevelopment, Ltd. ("College Arms") requests an administrative hearing to challenge FLORIDA HOUSING FINANCE CORPORATION's ("Florida Housing") scoring actions concerning Universal Cycle Application No. 2011-178C. In support of this Petition, College Arms provides as follows:

1. College Arms is a Florida for-profit limited partnership with its address at 1002 West 23rd Street, Suite 400, Panama City, Florida 32405. College Arms is in the business of providing affordable rental housing units in the State of Florida.

2. Florida Housing is the state agency delegated the authority and responsibility for administering and awarding funds pursuant to Chapter 420, F.S., and Rules 67-21 and 67-48, F.A.C.

9. Based on a review of Florida Housing's Scoring Summary dated March 27, 2012, College Arms received a final score of 79 out of a possible 79 points for its Application. Additionally, College Arms received 5.50 out of 6.00 ability to proceed points and 19.75 out of 37 Tie-Breaker Proximity Points. This score would likely allow College Arms to receive a full award of its funding request. However Florida Housing determined that College Arms' Application failed Threshold.

10. Florida Housing's scoring action in the instant case concerns whether College Arms provided a commitment letter which meets the requirements of the Universal Cycle Application and Rule. As will be explained more fully below, Florida Housing's scoring action in the instant case is erroneous.

**Substantial Interests Affected**

11. As an applicant for funds allocated by Florida Housing, College Arms' substantial interests are adversely affected by the scoring decisions here. The final scoring actions of Florida Housing resulted in College Arms' Application not achieving threshold. Since the purpose of the loan program in general is to provide funding to developers of apartment projects for low income residents, then College Arms interests are adversely and substantially affected by the loss of funding. Indeed, without the requested funding, College Arms ability to provide much needed affordable housing units will be severely jeopardized.

## Scoring of College Arms' Application

12. The Universal Application at Part V requests information regarding the financing of the proposed project. Specifically, at Part V(D), the Application requires the Applicant to provide information identifying any non-corporation funding source commitments.

13. Specifically an applicant must provide documentation of all commitments, proposals or letters of intent from both the construction and permanent lender, the syndicator or other sources of funding.

14. The Application Instructions at Section V(D)(1) provides the items which must be included in a commitment for it to be considered firm. In its original application, College Arms provided several commitment letters for the proposal project to satisfy the Application requirements.

15. After conducting its preliminary review of the Application and all NOPSEs, Florida Housing found that College Arms Application failed threshold for the following reasons:

| <b>Item #</b> | <b>Description</b>           | <b>Reason</b>   |
|---------------|------------------------------|---|
| 2T            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$13,727,619   |
| 3T            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$3,727,619   |
| 4T            | Non-Corporation Funding      | One of the requirements for a financing commitment is that it contains a statement that the commitment does not expire before September 7, 2012 (a date that is nine (9) months after the Application Deadline). Because the second mortgage financing from Royal American Financial, Inc. (Exhibit 47) does not include the required |

|    |                         |   |
|----|-------------------------|---|
|    |                         | statement, it cannot be considered a source of financing.   |
| 5T | Non-Corporation Funding | The Applicant submitted a loan commitment from Royal American. Part V.D.1.(e) of the 2011 Universal Application Instructions states: "If the commitment is not from a regulated Financial Institution in the business of making loans or a governmental entity, evidence of ability to fund must be provided." The loan does not appear to be from a regulated Financial Institution and no evidence of ability to fund was provided with the loan commitment. Therefore, neither the construction nor the permanent loan commitments can be considered a source of financing.  |
| 6T | Non-Corporation Funding | The Applicant submitted a loan commitment from JPMorgan Chase Bank Community Development Banking behind Exhibit 47. The 2011 Universal Application instructions require that the loan commitment state the proposed interest rate. Because the loan commitment does not state the interest rate of the Construction to Perm loan (specifically, the Construction Phase rate), the commitment cannot be considered a source of financing.  |
| 7T | Non-Corporation Funding | The Applicant submitted a loan commitment from Royal American Financial, Inc. behind Exhibit 47. Page 1 of the commitment states the loan is a second mortgage. Number 3, "Security" on page 2 states the loan is secured by a first priority lien mortgage. Per the 2011 Universal Application "a firm commitment, proposal or letter of intent will not be considered if any information contained in the document (which includes attachments thereto) is inconsistent with the information stated within the document or elsewhere within the Application. Therefore, the loan commitment cannot be considered a source of financing. |

(See Attachment A)

16. Clearly Florida Housing spent a great deal of time reviewing the commitment letters submitted by College Arms. Interestingly enough however similarly worded letters from JPMorgan Chase were submitted in other

Applications and Florida Housing failed to raise the issues cited above (See Attachment B)

17. In response to Florida Housing's scoring decisions, College Arms provided as CURES revised commitment letters which addressed each and every specific threshold item identified by Florida Housing. (See Attachment C)

18. In response to the CURES, Florida Housing on March 27, 2012 found that College Arms had addressed all of the identified scoring issues related to the commitment letters. However, Florida Housing nonetheless concluded that College Arms failed threshold for the following single reason:

| <b>Item #</b> | <b>Description</b>           | <b>Reason</b>   |
|---------------|------------------------------|---|
| 12T           | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$3,550,000 |

19. Although it is not clear from the Final Scoring Summary what exactly the scoring issue is, it appears that Florida Housing now has a problem with the language of the Permanent Loan Section of the JPMorgan Chase commitment letter submitted as a CURE by College Arms.

20. A review of both the JPMorgan Chase letter submitted with the initial Application and the JPMorgan Chase letter submitted as a CURE shows that the language of both letters at the Permanent Loan Section are identical. (See Attachment D) It is also clear that this same language was used in other Applications without issue. (See Attachment B)

21. To the extent Florida Housing had an issue with any of the language or how the language operated it should have so identified the issue in its Preliminary Scoring Summary as it did with all the other issues it did raise. This would have given College Arms the opportunity to CURE the issue as it did successfully all the other actually identified issues.

22. The review and scoring process established by Rule 67-48.004, F.A.C. does not allow Florida Housing to raise an issue for the first time in its Final Scoring Summary. Specifically Rule 67.48.004(9), F.A.C. provides:

Following the receipt and review by the Corporation of the documentation described in Subsection (5), (6) and (7) above, the Corporation shall then prepare final scores. In determining such final scores **no Application shall fail threshold or receive a point reduction as a result of any issues not previously identified in the notices describing subsection (3), (4) and (5) above.**

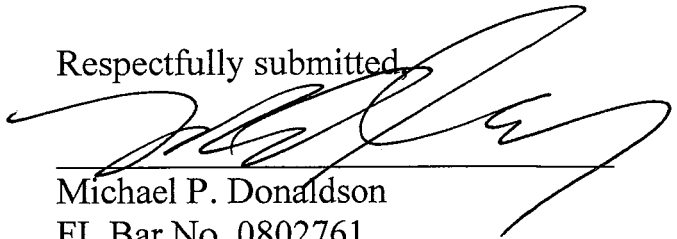
23. In the instant case the issue raised by Florida Housing in its Final Scoring Summary was not raised in its Preliminary Scoring Summary or raised by a NOPSE. Additionally the issue was not caused by a CURE inconsistency and was not the result of a NOAD.

24. By raising the issue now Florida Housing has effectively eliminated College Arms ability to CURE the item which is the type of "GOTCHA" scenario Rule 67-48.004(9), F.A.C. was adopted to prevent.

25. Additionally the shortfall issue raised by Florida Housing as to the JPMorgan Chase Letter does not appear to be consistent with how other JPMorgan Chase Letters with identical language were reviewed and scored. Given the competitive nature of the Universal Application process, consistency in scoring is a must.

WHEREFORE, College Arms requests that it be granted an administrative proceeding to contest Florida Housing's erroneous scoring decisions. To the extent there are disputed issues of fact, this matter should be forwarded to the Division of Administrative Hearings. Ultimately, College Arms requests the entry of a Recommended and Final Order which finds that it has met threshold and awards College Arms all applicable points.

Respectfully submitted,

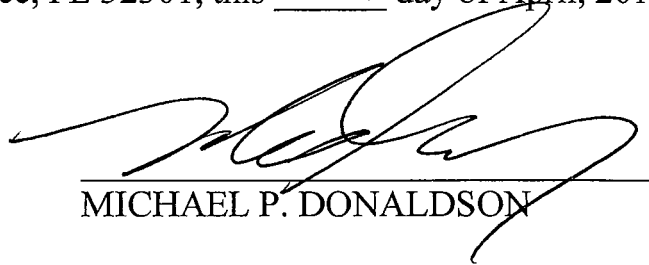


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Counsel for Applicant

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that the original of the foregoing has been filed by Hand Delivery with the Agency Clerk, Florida Housing Finance Corporation, 227 N. Bronough Street, Suite 5000, Tallahassee, FL 32301; and a copy furnished to Wellington H. Meffert, II, Esq., Florida Housing Finance Corporation, 227 N. Bronough St., Suite 5000, Tallahassee, FL 32301, this 18<sup>th</sup> day of April, 2012.



MICHAEL P. DONALDSON



## Scoring Summary Report

File #: 2011-178C      Development Name: College Arms Garden Apartments

As of: 03/28/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | N     |               |
| Total Points   | 79                         | 76.00       | 76.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 5.00        | 5.00  | 5.50  |               |
| Proximity Tie-Breaker Points   | 37                         | 10.00       | 10.00 | 19.75 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | N           | N     | N     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 1           | 1     | 1     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 1.00        | 1.00  | 4.00  | 4.00          |

Reason(s) Scores Not Maxed:

| Item # | Reason(s)  | Created As Result | Rescinded As Result |
|--------|--|-------------------|---------------------|
| 12S    | The Applicant did not submit the Local Government Verification of Affordable Housing Incentives forms for Expedited Permitting Process (Exhibit 40), Modification of Fee Requirements (Exhibit 42), and Consideration of the Impact of Proposed Policies (Exhibit 43). Therefore, zero points were awarded for these three (3) incentives. | Preliminary       | Final               |

**Threshold(s) Failed:**

| Item # | Part | Section | Subsection | Description                      | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|----------------------------------|--|----------------------|------------------------|
| 1T     | III. | C.      | 1.         | Site Plan Approval/Plat Approval | The Local Government Verification of Status of Site Plan Approval for Multifamily Developments form is incomplete. The title of the signatory is not provided as required by the form.   | Preliminary          | Final                  |
| 2T     | V.   | B.      |            | Permanent Analysis               | The Applicant has a permanent financing shortfall of \$13,727,619.   | Preliminary          | Final                  |
| 3T     | V.   | B.      |            | Construction/Rehab. Analysis     | The Applicant has a construction financing shortfall of \$13,727,619.  | Preliminary          | Final                  |
| 4T     | V.   | D.      | 1.         | Non-Corporation Funding          | One of the requirements for a financing commitment is that it contain a statement that the commitment does not expire before September 7, 2012 (a date that is nine (9) months after the Application Deadline). Because the second mortgage financing from Royal American Financial, Inc. (Exhibit 47) does not include the required statement, it cannot be considered a source of financing.   | Preliminary          | Final                  |
| 5T     | V.   | D.      | 1.         | Non-Corporation Funding          | The Applicant submitted a loan commitment from Royal American. Part V.D.1.(e) of the 2011 Universal Application Instructions states: "If the commitment is not from a regulated Financial Institution in the business of making loans or a governmental entity, evidence of ability to fund must be provided." The loan does not appear to be from a regulated Financial Institution and no evidence of ability to fund was provided with the loan commitment. Therefore, neither the construction nor the permanent loan commitments can be considered a source of financing. | Preliminary          | Final                  |
| 6T     | V.   | D.      | 1.         | Non-Corporation Funding          | The Applicant submitted a loan commitment from JPMorgan Chase Bank Community Development Banking behind Exhibit 47. The 2011 Universal Application Instructions require that the loan commitment state the proposed interest rate. Because the loan commitment does not state the interest rate of the Construction to Perm loan (specifically, the Construction Phase rate), the commitment cannot be considered a source of financing.   | Preliminary          | Final                  |

| Item # | Part | Section | Subsection | Description             | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------------|---|----------------------|------------------------|
| 7T     | V.   | D.      | 1.         | Non-Corporation Funding | The Applicant submitted a loan commitment from Royal American Financial, Inc. behind Exhibit 47. Page 1 of the commitment states the loan is a second mortgage. Number 3, "Security" on page 2 states the loan is secured by a first priority lien mortgage. Per the 2011 Universal Application "a firm commitment, proposal or letter of intent will not be considered if any information contained in the document (which includes attachments thereto) is inconsistent with the information stated within the document or elsewhere within the Application. Therefore, the loan commitment cannot be considered a source of financing. | Preliminary          | Final                  |
| 8T     | V.   | A.      | 1.         | FHFC Funding Request    | The annual Housing Credit allocation requested (\$1,422,020) exceeds the annual amount allowed in the Maximum Competitive HC Request Limits Chart (\$1,070,000) at Part V.A.1.b. of the 2011 Universal Application Instructions. Therefore, the HC equity could not be counted as a source of financing.  | Preliminary          | Final                  |
| 9T     | III. | E.      | 1.b.       | Set-Aside Commitment    | The Applicant selected the Development Category of Acquisition and Preservation; however, on the Set-Aside Breakdown Chart the Applicant did not commit to set aside at least 20 percent of the total units at or below the ELI AMI level for Putnam County.  | Preliminary          | Final                  |
| 10T    | V.   | D.      | 2.         | HC Equity               | At Part III.A.6.a. of the Application, the total number of units indicated is 108. However, on the equity commitment provided at Exhibit 47, the number of units indicated is 107. Because of this inconsistency, the HC equity could not be counted as a source of financing.  | Preliminary          | Final                  |

| Item # | Part | Section | Subsection | Description                  | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|--|----------------------|------------------------|
| 11T    |      |         |            | Financial Arrears            | Pursuant to subsection 67-48.004(5), F.A.C., NOPSE scoring may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or the Developer is in arrears to the Corporation or an agent or assignee of the Corporation as of the due date for NOPSE filing (January 25, 2012). As provided in paragraph 67-48.004(13)(d), F.A.C., following the submission of the "Cures," the Corporation shall reject an Application if the Applicant fails to satisfy any arrearages described in subsection 67-48.004(5), F.A.C. The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer is listed on the January 25, 2012 Past Due Report as being in arrears to the Corporation in connection with the following Development(s): Villa Biscayne. The January 25, 2012 Past Due Report is posted to the FHFC Website at <a href="http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/">http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/</a> . Payments and questions should be addressed to the servicer. | NOPSE                | Final                  |
| 12T    | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$3,550,000  | Final                |                        |

**Ability To Proceed Tie-Breaker Points:**

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 0.00        | 0.00  | 0.50  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

**Reason(s) for Failure to Achieve Selected Ability To Proceed Tie-Breaker Points:**

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 6A     | The Application is not eligible for 1 Ability to Proceed Tie-Breaker Point for site plan approval. See item 1T above. | Preliminary       | Final               |

**Proximity Tie-Breaker Points:**

| Item #  | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|---|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                                 |      |         |            |  |                          |             |       |       |               |
| 1P  | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 2.00  |               |
| 1P  | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P  | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>Tier 1 Services</b>                                  |      |         |            |  |                          |             |       |       |               |
| 2P  | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 0.00        | 0.00  | 1.50  |               |
| 3P  | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 2.50  |               |
| 3P  | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 4P  | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 0.00        | 0.00  | 2.00  |               |
| <b>Eligible for Tier 1 Service Score Boost (Yes/No)</b> |      |         |            |  |                          | N           | N     | N     |               |
| <b>Total Tier 1 Service Score</b>                       |      |         |            |  | 12.00                    | 0.00        | 0.00  | 6.00  |               |
| <b>Tier 2 Services</b>                                  |      |         |            |  |                          |             |       |       |               |
| 5P  | III. | A.      | 10.a       | Public Park  | 2.00                     | 0.00        | 0.00  | 1.25  |               |
| 6P  | III. | A.      | 10.a       | Community Center   | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 7P  | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 0.00        | 0.00  | 0.50  |               |
| 8P  | III. | A.      | 10.a       | Public Library   | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>FHFC Proximity List</b>                              |      |         |            |  |                          |             |       |       |               |
| 9P  | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

**Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:**

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 1P-8P  | The Development Name listed on the Surveyor Certification for Competitive HC Applications form (College Arms Apartments) is not consistent with the Development Name listed elsewhere in the Application (College Arms Garden Apartments). Because of this, the form could not be considered, and the proposed Development is not eligible for proximity tie-breaker points for any Transit, Tier 1 or Tier 2 Services. | Preliminary       | Final               |
| 8P     | Using the latitude and longitude coordinates on the revised Surveyor for Competitive HC Applications form; the distance between the Public Library and the Tie-Breaker Measurement Point is greater than 2.0 miles and no proximity points were awarded for this service.   | Final             |                     |

**Additional Application Comments:**

| Item # | Part Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|--------------|------------|--|--|----------------------|------------------------|
| 1C     | III.         | A.         | Urban In-Fill  | The Applicant provided an executed Local Government Verification of Qualification of Urban In-Fill Development form; however, the third criterion on the form cannot be met. The proposed Development is located in Putnam County which is a Small County. Therefore, the proposed Development does not qualify as an Urban In-Fill Development. | Preliminary          |                        |
| 2C     | V.           | B.         | Developer Fee  | The Applicant listed a deferred Developer fee \$654,604 for permanent financing. However, because the Commitment to Defer Developer Fee form was provided behind Exhibit 45, the deferred Developer fee utilized as a source of financing was \$1,978,574. This amount was used to minimize the permanent financing shortfall.                   | Preliminary          |                        |
| 3C     | III.         | A.         | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(7) of the Application.   | Preliminary          |                        |
| 4C     | V.           | B.         | Pro Forma  | The Applicant provided a construction loan commitment from JPMorgan Chase Bank Community Development Banking in the amount of \$7,455,000. This is the amount utilized for construction financing.   | Final                |                        |

## Scoring Summary Report

File #: 2011-040C    Development Name: Arbours at Park Ridge

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | N     |               |
| Total Points   | 79                         | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 0.00        | 0.00  | 0.00  |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | N           | N     | N     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |



Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  |               |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 0.00        | 0.00  | 0.00  |               |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  |               |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 4.00        | 4.00  | 4.00  |               |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                   | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------------------|--|----------------------|------------------------|
| 1T     | III. | C.      | 5.         | Environmental Site Assessment | The Applicant provided an incomplete and unsigned Verification of Environmental Safety – Phase I Environmental Site Assessment form.   | Preliminary          |                        |
| 2T     | V.   | D.      | 2.         | HC Equity                     | The Applicant provided an equity commitment from Raymond James Tax Credit Funds, Inc. that states that \$12,748,730 of the low income housing tax credits will be purchased. It appears that they are purchasing more than 99.99%. Due to the inconsistency, the equity commitment cannot be considered a source of financing. | Preliminary          |                        |
| 3T     | V.   | B.      |            | Construction/Rehab. Analysis  | The Applicant has a construction financing shortfall of \$8,454,193.   | Preliminary          |                        |
| 4T     | V.   | B.      |            | Permanent Analysis            | The Applicant has a permanent financing shortfall of \$9,332,193.  | Preliminary          |                        |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #  | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|---|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                                 |      |         |            |  |                          |             |       |       |               |
| 1P  | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P  | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P  | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>Tier 1 Services</b>                                  |      |         |            |  |                          |             |       |       |               |
| 2P  | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 3P  | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 3P  | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 4P  | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>Eligible for Tier 1 Service Score Boost (Yes/No)</b> |      |         |            |  |                          | N           | N     | N     |               |
| <b>Total Tier 1 Service Score</b>                       |      |         |            |  | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| <b>Tier 2 Services</b>                                  |      |         |            |  |                          |             |       |       |               |
| 5P  | III. | A.      | 10.a       | Public Park  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 6P  | III. | A.      | 10.a       | Community Center   | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 7P  | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 8P  | III. | A.      | 10.a       | Public Library   | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>FHFC Proximity List</b>                              |      |         |            |  |                          |             |       |       |               |
| 9P  | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 0.00        | 0.00  | 0.00  |               |

Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 1P-8P  | The longitude coordinates for the Tie-Breaker Measurement Point and services stated on the Surveyor Certification for Competitive HC Applications form were not recognized by Street Atlas USA 2010. As stated in Part III.A.10.c. of the 2011 Universal Instructions, "if the software cannot recognize the information provided on the form, those latitude and longitude coordinates will not be considered." Therefore, the proposed Development is not eligible for proximity tie-breaker points for any Transit, Tier 1 or Tier 2 Services. | Preliminary       |                     |
| 9P     | The proposed Development was not eligible for proximity tie-breaker points based on its location because the Surveyor Certification for Competitive HC Applications form was not considered (see Item 1P - 8P).   | Preliminary       |                     |

Additional Application Comments:

| Item # | Part Section | Subsection | Description       | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|--------------|------------|-------------------|--|----------------------|------------------------|
| 1C     | V.           | B.         | Pro Forma         | The Applicant listed operating deficit and replacement reserves totaling \$235,171. However, Number 5 on the Development Cost Pro Forma Notes states "For purposes of the Development Cost calculation in this Application, the only reserves allowed are contingency reserves for rehabilitation and construction..." Therefore, the Total Development Cost was reduced by \$235,171.   | Preliminary          |                        |
| 2C     |              |            | Financial Arrears | The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer) is listed on the January 25, 2012 Past Due Report as being in arrears to the Corporation in connection with the following Development(s): Arbours at Shoemaker Place. The January 25, 2012 Past Due Report is posted to the FHFC Website at <a href="http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/">http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/</a> . The arrearage was satisfied prior to issuance of the NOPSE Scoring Summary. | NOPSE                |                        |



**Tammy Haylock-Moore**  
**Community Development Banking**

November 17, 2011

Arbours at Park Ridge, LLC  
C/o Sam Johnston  
Arbour Valley Development  
33 Inverness Center Parkway, Suite LL130  
Birmingham, AL 35242

**Re:           Arbours at Park Ridge**  
**78 Senior Rental Units**  
**NE Quadrant of the Intersection of Wood Ave., and W 13<sup>th</sup> Street**  
**Panama City, Bay County, FL 32401**

Dear Mr. Johnston,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Arbours at Park Ridge** (the "project"), located in Panama City, Bay County, Florida. We understand the plan is to construct a 78-unit, senior-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 35% (8 units) and 60% (70 units) or less of the AML. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:**                               Arbours at Park Ridge, LLC  
**General Partner:**                     Park Ridge GP, LLC  
**Developer:**                             Arbour Valley Development, LLC

**Construction Bridge Loan**

**Facility:**                               Construction/equity bridge loan  
**Amount:**                               Approximately \$2,400,000  
**Term:**                                   24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$10,836,416, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

**Construction to Permanent Loan**

**Amount:** \$1,522,000 subject to final underwriting

**Permanent Loan  
Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").

With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

**Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.

**Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.

**Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.**

**Maturity Date:** The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.

**Amortization:** 30 years

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

**Loan to Value:** Up to 80% of the stabilized rent-restricted value

**Conversion Requirements:**

- 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.
- 90% economic and physical occupancy for 90 days.
- 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.

**Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-

bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

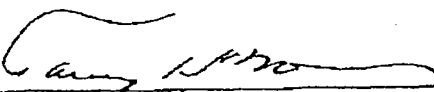
**Expiration Date:** This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

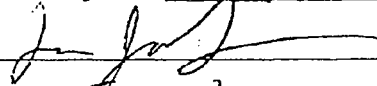
We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on November 21, 2011

By: 

Name: Sam Johnston

Its: Managing Member



## Scoring Summary Report

File #: 2011-041C    Development Name: Arbours at Orange Park

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | N     |               |
| Total Points   | 79                         | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 26.50       | 26.50 | 26.50 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | N           | N     | N     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

**Scores:**

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

**Threshold(s) Failed:**

| Item # | Part | Section | Subsection | Description                   | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------------------|--|----------------------|------------------------|
| 1T     | III. | C.      | 5.         | Environmental Site Assessment | The Applicant provided an incomplete and unsigned Verification of Environmental Safety - Phase I Environmental Site Assessment form. | Preliminary          |                        |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     | N             |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 1.75        | 1.75  | 1.75  | 1.75          |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.50        | 1.50  | 1.50  | 1.50          |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 1.50        | 1.50  | 1.50  | 1.50          |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 1.75        | 1.75  | 1.75  | 1.75          |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |

Additional Application Comments:

| Item # | Part Section | Subsection | Description       | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|--------------|------------|-------------------|--|----------------------|------------------------|
| 1C     | V.           | B.         | Pro Forma         | The Applicant listed operating deficit and replacement reserves totaling \$187,025. However, Number 5 on the Development Cost Pro Forma Notes states "For purposes of the Development Cost calculation in this Application, the only reserves allowed are contingency reserves for rehabilitation and construction..." Therefore, the Total Development Cost was reduced by \$187,025.   | Preliminary          |                        |
| 2C     |              |            | Financial Arrears | The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer) is listed on the January 25, 2012 Past Due Report as being in arrears to the Corporation in connection with the following Development(s): Arbours at Shoemaker Place. The January 25, 2012 Past Due Report is posted to the FHFC Website at <a href="http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/">http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/</a> . The arrearage was satisfied prior to issuance of the NOPSE Scoring Summary. | NOPSE                |                        |



**Tammy Haylock-Moore**  
**Community Development Banking**

November 17, 2011

Arbours at Orange Park, LLC  
 C/o Sam Johnston  
 Arbour Valley Development  
 33 Inverness Center Parkway, Suite LL130  
 Birmingham, AL 35242

**Re:           Arbours at Orange Park**  
**64 Senior Rental Units**  
 Blocks 1869, 1870, and 1871 on S. side of W. Orange Ave., & 16<sup>th</sup> St. Junction  
 DeFuniak Springs, Walton County, FL 32435

Dear Mr. Johnston,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Arbours at Orange Park** (the "project"), located in DeFuniak Springs, Walton County, Florida. We understand the plan is to construct a 64-unit, senior-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 40% (7 units) and 60% (57 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:**                   Arbours at Orange Park, LLC  
**General Partner:**       Orange Park GP, LLC  
**Developer:**               Arbour Valley Development, LLC

**Construction Bridge Loan**

**Facility:**                   Construction/equity bridge loan  
**Amount:**                  Approximately \$2,000,000  
**Term:**                      24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
 Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$9,094,091 annually, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

**Construction to Permanent Loan**

**Amount:** \$1,050,000 subject to final underwriting

**Permanent Loan Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").

|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.   |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year perm period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |

bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

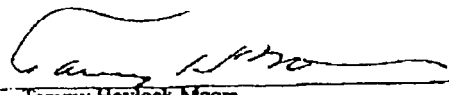
**Expiration Date:** This letter expires on 12/31/2012

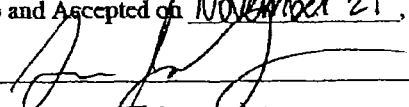
Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on November 21, 2011  
By:   
Name: Sam Johnston  
Its: Managing Member



## Scoring Summary Report

File #: 2011-048C    Development Name: Stirrup Plaza Preservation Phase One

As of: 03/27/2012

|  | Maximum Points/Eligibility |       | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------|-------------|-------|-------|---------------|
|  | Y/N                        | N     |             |       |       |               |
| Met Threshold  |                            |       | N           | N     | Y     |               |
| Total Points   | 79                         | 79.00 | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00  | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 36.00 | 36.00       | 36.00 | 36.00 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | Y     | Y           | Y     | Y     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | Y     | Y           | Y     | Y     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y     | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y     | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 1     | 1           | 1     | 1     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| 1S   | II.  | B.      | 1.c.       | Developer<br>Housing Credit Development Experience | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| <b>Construction Features and Amenities</b> |      |         |            |  |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                       | 9.00                     | 9.00        | 9.00  | 9.00  |               |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO             | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                        | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability         | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)              | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)         | 10.00                    | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)        | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| <b>Set-Aside Commitments</b>               |      |         |            |  |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                           | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                         | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 8S   | III. | E.      | 3.         | Affordability Period                               | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Resident Programs</b>                   |      |         |            |  |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless            | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)              | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 3.         | Programs for Elderly                               | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                        | 8.00                     | 8.00        | 8.00  | 8.00  |               |
| <b>Local Government Contributions</b>      |      |         |            |  |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                                      | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Local Government Incentives</b>         |      |         |            |  |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives   | 4.00                     | 4.00        | 4.00  | 4.00  |               |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                   | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------------------|---|----------------------|------------------------|
| 1T     | III. | C.      | 5.         | Environmental Site Assessment | The environmental provider checked the box at item 3.b. of the Verification of Environmental Safety – Phase I Environmental Site Assessment form indicating that a Phase II ESA is required/recommended. However, the Verification of Environmental Safety – Phase II Environmental Site Assessment form was not included in the Application. | Preliminary          | Final                  |
| 2T     | III. | C.      | 2.         | Site Control                  | The December 5, 2011 Ground Lease is incomplete. Section 1.1(q) states that the property is legally described in Exhibit A; however, Exhibit A, Land, is blank. No legal description was included with the Lease.   | Preliminary          | Final                  |
| 3T     | III. | C.      | 2.         | Site Control                  | The December 5, 2011 Ground Lease is incomplete. Section 1.1(j) states that the environmental assessments are described in Exhibit D; however, no Exhibit D was included with the Lease.  | Preliminary          | Final                  |
| 4T     | III. | C.      | 2.         | Site Control                  | The Applicant provided a December 5, 2011 Assignment and Acceptance Agreement which assigns and transfers Assignor's right, title, obligation, and interest in a lease of certain real property from Miami-Dade County to the Applicant. However, the Assignment lacks a description of the Ground Lease that is being assigned.              | Preliminary          | Final                  |
| 5T     | III. | C.      | 2.         | Site Control                  | Section 5.7 of the December 5, 2011 Ground Lease states that the Landlord's express written consent is required for any assignment of the Lease. However, the Landlord's express written consent to the Assignment was not provided in the Application.   | Preliminary          | Final                  |
| 6T     | III. | C.      | 2.         | Site Control                  | Section 8.4(b) of the December 5, 2011 Ground Lease states that the Lease and the parties' obligations are contingent upon the final approval of the Lease by the Miami-Dade Board of County Commissioners. No evidence was provided that such final approval has been secured.   | Preliminary          | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 7.00        | 7.00  | 7.00  | 7.00          |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     | N             |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 11.00       | 11.00 | 11.00 | 11.00         |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|---|----------------------|------------------------|
| 1C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(7) of the Application.  | Preliminary          |                        |
| 2C     | III. | A.      | 10.        | Proximity  | Because the Applicant did not select one of the required Development Categories outlined in Part III.A.2.e.(1) of the 2011 Universal Application Instructions, the Application is not eligible for the Proximity Tie-Breaker Tier 1 Service Score boost.  | Preliminary          |                        |
| 3C     | III. | A.      | 10.        | Proximity  | Because the Applicant did not provide a letter from the PHA certifying that there is an existing Declaration of Trust between the PHA and HUD for the proposed Development site, the Application is not eligible for the Proximity Tie-Breaker Tier 1 Score boost.  | Preliminary          |                        |
| 4C     | V.   | B.      |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of both the construction and permanent loan amounts. However, the amounts listed on the proforma for loan origination fees exceed these amounts. Therefore, the Total Development Cost was reduced by \$35,900. This had no material impact on the Development's financing. | NOPSE                |                        |



**Tammy Haylock-Moore**  
**Community Development Banking**

December 2, 2011

Stirrup Plaza Preservation Phase One, LLC  
C/o Albert Milo, Jr  
315 S. Biscayne Blvd.  
Miami, FL 33131

**Re: Stirrup Plaza Preservation Phase One**  
**100 Senior Rental Units**  
**3150 Mundy Street**  
Miami, Miami-Dade County, Florida 33133

Dear Mr. Milo,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed redevelopment of **Stirrup Plaza Preservation Phase One** (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to rehabilitate a 100-unit, elderly-oriented 9% LIHTC rental project with 100% of the units targeted towards households earning 28% (20 units) and 60% (80 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Stirrup Plaza Preservation Phase One, LLC  
**General Partner:** Stirrup Plaza Phase One Manager, LLC  
**Developer:** Stirrup Plaza Phase One Developer, LLC  
**Sponsor:** PRH Investments, LLC

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan  
**Amount:** Approximately \$4,560,000  
**Term:** 24 months

JPMorgan Chase Bank, N.A. - 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.havlock-moore@chase.com](mailto:tammy.havlock-moore@chase.com)

|                            |   |
|----------------------------|---|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.  |
| <b>Commitment Fee:</b>     | 1% of the loan amount.  |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension  |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount   |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments   |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.   |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.   |
| <b>Tax Credit Equity:</b>  | Approximately \$9,934,000, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.  |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.   |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits  |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety   |

### **Construction to Permanent Loan**

|                                |   |
|--------------------------------|---|
| <b>Amount:</b>                 | \$850,000 subject to final underwriting   |
| <b>Permanent Loan Funding:</b> | After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions |

thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

|                                 |  |
|---------------------------------|--|
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br><b>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.</b>  |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |



**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for one and two-bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

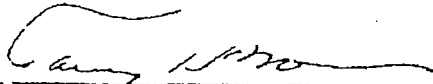
**Expiration Date:** This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

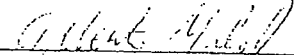
We look forward to working with you on this transaction.

Very truly yours,

**JPMORGAN CHASE BANK, N.A.**

By:   
\_\_\_\_\_  
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on December 2, 2011

By: 

Name: Alberto M. Lopez

Its: Vice President

## Scoring Summary Report

File #: 2011-053C    Development Name: Haley Sofge Preservation Phase One

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | Y     |               |
| Total Points   | 79                         | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 34.25       | 30.25 | 34.25 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 1           | 1     | 1     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  |               |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  |               |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 4.00        | 4.00  | 4.00  |               |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description  | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--------------|--|----------------------|------------------------|
| 1T     | III. | C.      | 2.         | Site Control | Exhibit A to the Ground Lease references a folio number and indicates that only a portion of the referenced property is involved in the Ground Lease; however, the exhibit contains no description of the portion of the property that is involved.  | Preliminary          | Final                  |
| 2T     | III. | C.      | 2.         | Site Control | Exhibit A-1 referenced in Exhibit A to the Ground Lease is not provided in the Application.  | Preliminary          | Final                  |
| 3T     | III. | C.      | 2.         | Site Control | The December 5, 2011 Ground Lease is incomplete. Section 1.1(j) states that the environmental assessments are described in Exhibit D; however, no Exhibit D was included with the Lease.   | Preliminary          | Final                  |
| 4T     | III. | C.      | 2.         | Site Control | The Applicant provided a December 5, 2011 Assignment and Acceptance Agreement which assigns and transfers Assignor's right, title, obligation, and interest in a lease of certain real property from Miami-Dade County to the Applicant. However, the Assignment lacks a description of the Ground Lease that is being assigned. | Preliminary          | Final                  |
| 5T     | III. | C.      | 2.         | Site Control | Section 5.7 of the December 5, 2011 Ground Lease states that the Landlord's express written consent is required for any assignment of the Lease. However, the Landlord's express written consent to the Assignment was not provided in the Application.  | Preliminary          | Final                  |
| 6T     | III. | C.      | 2.         | Site Control | Section 8.4(b) of the December 5, 2011 Ground Lease states that the Lease and the parties' obligations are contingent upon the final approval of the Lease by the Miami-Dade Board of County Commissioners. No evidence was provided that such final approval has been secured.  | Preliminary          | Final                  |

**Ability To Proceed Tie-Breaker Points:**

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

**Proximity Tie-Breaker Points:**

| Item #  | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|---|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                                 |      |         |            |  |                          |             |       |       |               |
| 1P  | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P  | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P  | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 6.00        | 6.00  | 6.00  | 6.50          |
| <b>Tier 1 Services</b>                                  |      |         |            |  |                          |             |       |       |               |
| 2P  | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 3.50        | 3.50  | 3.50  | 3.50          |
| 3P  | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 3P  | III. | A.      | 10.a       | Senior Center  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 4P  | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 4.00        | 4.00  | 4.00  | 3.50          |
| <b>Eligible for Tier 1 Service Score Boost (Yes/No)</b> |      |         |            |  |                          | N           | N     | N     | N             |
| <b>Total Tier 1 Service Score</b>                       |      |         |            |  | 12.00                    | 11.50       | 7.50  | 11.00 |               |
| <b>Tier 2 Services</b>                                  |      |         |            |  |                          |             |       |       |               |
| 5P  | III. | A.      | 10.a       | Public Park  | 2.00                     | 1.75        | 1.75  | 1.75  | 1.75          |
| 6P  | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.50        | 1.50  | 1.50  | 1.50          |
| 7P  | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 8P  | III. | A.      | 10.a       | Public Library   | 2.00                     | 1.50        | 1.50  | 1.50  | 1.50          |
| <b>FHFC Proximity List</b>                              |      |         |            |  |                          |             |       |       |               |
| 9P  | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |

Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)  | Created As Result | Rescinded As Result |
|--------|--|-------------------|---------------------|
| 4P     | A NOPSE calls into question whether the Medical Facility listed on the Surveyor Certification for Competitive HC Applications form is a walk-in clinic that does not require appointments. | NOPSE             | Final               |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|---|----------------------|------------------------|
| 1C     |      |         |            | Rental Assistance (RA) Level                                 | The RA Level calculation was based on 240 rental assistance units (the lesser number of units stated in the Application at Part III.A.6.c.).  | Preliminary          |                        |
| 2C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(7) of the Application.  | Preliminary          |                        |
| 3C     | III. | A.      | 10.        | Proximity  | Because the Applicant did not select one of the required Development Categories outlined in Part III.A.2.e.(1) of the 2011 Universal Application Instructions, the Application is not eligible for the Proximity Tie-Breaker Tier 1 Service Score boost.  | Preliminary          |                        |
| 4C     | III. | A.      | 10.        | Proximity  | Because the Applicant did not provide a letter from the PHA certifying that there is an existing Declaration of Trust between the PHA and HUD for the proposed Development site, the Application is not eligible for the Proximity Tie-Breaker Tier 1 Score boost.  | Preliminary          |                        |
| 5C     | V.   | B.      |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of both the construction and permanent loan amounts. However, the amounts listed on the proforma for loan origination fees exceed these amounts. Therefore, the Total Development Cost was reduced by \$78,200. This had no material impact on the Development's financing. | NOPSE                |                        |



**Tammy Haylock-Moore**  
**Community Development Banking**

December 2, 2011

Haley Sofge Preservation Phase One, LLC  
C/o Albert Milo, Jr  
315 S. Biscayne Blvd.  
Miami, FL 33131

**Re: Haley Sofge Preservation Phase One**  
**240 Senior Rental Units**  
**800 NW 13<sup>th</sup> Avenue**  
**Miami, Miami-Dade County, Florida 33125**

Dear Mr. Milo,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed redevelopment of **Haley Sofge Preservation Phase One** (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to rehabilitate a 240-unit, elderly-oriented 9% LIHTC rental project with 100% of the units targeted towards households earning 28% (48 units) and 60% (192 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Haley Sofge Preservation Phase One, LLC  
**General Partner:** Haley Sofge Phase One Manager, LLC  
**Developer:** Haley Sofge Phase One Developer, LLC  
**Sponsor:** PRH Investments, LLC

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan  
**Amount:** Approximately \$9,380,000  
**Term:** 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$23,288,000, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

### **Construction to Permanent Loan**

**Amount:** \$1,800,000 subject to final underwriting

**Permanent Loan  
Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions



thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

|                                 |  |
|---------------------------------|--|
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br><b>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.</b>  |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for one and two-bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

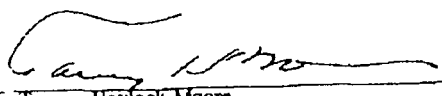
**Expiration Date:** This letter expires on 12/31/2012

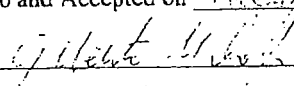
Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

**JPMORGAN CHASE BANK, N.A.**

By:   
\_\_\_\_\_  
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on December 2, 2011  
By:   
Name: Alberto Milla, Jr.  
Its: 1st Vice President

## Scoring Summary Report

File #: 2011-068C      Development Name: Brickell Station

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | Y     |               |
| Total Points   | 79                         | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 36.50       | 34.50 | 34.50 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                  | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|---|----------------------|------------------------|
| 1T     | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the manager(s) or member manager(s) of MM Brickell Station Apartments, LLC, the general partner of the Applicant entity.   | Preliminary          | Final                  |
| 2T     | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the officers and directors of Biscayne Housing Group, LLC, the managing member of the Developer entity.  | Preliminary          | Final                  |
| 3T     | V.   | D.      | 1.         | Non-Corporation Funding      | The loan commitment (Exhibit 48) was signed on behalf of the Applicant entity as MM Brickell Station Apartments, LLC as the general partner. However, based on evidence provided by the NOPSE, MM Brickell Station Apartments, LLC was not the general partner on the date the document was executed on behalf of the Applicant. Therefore, the loan commitment cannot be counted as a source of financing.   | NOPSE                | Final                  |
| 4T     | V.   | D.      | 2.         | HC Equity                    | The equity commitment (Exhibit 47) was signed on behalf of the Applicant entity as MM Brickell Station Apartments, LLC as the general partner. However, based on evidence provided by the NOPSE, MM Brickell Station Apartments, LLC was not the general partner on the date the document was executed on behalf of the Applicant. Therefore, the equity commitment cannot be counted as a source of financing.   | NOPSE                | Final                  |
| 5T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a Construction Shortfall of \$19,160,964.   | NOPSE                | Final                  |
| 6T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a Permanent Shortfall of \$19,160,964.  | NOPSE                | Final                  |
| 7T     | III. | C.      | 2.         | Site Control                 | Based on information provided in a NOPSE, it appears that title to the property described in the December 14, 2010 Purchase and Sale Agreement (PSA) at Exhibit 27 is held by Asset Recovery Assoc., Inc., and not by 145 SW 11 Street Associates, LLC, the Seller named in the PSA. Because the apparent owner of the subject property, Asset Recovery Assoc., Inc., is not a party to the PSA, and the Applicant failed to provide the intermediate contracts, agreements, or other documentation between or among Asset Recovery Assoc., Inc., the Applicant, the Seller named in the PSA, or other parties as required by the Universal Application Instructions, the Applicant has failed to demonstrate site control. | NOPSE                | Final                  |

| Item # | Part | Section | Subsection | Description       | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------|---|----------------------|------------------------|
| 8T     |      |         |            | Financial Arrears | Pursuant to subsection 67-48.004(5), F.A.C., NOPSE scoring may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or the Developer is in arrears to the Corporation or an agent or assignee of the Corporation as of the due date for NOPSE filing (January 25, 2012). As provided in paragraph 67-48.004(13)(d), F.A.C., following the submission of the "Cures," the Corporation shall reject an Application if the Applicant fails to satisfy any arrearages described in subsection 67-48.004(5), F.A.C. The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer is listed on the January 25, 2012 Past Due Report as being in arrears to the Corporation in connection with the following Developments: Bonita Cove and Casa Matias. The January 25, 2012 Past Due Report is posted to the FHFC Website at <a href="http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/">http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/</a> . Payments and questions should be addressed to the servicer. | NOPSE                | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 7.00        | 7.00  | 7.00  |               |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     |               |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 2.00        | 0.00  | 0.00  |               |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 6P     | Evidence provided in a NOPSE calls into question whether the Community Center listed on the Surveyor Certification for Competitive HC Applications form is an air-conditioned facility that is open at least 20 hours a week in which the public may enjoy publicly sponsored social, recreational or educational activities at least five (5) days per week. | NOPSE             |                     |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|--|----------------------|------------------------|
| 1C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.   | Preliminary          |                        |
| 2C     | III. | A.      | 10.        | Proximity  | As part of a cure for Item 6P, the Applicant provided a letter from the Director of the City of Miami stating that Southside Park Community Center does meet all criteria of the FHFC definition; however several NOADs provide a letter from the same Director stating that Southside does not have publicly sponsored activities five days a week. | Final                |                        |



application

ATTACHMENT B - NO. 2011-178C



**Tammy Haylock-Moore**  
Community Development Banking

November 17, 2011

Mr. Gonzalo DeRamon  
Brickell Station Apts., Ltd.  
c/o Biscayne Housing Group, LLC  
150 SE 2<sup>nd</sup> Avenue, Suite 1302  
Miami, FL 33131

**Re: Brickell Station Apartments**  
**74 Multi-Family Rental Units**  
145 SW 11<sup>th</sup> Street  
Miami, Miami-Dade County, FL

Dear Mr. DeRamon:

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Brickell Station Apartments** (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to construct a 74-unit, 9% LIHTC rental project. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Brickell Station Apts., Ltd.

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan  
**Amount:** \$4,500,000  
**Term:** 24 months  
**Interest Rate:** 30-Day LIBOR + 375 bps (4.00% as of November 16, 2011);

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

and underwritten at a rate of 5.50%. The interest rate is subject to change based upon the current market conditions and bank liquidity requirements.

- Commitment Fee:** 1% of the loan amount.
- Extension Option:** One, conditional, six-month maturity extension
- Extension Fee:** 0.25% of the remaining loan commitment amount
- Collateral:** First mortgage; other typical pledges and assignments
- Guarantee:** Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.
- Developer Fee:** Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.
- Tax Credit Equity:** Approximately \$18,323,287, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender.
- Subordinate Liens:** Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.
- Takeout:** Permanent loan must be firmly committed and rate locked prior to construction loan closing.
- Loan to Value:** Up to 75% including the value of the real estate and tax credits
- Contractor Bonding:** 100% Payment and Performance Bonds from an "A-/VIII" rated surety
- Construction to Permanent Loan**
- Amount:** \$1,500,000
- Permanent Loan Funding:** After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan

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documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

**Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.

**Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.

**Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.**

**Maturity Date:** The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.

**Amortization:** 30 years

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

**Loan to Value:** Up to 80% of the stabilized rent-restricted value

**Conversion Requirements:**

- 1.20x debt service coverage ratio (DSCR) for 90 days;
- 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.
- 90% economic and physical occupancy for 90 days.

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10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.

**Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

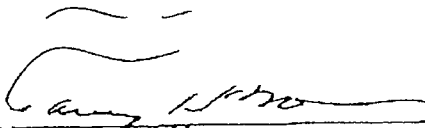
**Expiration:** This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

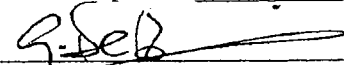
We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on 11/17, 2011

By: 

Name: Gonzalo DeRamon

Its: Principal of Bisrayne Housing Group, LLC  
as member of MLI Brickell Station Apartments, LLC,  
as general partner of Brickell Station Apts, Ltd.

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Cure



**Tammy Haylock-Moore**  
**Community Development Banking**

February 21, 2012

Mr. Gonzalo DeRamon  
Brickell Station Apts., Ltd.  
c/o Biscayne Housing Group, LLC  
150 SE 2<sup>nd</sup> Avenue, Suite 1302  
Miami, FL 33131

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**74 Multi-Family Rental Units**  
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**Construction Bridge Loan**

**Facility:**                   Construction/equity bridge loan

**Amount:**                   \$4,500,000

**Term:**                      24 months

**Interest Rate:**           30-Day LIBOR + 375 bps (4.00% as of November 16, 2011);  
and underwritten at a rate of 5.50%. The interest rate is subject

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to change based upon then market conditions and bank liquidity requirements.

|                            |  |
|----------------------------|--|
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$18,323,287, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

### **Construction to Permanent Loan**

**Amount:** \$1,500,000

#### **Permanent Loan Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan

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documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

**Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.

**Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.

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**Amortization:** 30 years

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

**Loan to Value:** Up to 80% of the stabilized rent-restricted value

**Conversion Requirements:**

- 1.20x debt service coverage ratio (DSCR) for 90 days;
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10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.

**Prepayment Terms:**

Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.

**Escrows/Reserves:**

Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

**Expiration:**

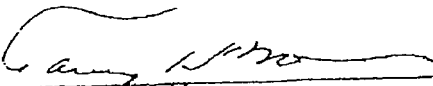
This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

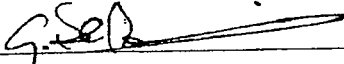
We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
\_\_\_\_\_  
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on February 21, 2011

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

Name: Gonzalo DeRamon  
Principal of Biscayne Housing Group, LLC, as Member of MM Brickell Station Apartments, LLC,  
Its: as General Partner of Brickell Station Apts., Ltd.



## Scoring Summary Report

File #: 2011-070C    Development Name: Flagler Square

As of: 03/27/2012

|  | Met Threshold | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|---------------|----------------------------|-------------|-------|-------|---------------|
| Total Points   | 79            | 79.00                      | Y           | N     | Y     |               |
| Ability to Proceed Tie-Breaker Points  | 6             | 6.00                       | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37            | 36.75                      | 36.75       | 30.75 | 32.50 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N           |                            | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N           |                            | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N           |                            | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N           |                            | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6         |                            | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

**Threshold(s) Failed:**

| Item # | Part | Section | Subsection | Description       | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------|---|----------------------|------------------------|
| 1T     |      |         |            | Financial Arrears | Pursuant to subsection 67-48.004(5), F.A.C., NOPSE scoring may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or the Developer is in arrears to the Corporation or an agent or assignee of the Corporation as of the due date for NOPSE filing (January 25, 2012). As provided in paragraph 67-48.004(13)(d), F.A.C., following the submission of the "Cures," the Corporation shall reject an Application if the Applicant fails to satisfy any arrearages described in subsection 67-48.004(5), F.A.C. The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer is listed on the January 25, 2012 Past Due Report as being in arrears to the Corporation in connection with the following Developments: Bonita Cove and Casa Matias. The January 25, 2012 Past Due Report is posted to the FHFC Website at <a href="http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/">http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/</a> . Payments and questions should be addressed to the servicer. | NOPSE                | Final                  |

**Ability To Proceed Tie-Breaker Points:**

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 7.00        | 7.00  | 7.00  |               |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 4.00        | 0.00  | 0.00  |               |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     |               |
| <b>Total Tier 1 Service Score</b>                |      |         |            |  | 12.00                    | 12.00       | 8.00  | 8.00  |               |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.75        | 1.75  | 1.75  |               |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 2.00        | 0.00  | 1.75  |               |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)  | Created As Result | Rescinded As Result |
|--------|--|-------------------|---------------------|
| 2P     | Based on information provided in a NOPSE, Downtown Miami Grocery will not be considered a Grocery Store in the 2011 Universal Application Cycle.   | NOPSE             |                     |
| 7P     | Evidence provided in a NOPSE calls into question whether the Pharmacy listed on the Surveyor Certification for Competitive HC Applications form is a community pharmacy operating under a valid permit issued pursuant to s. 465.018, F.S. and open to the general public at least five (5) days per week. | NOPSE             | Final               |
| 7P     | Evidence provided in a NOPSE calls into question whether the Pharmacy listed on the Surveyor Certification for Competitive HC Applications form was in existence and available for use by the general public as of December 6, 2011, the Application Deadline.   | NOPSE             | Final               |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|--|----------------------|------------------------|
| 1C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.   | Preliminary          |                        |
| 2C     | III. | A.      | 10.        | Proximity  | Evidence provided in a NOAD demonstrates that Downtown Miami Grocery Store does not meet the definition of a Grocery Store because it does not, as its major retail function, sell groceries, including foodstuffs, fresh and packaged meats, produce and dairy products, which are intended for consumption off-premises, and household supplies. | Final                |                        |



**Tammy Haylock-Moore**  
**Community Development Banking**

November 16, 2011

Mr. Gonzalo DeRamon  
Flagler Square Apts. Ltd.  
c/o Biscayne Housing Group, LLC  
150 SE 2<sup>nd</sup> Avenue, Suite 1302  
Miami, FL 33131

**Re:           Flagler Square Apartments**  
**100 Multi-Family Rental Units**  
**172 W. Flagler Street**  
**Miami, Miami-Dade County, FL**

Dear Mr. DeRamon:

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Flagler Square Apartments** (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to construct a 100-unit, 9% LIHTC rental project. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:**                           Flagler Square Apts, Ltd.

**Construction Bridge Loan**

**Facility:**                           Construction/equity bridge loan

**Amount:**                         \$7,000,000

**Term:**                             24 months

**Interest Rate:**                 30-Day LIBOR + 375 bps (4.00% as of November 2, 2011);  
and underwritten at a rate of 5.50%. The interest rate is  
subject to change based upon then market conditions and

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602

Telephone: 813 483 8251 • Facsimile: 813 483-8259

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|                            |  |
|----------------------------|--|
|                            | bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$22,533,666, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

**Construction to Permanent Loan**

**Amount:** \$3,000,000

**Permanent Loan Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up

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to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

**Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.

**Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.

**Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.**

**Maturity Date:** The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.

**Amortization:** 30 years

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

**Loan to Value:** Up to 80% of the stabilized rent-restricted value

**Conversion Requirements:**

- 1.20x debt service coverage ratio (DSCR) for 90 days;
- 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.
- 90% economic and physical occupancy for 90 days.
- 10-year pro forma forecast shows annual DSCR (based on

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annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater. or the permanent loan amount may be reduced.

**Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

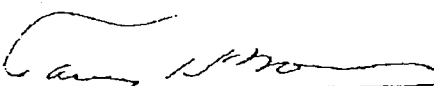
**Expiration:** This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.


We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on 11/30, 2011

By:   
Name: Gonzalo DeRamon

Its: Principal of Biscayne Housing Group, LLC,  
as member of MM Flagler Square Apartments, LLC,  
as General Partner of Flagler Square Apts, Ltd.

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[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

## Scoring Summary Report

File #: 2011-075C    Development Name: Village Carver III

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | Y     |               |
| Total Points   | 79                         | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 33.00       | 33.00 | 33.00 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

**Scores:**

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  |               |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 0.00        | 0.00  | 0.00  |               |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  |               |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 4.00        | 4.00  | 4.00  |               |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description       | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------|---|----------------------|------------------------|
| 1T     | II.  | A.      | 3.         | Principals        | The Applicant failed to identify the manager(s) or member manager(s) of the of the Developer entity Village Carver III Development, LLC.  | Preliminary          | Final                  |
| 2T     |      |         |            | Financial Arrears | Pursuant to subsection 67-48.004(5), F.A.C., NOPSE scoring may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or the Developer is in arrears to the Corporation or an agent or assignee of the Corporation as of the due date for NOPSE filing (January 25, 2012). As provided in paragraph 67-48.004(13)(d), F.A.C., following the submission of the "Cures," the Corporation shall reject an Application if the Applicant fails to satisfy any arrearages described in subsection 67-48.004(5), F.A.C. The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer is listed on the January 25, 2012 Past Due Report as being in arrears to the Corporation in connection with the following Developments: Bonita Cove and Casa Maties. The January 25, 2012 Past Due Report is posted to the FHFC Website at <a href="http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/">http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/</a> . Payments and questions should be addressed to the servicer. | NOPSE                | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 5.50        | 5.50  | 5.50  |               |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 3.50        | 3.50  | 3.50  |               |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 3.50        | 3.50  | 3.50  |               |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     |               |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 11.00       | 11.00 | 11.00 |               |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 1.75        | 1.75  | 1.75  |               |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.75        | 1.75  | 1.75  |               |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|--|----------------------|------------------------|
| 1C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application. | Preliminary          |                        |



**Tammy Haylock-Moore**  
**Community Development Banking**

November 16, 2011

Mr. Gonzalo DeRamon  
Village Carver Phase III, LLC  
c/o Biscayne Housing Group, LLC  
150 SE 2<sup>nd</sup> Avenue, Suite 1302  
Miami, FL 33131

**Re: Village Carver III Apartments**  
**98 Multi-Family Rental Units**  
On NW 72<sup>nd</sup> Terrace NW of the intersection of NW 71<sup>st</sup> Street  
and NW 3<sup>rd</sup> Avenue  
Miami, Miami-Dade County, FL

Dear Mr. DeRamon,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Village Carver III Apartments** (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to construct a 98-unit, 9% LIHTC rental project. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Village Carver Phase III, LLC

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan

**Amount:** \$6,000,000

**Term:** 24 months

**Interest Rate:** 30-Day LIBOR + 375 bps (4.00% as of November 2, 2011);  
and underwritten at a rate of 5.50%. The interest rate is  
subject to change based upon then market conditions and

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[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

- bank liquidity requirements.
- Commitment Fee:** 1% of the loan amount.
- Extension Option:** One, conditional, six-month maturity extension
- Extension Fee:** 0.25% of the remaining loan commitment amount
- Collateral:** First mortgage; other typical pledges and assignments
- Guarantee:** Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.
- Developer Fee:** Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.
- Tax Credit Equity:** Approximately \$22,083,000, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender.
- Subordinate Liens:** Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.
- Takeout:** Permanent loan must be firmly committed and rate locked prior to construction loan closing.
- Loan to Value:** Up to 75% including the value of the real estate and tax credits
- Contractor Bonding:** 100% Payment and Performance Bonds from an "A-/VIII" rated surety.

**Construction to Permanent Loan**

**Amount:** \$3,000,000

**Permanent Loan Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following

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such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

**Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.

**Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.

Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.

**Maturity Date:** The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.

**Amortization:** 30 years

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

**Loan to Value:** Up to 80% of the stabilized rent-restricted value.

- Conversion Requirements:**
- 1.20x debt service coverage ratio (DSCR) for 90 days;
  - 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.
  - 90% economic and physical occupancy for 90 days.
  - 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.



**Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.


**Expiration:** This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

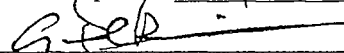
We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on 11/29, 2011

By: 

Name: GONZALO DERZON

Its: Maazet, Biscayne Housing Group, LLC  
as Managing Member of MM Village Carver Phase III, LLC,  
as Managing Member of Village Carver Phase III, LLC

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## Scoring Summary Report

File #: 2011-080C      Development Name: Havana Tower

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | N     |               |
| Total Points   | 79                         | 73.00       | 73.00 | 73.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 10.00       | 10.00 | 10.00 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  |               |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 0.00        | 0.00  | 0.00  |               |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  |               |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 4.00        | 4.00  | 4.00  |               |

Reason(s) Scores Not Maxed:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 9S     | The Applicant failed to qualify for the Elderly Demographic. Therefore, the Applicant is not eligible to select Qualified Resident Programs for Elderly Developments. | Preliminary       |                     |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                   | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------------------|--|----------------------|------------------------|
| 1T     | III. | D.      |            | Demographic Commitment        | The Applicant failed to qualify for the Elderly Demographic because it did not provide a market analysis as required in the 2011 Universal Application Instructions. | Preliminary          |                        |
| 2T     | III. | C.      | 5.         | Environmental Site Assessment | The Applicant provided an incomplete and unsigned Verification of Environmental Safety – Phase I Environmental Site Assessment form.                                 | Preliminary          |                        |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     |               |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)  | Created As Result | Rescinded As Result |
|--------|--|-------------------|---------------------|
| 1P-8P  | The Applicant did not receive any proximity tie-breaker points for Transit, Tier 1 or Tier 2 Services because the Applicant did not submit a complete Surveyor Certification for HC Applications form. | Preliminary       |                     |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|--|----------------------|------------------------|
| 1C     | V.   | B.      |            | Pro Forma  | The Applicant listed operating deficit and replacement reserves totaling \$192,851. However, No. 5 on the Development Cost Pro Forma Notes states "For purposes of the Development Cost calculation in this Application, the only reserves allowed are contingency reserves for rehabilitation and construction..." Therefore, the Total Development Cost was reduced by \$192,851.  | Preliminary          |                        |
| 2C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.   | Preliminary          |                        |
| 3C     |      |         |            | Financial Arrears  | The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer) is listed on the January 25, 2012 Past Due Report as being in arrears to the Corporation in connection with the following Development(s): Arbours at Shoemaker Place. The January 25, 2012 Past Due Report is posted to the FHFC Website at <a href="http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/">http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/</a> . The arrearage was satisfied prior to issuance of the NOPSE Scoring Summary. | NOPSE                |                        |



**Tammy Haylock-Moore**  
**Community Development Banking**

December 2, 2011

Arbours at Flagler, LLC  
C/o Sam Johnston  
Arbour Valley Development  
33 Inverness Center Parkway, Suite LL130  
Birmingham, AL 35242

**Re: Havana Tower**  
**60 Senior Rental Units**  
1430 SW 1<sup>st</sup> Street  
Miami, Miami-Dade County, FL 33135

Dear Mr. Johnston,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Havana Tower** (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to construct a 60-unit, senior-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 28% (6 units) and 60% (54 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Arbours at Flagler, LLC  
**General Partner:** Flagler GP, LLC  
**Developer:** Arbour Valley Development, LLC

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan  
**Amount:** Approximately \$2,400,000  
**Term:** 24 months

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[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |   |
|----------------------------|---|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.  |
| <b>Commitment Fee:</b>     | 1% of the loan amount.  |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension  |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount   |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments   |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.   |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.   |
| <b>Tax Credit Equity:</b>  | Approximately \$11,036,989 annually, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.  |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.   |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits  |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety   |

**Construction to Permanent Loan**

**Amount:** \$1,011,250 subject to final underwriting

**Permanent Loan  
Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").



|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.   |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |

bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.


Expiration Date: This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
\_\_\_\_\_  
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on December 2 2011

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

Name: Sam Johnston

Its: Managing Member

## Scoring Summary Report

File #: 2011-114C    Development Name: Jack Orr Plaza Preservation Phase One

As of: 03/27/2012

|  | Maximum Points/Eligibility |       | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------|-------------|-------|-------|---------------|
|  | Y/N                        | N     |             |       |       |               |
| Met Threshold  |                            |       | N           | N     | Y     |               |
| Total Points   | 79                         | 79.00 | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00  | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 34.50 | 34.50       | 34.50 | 34.50 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N     | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | Y     | Y           | Y     | Y     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y     | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y     | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 1     | 1           | 1     | 1     |               |

Scores:

| Item #                                | Part | Section | Subsection | Description   | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|---------------------------------------|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| 1S                                    | II.  | B.      | 1.c.       | Developer<br>Housing Credit Development Experience                  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 2S                                    | III. | B.      | 3.a.       | Construction Features and Amenities<br>Optional - NC & Rehab. Units | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S                                    | III. | B.      | 3.b.       | Optional - All Developments Except SRO                              | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S                                    | III. | B.      | 3.c.       | Optional - SRO Developments   | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S                                    | III. | B.      | 3.d.       | Optional - Universal Design & Visitability                          | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S                                    | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)                               | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S                                    | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)                          | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S                                    | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)                         | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| <b>Set-Aside Commitments</b>          |      |         |            |   |                          |             |       |       |               |
| 6S                                    | III. | E.      | 1.b.(2)    | Special Needs Households  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S                                    | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S                                    | III. | E.      | 3.         | Affordability Period  | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>              |      |         |            |   |                          |             |       |       |               |
| 9S                                    | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless                             | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S                                    | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)                               | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S                                    | III. | F.      | 3.         | Programs for Elderly  | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 10S                                   | III. | F.      | 4.         | Programs for All Applicants   | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b> |      |         |            |   |                          |             |       |       |               |
| 11S                                   | IV.  | A.      |            | Contributions   | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Local Government Incentives</b>    |      |         |            |   |                          |             |       |       |               |
| 12S                                   | IV.  | B.      |            | Incentives  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                   | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------------------|--|----------------------|------------------------|
| 1T     | III. | C.      | 5.         | Environmental Site Assessment | The Applicant failed to provide the required Verification of Environmental Safety- Phase I Environmental Site Assessment Form and, if applicable, the Verification of Environmental Safety- Phase II Environmental Site Assessment Form.   | Preliminary          | Final                  |
| 2T     | III. | C.      | 2.         | Site Control                  | The December 5, 2011 Ground Lease is incomplete. Section 1.1(q) states that the property is legally described in Exhibit A; however, Exhibit A, Land, is blank. No legal description was included with the Lease.  | Preliminary          | Final                  |
| 3T     | III. | C.      | 2.         | Site Control                  | The December 5, 2011 Ground Lease is incomplete. Section 1.1(i) states that the environmental assessments are described in Exhibit D; however, no Exhibit D was included with the Lease.   | Preliminary          | Final                  |
| 4T     | III. | C.      | 2.         | Site Control                  | The Applicant provided a December 5, 2011 Assignment and Acceptance Agreement which assigns and transfers Assignor's right, title, obligation, and interest in a lease of certain real property from Miami-Dade County to the Applicant. However, the Assignment lacks a description of the Ground Lease that is being assigned. | Preliminary          | Final                  |
| 5T     | III. | C.      | 2.         | Site Control                  | Section 5.7 of the December 5, 2011 Ground Lease states that the Landlord's express written consent is required for any assignment of the Lease. However, the Landlord's express written consent to the Assignment was not provided in the Application.  | Preliminary          | Final                  |
| 6T     | III. | C.      | 2.         | Site Control                  | Section 8.4(b) of the December 5, 2011 Ground Lease states that the Lease and the parties' obligations are contingent upon the final approval of the Lease by the Miami-Dade Board of County Commissioners. No evidence was provided that such final approval has been secured.  | Preliminary          | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 6.50        | 6.50  | 6.50  | 6.50          |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 3.50        | 3.50  | 3.50  | 3.50          |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     | N             |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 10.50       | 10.50 | 10.50 | 10.50         |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 1.75        | 1.75  | 1.75  | 1.75          |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 1.75        | 1.75  | 1.75  | 1.75          |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|--|----------------------|------------------------|
| 1C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(7) of the Application.   | Preliminary          |                        |
| 2C     | III. | A.      | 2.h.       | TOD Development  | The Development Name listed on the Local Government Verification of Qualification as a TOD Development form (Jack Orr Preservation Phase One) is not consistent with the Development Name listed elsewhere in the Application (Jack Orr Plaza Preservation Phase One). Therefore, the form could not be considered and the proposed Development does not qualify as a TOD Development. | Preliminary          | Final                  |
| 3C     | III. | A.      | 10.        | Proximity  | Because the Applicant did not select one of the required Development Categories outlined in Part III.A.2.e.(1) of the 2011 Universal Application Instructions, the Application is not eligible for the Proximity Tie-Breaker Tier 1 Service Score boost.   | Preliminary          |                        |
| 4C     | III. | A.      | 10.        | Proximity  | Because the Applicant did not provide a letter from the PHA certifying that there is an existing Declaration of Trust between the PHA and HUD for the proposed Development site, the Application is not eligible for the Proximity Tie-Breaker Tier 1 Score boost.   | Preliminary          |                        |
| 5C     | V.   | B.      |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of both the construction and permanent loan amounts. However, the amounts listed on the proforma for loan origination fees exceed these amounts. Therefore, the Total Development Cost was reduced by \$59,200. This had no material impact on the Development's financing.  | NOPSE                |                        |



**Tammy Haylock-Moore**  
**Community Development Banking**

December 2, 2011

Jack Orr Plaza Preservation Phase One, LLC  
C/o Albert Milo, Jr  
315 S. Biscayne Blvd.  
Miami, FL 33131

**Re: Jack Orr Plaza Preservation Phase One**  
**200 Multi-Family Rental Units**  
**550 NW 5<sup>th</sup> Street**  
**Miami, Miami-Dade County, Florida 33136**

Dear Mr. Milo,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed redevelopment of **Jack Orr Plaza Preservation Phase One** (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to rehabilitate a 200-unit, family-oriented 9% LIHTC rental project with 100% of the units targeted towards households earning 28% (40 units) and 60% (160 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Jack Orr Plaza Preservation Phase One, LLC  
**General Partner:** Jack Orr Plaza Phase One Manager, LLC  
**Developer:** Jack Orr Plaza Phase One Developer, LLC  
**Sponsor:** PRH Investments, LLC

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan  
**Amount:** Approximately \$7,680,000  
**Term:** 24 months

**JPMorgan Chase Bank, N.A.** • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@jchase.com](mailto:tammy.haylock-moore@jchase.com)



|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$18,926,000, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

### **Construction to Permanent Loan**

**Amount:** \$1,400,000 subject to final underwriting

#### **Permanent Loan Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions

thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

|                                 |  |
|---------------------------------|--|
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br><b>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.</b>  |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year perm period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for one and two-bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

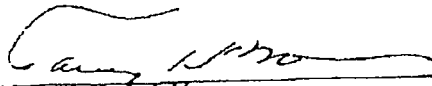
**Expiration Date:** This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
\_\_\_\_\_  
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on December 2, 2011

By: Gilbert Mills

Name: Alberto Mills, Jr

Its: Vice President

## Scoring Summary Report

File #: 2011-124C    Development Name: The Reed at Encore

As of: 03/27/2012

|  | Met Threshold | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|---------------|----------------------------|-------------|-------|-------|---------------|
| Total Points   | Y/N           | 79                         | N           | N     | Y     |               |
| Ability to Proceed Tie-Breaker Points  |               | 79.00                      | 79.00       | 79.00 | 79.00 |               |
| Proximity Tie-Breaker Points   |               | 6                          | 6.00        | 6.00  | 6.00  |               |
| Eligible for 1/8th Mile Ranking Preference                                       |               | 37                         | 34.00       | 34.00 | 35.50 |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N           |                            | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N           |                            | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N           |                            | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) |               | 1 - 6                      | 1           | 1     | 1     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  |               |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 0.00        | 0.00  | 0.00  |               |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  |               |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 4.00        | 4.00  | 4.00  |               |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                  | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|---|----------------------|------------------------|
| 1T     | II.  | B.      | 1.b.       | Developer General Experience | The Applicant indicated that the Developer, CP Development Group 4, LLC, has the required experience by providing the Developer or Principal of Developer Certification form which reflects the Developer's name but does not include a Principal (the space for Principal of Developer is blank). However, this is inconsistent with the General Developer Experience chart which identifies Banc of America Community Development Corporation as the Principal of the Developer with the required experience. | Preliminary          | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

## Scoring Summary Report

File #: 2011-127C    Development Name: The Arbors

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | Y     |               |
| Total Points   | 79                         | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 35.50       | 29.50 | 30.00 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| 1S   | III. | B.      | 1.c.       | Developer<br>Housing Credit Development Experience | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| <b>Construction Features and Amenities</b> |      |         |            |  |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                       | 9.00                     | 9.00        | 9.00  | 9.00  |               |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO             | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                        | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability         | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)              | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)         | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)        | 10.00                    | 0.00        | 0.00  | 0.00  |               |
| <b>Set-Aside Commitments</b>               |      |         |            |  |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                           | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                         | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 8S   | III. | E.      | 3.         | Affordability Period                               | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Resident Programs</b>                   |      |         |            |  |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless            | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)              | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 3.         | Programs for Elderly                               | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                        | 8.00                     | 8.00        | 8.00  | 8.00  |               |
| <b>Local Government Contributions</b>      |      |         |            |  |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                                      | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Local Government Incentives</b>         |      |         |            |  |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives   | 4.00                     | 4.00        | 4.00  | 4.00  |               |



Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                  | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|--|----------------------|------------------------|
| 1T     | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the officers and directors for the special limited partner, Affordable Housing Solutions, Inc., a Georgia nonprofit corporation.  | Preliminary          | Final                  |
| 2T     | III. | C.      | 2.         | Site Control                 | The Real Estate Purchase Agreement dated November 24, 2010 contains a Right to Sell to Third Party (Section B.3). Confirmation was not provided from Seller that Seller has not sold or entered into an agreement to sell the property to a third party and that the property is still under contract with RLJ Beneficial Acquisitions, LLC.   | Preliminary          | Final                  |
| 3T     | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant provide an equity letter from RBC Capital Markets which states on page one that the tax equity contribution will be \$15,736,783. The Applicant provided a loan commitment letter from Chase Bank which states on page 2 "Tax Credit Equity: Approximately \$1,748,881 annually". Due to this inconsistency the loan commitment letter could not be used as a source of financing. | NOPSE                | Final                  |
| 4T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$6,212,658.   | NOPSE                | Final                  |
| 5T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$704,784.  | NOPSE                | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 6.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 3.50        | 3.50  | 4.00  |               |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     |               |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 11.50       | 11.50 | 12.00 |               |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)  | Created As Result | Rescinded As Result |
|--------|--|-------------------|---------------------|
| 1P     | Evidence provided in NOPSEs calls into question whether the Public Bus Transfer Stop/Public Bus Transit Stop listed on the Surveyor Certification for Competitive HC Applications form is a location in which passengers may access (i) at least three routes of public transportation or (ii) one route with scheduled stops at least every 20 minutes during the times of 7am to 9am and also during the times of 4pm to 6pm Monday through Friday and that travels at some point in the route in either a lane or corridor that is exclusively used by buses. | NOPSE             |                     |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|---|----------------------|------------------------|
| 1C     | V.   | B.      |            | Pro Forma  | The Applicant provided an equity commitment from RBC Capital Markets which contains a pay-in schedule showing the amount of equity to be provided prior to construction completion as \$10,228,909. However, in the Application the Applicant listed \$5,507,874 as the amount of equity to be provided prior to construction completion. The larger amount (\$10,228,909) was used for construction financing. This had no material impact on the Development's financing. | Preliminary          |                        |
| 2C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.  | Preliminary          | NOPSE                  |
| 3C     | III. | A.      | 10.        | Proximity  | The Applicant did not qualify for 10 automatic proximity points at Part III.A.10.b.(1) of the Application as stated in 2C. It was awarded 10 proximity points because the proposed Development is more than 2.5 miles away from other existing developments that serve the same Demographic.  | NOPSE                |                        |
| 4C     | V.   | B.      |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of both the construction and permanent loan amounts. However, the amounts listed on the proforma for loan origination fees exceed these amounts. Therefore, the Total Development Cost was reduced by \$33,687.   | NOPSE                |                        |
| 5C     | III. | A.      | 10.        | Proximity  | The Applicant attempted to cure Item 1P by providing a letter from the Manager of the Transit Authority confirming that there are 3 routes at the bus stop with the required hourly stops; however, a NOAD provided a more recent letter from the same Manager of the Transit Authority stating that he wished to withdraw that confirmation.   | Final                |                        |

application

ATTACHMENT B - NO. 2011-178C



**Tammy Haylock-Moore**  
**Community Development Banking**

November 10, 2011

The Arbors Senior Apartments Limited Partnership  
C/o Don Paxton  
2206 Jo An Drive  
Sarasota, Florida 34231

**Re:           The Arbors**  
**120 Senior Rental Units**  
          West Side of Kelly Rd, 500 feet south of intersection of Kelly Rd and West Hillsborough Avenue  
          Tampa, Hillsborough County, Florida

Dear Mr. Paxton,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of The Arbors (the "project"), located in Tampa, Hillsborough County, Florida. We understand the plan is to construct a 120-unit, senior-oriented 9% LIHTC rental project with 12 units (10% of the units) targeted towards households earning 33% and 108 units (90% of the units) at 60% or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:**                               The Arbors Senior Apartments Limited Partnership  
**General Partner:**                   Beneficial Arbors Senior LLC  
**Developer:**                           RLI Beneficial Development 11, LLC

**Construction Bridge Loan**

**Facility:**                               Construction/equity bridge loan  
**Amount:**                              Approximately \$ 11,557,200  
**Term:**                                   24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |   |
|----------------------------|---|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.  |
| <b>Commitment Fee:</b>     | 1% of the loan amount.  |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension  |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount   |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments   |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.   |
| <b>Developer Fee:</b>      | Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.   |
| <b>Tax Credit Equity:</b>  | Approximately \$ 1,748,881 annually, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.  |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.   |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits  |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety   |

**Construction to Permanent Loan**

|                                |   |
|--------------------------------|---|
| <b>Amount:</b>                 | \$ 1,917,639 subject to final underwriting  |
| <b>Permanent Loan Funding:</b> | After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early. |

|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br><b>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to commitment.</b>   |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |

bedroom units and \$350/unit/year for the three bedroom units: funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

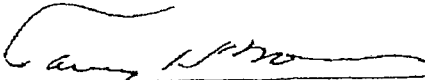
**Expiration Date:** This letter expires on 12/31/2012

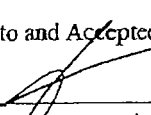
Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on Nov 29, 2011  
By:  THE ARBORS SENIOR APARTMENTS LIMITED PARTNERSHIP  
Name: Donald Foster  
Its: Manager of GP

Cuke

ATTACHMENT B - NO. 2011-178C



**Tammy Haylock-Moore**  
Community Development Banking

February 27, 2012

The Arbors Senior Apartments Limited Partnership  
C/o Don Paxton  
2206 Jo An Drive  
Sarasota, Florida 34231

**Re:           The Arbors**  
**120 Senior Rental Units**  
West Side of Kelly Rd, 500 feet south of intersection of Kelly Rd and West Hillsborough  
Avenue  
Tampa, Hillsborough County, Florida

Dear Mr. Paxton,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of The Arbors (the "project"), located in Tampa, Hillsborough County, Florida. We understand the plan is to construct a 120-unit, senior-oriented 9% LIHTC rental project with 12 units targeted towards households earning 33% or less of the AMI and 108 units targeted towards households earning 60% or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:**                   The Arbors Senior Apartments Limited Partnership  
**General Partner:**       Beneficial Arbors Senior LLC  
**Developer:**                RLI Beneficial Development 11, LLC

**Construction Loan**

**Facility:**                   Construction/equity bridge loan  
**Amount:**                  Approximately \$ 11,557,200  
**Term:**                      24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)



**Interest Rate:** 30-Day LIBOR + 375 bps (4% as of February 17, 2012); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.

**Commitment Fee:** 1% of the loan amount.

**Extension Option:** One, conditional, six-month maturity extension

**Extension Fee:** 0.25% of the remaining loan commitment amount

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.

**Developer Fee:** Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.

**Tax Credit Equity:** Approximately \$15,736,783, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender.

**Subordinate Liens:** Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.

**Takeout:** Permanent loan must be firmly committed and rate locked prior to construction loan closing.

**Loan to Value:** Up to 75% including the value of the real estate and tax credits

**Contractor Bonding:** 100% Payment and Performance Bonds from an "A-/VIII" rated surety

**Permanent Loan**

**Amount:** \$ 1,917,639 subject to final underwriting

**Permanent Loan Funding:** After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").

|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.   |
| <b>Maturity Date:</b>           | The Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year perm period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and  |

two-bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

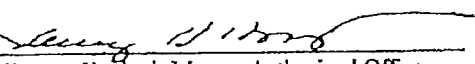
**Expiration Date:** This letter expires on 12/31/2012

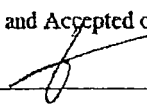
Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore, Authorized Officer

Agreed to and Accepted on Feb 28 <sup>2012</sup> ~~2011~~  
By:  The Arbors Senior Apartments Limited Partnership  
Name: Donald Paston  
Its: Manager of GP

## Scoring Summary Report

File #: 2011-128C    Development Name: Metro South Senior Apartments

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | Y           | N     | Y     |               |
| Total Points   | 79                         | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 36.75       | 36.75 | 36.75 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description   | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| 1S   | II.  | B.      | 1.c.       | <b>Developer</b><br>Housing Credit Development Experience | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                              | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO                    | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                               | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability                | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)                     | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)                | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)               | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                                  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                                | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                                      | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless                   | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)                     | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                                      | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                               | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions   | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                  | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|--|----------------------|------------------------|
| 1T     | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant provide an equity letter from RBC Capital Markets which states on page one that the tax equity contribution will be \$23,498,653. The Applicant provided a loan commitment letter from Chase Bank which states on page 2 "Tax Credit Equity: Approximately \$2,526,990 annually". Due to this inconsistency the loan commitment letter could not be used as a source of financing. | NOPSE                | Final                  |
| 2T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$16,052,576.  | NOPSE                | Final                  |
| 3T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$778,527.  | NOPSE                | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 7.00        | 7.00  | 7.00  |               |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     |               |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.75        | 1.75  | 1.75  |               |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

Additional Application Comments:

| Item # | Part Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|--------------|------------|--|--|----------------------|------------------------|
| 1C     | III. A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.   | Preliminary          |                        |
| 2C     | V. D.        | 1.         | Non-Corporation Funding                                      | The Applicant provided a Local Government Verification of Contribution-Loan form at Exhibit 38. Because the loan is not effective through September 7, 2012 (a date that is nine (9) months after the Application Deadline), it could not be considered a source of financing. This has no material impact on the Development's financing. | Preliminary          |                        |
| 3C     | V. B.        |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of both the construction and permanent loan amounts. However, the amounts listed on the proforma for loan origination fees exceed these amounts. Therefore, the Total Development Cost was reduced by \$6,344.   | NOPSE                |                        |



application



**Tammy Haylock-Moore**  
**Community Development Banking**

November 8, 2011

Metro South Senior Apartments Limited Partnership  
C/o Don Paxton  
2206 Jo An Drive  
Sarasota, FL 34231

**Re: Metro South Senior Apartments**  
**91 Senior Rental Units**  
6101 Sunset Drive  
South Miami, Dade County, Florida

Dear Mr. Paxton,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of Metro South Senior Apartments (the "project"), located in South Miami, Dade County, Florida. We understand the plan is to construct a 91-unit, senior-oriented 9% LIHTC rental project with 10 units targeted towards households earning 28% and 81 units at 60% or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Metro South Senior Apartments Limited Partnership  
**General Partner:** Beneficial Metro South Senior LLC  
**Developer:** RLI Beneficial Development II LLC

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan  
**Amount:** Approximately \$ 17,471,658  
**Term:** 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |   |
|----------------------------|---|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.  |
| <b>Commitment Fee:</b>     | 1% of the loan amount.  |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension  |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount   |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments   |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.   |
| <b>Developer Fee:</b>      | Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.   |
| <b>Tax Credit Equity:</b>  | Approximately \$ 2,526,990 annually, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.  |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.   |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits  |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety   |

**Construction to Permanent Loan**

**Amount:** \$ 2,537,401 subject to final underwriting

**Permanent Loan Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").

With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

|                                 |  |
|---------------------------------|--|
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.5%.<br><br><b>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to commitment.</b>  |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year perm period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |

bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

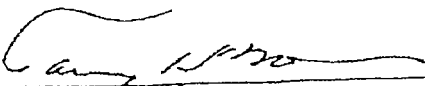
**Expiration Date:** This letter expires on 12/31/2012

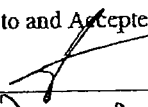
Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on November 11<sup>th</sup>, 2011  
By:   
Name: Donald Paxton  
Its: MANAGER OF GP  
METRO SOUTH SENIOR APARTMENTS LIMITED PARTNERSHIP

Cule



**Tammy Haylock-Moore**  
Community Development Banking

February 27, 2012

Metro South Senior Apartments Limited Partnership  
C/o Don Paxton  
2206 Jo An Drive  
Sarasota, FL 34231

**Re: Metro South Senior Apartments**  
**91 Senior Rental Units**  
6101 Sunset Drive  
South Miami, Dade County, Florida

Dear Mr. Paxton,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of Metro South Senior Apartments (the "project"), located in South Miami, Dade County, Florida. We understand the plan is to construct a 91-unit, senior-oriented 9% LIHTC rental project with 10 units targeted towards households earning 28% or less of the AMI and 81 units targeted towards households earning 60% or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Metro South Senior Apartments Limited Partnership  
**General Partner:** Beneficial Metro South Senior LLC  
**Developer:** RLI Beneficial Development 11 LLC

**Construction Loan**

**Facility:** Construction/equity bridge loan  
**Amount:** Approximately \$ 17,471,658  
**Term:** 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of February 17, 2012); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.  |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$23,498,653, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

### **Permanent Loan**

|                                |   |
|--------------------------------|---|
| <b>Amount:</b>                 | \$ 2,537,401 subject to final underwriting  |
| <b>Permanent Loan Funding:</b> | After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period"). |

|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.   |
| <b>Maturity Date:</b>           | The Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the efficiency, one and  |

two-bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

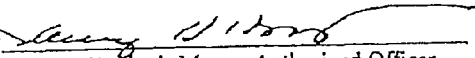
**Expiration Date:** This letter expires on 12/31/2012


Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore, Authorized Officer

Agreed to and Accepted on Feb 28, 2012  
By:  Metro South Senior Apartments Limited Partnership  
Name: Donald Paxton  
Its: Manager of GP



## Scoring Summary Report

File #: 2011-129C    Development Name: Gardenia Garden Apartments

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | Y     |               |
| Total Points   | 79                         | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 29.25       | 29.25 | 29.25 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 1           | 1     | 1     |               |

Scores:

| Item #                                | Part | Section | Subsection | Description   | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|---------------------------------------|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| 1S                                    | II.  | B.      | 1.c.       | Developer<br>Housing Credit Development Experience                  | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 2S                                    | III. | B.      | 3.a.       | Construction Features and Amenities<br>Optional - NC & Rehab. Units | 9.00                     | 9.00        | 9.00  | 9.00  |               |
| 3S                                    | III. | B.      | 3.b.       | Optional - All Developments Except SRO                              | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| 3S                                    | III. | B.      | 3.c.       | Optional - SRO Developments   | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| 4S                                    | III. | B.      | 3.d.       | Optional - Universal Design & Visitability                          | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S                                    | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)                               | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| 5S                                    | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)                          | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S                                    | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)                         | 10.00                    | 0.00        | 0.00  | 0.00  |               |
| <b>Set-Aside Commitments</b>          |      |         |            |   |                          |             |       |       |               |
| 6S                                    | III. | E.      | 1.b.(2)    | Special Needs Households  | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 7S                                    | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment  | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 8S                                    | III. | E.      | 3.         | Affordability Period  | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Resident Programs</b>              |      |         |            |   |                          |             |       |       |               |
| 9S                                    | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless                             | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 9S                                    | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)                               | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S                                    | III. | F.      | 3.         | Programs for Elderly  | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 10S                                   | III. | F.      | 4.         | Programs for All Applicants   | 8.00                     | 8.00        | 8.00  | 8.00  |               |
| <b>Local Government Contributions</b> |      |         |            |   |                          |             |       |       |               |
| 11S                                   | IV.  | A.      |            | Contributions   | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Local Government Incentives</b>    |      |         |            |   |                          |             |       |       |               |
| 12S                                   | IV.  | B.      |            | Incentives  | 4.00                     | 4.00        | 4.00  | 4.00  |               |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                  | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|--|----------------------|------------------------|
| 1T     | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the officers, directors and shareholders of Lomas Holding Corp., the member of the Developer entity.  | Preliminary          | Final                  |
| 2T     | V.   | D.      | 2.         | HC Equity                    | The total amount of equity listed on the first page of the equity commitment letter does not equal the sum of the stated equity payments in the commitment letter. Therefore, the HC equity cannot be considered a source of financing.  | Preliminary          | Final                  |
| 3T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$4,031,628.   | Preliminary          | NOPSE                  |
| 4T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$11,831,085.   | Preliminary          | NOPSE                  |
| 5T     | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the member(s) and manager(s) of AHG-RLI, LLC, the member of the Developer entity.   | Preliminary          | Final                  |
| 6T     | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant provide an equity letter from RBC Capital Markets which states on page one that the tax equity contribution will be \$12,559,434. The Applicant provided a loan commitment letter from Chase Bank which states on page 2 "Tax Credit Equity: Approximately \$1,395,632 annually". Due to this inconsistency the loan commitment letter could not be used as a source of financing. | NOPSE                | Final                  |
| 7T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$14,810,649.  | NOPSE                | Final                  |
| 8T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$14,810,649.   | NOPSE                | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 3.50        | 3.50  | 3.50  | 3.50          |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 3.50        | 3.50  | 3.50  | 3.50          |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 3.50        | 3.50  | 3.50  | 3.50          |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 2.50        | 2.50  | 2.50  | 2.50          |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     | N             |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 9.50        | 9.50  | 9.50  | 9.50          |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 1.75        | 1.75  | 1.75  | 1.75          |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 1.75        | 1.75  | 1.75  | 1.75          |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 0.75        | 0.75  | 0.75  | 0.75          |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |

Additional Application Comments:

| Item # | Part Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|--------------|------------|--|--|----------------------|------------------------|
| 1C     | V.           | B.         | Developer Fee  | The Applicant provided a Commitment to Defer Developer Fee form from both co-Developers, with each Developer committing to defer \$2,193,135 during construction and permanent financing. The total maximum combined amount of deferred Developer fee allowed is \$2,193,135, which is the amount utilized by Florida Housing as a source of construction and permanent financing. | Preliminary          |                        |
| 2C     | III.         | A.         | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(6) of the Application.   | Preliminary          |                        |
| 3C     | V.           | B.         | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of both the construction and permanent loan amounts. However, the amounts listed on the proforma for loan origination fees exceed these amounts. Therefore, the Total Development Cost was reduced by \$298.   | NOPSE                |                        |

application

ATTACHMENT B - NO. 2011-178C



**Tammy Haylock-Moore**  
**Community Development Banking**

November 8, 2011

RLI Beneficial Development 11 LLC  
C/o Don Paxton  
2206 Jo An Drive  
Sarasota, FL 34231

**Re:           Gardenia Garden Apartments**  
**100 Multi-Family Rental Units**  
**1727 NE 8<sup>th</sup> Ave**  
**Gainesville, Alachua County, Florida**

Dear Mr. Paxton,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of Gardenia Garden Apartments (the "project"), located in Gainesville, Alachua County, Florida. We understand the plan is to rehab a 100-unit, family-oriented 9% LIHTC rental project with 80 units (80% of the units) targeted towards households earning 60% or less of the AMI and 20 units (20% of the units) targeted towards households earning 33% or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:**                               Gardenia Garden Apartments Limited Partnership  
**General Partner:**                     Gardenia Garden Associates, LLC  
**Developer:**                             RLI Beneficial Development 11 LLC  
  Gardenia Garden, Inc

**Construction Bridge Loan**

**Facility:**                               Construction/equity bridge loan  
**Amount:**                               Approximately \$ 10,779,319  
**Term:**                                   24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|  |   |
|--|---|
| <b>Interest Rate:</b>                        | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.  |
| <b>Commitment Fee:</b>                       | 1% of the loan amount.  |
| <b>Extension Option:</b>                     | One, conditional, six-month maturity extension  |
| <b>Extension Fee:</b>                        | 0.25% of the remaining loan commitment amount   |
| <b>Collateral:</b>                           | First mortgage; other typical pledges and assignments   |
| <b>Guarantee:</b>                            | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.   |
| <b>Developer Fee:</b>                        | Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.   |
| <b>Tax Credit Equity:</b>                    | Approximately \$ 1,395,632 annually, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender.   |
| <b>Subordinate Liens:</b>                    | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.  |
| <b>Takeout:</b>                              | Permanent loan must be firmly committed and rate locked prior to construction loan closing.   |
| <b>Loan to Value:</b>                        | Up to 75% including the value of the real estate and tax credits  |
| <b>Contractor Bonding:</b>                   | 100% Payment and Performance Bonds from an "A-/VIII" rated surety   |
| <b><u>Construction to Permanent Loan</u></b> |   |
| <b>Amount:</b>                               | \$ 2,979,862 subject to final underwriting  |
| <b>Permanent Loan Funding:</b>               | After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period"). |

|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to commitment.  |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year perm period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |



reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

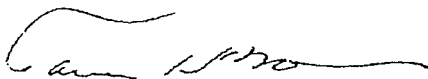
**Expiration Date:** This letter expires on 12/31/2012

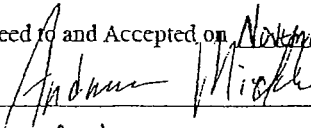
Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

**JPMORGAN CHASE BANK, N.A.**

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on November 20<sup>th</sup>, 2011  
By:  GARDENIA GARDEN APARTMENTS LIMITED PARTNERSHIP  
Name: Andrew Mickle

Cake



**Tammy Haylock-Moore**  
**Community Development Banking**

February 27, 2012

Gardenia Garden Apartments Limited Partnership  
C/o Don Paxton  
2206 Jo An Drive  
Sarasota, FL 34231

**Re:           Gardenia Garden Apartments**  
**100 Multi-Family Rental Units**  
**1727 NE 8<sup>th</sup> Ave**  
**Gainesville, Alachua County, Florida**

Dear Mr. Paxton,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed rehabilitation of Gardenia Garden Apartments (the "project"), located in Gainesville, Alachua County, Florida. We understand the plan is to rehabilitate a 100-unit, family-oriented 9% LIHTC rental project with 80 units targeted towards households earning 60% or less of the AMI and 20 units targeted towards households earning 33% or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:**                   Gardenia Garden Apartments Limited Partnership  
**General Partner:**         Gardenia Garden Associates, LLC  
**Developer:**                 RLI Beneficial Development 11 LLC  
                                  Gardenia Garden, Inc.

**Construction Loan**

**Facility:**                   Construction/equity bridge loan

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Amount:</b>             | Approximately \$10,779,319   |
| <b>Term:</b>               | 24 months  |
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of February 17, 2012); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.  |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$12,559,435, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

**Permanent Loan**

|                                 |   |
|---------------------------------|---|
| <b>Amount:</b>                  | \$2,979,862 subject to final underwriting   |
| <b>Permanent Loan Funding:</b>  | After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early. |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.  |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br><b>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.</b>   |
| <b>Maturity Date:</b>           | The Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year perm period.   |
| <b>Amortization:</b>            | 30 years  |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments   |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.   |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value   |
| <b>Conversion Requirements:</b> | 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for  |

- 90 days. Commercial income will be excluded from DSCR analysis.
- 90% economic and physical occupancy for 90 days.
- 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.

**Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for two-bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.


**Expiration Date:** This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore, Authorized Officer

Agreed to and Accepted on February 28, 2012

By: Andrew Mickle Gardenia Garden Apartments Limited Partnership

Name: Andrew Mickle

Its: President of Sole Member/Manager of GP

## Scoring Summary Report

File #: 2011-171C    Development Name: Oakhurst Square

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | N     |               |
| Total Points   | 79                         | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 31.25       | 31.25 | 31.25 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | N           | N     | N     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  |               |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  |               |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 4.00        | 4.00  | 4.00  |               |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                   | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------------------|---|----------------------|------------------------|
| 1T     | III. | C.      | 2.         | Site Control                  | The location of the Development site stated in the Background section of the Agreement for Purchase and Sale (1120 N. Boulevard) is inconsistent with the location stated elsewhere in the Application (905 W Cypress Street and 905 Oakhurst Place).   | Preliminary          |                        |
| 2T     | III. | C.      | 5.         | Environmental Site Assessment | The Environmental Provider checked the box at item 3.b. of the Verification of Environmental Safety - Phase I Environmental Site Assessment form indicating that a Phase II ESA is required/recommended. However, the Verification of Environmental Safety - Phase II Environmental Site Assessment form was not included in the Application. | Preliminary          |                        |
| 3T     | II.  | A.      | 3.         | Principals                    | The Applicant failed to identify the manager(s) of Biscayne Housing Group, LLC, the managing member of the Developer entity.  | Preliminary          |                        |
| 4T     | II.  | A.      | 3.         | Principals                    | The Applicant failed to identify the manager(s) of Chadwick Tax Credit Development, LLC, the member of the Developer entity.  | Preliminary          |                        |
| 5T     | V.   | B.      |            | Construction/Rehab. Analysis  | The Applicant has a construction financing shortfall of \$9,369,936.  | Preliminary          |                        |
| 6T     | V.   | B.      |            | Permanent Analysis            | The Applicant has a permanent financing shortfall of \$16,369,936.  | Preliminary          |                        |
| 7T     | V.   | D.      | 2.         | HC Equity                     | Because the equity commitment does not contain a statement that the commitment does not expire before September 7, 2012 (a date that is nine (9) months after the Application Deadline), as required in Part V.D.3.(a) of the 2011 Universal Application Instructions, the HC Equity cannot be considered a source of financing.              | Preliminary          |                        |
| 8T     | II.  | A.      | 3.         | Principals                    | The Applicant failed to identify the manager(s) of Quincco Investments, LLC, the member of the Developer entity.  | Preliminary          |                        |



| Item # | Part | Section | Subsection | Description       | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------|---|----------------------|------------------------|
| 9T     |      |         |            | Financial Arrears | Pursuant to subsection 67-48.004(5), F.A.C., NOPSE scoring may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or the Developer is in arrears to the Corporation or an agent or assignee of the Corporation as of the due date for NOPSE filing (January 25, 2012). As provided in paragraph 67-48.004(13)(d), F.A.C., following the submission of the "Cures," the Corporation shall reject an Application if the Applicant fails to satisfy any arrearages described in subsection 67-48.004(5), F.A.C. The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer is listed on the January 25, 2012 Past Due Report as being in arrears to the Corporation in connection with the following Developments: Bonita Cove and Casa Matias. The January 25, 2012 Past Due Report is posted to the FHFC Website at <a href="http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/">http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/</a> . Payments and questions should be addressed to the servicer. | NOPSE                | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 5.00        | 5.00  | 5.00  |               |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 3.00        | 3.00  | 3.00  |               |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 3.50        | 3.50  | 3.50  |               |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 3.00        | 3.00  | 3.00  |               |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     |               |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 9.50        | 9.50  | 9.50  |               |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 1.75        | 1.75  | 1.75  |               |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|---|----------------------|------------------------|
| 1C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.  | Preliminary          |                        |
| 2C     |      |         |            | Rental Assistance (RA) Level                                 | In order to be classified as a Rental Assistance (RA) Level other than RA Level 6, the Applicant provided a letter from HUD or RD as required; however, the letter did not include a statement that the committed rental assistance will be reserved and available for use by the proposed Development by the time the units are placed in service and committed for a minimum of 20 years upon the units being placed in service as required. The letter could not be considered, and the proposed Application is deemed to be RA Level 6. | Preliminary          |                        |
| 3C     |      |         |            | Rental Assistance (RA) Level                                 | In order to be classified as a Rental Assistance (RA) Level other than RA Level 6, the Applicant provided a letter from HUD or RD as required; however, the Address included in the letter (1120 N. Boulevard) is not consistent with the Address in the Application (905 W. Cypress Street). The letter could not be considered, and the Application has been deemed to be RA Level 6.   | Preliminary          |                        |



**Tammy Haylock-Moore**  
Community Development Banking

November 30, 2011

**Oakhurst Square Apartments, Ltd.**  
C/o Mr. Robert Scott, Chairman  
5508 North 50<sup>th</sup> Street, Suite 1-A  
Tampa, Florida 33610

**Re: Oakhurst Square Apartments**  
**200 Multi-Family Rental Units**  
905 W. Cypress Street and 905 Oakhurst Place  
Tampa, Hillsborough County, FL

Dear Mr. Scott:

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Oakhurst Square Apartments** (the "project"), located in Tampa, Hillsborough County, Florida. We understand the plan is to construct a 200-unit, 9% LIHTC rental project. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Oakhurst Square Apartments, LP

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan

**Amount:** \$12,000,000

**Term:** 24 months

**Interest Rate:** 30-Day LIBOR + 375 bps (4.00% as of November 16, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change based upon then market conditions and bank liquidity requirements.

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Telephone: 813 483 8251 • Facsimile: 813 483-8259

[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

- Commitment Fee:** 1% of the loan amount.
- Extension Option:** One, conditional, six-month maturity extension
- Extension Fee:** 0.25% of the remaining loan commitment amount
- Collateral:** First mortgage; other typical pledges and assignments
- Guarantee:** Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.
- Developer Fee:** Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.
- Tax Credit Equity:** Approximately \$18,988,100 of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender.
- Subordinate Liens:** Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.
- Takeout:** Permanent loan must be firmly committed and rate locked prior to construction loan closing.
- Loan to Value:** Up to 75% including the value of the real estate and tax credits
- Contractor Bonding:** 100% Payment and Performance Bonds from an "A-/VIII" rated surety

**Construction to Permanent Loan**

**Amount:** \$5,000,000

**Permanent Loan Funding:** After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of

conditions thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

- Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.
- Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.
- Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.
- Maturity Date:** The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.
- Amortization:** 30 years
- Collateral:** First mortgage; other typical pledges and assignments
- Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.
- Loan to Value:** Up to 80% of the stabilized rent-restricted value
- Conversion Requirements:**
- 1.20x debt service coverage ratio (DSCR) for 90 days;
  - 1.15x all-in.DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.
  - 90% economic and physical occupancy for 90 days.
  - 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be

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reduced.

**Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

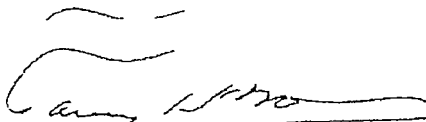
**Expiration:** This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on December 1, 2011

By: 

Name: Mr Robert Scott

Its: CHAIRMAN, OAKHURST SQUARE I COMMUNITY PARTNERSHIP, INC.,  
AS GENERAL PARTNER OF OAKHURST SQUARE APARTMENTS, Ltd.

## Scoring Summary Report

File #: 2011-219C    Development Name: Andrews Village

As of: 03/27/2012

|  | Maximum Points/Eligibility |             |       |       | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
|  | Met Threshold              | Preliminary | NOPSE | Final |               |
| Total Points   | 79                         | 72.00       | 72.00 | 72.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 30.00       | 30.00 | 30.00 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |



Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 2.00        | 2.00  | 2.00  | 2.00          |

Reason(s) Scores Not Maxed:

| Item # | Reason(s)  | Created As Result | Rescinded As Result |
|--------|--|-------------------|---------------------|
| 11S    | The Applicant provided a Local Government Contributions - Loan form that indicates that the street the development will be located on is N. Andrews Village. This is inconsistent with the street stated at Part III.A.2.b.(1) and elsewhere in the Application (N. Andrews Avenue). Therefore, the contribution could not be considered. The Applicant provided no other Local Government Contributions forms and is not eligible for automatic points. | Preliminary       |                     |
| 11S    | Although the Applicant listed a \$32,469 fee waiver at Part IV.A.2., the applicable Local Government Verification form and calculation of fee waiver amount were not provided. Therefore, the contribution could not be considered and the Development is not eligible for automatic points.   | Preliminary       |                     |
| 12S    | The Applicant did not submit the Local Government Incentives forms for Expedited Permitting (Exhibit 40) and Ongoing and Current Process for Providing Contributions (Exhibit 41). Therefore, zero points were awarded for these two (2) incentives.   | Preliminary       |                     |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                   | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------------------|---|----------------------|------------------------|
| 1T     | III. | C.      | 2.         | Site Control                  | The Assignment and Assumption of Purchase and Sale Agreement was signed on behalf of the Applicant by Douglas R. Mayer as Manager of GDI GP Member, LLC, sole member of GDI Andrews Village Apartments GP, LLC, the General Partner of Andrews Village Apartments, Ltd. However, as stated in the Application on Exhibit 9, the General Partner of the Applicant is Andrews Village Apartments GP, LLC, not GDI Andrews Village Apartments GP, LLC. | Preliminary          |                        |
| 2T     | III. | C.      | 5.         | Environmental Site Assessment | Paragraphs 11.(f) and 12.(b)(iv) of the Purchase and Sale Agreement indicate that there are existing buildings on the site. Therefore, the environmental provider should have checked the appropriate box at Item 2 of the Verification of Environmental Safety - Phase I Environmental Site Assessment form regarding the presence or absence of asbestos containing materials and lead base paint.  | Preliminary          |                        |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 3.00        | 3.00  | 3.00  |               |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 3.00        | 3.00  | 3.00  |               |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 2.50        | 2.50  | 2.50  |               |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     |               |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 8.50        | 8.50  | 8.50  |               |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 1.00        | 1.00  | 1.00  |               |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

Additional Application Comments:

| Item # | Part Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|--------------|------------|--|--|----------------------|------------------------|
| 1C     | III. A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.   | Preliminary          |                        |
| 2C     | III. A.      | 2.f.       | Public Housing Revitalization                                | The Applicant provided the Local Government Certification of Public Housing Revitalization in a Local Community Redevelopment or Revitalization Plan form; however, because the Applicant selected the New Construction Development Category and because the Application does not appear to involve a site with an existing Declaration of Trust between a Public Housing Authority and HUD, the proposed Development does not qualify as a Public Housing Revitalization Development. | Preliminary          |                        |
| 3C     | V. B.        |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of the construction loan amount. However, the amount listed on the proforma for loan origination fee exceeds this amount. Therefore, the Total Development Cost was reduced by \$80,500. This had no material impact on the Development's financing.   | NOPSE                |                        |



Tammy Haylock-Moore  
Community Development Banking

December 5, 2011

Andrews Village Apartments, Ltd.  
C/o Doug Mayer, President  
Global Development Initiatives, LLC  
1232 North University Drive  
Plantation, FL 33322

Re: **Andrews Village**  
86 Multi-Family Rental Units  
506, 520, 524 N. Andrews Avenue  
Ft. Lauderdale, Broward County, FL

Dear Mr. Mayer,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Andrews Village** (the "project"), located in Ft. Lauderdale, Broward County, Florida. We understand the plan is to construct a 86-unit, family-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 25% (9 units) and 60% (77 units) or less of the AML. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Andrews Village Apartments, Ltd.  
**General Partner:** Andrews Village Apartments GP, LLC  
**Developer:** GDI Florida Development, LLC  
**Construction Bridge Loan**  
**Facility:** Construction/equity bridge loan  
**Amount:** \$16,100,000, subject to final underwriting  
**Term:** 24 months

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Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$23,046,695, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

**Construction to Permanent Loan**

**Amount:** \$4,340,000 subject to final underwriting

**Permanent Loan Funding:** After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").

|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.   |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year perm period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |

bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

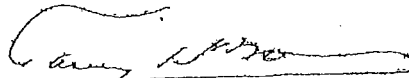
Expiration Date: This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

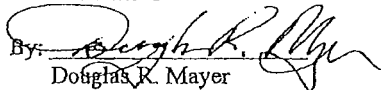
By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on Dec 5<sup>th</sup>, 2011.

Andrews Village Apartments, Ltd., a Florida limited partnership

By: GDI Andrews Village Apartments GP, LLC,  
its general partner

By: GDI GP Member, LLC  
its sole member

By:   
Douglas R. Mayer

Its: Manager



## Scoring Summary Report

File #: 2011-220C    Development Name: Blanton Park

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | N     |               |
| Total Points   | 79                         | 74.00       | 74.00 | 74.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 10.00       | 10.00 | 10.00 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| 1S   | II.  | B.      | 1.c.       | Developer<br>Housing Credit Development Experience | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |  |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                       | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO             | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                        | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability         | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)              | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)         | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)        | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>               |      |         |            |  |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                           | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                         | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                               | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |  |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless            | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)              | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                               | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                        | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |  |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                                      | 5.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Local Government Incentives</b>         |      |         |            |  |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives   | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

Reason(s) Scores Not Maxed:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 11S    | The Applicant provided a Local Government Verification of Contribution - Fee Waiver form; however, the calculations by which the total amount of each waiver is determined were not attached. Therefore, the contribution cannot be considered and zero points were awarded. The Application is not eligible for automatic points.  | Preliminary       |                     |
| 11S    | The Applicant provided a Local Government Verification of Contribution-Loan form. However, the payment stream provided for the NPV calculation is inconsistent with the terms provided on the Local Government Verification of Contribution-Loan form. Therefore, the contribution cannot be considered and zero points were awarded. The Application is not eligible for automatic points. | Preliminary       |                     |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                  | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|--|----------------------|------------------------|
| 1T     | V.   | D.      | 2.         | HC Equity                    | The Applicant failed to provide a syndication commitment. Therefore, no HC equity could be counted as a source of financing. | Preliminary          |                        |
| 2T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$7,695,613.   | Preliminary          | NOPSE                  |
| 3T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$18,198,613.   | Preliminary          | NOPSE                  |
| 4T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$7,631,223.   | NOPSE                |                        |
| 5T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$18,134,223.   | NOPSE                |                        |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     | N             |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |

Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 1P-8P  | Per subsection 67-48.002(114), F.A.C., if a Development consists of Scattered Sites, the Tie-Breaker Measurement Point must be located on the site with the most units. The Surveyor Certification for Competitive HC Applications form states that the Tie-Breaker Measurement Point is located on 1601 NW 15 Street Road. Information provided at Exhibit 19 and within the Addenda implies this is the site with the least number of units. Because of this, the form could not be considered, and the proposed Development is not eligible for proximity tie-breaker points for any Transit, Tier 1 or Tier 2 Services. | Preliminary       |                     |

Additional Application Comments:

| Item # | Part Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|--------------|------------|--|--|----------------------|------------------------|
| 1C     | V.           | B.         | Pro Forma  | The maximum contingency reserve of 5% was exceeded by \$5,901. Therefore, the contingency reserve and the Total Development Cost were reduced by this amount.  | Preliminary          |                        |
| 2C     | III.         | A.         | TOD Development  | The Applicant failed to indicate which of the Scattered Sites is at least partially located within the designated TOD area and the number of set-aside units that are located on each of the respective Scattered Sites that are also located within the designated TOD area as required at Part III.A.2.c. of the 2011 Universal Instructions. Therefore, the proposed Development does not qualify as a TOD Development. | Preliminary          |                        |
| 3C     | III.         | A.         | TOD Development  | Because the Surveyor Certification for Competitive HC Applications form was not considered (see item 1P - 8P), the Applicant failed to achieve a Transit Service Score of at least 6 points. Therefore, the proposed Development does not qualify as a TOD Development.  | Preliminary          |                        |
| 4C     | III.         | A.         | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.   | Preliminary          |                        |
| 5C     | V.           | B.         | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of the construction loan amount. However, the amount listed on the proforma for loan origination fee exceeds this amount. Therefore, the Total Development Cost was reduced by \$64,390.   | NOPSE                |                        |



Tammy Haylock-Moore  
Community Development Banking

December 5, 2011

Blanton Park, Ltd.  
C/o Doug Mayer, President  
Global Development Initiatives, LLC  
1232 North University Drive  
Plantation, FL 33322

Re: **Blanton Park**  
**72 Multi-Family Rental Units**  
**NW 16<sup>th</sup> Terrace at NW 16<sup>th</sup> Ave. and**  
**1601 NW 15<sup>th</sup> Street Road**  
**Miami, Miami-Dade County, FL**

Dear Mr. Mayer,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of Blanton Park (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to construct a 72-unit, family-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 28% (8 units) and 60% (64 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Blanton Park, Ltd.  
**General Partner:** GDI Blanton Park GP, LLC  
**Developer:** GDI Florida Development, LLC  
**Construction Bridge Loan**  
**Facility:** Construction/equity bridge loan  
**Amount:** \$12,878,000, subject to final underwriting  
**Term:** 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

**Interest Rate:** 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.

**Commitment Fee:** 1% of the loan amount.

**Extension Option:** One, conditional, six-month maturity extension

**Extension Fee:** 0.25% of the remaining loan commitment amount

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.

**Developer Fee:** Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.

**Tax Credit Equity:** Approximately \$21,034,942, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender.

**Subordinate Liens:** Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.

**Takeout:** Permanent loan must be firmly committed and rate locked prior to construction loan closing.

**Loan to Value:** Up to 75% including the value of the real estate and tax credits

**Contractor Bonding:** 100% Payment and Performance Bonds from an "A-/VIII" rated surety

**Construction to Permanent Loan**

**Amount:** \$2,375,000 subject to final underwriting

**Permanent Loan Funding:** After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").

With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

**Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.

**Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.

Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.

**Maturity Date:** The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.

**Amortization:** 30 years

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

**Loan to Value:** Up to 80% of the stabilized rent-restricted value

**Conversion Requirements:**

- 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.
- 90% economic and physical occupancy for 90 days.
- 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.

**Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-



bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

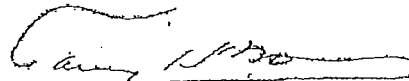
Expiration Date: This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

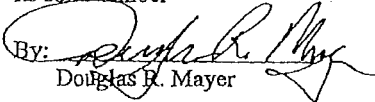
By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on Dec. 5<sup>th</sup>, 2011.

Blanton Park, Ltd., a Florida limited partnership

By: GDI Blanton Park GP, LLC,  
its general partner

By: GDI GP Member, LLC  
its sole member

By:   
Douglas R. Mayer

Its: Manager

## Scoring Summary Report

File #: 2011-221C    Development Name: Sajous Apartments

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | N     |               |
| Total Points   | 79                         | 74.00       | 74.00 | 74.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 30.25       | 30.25 | 30.25 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item # | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| 1S     | II.  | B.      | 1.c.       | <b>Developer</b><br>Housing Credit Development Experience                  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 2S     | III. | B.      | 3.a.       | <b>Construction Features and Amenities</b><br>Optional - NC & Rehab. Units | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S     | III. | B.      | 3.b.       | Optional - All Developments Except SRO                                     | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S     | III. | B.      | 3.c.       | Optional - SRO Developments  | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S     | III. | B.      | 3.d.       | Optional - Universal Design & Visiblity                                    | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S     | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)                                      | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S     | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)                                 | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S     | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)                                | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 6S     | III. | E.      | 1.b.(2)    | <b>Set-Aside Commitments</b><br>Special Needs Households                   | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S     | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment   | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S     | III. | E.      | 3.         | Affordability Period   | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| 9S     | III. | F.      | 1.         | <b>Resident Programs</b><br>Programs for Non-Elderly & Non-Homeless        | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 9S     | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)                                      | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S     | III. | F.      | 3.         | Programs for Elderly   | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S    | III. | F.      | 4.         | Programs for All Applicants  | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| 11S    | IV.  | A.      |            | <b>Local Government Contributions</b><br>Contributions                     | 5.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 12S    | IV.  | B.      |            | <b>Local Government Incentives</b><br>Incentives                           | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

Reason(s) Scores Not Maxed:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 11S    | The Applicant provided a Local Government Verification of Contribution - Fee Waiver form; however, the calculations by which the total amount of each waiver is determined were not attached. Therefore, the contribution cannot be considered and zero points were awarded. The Application is not eligible for automatic points.  | Preliminary       |                     |
| 11S    | The Applicant provided a Local Government Verification of Contribution-Loan form. However, the payment stream provided for the NPV calculation is inconsistent with the terms provided on the Local Government Verification of Contribution-Loan form. Therefore, the contribution cannot be considered and zero points were awarded. The Application is not eligible for automatic points. | Preliminary       |                     |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                   | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------------------|---|----------------------|------------------------|
| 1T     | III. | C.      | 5.         | Environmental Site Assessment | Because the Ground Lease provided to demonstrate site control indicates that demolition will take place, the environmental provider should have checked the appropriate box at item 2. of the Phase I ESA Verification form relative to existing buildings and the presence or absence of asbestos and lead-based paint.  | Preliminary          |                        |
| 2T     | III. | C.      | 2.         | Site Control                  | Section 16(f) of the Ground Lease requires that any assignment without Lessor's permission or consent must be to a partnership formed for the purpose of owning the project, of which the Lessee shall be the general partner. The Lessee, Global Development Initiatives, LLC, is not listed in the Application on Exhibit 9 as the General Partner of the Applicant entity and no written consent of the Lessor was provided. | Preliminary          |                        |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| Transit Services                                 |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 7.00        | 7.00  | 7.00  | 7.00          |
| Tier 1 Services                                  |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 3.50        | 3.50  | 3.50  | 3.50          |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 3.50        | 3.50  | 3.50  | 3.50          |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     | N             |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 7.00        | 7.00  | 7.00  | 7.00          |
| Tier 2 Services                                  |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 1.50        | 1.50  | 1.50  | 1.50          |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.50        | 1.50  | 1.50  | 1.50          |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 1.75        | 1.75  | 1.75  | 1.75          |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 1.50        | 1.50  | 1.50  | 1.50          |
| FHFC Proximity List                              |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |

Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)  | Created As Result | Rescinded As Result |
|--------|--|-------------------|---------------------|
| 2P     | No proximity points were awarded for Grocery Store because the latitude and longitude coordinates do not plot within the state of Florida. | Preliminary       |                     |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|--|----------------------|------------------------|
| 1C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.   | Preliminary          |                        |
| 2C     | V.   | B.      |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of the construction loan amount. However, the amount listed on the proforma for loan origination fee exceeds this amount. Therefore, the Total Development Cost was reduced by \$60,000. This had no material impact on the Development's financing. | NOPSE                |                        |



Tammy Haylock-Moore  
Community Development Banking

December 5, 2011

Sajous Apartments, Ltd.  
C/o Doug Mayer, President  
Global Development Initiatives, LLC  
1232 North University Drive  
Plantation, FL 33322

Re: Sajous Apartments  
62 Multi-Family Rental Units  
1290 NW 36<sup>th</sup> Street  
Miami, Miami-Dade County, FL

Dear Mr. Mayer,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Sajous Apartments** (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to construct an 62-unit, family-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 28% (7 units) and 60% (55 units) or less of the AML. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

Borrower: Sajous Apartments, Ltd.  
General Partner: GDI Sajous GP, LLC & Independent Eglise GP, LLC  
Developer: GDI Florida Development, LLC  
**Construction Bridge Loan**  
Facility: Construction/equity bridge loan  
Amount: \$12,000,000, subject to final credit underwriting  
Term: 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$19,321,447, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

**Construction to Permanent Loan**

**Amount:** \$2,200,000 subject to final underwriting

**Permanent Loan Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").



|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.  |
|                                 | Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.  |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |

bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

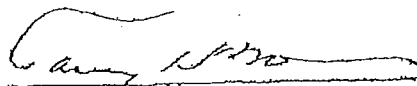
Expiration Date: This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

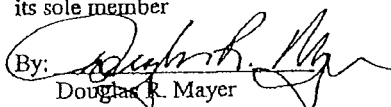
By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on Dec 5<sup>th</sup>, 2011.

Sajous Apartments, Ltd., a Florida limited partnership

By: GDI Sajous GP, LLC,  
its managing general partner

By: GDI GP Member, LLC  
its sole member

By:   
Douglas K. Mayer

Its: Manager

## Scoring Summary Report

File #: 2011-222C    Development Name: Wagner Creek Apartments

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | Y           | Y     | Y     |               |
| Total Points   | 79                         | 74.00       | 74.00 | 74.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 31.00       | 31.00 | 31.00 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| 1S   | II.  | B.      | 1.c.       | Developer<br>Housing Credit Development Experience | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |  |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                       | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO             | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                        | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability         | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)              | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)         | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)        | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>               |      |         |            |  |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                           | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                         | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                               | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |  |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless            | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)              | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                               | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                        | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |  |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                                      | 5.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Local Government Incentives</b>         |      |         |            |  |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives   | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

Reason(s) Scores Not Maxed:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 11S    | The Applicant provided a Local Government Verification of Contribution - Fee Waiver form; however, the calculations by which the total amount of each waiver is determined were not attached. Therefore, the contribution cannot be considered and zero points were awarded. The Application is not eligible for automatic points.  | Preliminary       |                     |
| 11S    | The Applicant provided a Local Government Verification of Contribution-Loan form. However, the payment stream provided for the NPV calculation is inconsistent with the terms provided on the Local Government Verification of Contribution-Loan form. Therefore, the contribution cannot be considered and zero points were awarded. The Application is not eligible for automatic points. | Preliminary       |                     |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 7.00        | 7.00  | 7.00  |               |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 3.50        | 3.50  | 3.50  |               |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 2.50        | 2.50  | 2.50  |               |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 3.50        | 3.50  | 3.50  |               |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     |               |
| <b>Total Tier 1 Service Score</b>                |      |         |            |  | 12.00                    | 9.50        | 9.50  | 9.50  |               |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.25        | 1.25  | 1.25  |               |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 1.75        | 1.75  | 1.75  |               |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)  | Created As Result | Rescinded As Result |
|--------|--|-------------------|---------------------|
| 8P     | The distance between the Public Library and the Tie-Breaker Measurement Point is greater than 2.0 miles and no proximity points were awarded for this service. | Preliminary       |                     |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|--|----------------------|------------------------|
| 1C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.   | Preliminary          |                        |
| 2C     | V.   | B.      |            | Pro Forma  | The maximum contingency reserve of 5% was exceeded by \$4,850. Therefore, the contingency reserves and the Total Development Cost were adjusted by this amount.  | Preliminary          |                        |
| 3C     | V.   | B.      |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of the construction loan amount. However, the amount listed on the proforma for loan origination fee exceeds this amount. Therefore, the Total Development Cost was reduced by \$60,000. This had no material impact on the Development's financing. | NOPSE                |                        |



Tammy Haylock-Moore  
Community Development Banking

December 5, 2011

Wagner Creek Apartments, Ltd.  
C/o Doug Mayer, President  
Global Development Initiatives, LLC  
1232 North University Drive  
Plantation, FL 33322

Re: Wagner Creek Apartments  
68 Multi-Family Rental Units  
1501 NW 13<sup>th</sup> Court  
Miami, Miami-Dade County, FL

Dear Mr. Mayer,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of Wagner Creek Apartments (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to construct a 68-unit, family-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 28% (7 units) and 60% (61 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

Borrower: Wagner Creek Apartments, Ltd.

General Partner: GDI Wagner Creek GP, LLC

Developer: GDI Florida Development, LLC

Construction Bridge Loan

Facility: Construction/equity bridge loan

Amount: \$12,000,000, subject to final underwriting

Term: 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602

Telephone: 813 483 8251 • Facsimile: 813 483-8259

[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)



|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$20,122,101, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

**Construction to Permanent Loan**

**Amount:** \$2,215,000 subject to final underwriting

**Permanent Loan  
Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").

With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

**Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.

**Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.

Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.

**Maturity Date:** The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year perm period.

**Amortization:** 30 years

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

**Loan to Value:** Up to 80% of the stabilized rent-restricted value

- Conversion Requirements:**
- 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.
  - 90% economic and physical occupancy for 90 days.
  - 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.

**Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-

bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

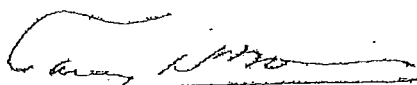
Expiration Date: This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

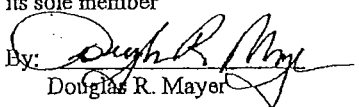
By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on Dec 5<sup>th</sup>, 2011.

Wagner Creek Apartments, Ltd., a Florida limited partnership

By: GDI Wagner Creek GP, LLC,  
its general partner

By: GDI GP Member, LLC  
its sole member

By:   
Douglas R. Mayer

Its: Manager

## Scoring Summary Report

File #: 2011-223C Development Name: Tuscany Cove II

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | N     |               |
| Total Points -   | 79                         | 68.00       | 68.00 | 68.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 22.75       | 22.75 | 22.75 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | III. | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visibility    | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

Reason(s) Scores Not Maxed:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 9S     | The Applicant failed to qualify for the Elderly Demographic. Therefore, the Applicant is not eligible to select Qualified Resident Programs for Elderly Developments.   | Preliminary       |                     |
| 11S    | The Applicant provided a Local Government Verification of Contribution - Fee Waiver form; however, the calculations by which the total amount of each waiver is determined were not attached. Therefore, the contribution cannot be considered and zero points were awarded. The Application is not eligible for automatic points.  | Preliminary       |                     |
| 11S    | The Applicant provided a Local Government Verification of Contribution-Loan form. However, the payment stream provided for the NPV calculation is inconsistent with the terms provided on the Local Government Verification of Contribution-Loan form. Therefore, the contribution cannot be considered and zero points were awarded. The Application is not eligible for automatic points. | Preliminary       |                     |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description            | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------|---|----------------------|------------------------|
| 1T     | III. | D.      |            | Demographic Commitment | The Applicant failed to qualify for the Elderly Demographic because the market analysis provided in the Application is not dated within nine (9) months of the Application Deadline as required in the 2011 Universal Application Instructions.   | Preliminary          |                        |
| 2T     | III. | C.      | 2.         | Site Control           | The July 20, 2011 Real Estate Purchase Agreement expires prior to July 7, 2012 (a date that is seven (7) months after the Application Deadline) and the Agreement does not contain a provision to extend the term of the Agreement to July 7, 2012 or beyond.   | Preliminary          |                        |
| 3T     |      |         |            | Financial Arrears      | Pursuant to subsection 67-48.004(5), F.A.C., NOPSE scoring may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or the Developer is in arrears to the Corporation or an agent or assignee of the Corporation as of the due date for NOPSE filing (January 25, 2012). As provided in paragraph 67-48.004(13)(d), F.A.C., following the submission of the "Cures," the Corporation shall reject an Application if the Applicant fails to satisfy any arrearages described in subsection 67-48.004(5), F.A.C. The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer is listed on the January 25, 2012 Past Due Report as being in arrears to the Corporation in connection with the following Development(s): Garden Walk. The January 25, 2012 Past Due Report is posted to the FHFC Website at <a href="http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/">http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/</a> . Payments and questions should be addressed to the servicer. | NOPSE                | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 2.50        | 2.50  | 2.50  | 2.50          |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     | N             |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 4.50        | 4.50  | 4.50  | 4.50          |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 1.25        | 1.25  | 1.25  | 1.25          |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |



Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 3P     | Because the proposed Development does not qualify for the Elderly Demographic, it is not eligible for proximity points for Senior Center. | Preliminary       |                     |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|--|----------------------|------------------------|
| 1C     | V.   | B.      |            | Pro Forma  | The maximum contingency reserve of 5% was exceeded by \$9,706.00. Therefore, the contingency reserves and the Total Development Cost were reduced by this amount.  | Preliminary          |                        |
| 2C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.   | Preliminary          |                        |
| 3C     | V.   | B.      |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of the construction loan amount. However, the amount listed on the proforma for loan origination fee exceeds this amount. Therefore, the Total Development Cost was reduced by \$69,100. This had no material impact on the Development's financing. | NOPSE                |                        |



Tammy Haylock-Moore  
Community Development Banking

December 5, 2011

Tuscany Cove II, Ltd.  
C/o Doug Mayer, President  
Global Development Initiatives, LLC  
1232 North University Drive  
Plantation, FL 33322

Re: Tuscany Cove II  
100 Senior Rental Units  
5901 NW 7<sup>th</sup> Court  
Miami, Miami-Dade County, FL

Dear Mr. Mayer,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of Tuscany Cove II (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to construct a 100-unit, senior-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 28% (10 units) and 60% (90 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Tuscany Cove II, Ltd.  
**General Partner:** GDI Tuscany Cove II GP, LLC & Tacolcy Tuscany Cove II, LLC  
**Developer:** GDI Florida Development, LLC and Tacolcy Economic Development Corporation, Inc.

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan  
**Amount:** \$13,820,000, subject final underwriting  
**Term:** 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$23,046,695, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Lends:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

**Construction to Permanent Loan**

|                                |   |
|--------------------------------|---|
| <b>Amount:</b>                 | \$2,400,000 subject to final underwriting   |
| <b>Permanent Loan Funding:</b> | After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period"). |

|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.   |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |

bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

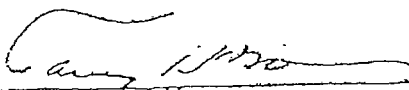
Expiration Date: This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

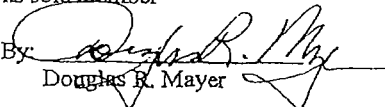
By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on Dec 5<sup>th</sup>, 2011.

Tuscany Cove II, Ltd., a Florida limited partnership

By: GDI Tuscany Cove II GP, LLC,  
its managing general partner

By: GDI GP Member, LLC  
its sole member

By:   
Douglas R. Mayer

Its: Manager

## Scoring Summary Report

File #: 2011-224C Development Name: Tuscany Cove I

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | Y     |               |
| Total Points   | 79                         | 74.00       | 74.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 30.00       | 30.00 | 36.00 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| 1S   | II.  | B.      | 1.c.       | Developer<br>Housing Credit Development Experience | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |  |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                       | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO             | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                        | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability         | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)              | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)         | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)        | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>               |      |         |            |  |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                           | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                         | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                               | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |  |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless            | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)              | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                               | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                        | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |  |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                                      | 5.00                     | 0.00        | 0.00  | 0.00  | 5.00          |
| <b>Local Government Incentives</b>         |      |         |            |  |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives   | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

**Reason(s) Scores Not Maxed:**

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 11S    | The Applicant provided a Local Government Verification of Contribution - Fee Waiver form; however, the calculations by which the total amount of each waiver is determined were not attached. Therefore, the contribution cannot be considered and zero points were awarded. The Application is not eligible for automatic points.  | Preliminary       | Final               |
| 11S    | The Applicant provided a Local Government Verification of Contribution-Loan form. However, the payment stream provided for the NPV calculation is inconsistent with the terms provided on the Local Government Verification of Contribution-Loan form. Therefore, the contribution cannot be considered and zero points were awarded. The Application is not eligible for automatic points. | Preliminary       | Final               |

**Threshold(s) Failed:**

| Item # | Part | Section | Subsection | Description       | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|-------------------|---|----------------------|------------------------|
| 1T     | III. | C.      | 2.         | Site Control      | The July 20, 2011 Real Estate Purchase Agreement expires prior to July 7, 2012 (a date that is seven (7) months after the Application Deadline) and the Agreement does not contain a provision to extend the term of the Agreement to July 7, 2012 or beyond.   | Preliminary          | Final                  |
| 2T     |      |         |            | Financial Arrears | Pursuant to subsection 67-48.004(5), F.A.C., NOPSE scoring may include financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or the Developer is in arrears to the Corporation or an agent or assignee of the Corporation as of the due date for NOPSE filing (January 25, 2012). As provided in paragraph 67-48.004(13)(d), F.A.C., following the submission of the "Cures," the Corporation shall reject an Application if the Applicant fails to satisfy any arrearages described in subsection 67-48.004(5), F.A.C. The Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or the Developer is listed on the January 25, 2012 Past Due Report as being in arrears to the Corporation in connection with the following Development(s): Garden Walk. The January 25, 2012 Past Due Report is posted to the FHFC Website at <a href="http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/">http://www.floridahousing.org/PropertyOwnersAndManagers/PastDueReports/</a> . Payments and questions should be addressed to the servicer. | NOPSE                | Final                  |



Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 0.00        | 0.00  | 4.00  | 4.00          |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     | N             |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 8.00        | 8.00  | 12.00 | 12.00         |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 0.00        | 0.00  | 2.00  | 2.00          |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |

Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 3P     | The Surveyor Certification for Competitive HC Applications form lists identical latitude and longitude coordinates for both a Public School and a Public Library. As stated on the chart on page 38 of the Universal Application Instructions, both services' coordinates must represent a point that is on the doorway threshold of an exterior entrance that provides direct public access to the building where the service is located. Because it is unclear how one identical set of coordinates could meet the definition of both of these services, the Applicant was not awarded proximity tie-breaker points for either service. | Preliminary       | Final               |
| 8P     | The Surveyor Certification for Competitive HC Applications form lists identical latitude and longitude coordinates for both a Public School and a Public Library. As stated on the chart on page 38 of the Universal Application Instructions, both services' coordinates must represent a point that is on the doorway threshold of an exterior entrance that provides direct public access to the building where the service is located. Because it is unclear how one identical set of coordinates could meet the definition of both of these services, the Applicant was not awarded proximity tie-breaker points for either service. | Preliminary       | Final               |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|--|----------------------|------------------------|
| 1C     | V.   | B.      |            | Pro Forma  | The maximum contingency reserve of 5% was exceeded by \$7,062.00. Therefore, the contingency reserves and the Total Development Cost were reduced by this amount.  | Preliminary          |                        |
| 2C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.   | Preliminary          |                        |
| 3C     | V.   | B.      |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of the construction loan amount. However, the amount listed on the proforma for loan origination fee exceeds this amount. Therefore, the Total Development Cost was reduced by \$74,000. This had no material impact on the Development's financing. | NOPSE                |                        |



Tammy Haylock-Moore  
Community Development Banking

December 5, 2011

Tuscany Cove I, Ltd.  
C/o Doug Mayer, President  
Global Development Initiatives, LLC  
1232 North University Drive  
Plantation, FL 33322

Re: Tuscany Cove I  
90 Multi-Family Rental Units  
5900 NW 7<sup>th</sup> Avenue  
Miami, Miami-Dade County, FL

Dear Mr. Mayer,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of Tuscany Cove I (the "project"), located in Miami, Miami-Dade County, Florida. We understand the plan is to construct an 90-unit, family-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 28% (9 units) and 60% (81 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

Borrower: Tuscany Cove I, Ltd.  
General Partner: GDI Tuscany Cove I GP, LLC & Tacolcy Tuscany Cove I, LLC  
Developer: GDI Florida Development, LLC and  
Tacolcy Economic Development Corporation, Inc.

**Construction Bridge Loan**

Facility: Construction/equity bridge loan  
Amount: \$14,800,000, subject to final underwriting  
Term: 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$23,046,695, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

**Construction to Permanent Loan**

**Amount:** \$3,290,000 subject to final underwriting

**Permanent Loan  
Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").

|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.   |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |

bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

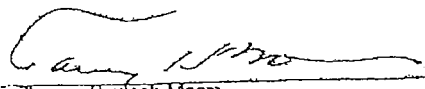
Expiration Date: This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

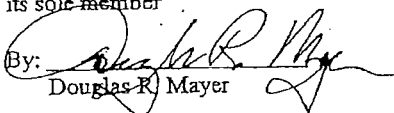
By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on Dec 5<sup>th</sup>, 2011.

Tuscany Cove I, Ltd., a Florida limited partnership

By: GDI Tuscany Cove I GP, LLC,  
its managing general partner

By: GDI GP Member, LLC  
its sole member

By:   
Douglas R. Mayer

Its: Manager

## Scoring Summary Report

File #: 2011-244C    Development Name: Magnolia Valley Estates

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | N     |               |
| Total Points   | 79                         | 74.00       | 74.00 | 74.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 25.25       | 25.25 | 26.00 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | N           | N     | N     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                | Part | Section | Subsection | Description   | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|---------------------------------------|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| 1S                                    | II.  | B.      | 1.c.       | Developer<br>Housing Credit Development Experience                  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 2S                                    | III. | B.      | 3.a.       | Construction Features and Amenities<br>Optional - NC & Rehab. Units | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S                                    | III. | B.      | 3.b.       | Optional - All Developments Except SRO                              | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S                                    | III. | B.      | 3.c.       | Optional - SRO Developments   | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S                                    | III. | B.      | 3.d.       | Optional - Universal Design & Visibility                            | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S                                    | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)                               | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S                                    | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)                          | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S                                    | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)                         | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>          |      |         |            |   |                          |             |       |       |               |
| 6S                                    | III. | E.      | 1.b.(2)    | Special Needs Households  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S                                    | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment  | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S                                    | III. | E.      | 3.         | Affordability Period  | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>              |      |         |            |   |                          |             |       |       |               |
| 9S                                    | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless                             | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 9S                                    | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)                               | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S                                    | III. | F.      | 3.         | Programs for Elderly  | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S                                   | III. | F.      | 4.         | Programs for All Applicants   | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b> |      |         |            |   |                          |             |       |       |               |
| 11S                                   | IV.  | A.      |            | Contributions   | 5.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Local Government Incentives</b>    |      |         |            |   |                          |             |       |       |               |
| 12S                                   | IV.  | B.      |            | Incentives  | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

Reason(s) Scores Not Maxed:

| Item # | Reason(s)  | Created As Result | Rescinded As Result |
|--------|--|-------------------|---------------------|
| 11S    | The Applicant failed to provide any of the Local Government Contribution forms and the Application does not qualify for automatic points. Therefore, the Applicant received zero points for Local Government Contributions.  | Preliminary       | Final               |
| 11S    | As a CURE for Item 11S, the Applicant submitted a Local Government Verification of Contribution - Grant form. However, the grant is only effective through December 6, 2011. Per Part IV.A. of the 2011 Universal Cycle Application the term of the commitment must be effective at least through June 30, 2012. Therefore, the Applicant received zero points for Local Government Contributions and does not qualify for automatic points. | Final             |                     |



Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                  | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|--|----------------------|------------------------|
| 1T     | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant provided the documentation for the first mortgage financing from JP Morgan Chase Bank. However, because the loan commitment is not signed by the borrower, the loan commitment cannot be considered a source of financing.   | Preliminary          | Final                  |
| 2T     | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant provided a first mortgage commitment letter that is addressed to New Port Richey Magnolia Valley Estates, LLC as noted in II.A.2.a. of the Application. However, in the body of the letter the Borrower is identified as New Port Richey Magnolia Valley Estates, LP. As a result of this inconsistency, the commitment letter was not counted as a source of financing. | Preliminary          | Final                  |
| 3T     | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant listed a \$75,000 grant to be provided at Exhibit 38 as a source of financing, but no evidence of the commitment was provided. Therefore, the grant could not be considered as a source of financing.  | Preliminary          | Final                  |
| 4T     | V.   | B.      |            | Developer Fee                | The Applicant provided the Commitment to Defer Developer Fee form at Exhibit 45. However, because the amounts to be deferred are not stated no Developer fee can be used as a source of financing.   | Preliminary          | Final                  |
| 5T     | V.   | B.      |            | Developer Fee                | The Commitment to Defer Developer Fee form was completed incorrectly. The Applicant did not correctly indicate the name of the Development as noted in III.A.1. of the Application. Therefore, no Developer fee amount can be used as a source of financing.   | Preliminary          | Final                  |
| 6T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$11,060,625.  | Preliminary          | NOPSE                  |
| 7T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$11,060,625.   | Preliminary          | NOPSE                  |
| 8T     | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the "to be formed" managing member LLC of the Applicant entity.   | Preliminary          | Final                  |
| 9T     | V.   | D.      | 2.         | HC Equity                    | The Applicant provided a HC equity commitment from Raymond James Tax Credit Funds, Inc. However, because the equity commitment is not signed by the Applicant, the loan commitment cannot be considered a source of financing.   | Preliminary          | Final                  |

| Item # | Part | Section | Subsection | Description                  | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|--|----------------------|------------------------|
| 10T    | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant submitted a loan commitment from JPMorgan Chase Bank that states on page 2 that the Applicant shall receive \$9,883,545 in tax credit equity. However, the Applicant provided an HC equity commitment in the amount of \$9,882,555. Due to the inconsistency, the loan commitment cannot be used as a source of financing. | Preliminary          | Final                  |
| 11T    | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the "to be determined" investor member of the Applicant entity.   | Preliminary          | Final                  |
| 12T    | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the officers and directors of Sand Properties, Inc., the member of the "to be formed" managing member LLC of the Applicant entity.  | Preliminary          | Final                  |
| 13T    | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the manager(s) of the Developer entity.   | Preliminary          | Final                  |
| 14T    | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the officers and directors of Sand Properties, Inc., the member of the Developer entity.  | Preliminary          | Final                  |
| 15T    | II.  | B.      | 1.b.       | Developer General Experience | The Developer or Principal of Developer Certification form identifies the name of Developer as "New Port Richey Magnolia Valley Estates, LLC" which is inconsistent with the name of the Developer identified in the Application as "Sunshine Development Group, LLC."   | Preliminary          | Final                  |
| 16T    | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$10,971,036.  | NOPSE                | Final                  |
| 17T    | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$10,971,036.   | NOPSE                | Final                  |

| Item # | Part | Section | Subsection | Description          | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|----------------------|--|----------------------|------------------------|
| 18T    | V.   | A.      | 1.         | FHFC Funding Request | The Applicant provided a new tax credit equity commitment that reflected a new annual housing credit amount of \$1,139,955. In its cure, the Applicant provided a revised request amount (Part V.A.1) in order to keep their Application consistent with the new tax credit equity commitment. However, the housing credit request amount cannot be reduced per subsection 67-48.004(14), F.A.C.: "Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempted changes to these items will not be accepted. Those items are as follows: ...() Funding Request amount." | Final                |                        |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  |               |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  |               |

Proximity Tie-Breaker Points:

| Item #  | Part | Section | Subsection | Description   | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|---|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                                 |      |         |            |   |                          |             |       |       |               |
| 1P  | III. | A.      | 10.a       | Public Bus Stop                                     | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 1P  | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P  | III. | A.      | 10.a       | Public Rail Station                                 | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Tier 1 Services</b>                                  |      |         |            |   |                          |             |       |       |               |
| 2P  | III. | A.      | 10.a       | Grocery Store                                       | 4.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 3P  | III. | A.      | 10.a       | Public School                                       | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 3P  | III. | A.      | 10.a       | Senior Center                                       | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 4P  | III. | A.      | 10.a       | Medical Facility                                    | 4.00                     | 1.50        | 1.50  | 1.50  | 2.00          |
| <b>Eligible for Tier 1 Service Score Boost (Yes/No)</b> |      |         |            |   |                          | N           | N     | N     | N             |
| <b>Total Tier 1 Service Score</b>                       |      |         |            |   | 12.00                    | 8.50        | 8.50  | 8.50  | 9.00          |
| <b>Tier 2 Services</b>                                  |      |         |            |   |                          |             |       |       |               |
| 5P  | III. | A.      | 10.a       | Public Park   | 2.00                     | 0.75        | 0.75  | 0.75  | 1.00          |
| 6P  | III. | A.      | 10.a       | Community Center                                    | 2.00                     | 1.25        | 1.25  | 1.25  | 1.25          |
| 7P  | III. | A.      | 10.a       | Pharmacy  | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 8P  | III. | A.      | 10.a       | Public Library                                      | 2.00                     | 0.75        | 0.75  | 0.75  | 0.75          |
| <b>FHFC Proximity List</b>                              |      |         |            |   |                          |             |       |       |               |
| 9P  | III. | A.      | 10.b       | Proximity to Developments on FHFC Proximity List    | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|---|----------------------|------------------------|
| 1C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(2) of the Application.  | Preliminary          |                        |
| 2C     | V.   | B.      |            | Pro Forma  | The maximum Developer fee of 16 percent was exceeded by \$171,845. Therefore, the Developer fee and Total Development Cost were reduced by this amount. This had no material impact on the Development's financing.   | Preliminary          | NOPSE                  |
| 3C     | V.   | B.      |            | Pro Forma  | The Applicant listed operating expense reserves totaling \$180,000. However, No. 5 on the Development Cost Pro Forma Notes states "For purposes of the Development Cost calculation in this Application, the only reserves allowed are contingency reserves for rehabilitation and construction..." Therefore, the Total Development Cost was reduced by \$180,000. | Preliminary          | Final                  |
| 4C     | V.   | B.      |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of both the construction and permanent loan amounts. However, the amounts listed on the proforma for loan origination fees exceed these amounts. Therefore, the Total Development Cost was reduced by \$42,698.   | NOPSE                | Final                  |
| 5C     | V.   | B.      |            | Pro Forma  | The maximum Developer fee of 16 percent was exceeded by \$184,202. Therefore, the Developer fee and Total Development Cost were reduced by this amount.   | NOPSE                | Final                  |
| 6C     | V.   | B.      |            | Pro Forma  | As a CURE for item 3T the Applicant submitted a Local Government Verification of Contribution - Grant. This commitment was not counted as a source of financing because it is not effective though September 7, 2012 (a date that is nine (9) months after the Application deadline). This did not cause a financing shortfall.                                     | Final                |                        |

thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

|                                 |  |
|---------------------------------|--|
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.  |
|                                 | <b>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.</b>   |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year perm period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>- 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>- 90% economic and physical occupancy for 90 days.</li> <li>- 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |

Application

ATTACHMENT B - NO. 2011-178C



**Tammy Haylock-Moore**  
**Community Development Banking**

December 5, 2011

New Port Richey Magnolia Valley Estates, LLC  
C/o Tom Shelly  
**Sand Properties, Inc.**  
3831 Tyrone Blvd., Suite 103  
St. Petersburg, FL 33709

**Re: Magnolia Valley Estates**  
**74 Senior Rental Units**  
7223 Massachusetts Avenue  
New Port Richey, Pasco County, FL

Dear Mr. Shelley,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Magnolia Valley Estates** (the "project"), located in New Port Richey, FL. We understand the plan is to construct a 74-unit senior rental project that will be targeted towards households earning 33% (8 units), and 60% (66 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** New Port Richey Magnolia Valley Estates, LP  
**General Partner:** To be Formed Upon Selection  
**Developer:** Sand Properties, Inc., and/or its subsidiaries

**Construction Bridge Loan**

**Facility:** Construction loan  
**Amount:** Approximately \$6,703,470  
**Term:** 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |   |
|----------------------------|---|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.  |
| <b>Commitment Fee:</b>     | 1% of the loan amount.  |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension  |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount   |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments   |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.   |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.   |
| <b>Tax Credit Equity:</b>  | \$9,883,545 of which 15% or more will be paid in at closing and at least 50% by completion. The identity of the syndicator and upper-tier investor and the final pay-in schedule will be critical elements in determining the availability and pricing of the proposed credit facility. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.  |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.   |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits.   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety   |

#### **Construction to Permanent Loan**

**Amount:** \$773,343 subject to final underwriting

#### **Permanent Loan Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions



|                                 |  |
|---------------------------------|--|
|                                 | thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br><b>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.</b>  |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-   |

bedroom units and \$350/unit/year for the three bedroom units: funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

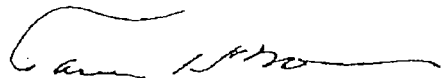
**Expiration Date:** This letter expires as of December 31, 2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed precedent to the issuance of a full term sheet.

We look forward to working with you on this transaction.

Very truly yours.

JPMORGAN CHASE BANK, N.A.

By:   
\_\_\_\_\_  
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on \_\_\_\_\_, 2011

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Chase

ATTACHMENT B - NO. 2011-178C



**Tammy Haylock-Moore**  
**Community Development Banking**

January 31, 2012

New Port Richey Magnolia Valley Estates, LLC  
C/o Tom Shelly  
**Sand Properties, Inc.**  
3831 Tyrone Blvd., Suite 103  
St. Petersburg, FL 33709

**Re: Magnolia Valley Estates**  
**74 Senior Rental Units**  
**7223 Massachusetts Avenue**  
**New Port Richey, Pasco County, FL**

Dear Mr. Shelley,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Magnolia Valley Estates** (the "project"), located in New Port Richey, FL. We understand the plan is to construct a 74-unit senior rental project that will be targeted towards households earning 33% (8 units), and 60% (66 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** New Port Richey Magnolia Valley Estates, LLC  
**General Partner:** Sand Properties, Inc.  
**Developer:** Sunshine Development Group, LLC

**Construction Bridge Loan**

**Facility:** Construction loan  
**Amount:** Approximately \$6,703,470  
**Term:** 24 months

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Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |   |
|----------------------------|---|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4.02% as of January 27, 2012); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.  |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension  |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount   |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments   |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.   |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.   |
| <b>Tax Credit Equity:</b>  | \$9,883,545 of which 15% or more will be paid in at closing and at least 50% by completion. The identity of the syndicator and upper-tier investor and the final pay-in schedule will be critical elements in determining the availability and pricing of the proposed credit facility. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.  |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.   |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits.   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety   |

### **Construction to Permanent Loan**

|                                |   |
|--------------------------------|---|
| <b>Amount:</b>                 | \$773,343 subject to final underwriting   |
| <b>Permanent Loan Funding:</b> | After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions |

thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

- Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.
- Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.
- Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.**
- Maturity Date:** The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.
- Amortization:** 30 years
- Collateral:** First mortgage; other typical pledges and assignments
- Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.
- Loan to Value:** Up to 80% of the stabilized rent-restricted value
- Conversion Requirements:**
- 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.
  - 90% economic and physical occupancy for 90 days.
  - 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.
- Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.
- Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-

bedroom units and \$350/unit/year for the three bedroom units: funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years. is required.

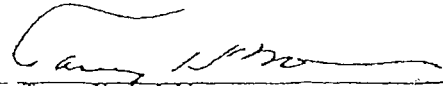
**Expiration Date:** This letter expires as of December 31, 2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed precedent to the issuance of a full term sheet.

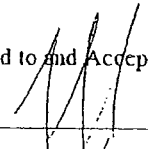
We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on 2/1, 2012

By: 

Name: LEO M. SAND

Its: CHIEF MANAGER

## Scoring Summary Report

File #: 2011-245C    Development Name: Prospect Lake Reserve

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | N     |               |
| Total Points   | 79                         | 73.00       | 73.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 33.00       | 33.00 | 33.00 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | N           | N     | N     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | N           | N     | N     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 6           | 6     | 6     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description                                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|---|--------------------------|-------------|-------|-------|---------------|
| <b>Developer</b>                           |      |         |            |   |                          |             |       |       |               |
| 1S   | II.  | B.      | 1.c.       | Housing Credit Development Experience       | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| <b>Construction Features and Amenities</b> |      |         |            |   |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                | 9.00                     | 9.00        | 9.00  | 9.00  |               |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO      | 12.00                    | 12.00       | 12.00 | 12.00 |               |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                 | 12.00                    | 0.00        | 0.00  | 0.00  |               |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)       | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)  | 10.00                    | 10.00       | 10.00 | 10.00 |               |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.) | 10.00                    | 0.00        | 0.00  | 0.00  |               |
| <b>Set-Aside Commitments</b>               |      |         |            |   |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                    | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                  | 3.00                     | 3.00        | 3.00  | 3.00  |               |
| 8S   | III. | E.      | 3.         | Affordability Period                        | 5.00                     | 5.00        | 5.00  | 5.00  |               |
| <b>Resident Programs</b>                   |      |         |            |   |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless     | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)       | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 9S   | III. | F.      | 3.         | Programs for Elderly                        | 6.00                     | 0.00        | 0.00  | 0.00  |               |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                 | 8.00                     | 8.00        | 8.00  | 8.00  |               |
| <b>Local Government Contributions</b>      |      |         |            |   |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                               | 5.00                     | 0.00        | 0.00  | 5.00  |               |
| <b>Local Government Incentives</b>         |      |         |            |   |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives                                  | 4.00                     | 3.00        | 3.00  | 4.00  |               |

Reason(s) Scores Not Maxed:

| Item # | Reason(s)   | Created As Result | Rescinded As Result |
|--------|---|-------------------|---------------------|
| 11S    | The Local Government Verification of Contribution- Grant form submitted by the Applicant does not contain the telephone number for the City Manager. Therefore, the form is not complete and the contribution cannot be considered. The Application is not eligible for automatic points. | Preliminary       | Final               |
| 12S    | The Applicant did not submit the Modification of Fee Requirements form (Exhibit 42). Therefore, zero points were awarded for this incentive.  | Preliminary       | Final               |



Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                  | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|---|----------------------|------------------------|
| 1T     | III. | C.      | 2.         | Site Control                 | The November 10, 2011 Contract for Sale and Purchase does not reflect the Applicant as the Buyer and no assignment was provided.  | Preliminary          | Final                  |
| 2T     | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant provided the documentation for the first mortgage financing from JP Morgan Chase Bank. However, because the loan commitment is not signed by the borrower, the loan commitment cannot be considered a source of financing.  | Preliminary          | Final                  |
| 3T     | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant submitted a loan commitment from JPMorgan Chase Bank that states the Applicant is Prospect Lake Reserve, LP. However, at Part II.A.1. the Applicant name is Clearwater Prospect Lake Reserve, LLC. Due to the inconsistency, the loan commitment cannot be used as a source of funding.                                     | Preliminary          | Final                  |
| 4T     | V.   | B.      |            | Developer Fee                | The Applicant provided the Commitment to Defer Developer Fee form at Exhibit 45. However, because the amounts to be deferred are not stated no Developer fee can be used as a source of financing.  | Preliminary          | Final                  |
| 5T     | V.   | B.      |            | Developer Fee                | The Commitment to Defer Developer Fee form was completed incorrectly. The Applicant did not correctly indicate the name of the Development as noted in III.A.1. of the Application. Therefore, no Developer fee amount can be used as a source of financing.  | Preliminary          | Final                  |
| 6T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$12,584,723.   | Preliminary          | NOPSE                  |
| 7T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$12,584,723.  | Preliminary          | NOPSE                  |
| 8T     | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the "to be formed" managing member LLC of the Applicant entity.  | Preliminary          | Final                  |
| 10T    | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant submitted a loan commitment from JPMorgan Chase Bank that states on page 2 that the Applicant shall receive \$1,328,453 in tax credit equity. However, the Applicant provided an HC equity commitment in the amount of \$11,327,323. Due to the inconsistency, the loan commitment cannot be used as a source of financing. | Preliminary          | Final                  |

| Item # | Part | Section | Subsection | Description                  | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|---|----------------------|------------------------|
| 11T    | V.   | D.      | 2.         | HC Equity                    | The Applicant provided the documentation for the HC equity from Raymond James Tax Credit Funds, Inc. However, because the equity commitment is not signed by the Applicant, the loan commitment cannot be considered a source of financing.   | Preliminary          | Final                  |
| 11T    | V.   | D.      | 1.         | Non-Corporation Funding      | The Local Government Verification of Contribution-Grant form submitted by the Applicant does not contain the telephone number for the City Manager. Therefore, the form is not complete and cannot be considered as a source of financing.  | Preliminary          | Final                  |
| 12T    | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the "to be determined" investor member of the Applicant entity.  | Preliminary          | Final                  |
| 13T    | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the officers and directors of Sand Properties, Inc., the member of the "to be formed" managing member LLC of the Applicant entity.   | Preliminary          | Final                  |
| 14T    | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the manager(s) of the Developer entity.  | Preliminary          | Final                  |
| 15T    | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the officers and directors of Sand Properties, Inc., the member of the Developer entity.   | Preliminary          | Final                  |
| 16T    | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$12,524,446.   | NOPSE                | Final                  |
| 17T    | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$12,524,446.  | NOPSE                | Final                  |
| 18T    | V.   | D.      | 1.         | Non-Corporation Funding      | Although the Applicant submitted a loan commitment from JPMorgan Chase Bank to cure item 10T, the loan commitment states on page 2 that the Applicant shall receive \$9,883,545 in tax credit equity. However, the Applicant provided an HC Equity commitment in the amount of \$11,328,453. Due to the inconsistency, the loan commitment cannot be used as a source of financing. | Final                |                        |
| 19T    | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$7,632,025.  | Final                |                        |
| 20T    | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$834,953.   | Final                |                        |

| Item # | Part | Section | Subsection | Description          | Reason(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|----------------------|---|----------------------|------------------------|
| 21T    | V.   | A.      | 1.         | FHFC Funding Request | The Applicant provided a new tax credit equity commitment that reflected a new annual housing credit amount of \$1,333,418. In its cure, the Applicant provided a revised request amount (Part V.A.1) in order to keep their Application consistent with the new tax credit equity commitment. However, the housing credit request amount cannot be reduced per subsection 67-48.004(14), F.A.C.: "Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempted changes to these items will not be accepted. Those items are as follows: ...(!) Funding Request amount." | Final                |                        |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  |               |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 6.00        | 6.00  | 6.00  |               |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  |               |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 3.50        | 3.50  | 3.50  |               |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 2.50        | 2.50  | 2.50  |               |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  |               |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 4.00        | 4.00  | 4.00  |               |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     |               |
| <b>Total Tier 1 Service Score</b>                |      |         |            |  | 12.00                    | 10.00       | 10.00 | 10.00 |               |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 2.00        | 2.00  | 2.00  |               |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 1.50        | 1.50  | 1.50  |               |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 |               |

Additional Application Comments:

| Item # | Part | Section | Subsection | Description  | Comment(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|--|---|----------------------|------------------------|
| 1C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(1) of the Application.  | Preliminary          |                        |
| 2C     | V.   | B.      |            | Pro Forma  | The maximum Developer fee of 16 percent was exceeded by \$147,487.00. Therefore, the Developer fee and Total Development Cost were reduced by this amount. This had no material impact on the Development's financing.  | Preliminary          | NOPSE                  |
| 3C     | V.   | B.      |            | Pro Forma  | The Applicant listed operating expense reserves totaling \$205,000. However, No. 5 on the Development Cost Pro Forma Notes states "For purposes of the Development Cost calculation in this Application, the only reserves allowed are contingency reserves for rehabilitation and construction..." Therefore, the Total Development Cost was reduced by \$205,000. | Preliminary          | Final                  |
| 4C     | V.   | B.      |            | Pro Forma  | The loan commitment provided states a loan commitment fee of 1% of both the construction and permanent loan amounts. However, the amounts listed on the proforma for loan origination fees exceed these amounts. Therefore, the Total Development Cost was reduced by \$51,963.   | NOPSE                | Final                  |
| 5C     | V.   | B.      |            | Pro Forma  | The maximum Developer fee of 16 percent was exceeded by \$155,801. Therefore, the Developer fee and Total Development Cost were reduced by this amount.   | NOPSE                | Final                  |
| 6C     | V.   | B.      |            | Pro Forma  | The loan commitment provided at CURE states a loan commitment fee of 1% of the permanent loan amount. However, the amount listed on the proforma for loan origination fee exceed this amount. Therefore the Total Development Cost was reduced by \$4,799.  | Final                |                        |
| 7C     | V.   | B.      |            | Pro Forma  | The maximum Developer fee of 16% was exceeded by \$669. Therefore, the Developer fee and Total Development Cost were reduced by this amount. This had no material impact on the Development's financing.  | Final                |                        |

Application



**Tammy Haylock-Moore**  
**Community Development Banking**

December 5, 2011

Clearwater Prospect Lake Reserve, LLC  
C/o Tom Shelly  
**Sand Properties, Inc.**  
3831 Tyrone Blvd., Suite 103  
St. Petersburg, FL 33709

**Re: Prospect Lake Reserve**  
**69 Multi-Family Rental Units**  
951 Pierce Street  
Clearwater, Pinellas County, FL

Dear Mr. Shelley,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Prospect Lake Reserve** (the "project"), located in Clearwater, FL. We understand the plan is to construct a 69-unit rental project that will be targeted towards households earning 33% (7 units) or less of the AMI and 60% (62 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Prospect Lake Reserve, LP  
**General Partner:** To be Formed upon Selection  
**Developer:** Sand Properties, Inc., and/or its subsidiaries

**Construction Bridge Loan**

**Facility:** Construction loan  
**Amount:** Approximately \$8,050,358  
**Term:** 24 months  
**Interest Rate:** 30-Day LIBOR + 375 bps (4% as of November 2, 2011);  
adjusted monthly, and underwritten at a rate of 5.50%. The

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Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

ATTACHMENT B - NO. 2011-178C

interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.

|                            |  |
|----------------------------|--|
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | \$11,328,453 of which 15% or more will be paid in at closing and at least 50% by completion. The identity of the syndicator and upper-tier investor and the final pay-in schedule will be critical elements in determining the availability and pricing of the proposed credit facility. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits.  |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

**Construction to Permanent Loan**

**Amount:** \$1,253,286 subject to final underwriting

**Permanent Loan Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").

|                                 |  |
|---------------------------------|--|
|                                 | With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.  |
| <b>Commitment Fee:</b>          | A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.   |
| <b>Interest Rate:</b>           | The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.<br><br><b>Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.</b>  |
| <b>Maturity Date:</b>           | The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year perm period.  |
| <b>Amortization:</b>            | 30 years   |
| <b>Collateral:</b>              | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>               | Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.  |
| <b>Loan to Value:</b>           | Up to 80% of the stabilized rent-restricted value  |
| <b>Conversion Requirements:</b> | <ul style="list-style-type: none"> <li>• 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.</li> <li>• 90% economic and physical occupancy for 90 days.</li> <li>• 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.</li> </ul> |
| <b>Prepayment Terms:</b>        | Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.  |
| <b>Escrows/Reserves:</b>        | Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for the one and two-bedroom units and \$350/unit/year for the three bedroom units:   |



funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.


**Expiration Date:** This letter expires as of December 31, 2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on \_\_\_\_\_, 2011

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Cure



**Tammy Haylock-Moore**  
**Community Development Banking**

June 13, 2011

Clearwater Prospect Lake Reserve, LLC  
C/o Tom Shelly  
**Sand Properties, Inc.**  
3831 Tyrone Blvd., Suite 103  
St. Petersburg, FL 33709

**Re: Prospect Lake Reserve**  
**69 Multi-Family Rental Units**  
951 Pierce Street  
Clearwater, Pinellas County, FL

Dear Mr. Shelly,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed development of **Prospect Lake Reserve** (the "project"), located in Clearwater, FL. We understand the plan is to construct a 69-unit rental project that will be targeted towards households earning 33% (7 units) or less of the AMI and 60% (62 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** Clearwater Prospect Lake Reserve, LLC

**General Partner:** Sand Properties, Inc.

**Developer:** Sunshine Development Group, LLC

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan

**Amount:** Approximately \$8,050,358

**Term:** 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4.02% as of January, 2012); and underwritten at a rate of 5.5%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.  |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | \$9,883,545 of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator and upper-tier investor and the final pay-in schedule will be critical elements in determining the availability and pricing of the proposed credit facility. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits.  |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

#### **Construction to Permanent Loan**

|                                |   |
|--------------------------------|---|
| <b>Amount:</b>                 | \$773,343 subject to final underwriting   |
| <b>Permanent Loan Funding:</b> | After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions |

two-bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

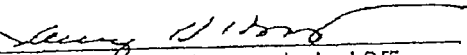
Expiration Date: This letter expires on 12/31/2012


Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore, Authorized Officer

Agreed to and Accepted on Feb 28, 2012  
By:  Metro South Senior Apartments Limited Partnership  
Name: Donald Paxton  
Its: Manager of GP

## Scoring Summary Report

File #: 2011-129C      Development Name: Gardenia Garden Apartments

As of: 03/27/2012

|  | Maximum Points/Eligibility | Preliminary | NOPSE | Final | Final Ranking |
|--|----------------------------|-------------|-------|-------|---------------|
| Met Threshold  | Y/N                        | N           | N     | Y     |               |
| Total Points   | 79                         | 79.00       | 79.00 | 79.00 |               |
| Ability to Proceed Tie-Breaker Points  | 6                          | 6.00        | 6.00  | 6.00  |               |
| Proximity Tie-Breaker Points   | 37                         | 29.25       | 29.25 | 29.25 |               |
| Eligible for 1/8th Mile Ranking Preference                                       | Y/N                        | N           | N     | N     |               |
| Eligible for Age of Development Tie-Breaker Ranking Preference                   | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Concrete Construction Tie-Breaker Ranking Preference                | Y/N                        | Y           | Y     | Y     |               |
| Eligible for Florida General Contractor Tie-Breaker Ranking Preference           | Y/N                        | Y           | Y     | Y     |               |
| RA Level Classification (preference given to the lowest RA Level Classification) | 1 - 6                      | 1           | 1     | 1     |               |

Scores:

| Item #                                     | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| 1S   | II.  | B.      | 1.c.       | Developer<br>Housing Credit Development Experience | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| <b>Construction Features and Amenities</b> |      |         |            |  |                          |             |       |       |               |
| 2S   | III. | B.      | 3.a.       | Optional - NC & Rehab. Units                       | 9.00                     | 9.00        | 9.00  | 9.00  | 9.00          |
| 3S   | III. | B.      | 3.b.       | Optional - All Developments Except SRO             | 12.00                    | 12.00       | 12.00 | 12.00 | 12.00         |
| 3S   | III. | B.      | 3.c.       | Optional - SRO Developments                        | 12.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| 4S   | III. | B.      | 3.d.       | Optional - Universal Design & Visitability         | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.a.(1)    | Green Building Features (NC & Redev.)              | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 5S   | III. | B.      | 5.a.(2)    | Green Building Certification (NC & Redev.)         | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |
| 5S   | III. | B.      | 5.b.       | Green Building Features (Rehab. & Preserv.)        | 10.00                    | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Set-Aside Commitments</b>               |      |         |            |  |                          |             |       |       |               |
| 6S   | III. | E.      | 1.b.(2)    | Special Needs Households                           | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |
| 7S   | III. | E.      | 1.b.(3)    | Total Set-Aside Commitment                         | 3.00                     | 3.00        | 3.00  | 3.00  | 3.00          |
| 8S   | III. | E.      | 3.         | Affordability Period                               | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Resident Programs</b>                   |      |         |            |  |                          |             |       |       |               |
| 9S   | III. | F.      | 1.         | Programs for Non-Elderly & Non-Homeless            | 6.00                     | 6.00        | 6.00  | 6.00  | 6.00          |
| 9S   | III. | F.      | 2.         | Programs for Homeless (SRO & Non-SRO)              | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 9S   | III. | F.      | 3.         | Programs for Elderly                               | 6.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 10S  | III. | F.      | 4.         | Programs for All Applicants                        | 8.00                     | 8.00        | 8.00  | 8.00  | 8.00          |
| <b>Local Government Contributions</b>      |      |         |            |  |                          |             |       |       |               |
| 11S  | IV.  | A.      |            | Contributions                                      | 5.00                     | 5.00        | 5.00  | 5.00  | 5.00          |
| <b>Local Government Incentives</b>         |      |         |            |  |                          |             |       |       |               |
| 12S  | IV.  | B.      |            | Incentives   | 4.00                     | 4.00        | 4.00  | 4.00  | 4.00          |

Threshold(s) Failed:

| Item # | Part | Section | Subsection | Description                  | Reason(s)  | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|------------------------------|--|----------------------|------------------------|
| 1T     | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the officers, directors and shareholders of Lomas Holding Corp., the member of the Developer entity.  | Preliminary          | Final                  |
| 2T     | V.   | D.      | 2.         | HC Equity                    | The total amount of equity listed on the first page of the equity commitment letter does not equal the sum of the stated equity payments in the commitment letter. Therefore, the HC equity cannot be considered a source of financing.  | Preliminary          | Final                  |
| 3T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$4,031,628.   | Preliminary          | NOPSE                  |
| 4T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$11,831,085.   | Preliminary          | NOPSE                  |
| 5T     | II.  | A.      | 3.         | Principals                   | The Applicant failed to identify the member(s) and manager(s) of AHG-RLI, LLC, the member of the Developer entity.   | Preliminary          | Final                  |
| 6T     | V.   | D.      | 1.         | Non-Corporation Funding      | The Applicant provide an equity letter from RBC Capital Markets which states on page one that the tax equity contribution will be \$12,559,434. The Applicant provided a loan commitment letter from Chase Bank which states on page 2 "Tax Credit Equity: Approximately \$1,395,632 annually". Due to this inconsistency the loan commitment letter could not be used as a source of financing. | NOPSE                | Final                  |
| 7T     | V.   | B.      |            | Construction/Rehab. Analysis | The Applicant has a construction financing shortfall of \$14,810,649.  | NOPSE                | Final                  |
| 8T     | V.   | B.      |            | Permanent Analysis           | The Applicant has a permanent financing shortfall of \$14,810,649.   | NOPSE                | Final                  |

Ability To Proceed Tie-Breaker Points:

| Item # | Part | Section | Subsection | Description                 | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--------|------|---------|------------|-----------------------------|--------------------------|-------------|-------|-------|---------------|
| 1A     | III. | C.      | 1.         | Site Plan/Plat Approval     | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 2A     | III. | C.      | 3.a.       | Availability of Electricity | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 3A     | III. | C.      | 3.b.       | Availability of Water       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 4A     | III. | C.      | 3.c.       | Availability of Sewer       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 5A     | III. | C.      | 3.d.       | Availability of Roads       | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |
| 6A     | III. | C.      | 4.         | Appropriately Zoned         | 1.00                     | 1.00        | 1.00  | 1.00  | 1.00          |

Proximity Tie-Breaker Points:

| Item #   | Part | Section | Subsection | Description  | Maximum Available Points | Preliminary | NOPSE | Final | Final Ranking |
|--|------|---------|------------|--|--------------------------|-------------|-------|-------|---------------|
| <b>Transit Services</b>                          |      |         |            |  |                          |             |       |       |               |
| 1P   | III. | A.      | 10.a       | Public Bus Stop  | 2.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 1P   | III. | A.      | 10.a       | Public Bus Transfer Stop or Public Bus Transit Stop          | 6.00                     | 3.50        | 3.50  | 3.50  | 3.50          |
| 1P   | III. | A.      | 10.a       | Public Rail Station  | 7.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| <b>Tier 1 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 2P   | III. | A.      | 10.a       | Grocery Store  | 4.00                     | 3.50        | 3.50  | 3.50  | 3.50          |
| 3P   | III. | A.      | 10.a       | Public School  | 4.00                     | 3.50        | 3.50  | 3.50  | 3.50          |
| 3P   | III. | A.      | 10.a       | Senior Center  | 4.00                     | 0.00        | 0.00  | 0.00  | 0.00          |
| 4P   | III. | A.      | 10.a       | Medical Facility   | 4.00                     | 2.50        | 2.50  | 2.50  | 2.50          |
| Eligible for Tier 1 Service Score Boost (Yes/No) |      |         |            |  |                          | N           | N     | N     | N             |
| Total Tier 1 Service Score                       |      |         |            |  | 12.00                    | 9.50        | 9.50  | 9.50  | 9.50          |
| <b>Tier 2 Services</b>                           |      |         |            |  |                          |             |       |       |               |
| 5P   | III. | A.      | 10.a       | Public Park  | 2.00                     | 1.75        | 1.75  | 1.75  | 1.75          |
| 6P   | III. | A.      | 10.a       | Community Center   | 2.00                     | 2.00        | 2.00  | 2.00  | 2.00          |
| 7P   | III. | A.      | 10.a       | Pharmacy   | 2.00                     | 1.75        | 1.75  | 1.75  | 1.75          |
| 8P   | III. | A.      | 10.a       | Public Library   | 2.00                     | 0.75        | 0.75  | 0.75  | 0.75          |
| <b>FHFC Proximity List</b>                       |      |         |            |  |                          |             |       |       |               |
| 9P   | III. | A.      | 10.b       | Proximity to Developments on FHFC Development Proximity List | 10.00                    | 10.00       | 10.00 | 10.00 | 10.00         |



Additional Application Comments:

| Item # | Part | Section | Subsection | Description   | Comment(s)   | Created as Result of | Rescinded as Result of |
|--------|------|---------|------------|---|--|----------------------|------------------------|
| 1C     | V.   | B.      |            | Developer Fee   | The Applicant provided a Commitment to Defer Developer Fee form from both co-Developers, with each Developer committing to defer \$2,193,135 during construction and permanent financing. The total maximum combined amount of deferred Developer fee allowed is \$2,193,135, which is the amount utilized by Florida Housing as a source of construction and permanent financing. | Preliminary          |                        |
| 2C     | III. | A.      | 10.b.      | Proximity to Developments on FHFC Development Proximity List<br>Pro Forma | The Application qualifies for 10 automatic proximity points at Part III.A.10.b.(6) of the Application.   | Preliminary          |                        |
| 3C     | V.   | B.      |            |   | The loan commitment provided states a loan commitment fee of 1% of both the construction and permanent loan amounts. However, the amounts listed on the proforma for loan origination fees exceed these amounts. Therefore, the Total Development Cost was reduced by \$298.   | NOPSE                |                        |



**Tammy Haylock-Moore**  
**Community Development Banking**

December 2, 2011

College Arms Redevelopment, Ltd.  
C/o Kim Murphy  
Royal American Development, Inc.  
1002 West 23<sup>rd</sup> Street, Suite 400  
Panama City, FL 32405

**Re: College Arms Garden Apartments**  
**108 Multi-Family Rental Units**  
Palatka, Putnam County, Florida

Dear Mrs. Murphy,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed redevelopment of **College Arms Garden Apartments** (the "project"), located Palatka, Putnam County, Florida. We understand the plan is to rehabilitate a 108-unit, family-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 45% (22 units) and 60% (86 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** College Arms Redevelopment, Ltd.  
**General Partner:** JBC of Panama City, Inc.  
**Developer(s):** Royal American Development, Inc.  
& Southern Coastal Mortgage Company

### **Construction Loan**

**Facility:** Construction/equity bridge loan  
**Amount:** Approximately \$7,455,000  
**Term:** 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |  |
|----------------------------|--|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.   |
| <b>Commitment Fee:</b>     | 1% of the loan amount.   |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension   |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount  |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments  |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.  |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.  |
| <b>Tax Credit Equity:</b>  | Approximately \$10,324,467, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.   |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.  |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits   |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety  |

### **Permanent Loan**

**Amount:** \$3,550,000 subject to final underwriting

**Permanent Loan  
Funding:**

After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions thereto set forth below, is referred to as the "Permanent Period").

With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

**Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.

**Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.

**Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.**

**Maturity Date:** The Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.

**Amortization:** 30 years

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

**Loan to Value:** Up to 80% of the stabilized rent-restricted value

**Conversion Requirements:**

- 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.
- 90% economic and physical occupancy for 90 days.
- 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.

**Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.

**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for one and two-bedroom

units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

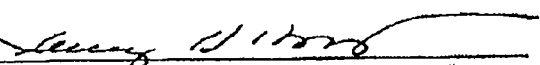
**Expiration Date:** This letter expires on 12/31/2012

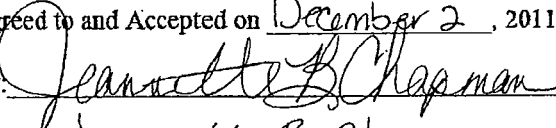
Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore, Authorized Officer

Agreed to and Accepted on December 2, 2011  
By:   
Name: Jeannette B. Chapman  
Its: President



**Tammy Haylock-Moore**  
**Community Development Banking**

December 2, 2011

College Arms Redevelopment, Ltd.  
C/o Kim Murphy  
Royal American Development, Inc.  
1002 West 23<sup>rd</sup> Street, Suite 400  
Panama City, FL 32405

**Re: College Arms Garden Apartments**  
**108 Multi-Family Rental Units**  
Palatka, Putnam County, Florida

Dear Mrs. Murphy,

Thank you for considering JPMorgan Chase Bank Community Development Banking as a potential construction and permanent lender for the proposed redevelopment of **College Arms Garden Apartments** (the "project"), located Palatka, Putnam County, Florida. We understand the plan is to rehabilitate a 108-unit, family-oriented 9% LIHTC rental project with 100% of the units targeted towards households at 45% (11 units) and 60% (97 units) or less of the AMI. We have completed a preliminary review of the materials submitted, and the following is a brief outline of the terms we propose to underwrite for credit approval. Construction and permanent financing is conditioned upon the satisfactory review of the requested due diligence materials and obtaining credit approval.

**Borrower:** College Arms Redevelopment, Ltd.  
**General Partner:** JBC of Panama City, Inc.  
**Developer(s):** Royal American Development, Inc.  
& Southern Coastal Mortgage Company

**Construction Bridge Loan**

**Facility:** Construction/equity bridge loan  
**Amount:** Approximately \$7,455,000  
**Term:** 24 months

JPMorgan Chase Bank, N.A. • 100 North Tampa Street, Suite 3300, Tampa, FL 33602  
Telephone: 813 483 8251 • Facsimile: 813 483-8259  
[tammy.haylock-moore@chase.com](mailto:tammy.haylock-moore@chase.com)

|                            |   |
|----------------------------|---|
| <b>Interest Rate:</b>      | 30-Day LIBOR + 375 bps (4% as of November 2, 2011); and underwritten at a rate of 5.50%. The interest rate is subject to change prior to final commitment based upon then current market conditions and bank liquidity requirements.  |
| <b>Commitment Fee:</b>     | 1% of the loan amount.  |
| <b>Extension Option:</b>   | One, conditional, six-month maturity extension  |
| <b>Extension Fee:</b>      | 0.25% of the remaining loan commitment amount   |
| <b>Collateral:</b>         | First mortgage; other typical pledges and assignments   |
| <b>Guarantee:</b>          | Full payment and completion guarantees by a guarantor or guarantors satisfactory to JPMorgan Chase.   |
| <b>Developer Fee:</b>      | Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval and control.   |
| <b>Tax Credit Equity:</b>  | Approximately \$11,801,589.24, of which at least 15% must be paid in at closing and at least 50% by completion. The identity of the syndicator's investor for this transaction must be disclosed to the lender. Once approved, no changes to the equity syndicator or investor may be made without prior consent from the lender. |
| <b>Subordinate Liens:</b>  | Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and the permanent lender.  |
| <b>Takeout:</b>            | Permanent loan must be firmly committed and rate locked prior to construction loan closing.   |
| <b>Loan to Value:</b>      | Up to 75% including the value of the real estate and tax credits  |
| <b>Contractor Bonding:</b> | 100% Payment and Performance Bonds from an "A-/VIII" rated surety   |

### **Construction to Permanent Loan**

**Amount:** \$2,000,000 subject to final underwriting

**Permanent Loan Funding:** After a 24 month unfunded forward period, the Permanent Loan will be fully funded into a Chase bank-controlled account until disbursed for project costs in accordance with the loan documents. The Permanent Loan will be interest only for up to 6 months prior to loan conversion (the period following such conversion, to commence upon the satisfaction of the conditions

thereto set forth below, is referred to as the "Permanent Period"). With Lender approval, the Permanent Loan may fund and commence amortization up to six months early.

**Commitment Fee:** A non-refundable permanent commitment fee equal to 1% of the permanent loan amount will be payable at construction loan closing.

**Interest Rate:** The applicable interest rate for the permanent loan shall be locked at construction loan closing. Current indicative rate is 6.50%.

**Please note that credit markets are highly volatile. Loan fees and interest rates are subject to substantial adjustment prior to closing.**

**Maturity Date:** The Construction to Permanent Loan will mature 246 months or 20½ years from Construction Loan closing and conversion cannot occur prior to 24 months following construction loan closing. This term includes a 24-month construction period, plus a 6-month extension option, followed by an 18-year term period.

**Amortization:** 30 years

**Collateral:** First mortgage; other typical pledges and assignments

**Guarantee:** Full payment and completion guarantees by guarantors satisfactory to JPMorgan Chase during the construction period. After conversion, the permanent loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

**Loan to Value:** Up to 80% of the stabilized rent-restricted value

**Conversion Requirements:**

- 1.20x debt service coverage ratio (DSCR) for 90 days; 1.15x all-in DSCR including all loans requiring debt service payment for 90 days. Commercial income will be excluded from DSCR analysis.
- 90% economic and physical occupancy for 90 days.
- 10-year pro forma forecast shows annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of 1.0x or greater, or the permanent loan amount may be reduced.

**Prepayment Terms:** Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.



**Escrows/Reserves:** Escrows required for property taxes and insurance. Minimum replacement reserve of \$300/unit/year for one and two-bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments, to stay in place for at least five years, is required.

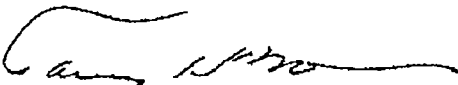
**Expiration Date:** This letter expires on 12/31/2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed.

We look forward to working with you on this transaction.

Very truly yours,

**JPMORGAN CHASE BANK, N.A.**

By:   
\_\_\_\_\_  
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on 12/1, 2011  
By: Jeannette B. Chapman  
Name: Jeannette B. Chapman  
Its: President

bedroom units and \$350/unit/year for the three bedroom units; funded at conversion with 3-month initial deposit. Operating reserve equal to six months of operating expenses and debt service payments. To stay in place for at least five years, is required.

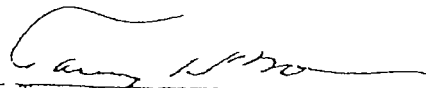
Expiration Date: This letter expires as of December 31, 2012

Your proposed schedule can be accommodated, subject to the prompt receipt of our required due diligence materials. Please advise Tammy Haylock-Moore, Vice President, at 813-483-8251 at your earliest convenience regarding the acceptability of this proposal so that the remaining underwriting may be completed precedent to the issuance of a full term sheet.

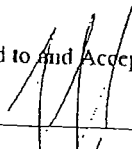
We look forward to working with you on this transaction.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:   
Tammy Haylock-Moore  
Vice President

Agreed to and Accepted on 2/1 2012

By: 

Name: LEO M. SAND

Its: CHIEF MANAGER