

PHOTOCOPY OF ORIGINAL HARD COPY

RFA 2013-001

FLORIDA HOUSING FINANCE CORPORATION

PALM VILLAGE

Development Location:

**Villa Palm Circle, at the intersection of Patrick Drive
and Villa Palms Circle, Fort Walton Beach**

Developers:

**Prestwick Development Company, LLC
Okaloosa Community Development Corporation**

Attachment

1

State of Florida

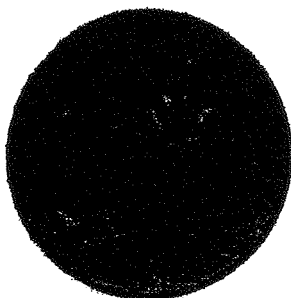
Department of State

I certify from the records of this office that OCDC PALM VILLAGE, L.P. is a Limited Partnership or Limited Liability Limited Partnership organized under the laws of the State of Florida, filed on September 9, 2013.

The document number of this Limited Partnership is A13000000489.

I further certify said Limited Partnership has paid all filing fees due this office through December 31, 2013, and its status is active.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Tenth day of September, 2013*



Ken Detmer
Secretary of State

Authentication ID: CU1390824926

To authenticate this certificate, visit the following site, enter this ID, and then follow the instructions displayed.

<https://efile.sunbiz.org/certauthver.html>

Attachment

2

Attorney Opinion Letter

AARON B. WENTZ, P.A.

814A Shadow Lane
Fort Walton Beach, FL 32547

Telephone: (850) 863-8006
Fax : (850) 863-8009
E-mails : AaronWentz@cox.net

AARON B. WENTZ
Attorney at Law

September 30, 2013

General Practice
Criminal Practice
Bankruptcy Law
Personal Injury
Medical and Family Law
Wills and Probate
Guardianship
Civil Actions

Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

AFFILIATIONS

The Florida Bar
Okaloosa-Walton County
Bar Association
Federal Bar of the Northern
District of Florida
American Bankruptcy Institute
Past Chairman, Ft. Walton
Family YMCA
Past Chairman, YMCA of
Florida's Emerald Coast
Okaloosa Community
Development Corporation
Board of Directors

Subject: **Palm Village**
Villa Palms Circle, at the intersection of Patrick Drive and
Villa Palms Circle, Fort Walton Beach

In order to satisfy one of the requirements set forth in the Housing Tax Credit Program RFA 2013-001, I have been asked to render an opinion as to: whether Okaloosa Community Development Corporation, a Florida non-profit corporation (the "Sponsor"), is a qualified nonprofit organization within the meaning of Section 42(h)(5) of the Internal Revenue Code of 1986, as amended (the "IRC"); and whether Sponsor satisfies the requirements of a qualified nonprofit organization, as defined in the RFA 2013-001. I also understand that Florida Housing Finance Corporation requires this legal opinion as a prerequisite to considering OCDC Palm Village, L.P., a Florida limited partnership (the "Partnership"), for an allocation of federal tax credits from the set-aside reserved for use by qualified nonprofits.

The sole general partner of the Partnership is Community Housing of Okaloosa County, LLC, a Florida limited liability company (the "General Partner"). The 100% member and the sole manager of the General Partner is the Sponsor. In formulating my opinion, I reviewed (i) the certificate of limited partnership of the Partnership; (ii) the articles of organization and the operating agreement of the General Partner; (iii) the articles of incorporation and the bylaws, as amended, of the Sponsor; (iv) the letter of determination for the Sponsor dated December 2, 1994 from the Internal Revenue Service; (v) the certificate of existence from the State of Florida for the Partnership; and (vi) the certificates of existence from the State of Florida, Secretary of State's Office for the General Partner and the Sponsor. We also examined the records of Sponsor to determine whether or not an identity of interest exists between Sponsor and any for-profit sponsors of the above-referenced development (the "Development").

Based on my review of the foregoing, it is my opinion that:

1. Sponsor is a "qualified non-profit organization" within the meaning of Section 42(h)(5) of the IRC;

2. To my knowledge, there is no identity of interest existing between Sponsor and any for-profit sponsors of the project, other than the General Partner, and that no impermissible affiliation with or control by a for-profit organization exists with respect to the Development;

3. One of the exempt purposes of Sponsor includes the fostering of low-income housing;

4. Sponsor is a duly formed and validly existing nonprofit organization authorized to operate in the State of Florida, as evidenced by a Certificate of Existence, which is attached hereto as Exhibit "A". Sponsor represents that all yearly annual registrations have been properly filed of record with the Secretary of State's office; and

5. After reviewing the organizational documents and other supporting documents, it is my opinion that the Sponsor is not sponsored, created or incorporated by a for-profit entity.

6. Based on my review of the above documents and in my capacity as a special legal counsel, I have reached certain factual conclusions and relied upon such conclusions in rendering this opinion. The factual conclusions which I have reached are:

- (i) The Okaloosa CDC is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended;
- (ii) The Okaloosa CDC was organized under Chapter 617 of the Florida Statutes;
- (iii) The Okaloosa CDC is a Florida non-profit corporation and, as such, does not issue shares of stock to its members.

I hereby certify that this opinion may be relied upon by Florida Housing Finance Corporation in the 2013 funding round in making a determination as to the eligibility of the Partnership to receive federal tax credits from the nonprofit set-aside.

With respect to questions of fact material to opinions expressed herein, except as otherwise noted, I have relied on the accuracy of the factual recitals of the Okaloosa Community Development Corporation Non-Profit Certificate and certificates of public officials, in each case without any independent inquiry, verification or examination. I have assumed the authenticity and accuracy of the certifications on which I am relying and have made no independent investigation thereof. In addition, I have assumed that the Okaloosa Community Development Corporation is (i) acceptable to federal and state agencies and financial institutions as an "eligible sponsor" for affordable housing within the meaning of Florida Statutes, Section 420.9071(11) and (ii) determined by the state credit housing agency not to be affiliated with or controlled by a for-profit organization.


In rendering the following opinion, I have made no assumptions other than those set forth herein.

The information set forth herein is as of the date hereof. I assume no obligation to advise anyone involved in the determination process of changes which may thereafter be brought to my attention.

This opinion may not be quoted, relied upon or furnished to any other persons or entity, including any governmental entity, or be used for any other purpose, without the prior written consent of this office.

In the meantime, should you have any additional questions and/or comments, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron B. Wentz", with a stylized flourish at the end.

AARON B. WENTZ, Esq.

EXHIBIT "A"

Certificate of Existence of the Sponsor

State of Florida

Department of State

I certify from the records of this office that OKALOOSA COMMUNITY DEVELOPMENT CORPORATION is a corporation organized under the laws of the State of Florida, filed on January 26, 1993.

The document number of this corporation is N93000000356.

I further certify that said corporation has paid all fees due this office through December 31, 2013, that its most recent annual report/uniform business report was filed on April 30, 2013, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Seventh day of October, 2013*



Ken Detjmer
Secretary of State

Authentication ID: CU1627054003

To authenticate this certificate, visit the following site, enter this ID, and then follow the instructions displayed.

<https://efile.sunbiz.org/certauthver.html>

IRS Determination Letter

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
401 W. PEACHTREE ST. NW
ATLANTA, GA 30365

DEPARTMENT OF THE TREASURY

Date: DEC 02 1994

OKALOOSA COMMUNITY DEVELOPMENT
CORPORATION
PO BOX 4097
FORT WALTON BEACH, FL 32549

Employer Identification Number:
59-3165895
Case Number:
584231009
Contact Person:
JAMES ST. JULIEN
Contact Telephone Numbers:
(404) 331-0171
Accounting Period Ending:
June 30
Form 990 Required:
Yes
Addendum Applies:
Yes

__Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 509(a)(2).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(2) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(2) organization.

Donors may deduct contributions to you as provided in section 170 of the

Letter 947 (00/CG)

OKALDOOSA COMMUNITY DEVELOPMENT

Code. Requests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, relationship (if any) to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service. (Revenue Ruling 56-304, C.B. 1956-2, page 306.)

OKALOOSA COMMUNITY DEVELOPMENT

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Nelson A. Brooke
District Director

Enclosure(s):
Addendum

OKALOOSA COMMUNITY DEVELOPMENT

Since you have not indicated that you intend to finance your activities with the proceeds of tax exempt bond financing, in this letter we have not determined the effect of such financing on your tax exempt status.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, and supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$10 per day for each day there is failure to comply (up to a maximum of \$5,000 in the case of an annual return). See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

If your organization conducts fund-raising events such as benefit dinners, auctions, membership drives, etc., where something of value is received in return for contributions, you can help your donors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that your donors can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Charities Conducting Fund-Raising Events. You may obtain copies of Publication 1391 from your local IRS Office. Guidelines for deductible amounts are also set forth in Revenue Ruling 67-246, 1967-2 C.B. 104 and Revenue Procedure 90-12, 1990-1 C.B. 471 and Revenue Procedure 92-49, 1992-26 I.R.B. 18.

Role of the Non-Profit Entity

Palm Village

Role of Non-Profit

Okaloosa Community Development Corporation (OCDC) is a 501(c)3 organization established in 1992 to serve the Okaloosa County community. OCDC is the sole member of Community Housing of Okaloosa Housing, LLC, the general partner entity of the Applicant – OCDC Palm Village, L.P. OCDC is also co-developer. OCDC will materially participate in all aspects of the Palm Village development throughout the 15 year compliance period. These activities include: application preparation and due diligence, development capitalization, closing, construction oversight and monitoring, asset management, compliance and reporting.

Names and Addresses of the Board Members

6. **Oler, Lynn**
 City Manager
 City of Mary Esther
 195 Christobal Road
 Mary Esther FL 32569
Annual Expiration: October 2013
- Office: 243-3566
 Fax: 243-0736
 Email: cmgr@cityofmaryesther.com
7. **Ken Lepee**
 Okaloosa County Sherriff's Office
 1250 N. Eglin Pkwy
 Shallmar FL 32579-1234
Annual Expiration: October 2013
- Office: 850-651-7410
 Fax: 850-609-9308
 Email: klapee@sheriff-okaloosa.org
8. **Plummer, Mary**
 American Realty of NW Florida, Inc.
 1270 N. Eglin Pkwy.
 Shalimar FL 32579
Annual Expiration: October 2013
- Office: 651-2454
 Fax: 651-5691
 Email: realtormary@cox.net
9. *** Robbins, Susan D.**
 Vice President
 Community Bank, Destin
 12590 Emerald Coast Parkway
 Miramar Beach, FL 32550
Two Year Term Expiration: October 2014
- Office: 650-4231
 Fax: 650-9678
 Cell: 585-1218
 Email: susan.robbs@communitybank.net
10. *** Sansbury, Gail**
 FWB Housing Authority
 27 SW Robinwood Dr.
 Ft. Walton Beach FL 32548
Annual Expiration: October 2013
- Office: 243-3224 ext. 208
 Fax: 244-6533
 Cell: 240-6760
 Email: gmccants@aol.com
11. ***Smith, Nate (Secretary)**
 Ver-Val Enterprises
 646 Anchors St.
 Ft. Walton Beach FL 32548
Two Year Term Expiration: October 2014
- Office: 244-7931
 Fax: 243-4091 Cell: 240-3013
 Email: nate.smith@verval.biz

12. ***Wentz, Esq., Aaron,**
814 Shadow Lane Suite A
Ft. Walton Beach FL 32547
Two Year Term Expiration: October 2013

Office: 863-8006
Fax: 863-8009
Email: aaronwentz@aol.com

Non-Voting Member

13. Amy Jameison
City of FWB Councilman
214 Chateauguay Street
Fort Walton Beach, FL 32548
Annual Expiration: October 2013

Home: 862-4210
Cell: 837-3662
email: ajameison@fwb.org

Non-Voting Member

Honorary

Evans, Edna
5735 Will Henry Lane
Baker, FL 32531
Accepted Role: October 1997

Home: 537-8583

** Denotes Management Team Member*
Hi-lighted names denotes low-come community representatives

Articles of Incorporation

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF

OKALOOSA COMMUNITY DEVELOPMENT CORPORATION

FILED
13 SEP 20 PM 2: 34
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Under the provisions of F.S. 617.1002 and 617.1006, this corporation adopts the following articles of amendment to its articles of incorporation:


FIRST: Amendment adopted: The first paragraph of Article II – Purposes shall be amended to state as follows: “The Corporation is organized exclusively for charitable and educational purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code (or the corresponding portions of any future United States Internal Revenue Code), including, to the extent permitted by Said Section 501 (c) (3), the redevelopment, promotion, up-grading and rehabilitation of the cultural, historical, historical, social, physical, and economic aspects of all the counties of the State of Florida and to provide decent housing that is affordable in all counties of the State of Florida. The Corporation is further organized to include the Florida Housing Finance Corporation (FHFC) requirement of fostering low-income housing.

The date of the amendment’s adoption: September 5 2013

SECOND: Adoption of Amendment:

The amendment was adopted by the board of directors without shareholder action and shareholders action was not required. The number of votes cast by the board of directors for the amendment was sufficient for approval.

Signed on the 5 day of September 2013



Aaron Wentz
Chairman

ARTICLES OF AMENDMENT
to
ARTICLES OF INCORPORATION
of

Okaloosa Community Development Corporation
(present name)

Pursuant to the provisions of section 617.1006, Florida Statutes, the undersigned Florida nonprofit corporation adopts the following articles of amendment to its articles of incorporation.

FIRST: Amendment(s) adopted: (INDICATE ARTICLE NUMBER(S) BEING AMENDED, ADDED OR DELETED.)

ARTICLE II - PURPOSES

The Corporation is organized exclusively for charitable and educational purposes within the meaning of Section 501 © (3) of the Internal Revenue Code (or corresponding portions of any United States Internal Revenue Code), including, to the extent permitted by said Section 501 © (3), the redevelopment, promotion, up-grading, and rehabilitation of cultural, historical, social, physical, and economic aspects and provide decent housing that is affordable ~~of in~~ Okaloosa County, Florida, ~~and its environs.~~

No Substantial part of the activities of the Corporation shall be carrying on of propaganda, or otherwise attempting to influence legislation, and the corporations shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

This corporation is and shall remain a corporation not-for-profit. The corporation shall not have nor issue shares of stock. No dividends shall be paid, and no part of the net earnings of the corporation shall inure to the benefit of its members, directors, or officers, or to the benefit of any private individual.

SECOND: The date of adoption of the amendment(s) was: October 18, 2000

THIRD: Adoption of Amendment (CHECK ONE)

The amendment(s) was(were) adopted by the members and the number of votes cast for the amendment was sufficient for approval.

There are no members or members entitled to vote on the amendment. The amendment(s) was(were) adopted by the board of directors.

Margie M. Collins, Chairman

Signature of Chairman, Vice Chairman, President or other officer

MARGIE M. COLLINS, CHAIRMAN

Typed or printed name

14 FEBRUARY 2001

Title Date

FILED
01 FEB 16 PM 3:55
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

OKALOOSA COMMUNITY DEVELOPMENT CORPORATION

ARTICLES OF INCORPORATION

FILED
93 JUN 25 PM 2:22
TALLAHASSEE, FLORIDA

THE UNDERSIGNED, Incorporator of OKALOOSA COMMUNITY DEVELOPMENT CORPORATION, a not-for-profit corporation, does hereby file these Articles of Incorporation under the laws of the State of Florida.

ARTICLE I - NAME

The name of the corporation shall be OKALOOSA COMMUNITY DEVELOPMENT CORPORATION. Mailing address: P.O. Box 4097, Fort Walton Beach, FL 32549.

ARTICLE II - PURPOSES

The corporation is organized exclusively for charitable and educational purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code (or the corresponding portions of any future United States Internal Revenue Code), including, to the extent permitted by said Section 501 (c) (3), the redevelopment, promotion, up-grading, and rehabilitation of the cultural, historical, social, physical, and economic aspects of Okaloosa County, Florida and its environs.

No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

This corporation is and shall remain a corporation not-for-profit. The corporation shall not have nor issue shares of stock. No dividends shall be paid, and no part of the net earnings of the corporation shall inure to the benefit of its members, directors, or officers, or to the benefit of any private individual.

ARTICLE III - MEMBERS

Any person interested in furthering the purposes of the corporation may become a member upon signing and delivering to the Secretary of the corporation a membership application form and meeting such uniform residency and other conditions as may be prescribed from time-to-time, in the Bylaws of the corporation and by the board of directors.

ARTICLE IV - TERM OF EXISTENCE

The corporation shall exist perpetually.

ARTICLE V - BOARD OF DIRECTORS AND OFFICERS

The number of members of the board of directors and the manner of their election or appointment shall be as established by the Bylaws of the corporation; but the number shall never be less than three (3). The qualifications for same shall likewise be as established in the Bylaws of the corporation. The business, property and affairs of the corporation are to be managed by the board of directors, the officers of which are to be a Chairperson, a Vice-Chairperson, a Secretary, a Treasurer, and such other officers as may be provided by the Bylaws, or as may from time-to-time be elected or appointed. The aforementioned officers shall be elected each year by the Board of Directors at its annual meeting, all as prescribed in the Bylaws of the corporation. The names and street addresses of the persons who are to serve as the initial board of directors and as Officers of the corporation are as follows:

Chairperson: Herb Tinsley
198 Eglin Parkway
Fort Walton Beach, FL 32548

Vice Chairperson: Don Anchors
909 Mar Walt Drive (#1014)
Fort Walton Beach, FL 32548

Treasurer: Steve Riggs
151 Mary Esther Cutoff (#510)
Mary Esther, FL 32569

Secretary: Brian James
25 NW Beal Parkway
Fort Walton Beach, FL 32548

ARTICLE VI - BYLAWS

The board of directors may provide such Bylaws for the conduct of its business and the carrying out of its purposes as it may deem necessary. The Bylaws may be repealed or amended, and new Bylaws may be adopted, by the board of directors or by the membership.

ARTICLE VII - AMENDMENTS

Amendments to these Articles of Incorporation may be proposed by the board of directors or by the membership. These Articles of Incorporation may be amended by the two-thirds vote of the Directors present at any regular or special meeting, a majority being assembled, upon seven (7) days written notice of such meeting setting forth in detail the proposed amendment.

ARTICLE VIII - REGISTERED AGENT AND INCORPORATOR

The individual who shall serve as the incorporator and registered agent of this corporation, and the address at which the registered office of the corporation shall be located is: David Armacost; 414 Mary Esther Cutoff, P.O. Box 4097, Fort Walton Beach, FL 32549.

ARTICLE IX - DISTRIBUTION OF ASSETS UPON DISSOLUTION

No persons, firm or corporation shall ever receive any dividends or profits from the undertaking of this Corporation. In the event of dissolution, the residual assets of the corporation shall be turned over to one or more organizations which themselves are exempt as organizations described in Section 501 (c) (3) of the Internal Revenue Code, or corresponding sections of any future Internal Revenue Code, or to the federal, state or local government for exclusive public purposes, and none of the assets will be distributed to any member, director, or officer or trustee of this corporation.

ARTICLE X - CORPORATE POWERS

The Corporation shall have and may exercise such powers as are vested in corporations not-for-profit under the Laws of the State of Florida.

ARTICLE XI - RESTRICTIONS

In the event that this corporation shall become a "private foundation" within the meaning of Section 509 of the Internal Revenue Code of 1954, the corporation shall distribute its income for each taxable year at such time and in such manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; shall not engage in any act of self-dealing as defined in Section 4941 (d) of the Internal Revenue Code; shall not retain any excess business holdings as defined in Section 4943 (c) of the Internal Revenue Code; shall not make any investments in such manner as to subject it to tax under Section 4942 or Section 4944 of the Internal Revenue Code, and shall not make any taxable expenditure as defined in Section 4945 (d) of the Internal Revenue Code.

ARTICLE XII - INDEMNIFICATION

Any person (and the heirs, executors and administrators of such person) made or threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was a director or officer of the corporation shall be indemnified by the corporation against any and all liability and the reasonable expenses, including attorneys' fees and disbursements incurred in connection with the defense or settlement of such action, suit or proceeding that such director or officer is liable for negligence or misconduct in the performance of his or her duties. Such right of indemnification shall not be deemed exclusive of any other rights to which such director or officer (or such heirs, executors, or administrators) may be entitled apart from this Article.

IN WITNESS WHEREOF, the undersigned, being the person named above as the Incorporator, has executed these Articles of Incorporation this 4th day of December, 1992.

David Armacost
David Armacost, Incorporator

STATE OF FLORIDA)
COUNTY OF OKALOOSA) SS: ACKNOWLEDGMENT

On December 4, 1992, before me the undersigned, a Notary Public in and for said County and State, personally appeared: David Armacost - known to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same for the purposes therein stated.

Witness my hand and official seal:

My commission expires:

11-11-94 0000000000

Sharonne P. Pritchard
Notary Public Lorraine Pritchard

**CERTIFICATE OF DESIGNATION
REGISTERED AGENT/REGISTERED OFFICE**

Pursuant to the provisions of section 607.0501, Florida Statutes, the undersigned corporation, organized under the laws of the State of Florida, submits the following statement in designating the registered office/registered agent, in the state of Florida.

1. The name of the corporation is: Okaloosa Community Development Corporation

2. The name and address of the registered agent and office is:

David Armacost

(NAME)

414 Mary Esther Cut Off Room 3 - P.O. Box 4097

(P.O. BOX NOT ACCEPTABLE)

Fort Walton Beach, Florida 32548

(CITY/STATE/ZIP)

SIGNATURE

David Armacost
(corporate officer) David Armacost

TITLE Incorporator and Registered Agent

DATE

12.4.92

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATING TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, AND I AM FAMILIAR WITH AND ACCEPT THE OBLIGATIONS OF MY POSITION AS REGISTERED AGENT.

SIGNATURE

David Armacost
David Armacost

DATE

12.4.92

REGISTERED AGENT FILING FEE: \$35.00

Attachment

3

Approved
FHFC Advance Review

9/20/13

PRINCIPALS FOR THE APPLICANT AND DEVELOPER

APPLICANT

The Applicant is a Limited Partnership: **OCDC PALM VILLAGE, L.P.**

The Applicant's General Partner is **COMMUNITY HOUSING OF OKALOOSA COUNTY, LLC.**, a limited liability company. This Limited Liability Company has a Sole Member and Manager, **OKALOOSA COMMUNITY DEVELOPMENT CORPORATION.** This Sole Member and Manager is a Corporation with the following Officers, Directors and Shareholders:

Board of Directors: Aaron B. Wentz, Esquire
Maryann Helfrich
Don Jernigan
Mike Kent
Tammy McGaughey
Gary McMorrow
Lynn Oler
Ken Lpee
Mary Plummer
Susan D. Robbins
Gail Sansbury
Nate Smith
Amy Jameison

Officers: Aaron B. Wentz, Esq., Chairman
Nate Smith, Secretary
Mike Kent, Treasurer

Shareholders: None

The Applicant's Limited Partner (prior to syndication) is **AARON B. WENTZ**

Approved
FHFC Advance Review

9/20/13

DEVELOPERS

The Developers are as follows:

PRESTWICK DEVELOPMENT COMPANY, LLC

This is a Limited Liability Company and its Manager and Members are as follows:

Member/Manager: Kenneth G. Blankenship

Members: Richard D. Lee
Wiley A. Tucker, III

OKALOOSA COMMUNITY DEVELOPMENT CORPORATION

This is a 501(c)(3) Corporation its Officers, Directors and Shareholders are as follows:

Board of Directors: Aaron Wentz, Esquire
Maryann Helfrich
Don Jernigan
Mike Kent
Tammy McGaughy
Gary McMorrow
Lynn Oler
Ken Lepee
Mary Plummer
Susan D. Robbins
Gail Sansbury
Nate Smith
Amy Jameison

Officers: Aaron Wentz, Esq., Chairman
Nate Smith, Secretary
Mike Kent, Treasurer

Shareholders: None

Attachment

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State of Florida

Department of State

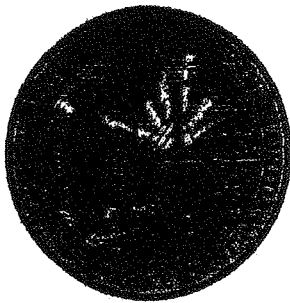
I certify from the records of this office that PRESTWICK DEVELOPMENT COMPANY, LLC is a Georgia limited liability company authorized to transact business in the State of Florida, qualified on August 22, 2013.

The document number of this limited liability company is M13000005314.

I further certify that said limited liability company has paid all fees due this office through December 31, 2013, and its status is active.

I further certify that said limited liability company has not filed a Certificate of Withdrawal.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Twenty-sixth day of August,
2013*



Ken Detzner
Secretary of State

Authentication ID: CU0087283254

To authenticate this certificate, visit the following site, enter this ID, and then follow the instructions displayed.

<https://efile.sunbiz.org/certauthver.html>

State of Florida

Department of State

I certify from the records of this office that OKALOOSA COMMUNITY DEVELOPMENT CORPORATION is a corporation organized under the laws of the State of Florida, filed on January 26, 1993.

The document number of this corporation is N93000000356.

I further certify that said corporation has paid all fees due this office through December 31, 2013, that its most recent annual report/uniform business report was filed on April 30, 2013, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Seventh day of October, 2013*



Ken DeFina
Secretary of State

Authentication ID: CU1627054003

To authenticate this certificate, visit the following site, enter this ID, and then follow the instructions displayed.

<https://efile.sunbiz.org/certauthver.html>

PRIOR GENERAL DEVELOPMENT EXPERIENCE CHART

Name of Principal with the Required Experience: Kenneth G. Blankenship

Name of Developer Entity (for the proposed Development) for which the above Party is a Principal: Prestwick Development Company, LLC

Name of Development	Location (City & State)	Affordable Housing Program that Provided Financing	Total Number of Units	Year Completed
Manor at Scott's Crossing	Atlanta, GA	LIHTC (GA DCA) HUD 221d4	100	2011
Gateway East Point	East Point, GA	LIHTC (GA DCA) HUD 221d4	100	2011
Windsor Apartments	Metter, GA	LIHTC (GA DCA)	52	2012

Attachment

5

N/A

Attachment

6

N/A

Attachment

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2013 SURVEYOR CERTIFICATION FORM

Name of Development: Palm Village

Development Location: Villa Palms Circle, at the intersection of Patrick Drive and Villa Palms Circle, Fort Walton Beach
 (At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site¹ where the Development Location Point is located.)

The undersigned Florida licensed surveyor confirms that the method used to determine the following latitude and longitude coordinates conforms to Rule 5J-17, F.A.C., formerly 61G17-6, F.A.C.:

**All calculations shall be based on "WGS 84" and be grid distances. The horizontal positions shall be collected to meet sub-meter accuracy (no autonomous hand-held GPS units shall be used).*

State the Development Location Point. ²	N <u>30</u> Degrees	<u>27</u> Minutes	<u>05.1</u> Seconds (truncated after 1 decimal place)	W <u>86</u> Degrees	<u>38</u> Minutes	<u>04.4</u> Seconds (truncated after 1 decimal place)
--	------------------------	----------------------	--	------------------------	----------------------	--

To be eligible for proximity points, Degrees and Minutes must be stated as whole numbers and Seconds must be truncated after 1 decimal place.

Transit Service – State the latitude and longitude coordinates for one (1) Transit Service on the chart below.³

Public Bus Stop	Latitude			Longitude		
	N _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
Public Bus Transfer Stop	N <u>30</u> Degrees	<u>27</u> Minutes	<u>19.7</u> Seconds (truncated after 1 decimal place)	W <u>86</u> Degrees	<u>38</u> Minutes	<u>00.7</u> Seconds (truncated after 1 decimal place)
Public Bus Rapid Transit Stop	N _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
SunRail Station, MetroRail Station, or TriRail Station	N _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Transit Service is:						<u>0 2 9</u> Miles

Community Services - State the Name, Address and latitude and longitude coordinates of the closest service(s) on the chart below.³

Grocery Store:	Latitude			Longitude		
	N _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
Name - <u>Winn-Dixie</u> Address - <u>798 Beal Parkway, NW</u> <u>Fort Walton Beach</u>	N <u>30</u> Degrees	<u>26</u> Minutes	<u>51.5</u> Seconds (truncated after 1 decimal place)	W <u>86</u> Degrees	<u>38</u> Minutes	<u>23.2</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Grocery Store is:						<u>0 4 0</u> Miles

Initials of Surveyor

ERS

2013 SURVEYOR CERTIFICATION FORM

Public School:	Latitude			Longitude		
Name - <u>Pryor Middle School</u> Address - <u>201 Racetrack Road NW</u> <u>Fort Walton Beach</u>	N <u>30</u> Degrees	<u>26</u> Minutes	<u>55.8</u> Seconds (truncated after 1 decimal place)	W <u>86</u> Degrees	<u>37</u> Minutes	<u>21.8</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Public School is:					<u>0 7 3</u> Miles	
Medical Facility:	Latitude			Longitude		
Name - <u>White-Wilson Medical Ctr</u> Address - <u>1005 Mar Walt Drive</u> <u>Fort Walton Beach</u>	N <u>30</u> Degrees	<u>27</u> Minutes	<u>22.5</u> Seconds (truncated after 1 decimal place)	W <u>86</u> Degrees	<u>37</u> Minutes	<u>59.3</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Medical Facility is:					<u>0 3 4</u> Miles	
Senior Center:	Latitude			Longitude		
Name - _____ Address - _____	N _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Senior Center is:					_____ Miles	
Pharmacy:	Latitude			Longitude		
Name - <u>Walgreens</u> Address - <u>825 Real Parkway NW</u> <u>Fort Walton Beach</u>	N <u>30</u> Degrees	<u>26</u> Minutes	<u>56.8</u> Seconds (truncated after 1 decimal place)	W <u>86</u> Degrees	<u>38</u> Minutes	<u>16.8</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Pharmacy is:					<u>0 2 6</u> Miles	

If the Corporation discovers that there are any false statements made in this certification, the Corporation will forward a copy to the State of Florida Department of Business and Professional Regulation for investigation.

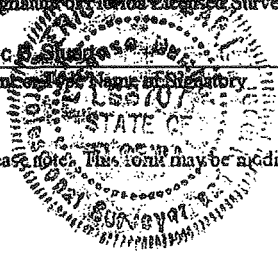
CERTIFICATION Under penalties of perjury, I declare that the foregoing statement is true and correct.

[Signature]
Signature of Florida Licensed Surveyor

6707
Florida License Number of Signatory

Eric P. [Signature]
Print Name of Signatory

Please Note: This form may be modified by Florida Housing Finance Corporation per Section 67-60.005, F.A.C.



2013 SURVEYOR CERTIFICATION FORM

This certification consists of 3 pages. This certification may not be signed by the Applicant, by any related parties of the Applicant, or by any Principals or Financial Beneficiaries of the Applicant. If the certification is inappropriately signed, the Application will not be eligible to receive proximity points. If this certification contains corrections or 'white-out', or if it is altered or retyped, the form will not be considered. The certification may be photocopied. To be considered for scoring purposes, at least pages 1 and 2 of this 3 page certification form must be provided by the Applicant.

¹"Scattered Sites," as applied to a single Development, means a Development site that, when taken as a whole, is comprised of real property that is not contiguous (each such non-contiguous site within a Scattered Site Development, a "Scattered Site"). For purposes of this definition "contiguous" means touching at a point or along a boundary. Real property is contiguous if the only intervening real property interest is an easement provided the easement is not a roadway or street. (See Rule 67-48.002, F.A.C.).

²"Development Location Point" means a single point selected by the Applicant on the proposed Development site that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development. For a Development which consists of Scattered Sites, this means a single point on the site with the most units that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development (See Rule 67-48.002, F.A.C.).

³The latitude and longitude coordinates for all Proximity Services must represent a point as outlined on the Coordinates Location Chart set out below. The coordinates for each service must be stated in degrees, minutes and seconds, with the degrees and minutes stated as whole numbers and the seconds truncated after one decimal place. If the degrees and minutes are not stated as whole numbers and the seconds are not truncated after one decimal place, the Applicant will not be eligible for proximity points for that service.

Coordinates Location Chart																											
Service	Location where latitude and longitude coordinates must be obtained																										
Community 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.																										
Transit Services	<p>For Public Bus Stop, Public Bus Rapid Transit Stop, Public Bus Transfer Stop, TriRail Rail Stations and MetroRail Rail Stations, coordinates must represent the location where passengers may embark and disembark the bus or train.</p> <p>For SunRail Rail Stations, coordinates must represent either the location where passengers may embark and disembark the train or the coordinates listed below:</p> <table border="1"> <thead> <tr> <th>Station Name</th> <th>Latitude/Longitude Coordinates</th> </tr> </thead> <tbody> <tr> <td>Altamonte Springs Station</td> <td>N 28 39 50.1, W 81 21 23.4</td> </tr> <tr> <td>Church Street Station</td> <td>N 28 32 20.3, W 81 22 50.6</td> </tr> <tr> <td>DeBary Station</td> <td>N 28 51 20.3, W 81 19 24.1</td> </tr> <tr> <td>Florida Hospital Station</td> <td>N 28 34 21.8, W 81 22 17.4</td> </tr> <tr> <td>Lake Mary Station</td> <td>N 28 45 31.8, W 81 19 04.3</td> </tr> <tr> <td>LYNX Central Station</td> <td>N 28 32 52.2, W 81 22 51.0</td> </tr> <tr> <td>Longwood Station</td> <td>N 28 42 04.1, W 81 20 43.4</td> </tr> <tr> <td>Maitland Station</td> <td>N 28 38 03.7, W 81 21 44.7</td> </tr> <tr> <td>Orlando Amtrak/ORMC Station</td> <td>N 28 31 39.5, W 81 22 55.6</td> </tr> <tr> <td>Sand Lake Road Station</td> <td>N 28 27 11.3, W 81 22 1.0</td> </tr> <tr> <td>Sanford-SR46 Station</td> <td>N 28 48 49.8, W 81 17 56.9</td> </tr> <tr> <td>Winter Park/Park Ave Station</td> <td>N 28 55 51.5, W 81 21 6.0</td> </tr> </tbody> </table>	Station Name	Latitude/Longitude Coordinates	Altamonte Springs Station	N 28 39 50.1, W 81 21 23.4	Church Street Station	N 28 32 20.3, W 81 22 50.6	DeBary Station	N 28 51 20.3, W 81 19 24.1	Florida Hospital Station	N 28 34 21.8, W 81 22 17.4	Lake Mary Station	N 28 45 31.8, W 81 19 04.3	LYNX Central Station	N 28 32 52.2, W 81 22 51.0	Longwood Station	N 28 42 04.1, W 81 20 43.4	Maitland Station	N 28 38 03.7, W 81 21 44.7	Orlando Amtrak/ORMC Station	N 28 31 39.5, W 81 22 55.6	Sand Lake Road Station	N 28 27 11.3, W 81 22 1.0	Sanford-SR46 Station	N 28 48 49.8, W 81 17 56.9	Winter Park/Park Ave Station	N 28 55 51.5, W 81 21 6.0
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If there is no exterior public entrance to the Community Service, then a point should be used that is at the exterior entrance doorway threshold that is the closest walking distance to the doorway threshold of the interior public entrance to the service. For example, for a Pharmacy located within an enclosed shopping mall structure that does not have a direct public exterior entrance, the latitude and longitude coordinates at the doorway threshold of the exterior public entrance to the enclosed shopping mall that provide the shortest walking distance to the doorway threshold of the interior entrance to the Pharmacy would be used.

Applicants may use the same latitude and longitude coordinates for the Grocery Store, Medical Facility and/or Pharmacy if the Grocery Store, Medical Facility and/or Pharmacy is housed at the same location. However, there are no other instances in which an Applicant may use identical coordinates or the same location for any other combination of Transit or Community Services.

Attachment

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PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into as of the 10th day of October, 2013 (the "Execution Date"), by and among COMMUNITY HOUSING OF OKALOOSA COUNTY, LLC, a Florida limited liability company, as seller ("Seller"), OCDC PALM VILLAGE, L.P., a Florida limited partnership, as purchaser ("Purchaser"), and D. MICHAEL CHESSER, Attorney at Law, as escrow agent ("Escrow Agent").

WITNESSETH:

WHEREAS, Seller desires to sell to Purchaser and Purchaser desires to purchase from Seller certain real property in accordance with the terms and conditions hereinafter provided.

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), in hand paid, the premises and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser do hereby covenant and agree as follows:

ARTICLE ONE - PROPERTY

1.1 Purchase of Property. Seller agrees to sell and convey to Purchaser, and Purchaser agrees to buy from Seller, certain real property, Villa Palms Circle, at the intersection of Patrick Drive and Villa Palms Circle, Fort Walton Beach, Okaloosa County, Florida, containing approximately 3.608 acres, and being more specifically described on Exhibit "A" attached hereto and incorporated herein by this reference, together with all of the tenements, hereditaments, improvements, appurtenances, rights, zoning rights, zoning variances and waivers, mineral rights, utility capacity, permits, easements, rights-of-way, and impact fee credits with, or impact fee payments to, any county or municipality incident thereto (collectively, the "Property").

ARTICLE TWO - PURCHASE PRICE; CLOSING AND EARNEST MONEY

2.1 Purchase Price. The purchase price (the "Purchase Price") for the Property shall be One Thousand and No/100 Dollars (\$1,000.00). The Purchase Price shall be paid by Purchaser to Seller at Closing by wire transfer of Federal funds, or by cashier's or certified check, or by closing attorney's escrow account check, at Purchaser's election, provided that such amount shall be adjusted for closing prorations described hereinbelow.

2.2 Closing. The consummation of the purchase and sale of the Property herein contemplated (such consummation being herein referred to as the "Closing") shall take place on or before Monday, July 2, 2014, or such earlier date being at least five (5) days following written notice from Purchaser to Seller. In the event no such notice is given, the Closing shall be held on Wednesday, July 2, 2014. Notwithstanding the foregoing, Purchaser shall be entitled to extend the Closing for up to two (2) periods of sixty (60) days each by giving written notice of such election to Seller and by delivering to Escrow Agent an additional earnest money deposit equal to Five Hundred and No/100 Dollars (\$500.00) for each such extension at least one (1) day prior to the then scheduled Closing. If so made, the additional earnest money deposit shall be deemed part of the "Earnest Money" (as defined below in Section 2.4) for all purposes hereunder (including the

application thereof to the Purchase Price) and, accordingly, shall be non-refundable to Purchaser except in the event of Seller's default under this Agreement or as otherwise expressly set forth herein. In the event the date of Closing falls on a Saturday, Sunday or holiday, the date of Closing shall be extended until the next Business Day (as defined in Section 9.15 below).

2.3 Place of Closing. The Closing shall take place as an escrow closing through the Title Company (as defined in Section 3.1 below) or it shall be face-to-face at the offices of the Title Company as reasonably agreed upon by Purchaser and Seller.

2.4 Earnest Money; Payment at Closing; Independent Consideration. Purchaser shall deliver to Escrow Agent, not later than five (5) Business Days after the Execution Date, the sum of One Hundred and No/100 Dollars (\$100.00) (said sum hereinafter referred to as the "Earnest Money"), which Earnest Money shall, at Closing, either be credited to or returned to Purchaser, if not theretofore disbursed in accordance with the terms and conditions of this Agreement.

Notwithstanding anything to the contrary contained in this Agreement, Ten and No/100 Dollars (\$10.00) of the Earnest Money shall be paid by Escrow Agent to Seller as "Independent Consideration" (herein so called) for the execution of this Agreement and the rights granted herein, which said Independent Consideration (i) shall be paid to Seller in all instances, (ii) upon execution hereof is fully earned, and (iii) shall be applied against the Purchase Price in the event Closing occurs.

ARTICLE THREE - EVIDENCE OF TITLE; SURVEY

3.1 Title. Seller covenants to convey to Purchaser at Closing good and marketable fee simple title in and to the Property. For the purposes of this Agreement, "good and marketable fee simple title" shall mean fee simple ownership, free of all claims, liens and encumbrances of any kind or nature whatsoever other than the following (hereinafter called the "Permitted Exceptions"): (i) current state and county ad valorem real property taxes not due and payable on the date of Closing; and (ii) such other matters, if any, as may be subsequently approved in writing by Purchaser. Such title shall also be insurable by either Chicago Title Insurance Company or Old Republic National Title Insurance Company (hereinafter sometimes called the "Title Company") at then current standard rates under the standard form of ALTA extended owner's policy of title insurance currently in effect at the time of Closing (the "Title Policy"), with the standard printed exceptions therein deleted and without exception other than for the Permitted Exceptions. Purchaser shall have until the expiration of the Inspection Period in which to examine title to the Property and to give Seller written notice of objections to any unacceptable conditions or exceptions to same (including, without limitation, any such objections revealed by the "Survey" of the Property). Following Seller's response to such title objections, if any, Purchaser shall have until the date of Closing in which to cause the Title Company to re-examine title to the Property and in which to give Seller notice of any additional objections (other than the Permitted Exceptions) initially disclosed by such re-examination. Seller shall have until the date of Closing in which to satisfy all objections specified in any notice by Purchaser of title objections. If Seller fails so to satisfy any such objections, then, at the option of Purchaser, Purchaser may: (i) terminate this Agreement, in which event the Earnest Money (save and except the Independent Consideration) shall be refunded to Purchaser, and all rights and obligations of the parties under this Agreement shall expire, and this Agreement shall become null and void; (ii) satisfy the objections, after

deducting from the Purchase Price the cost of satisfying objections that can be satisfied by the payment of money, i.e., mortgages, mechanic's or other monetary liens, judgments and/or tax liens ("Monetary Encumbrances"); or (iii) waive such satisfaction and performance by Seller and elect to close. Notwithstanding anything to the contrary set forth in this Agreement, at or prior to Closing, Seller shall (1) discharge all Monetary Encumbrances affecting the Property or otherwise cause the Title Company to issue a title policy in favor of Purchaser at Closing without exception for any Monetary Encumbrances, (2) pay all taxes that are due and payable with respect to the Property (subject to any prorations set forth in this Agreement), (3) pay any assessments due and payable and applicable to the Property (subject to any prorations set forth in this Agreement), and (4) assist in the obtaining of a separate tax parcel identification number for the Property.

3.2 Survey. Purchaser may have prepared, at Purchaser's expense, an ALTA/ACSM survey of the Property by a surveyor registered and licensed under the laws of the State of Florida selected by Purchaser in its sole discretion (hereinafter referred to as the "Survey"). Purchaser shall have until the expiration of the Inspection Period in which to have the Survey prepared and to give Seller written notice of any objections (other than Permitted Exceptions) revealed thereby. The metes and bounds description of the Property contained in the Survey shall be used for the Deed (as defined below) to be delivered by Seller at Closing as set forth below.

ARTICLE FOUR - CONDITIONS TO CLOSING AND CONSUMMATION OF SALE

4.1 Inspection of Property. Notwithstanding any other provisions to the contrary contained in this Agreement, the parties hereto agree that, during the term of this Agreement, Purchaser, its agents and representatives shall have the right to enter upon and make such studies, tests and/or inspections of the Property as Purchaser deems reasonably necessary or appropriate. Such studies, tests and/or inspections may include, but shall not be limited to, engineering, geological, structural, physical, environmental, hydrologic, vegetative, compaction, landscaping, soils, surveys, and other tests, observations or studies that Purchaser may deem necessary or desirable in connection with its acquisition and/or proposed development or use of the Property. During the Inspection Period Purchaser shall have free and complete access to all documentation, agreements and other information in the possession of Seller or any employee, agent or independent contractor of Seller pertaining to the ownership, use or operation of the Property, and Purchaser shall have the right to make copies of any such information at Purchaser's expense.

Purchaser shall indemnify and hold Seller harmless from and against any and all claims, liabilities, cost and expense (including without limitation attorney's fees) (collectively, "Claims") arising out of Purchaser's entry on the Property. Notwithstanding anything to the contrary contained in this Agreement, (i) the indemnity and hold harmless provision contained in this Section 4.1 shall not apply to the extent such Claims arise directly from or in connection with Seller's negligence or willful misconduct, and (ii) Purchaser shall have no liability to Seller or to any other person or entity by reason of, nor shall Purchaser have any duty to indemnify or hold any person or entity harmless from or against, any Claims (including, without limitation, any claim for diminution in value of the Property or for environmental remediation or clean-up costs), arising out of or in connection with the mere fact of having discovered and/or reported (as may be required by law) any adverse physical condition, title condition, environmental condition or other defect with respect to the Property. This provision shall survive the termination of this Agreement.

In the event that Purchaser, in its sole and absolute discretion, determines that the condition of the Property is, for any reason whatsoever or no reason at all, unsatisfactory for Purchaser's contemplated use or development of the Property, Purchaser shall have until 6:00 p.m. Tallahassee, Florida local time on December 31, 2013 (the "Inspection Period"), to notify Seller in writing that Purchaser has elected to terminate this Agreement. Promptly following any timely notice of termination, Escrow Agent shall to return the Earnest Money (save and except the Independent Consideration) to Purchaser and, upon Purchaser's receipt of the Earnest Money, this Agreement shall be terminated and neither party shall have any further rights or obligations hereunder.

If Purchaser does not timely elect to terminate this Agreement prior to the expiration of the Inspection Period as set forth in this Section 4.1, then Purchaser shall be deemed to have elected to keep this Agreement in full force and effect and to proceed to Closing subject to the terms and conditions hereof.

4.2 Delivery of Development Information. In order to facilitate Purchaser's inspection of the Property, Seller agrees, to the extent in Seller's possession or control, to deliver the following items to Purchaser within five (5) Business Days after the Execution Date (such items, the "Property Documents"):

- (a) Evidence of the zoning status of the Property;
- (b) Evidence that water, gas, electric, storm, sewer, sanitary sewer and telephone service is available at the perimeter property line of the Property or in rights of way adjacent to the Property;
- (c) Copies of all soils, topography, compaction, hydrologic, vegetative, engineering, traffic and environmental reports, studies or inspections obtained by, prepared for or by, or discovered by Seller in connection with Seller's acquisition, ownership, use and/or development of the Property;
- (d) Copies of all governmental reports, approvals and/or permits obtained by Seller in connection with its acquisition, use, ownership and/or development of the Property;
- (e) Copies of all boundary or topographic surveys, and accompanying surveyor's certificates, prepared for or obtained by Seller, or in Seller's possession or accessible to Seller, in connection with its acquisition, use, ownership and/or development of the Property;
- (f) Copies of all title certificates, title commitments and title insurance policies relating to the Property, and copies of all permitted exceptions and other matters scheduled or shown as exceptions to title or requirements thereon;
- (g) A copy of any recorded subdivision plat of the Property;
- (h) A copy of any declaration agreement or restrictive covenant that does or may affect the acquisition, development or ownership of the Property by Purchaser;

(i) Copies of any agreements with third parties encumbering or affecting the Property including any leases, licenses and occupancy agreements;

(j) Any written notice given from any governmental authority to Seller indicating any violation by the Property of any applicable building code, law, regulation or ordinance;

(k) Copies of any and all letters, documentation and/or reports regarding any impending or potential condemnation(s) and/or taking(s) of the Property or any portion thereof; and

(l) Such other items in Seller's possession that Purchaser may, from time to time or at any time, reasonably request in connection with its inspection of the Property.

4.3 "As Is-Where Is" Sale. Purchaser acknowledges and agrees that, other than as expressly stated in this Agreement or any of the closing documents to be delivered by Seller to Purchaser at Closing, the Property is being purchased in an "as is where is" condition with no representations or warranties, expressed or implied.

4.4 Permits and Governmental Approvals. Seller shall cooperate with Purchaser in Purchaser's efforts to obtain approval of all necessary and appropriate building and other Permits (as hereinafter defined) from all applicable governmental authorities, so as to permit the construction and operation on the Property of a multifamily apartment housing development consisting of not less than 36 townhome-style apartment units ("Purchaser's Proposed Development"), and Seller shall, at Purchaser's request, appear with Purchaser at any hearing to be held before the appropriate zoning body or agency of the County/City in connection with such efforts. Seller hereby grants to Purchaser the authority to sign and execute the applications for such Permits. Purchaser shall have no obligation to appeal a negative decision on any such Permit.

The term "Permits" shall include, but not be limited to, all of the following: (i) any and all site plan approvals and land disturbance permits necessary for construction of Purchaser's Proposed Development; (ii) any and all sanitary sewer, drainage and other utility permits necessary to use Purchaser's Proposed Development when completed, including without limitation, sewer connection and extension permits; (iii) any and all subdivision, zoning, use and/or other variances or amendments to proffered conditions and/or rezoning necessary to permit the construction and/or use on the Property of Purchaser's Proposed Development; (iv) any and all environmental certifications, approvals, licenses and permits whether local, state or federal; (v) any and all so called "special permits"; including, without limitation, any curb cut permits required for curb cuts; (vi) any and all sign permits needed by Purchaser; and (vii) any and all other necessary and appropriate approvals, agreements, permits and licenses to permit the construction and/or use of Purchaser's Proposed Development. All conditions and restrictions imposed by the governmental authorities as prerequisites or conditions subsequent to the Permits (including, without limitation, the payment of impact fees, if any, for construction of on-site or off-site improvements) shall be subject to Purchaser's approval and acceptance and Purchaser shall not be required to accept any Permit unless it agrees, in its sole discretion, to accept such conditions and restrictions.

4.5 Tax Credit Applications.

(a) Notwithstanding anything to the contrary set forth in this Agreement, Purchaser's obligation to consummate the purchase and sale herein contemplated shall be subject to and conditional upon Purchaser being granted all of an applied for award of housing tax credits and other related financing from the Florida Housing Finance Corporation (the "Tax Credits"). Purchaser may, at its expense, file an application for any such Tax Credits no later than October 17, 2013. In the event that (A) Purchaser does not timely file such application, Purchaser shall be deemed to have terminated this Agreement, in which event the Earnest Money (save and except the Independent Consideration) shall be refunded to Purchaser and thereupon this Agreement shall terminate and be of no further force and effect, except for the survival of certain provisions as expressly provided for herein, or (B) Purchaser timely files an application for such Tax Credits, Seller shall cooperate with Purchaser in Purchaser's efforts to obtain such Tax Credits, and does hereby grant Purchaser the authority to sign and execute the applications therefor. Seller agrees to complete and deliver to Purchaser upon request any environmental questionnaires or other materials which may be required as a part of Purchaser's Tax Credit application in a timely manner. Purchaser shall have no obligation to appeal a negative decision on any such Tax Credits.

(b) [Intentionally Omitted].

(c) In the event the application for the Tax Credits is conclusively and finally denied or the application for the Tax Credits is not otherwise approved by May 1, 2014, Purchaser shall elect, no later than the first to occur of (i) the fifth (5th) day following receipt of written confirmation of such conclusive and final denial, and (ii) May 1, 2014, as applicable, to terminate this Agreement, in which event the Earnest Money (save and except the Independent Consideration) shall be refunded to Purchaser and thereupon this Agreement shall terminate and be of no further force and effect, except for the survival of certain provisions as expressly provided for herein. If Purchaser shall fail to make such election, Purchaser shall be deemed to have elected to terminate this Agreement. In the event an appeal shall be denied or in the event a previous denial is affirmed, Purchaser shall again have the right to make such election.

(d) [Intentionally Omitted].

(e) No later than five (5) Business Days following Seller's receipt from Purchaser of the Tax Credit Approval Notice, Seller shall terminate in writing all leases, licenses and occupancy agreements affecting the Property, if any, such terminations to be effective as of the earliest possible date permitted by applicable law, and Seller shall, at Seller's sole cost and expense, cause the tenants/occupants under such leases, licenses and occupancy agreements to vacate the Property as soon as reasonably possible, by any and all legal means necessary including, but not limited to, evicting such tenants/occupants from the Property or pursuing any other legal and/or equitable remedies available to Seller to accomplish same.

4.6 Conditions Precedent to Purchaser's Obligations. Purchaser shall not be obligated to consummate the transaction described in this Agreement unless:

(a) As of the date of Closing, Seller shall have performed in all material respects all of the agreements, covenants and obligations contained in this Agreement to be performed or complied with by Seller on or prior to the date of Closing;

(b) All representations and warranties made by Seller hereunder shall be true, complete and accurate in all material respects as of the date of Closing;

(c) As of the date of Closing, Purchaser shall have received approval in writing of all of the Permits in form and substance acceptable to Purchaser in its sole discretion, subject only to Purchaser's payment of all applicable fees to receive such Permits from the applicable governmental entities;

(d) As of the date of Closing, water, gas, electric, storm, sewer, sanitary sewer and telephone service shall be available at the perimeter property line of the Property or in rights of way adjacent to the Property in capacities sufficient to service Purchaser's Proposed Development, as determined by Purchaser in its sole discretion; and

(e) From and after the last day of the Inspection Period, there shall have occurred no material adverse change to the Property (or any material portion thereof) which is continuing at the date and time scheduled for Closing which could have an adverse impact on Purchaser's intended use of the Property.

If any of the conditions precedent to the performance of Purchaser's obligations under this Agreement have not been satisfied or waived in writing by Purchaser on the date of Closing, then Purchaser shall give Seller written notice of the specific conditions that have not been satisfied or waived, and if such specific conditions remain unsatisfied for three (3) days after Seller has received written notice thereof, then Purchaser may, at its option, by written notice delivered to Seller within one (1) Business Day following the expiration of such three (3) day period, terminate this Agreement in writing, in which event the Earnest Money (save and except the Independent Consideration) shall be returned to Purchaser and Purchaser and Seller shall have no further obligations, one to the other, with respect to the subject matter of this Agreement provided, however, that Purchaser's termination of this Agreement pursuant to this Section shall not excuse any applicable default(s) and/or breach(es) by Seller hereunder, and Purchaser shall retain all of its rights and remedies set forth in Section 8.1 below. If Purchaser does not timely terminate this Agreement in accordance with the preceding sentence or if Purchaser fails to send the notice referenced in this Section, such condition precedent shall be deemed waived and this Agreement shall continue in full force and effect as modified thereby.

4.7 Seller's Deliveries and Conditions to Purchaser's Obligations. Seller shall execute and deliver at Closing the following documents (collectively, the "Closing Documents"), dated the date of Closing, the form of each of which shall be reasonably acceptable to Seller and Purchaser, and the execution and accuracy of which shall be a condition to Purchaser's obligation to consummate the purchase and sale herein contemplated:

(a) Special Warranty Deed. A Special Warranty Deed (the "Deed") in recordable form, duly executed by Seller and conveying to Purchaser good and insurable fee simple title to the Property, warranting title to the Property against all matters arising by,

through or under Seller with the legal description provided in the Title Company's commitment for the Title Policy, subject only to the Permitted Exceptions;

(b) Owner's Affidavit. An Owner's Affidavit in form reasonably acceptable to Seller and Title Company;

(c) Seller's Certificate. A certificate duly executed by Seller and certifying that each and every warranty and representation made by Seller in this Agreement is true and correct as of Closing, as if made by Seller at such time;

(d) FIRPTA Certificate. A certificate duly executed by Seller setting forth Seller's address and tax identification number and certifying whether or not Seller is a foreign person for purposes of the Foreign Investment in Real Property Tax Act (a/k/a "FIRPTA");

(e) Blanket Transfer, Bill of Sale and Assignment. A bill of sale and assignment, duly executed by Seller, assigning and transferring to Purchaser all of Seller's right, title and interest in any and all personal property (if any) and intangible property, and such other rights, permits, zoning rights, zoning variances and waivers, properties, impact fee credits with, or impact fee payments to, any county or municipality incident to the Property, and all other powers and privileges relating to the Property as Purchaser may reasonably request;

(f) Closing Statement. A closing statement duly executed by Seller, Purchaser, Escrow Agent and Title Company setting forth in reasonable detail the financial transaction contemplated by this Agreement, including without limitation the Purchase Price, all prorations, the allocation of costs specified herein, and the source, application and disbursement of all funds;

(g) Additional Documents to Close. Such documents, affidavits or certificates as are customary or may be necessary to consummate the sale of the Property, to induce the Title Company to issue the Title Policy; and

(h) Additional Documents following Closing. Copies of all surveys, plans and specifications and other similar documents relating to the Property that may be in Seller's possession (and that have not been delivered to Purchaser previously pursuant to the provisions of Section 4.2 above) following Closing.

4.8 Cost of the Parties. All documentary stamp taxes imposed on the Deed contemplated in this Agreement shall be paid by Seller. Seller shall also pay all recording costs for the Deed and all recording costs for any documentation necessary to cure title matters and any other recordable closing documents (other than Purchaser's loan documents, if any). Purchaser shall pay the cost of the survey, title examination and commitment and related fees and the premium for the Title Policy, and the cost of any endorsements thereto. Costs applicable to the escrow/closing agent shall be paid one-half (½) by Purchaser and one-half (½) by Seller.

All costs and expenses of the parties' performance of their respective obligations hereunder and the consummation of the transactions contemplated herein that have not been assumed

specifically by either party under the terms hereof, shall be borne by the party incurring such cost or expense.

4.9 Real Estate Commission. Seller represents and warrants that Seller has not dealt with any broker or other finder in connection with its conveyance of the Property, and that in the event Closing is consummated hereunder, no commission is due and owing to any party. Seller will indemnify and hold harmless the Purchaser from and against any and all claims, loss, liability, cost and expenses (including reasonable counsel fees) resulting from any claim that may be made against the Purchaser by any broker or person claiming a commission, fee or other compensation by reason of this transaction, if such claim arises by or on account of any act of the Seller or Seller's representatives.

Purchaser represents and warrants that Purchaser has not dealt with any broker or other finder in connection with the acquisition of the Property. Purchaser will indemnify and hold harmless Seller from and against any and all claims, loss, liability, cost and expenses (including reasonable counsel fees) resulting from any claims that may be made against the Seller by any broker or person (other than Purchaser's Broker) claiming a commission, fee or other compensation from Seller by reason of this transaction, if such claim arises by or on account of any act of the Purchaser or Purchaser's representatives.

4.10 Possession of Subject Property. Seller shall deliver possession of the Property to Purchaser at the time of Closing, subject only to the Permitted Exceptions.

4.11 Property to Be Delivered Vacant. Notwithstanding any other provision of this Agreement to the contrary, Seller acknowledges and agrees that the Property shall be delivered to Purchaser at Closing vacant, with any and all leases, occupancy agreements and/or licenses affecting the Property, if any, properly terminated and all of the tenants thereunder removed.

ARTICLE FIVE - PRORATED ITEMS

5.1 Prorations. At the Closing, the following items shall be prorated between Purchaser and Seller: (a) all assessments, taxes and other similar charges assessed against the Property; (b) charges, if any, for utilities servicing the Property, including, without limitation, charges for gas, electricity and water; (c) payments, if any, under service and similar contracts actually assumed by Purchaser at Closing affecting the Property; and (d) all other charges and fees customarily prorated and adjusted in similar transactions. For purposes of making such prorations, Seller shall be deemed to have conveyed the Property as of 11:59 p.m. the day prior to the day of Closing. In the event that accurate prorations and other adjustments cannot be made at Closing because current bills are not obtainable (as, for example, in the case of utility bills), the parties shall prorate on the best available information, subject to adjustment upon receipt of the final bill.

ARTICLE SIX - REPRESENTATIONS, WARRANTIES AND COVENANTS OF SELLER

To induce the Purchaser to enter into this Agreement, Seller makes the representations, warranties and covenants hereinafter contained, each of which is material to and is relied upon by Purchaser. Seller represents, warrants and covenants as follows:

6.1 Authority to Sell. Seller has the right, power and authority to enter into this Agreement and to sell the Property to Purchaser in accordance with the terms and conditions hereof and will deliver satisfactory evidence of such right, power and authority to Purchaser at Closing.

6.2 Subject Property. Seller is the sole owner of good, fee simple, marketable and insurable title to all of the Property, subject only to the Permitted Exceptions.

6.3 Hazardous Waste. For purposes of this paragraph, "hazardous substance" means any matter giving rise to liability under the Resources Conservation Recovery Act ("RCRA"), 42 U.S.C. Section 6901 et seq., as amended, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. Sections 9601 et seq., as amended, or generally any contaminant, oil, gasoline or other petroleum hydrocarbons, radioactive or other material, the removal of which is required or the maintenance of which is prohibited or penalized by any local, state or federal agency, authority or governmental unit. Seller hereby represents and warrants to Purchaser that:

(a) The Property does not contain any hazardous substance and, to Seller's actual knowledge only (without any duty to investigate or make inquiry), nor does any adjacent property;

(b) The Property is in compliance with all applicable environmental laws;

(c) Seller has not conducted, authorized or permitted the generation, transportation, storage, treatment, handling, or disposal of any hazardous substance at the Property;

(d) Seller is not aware of any pending or threatened litigation or proceedings before any administrative agency in which any person or entity alleges the presence, release, threat of release, placement on or in the Property or, to Seller's actual knowledge only (without any duty to investigate or make inquiry), any adjacent property, or the generation, transportation, storage, treatment, or disposal at the Property or, to Seller's actual knowledge only (without any duty to investigate or make inquiry), any adjacent property, of any hazardous substance;

(e) There have been no communications or agreements with any governmental authority or agency (federal, state or local) or any private entity, including, but not limited to, any prior owners of the Property, relating in any way to the presence, release, threat of release, placement on or in the Property or, to Seller's actual knowledge only (without any duty to investigate or make inquiry), any adjacent property, or the generation, transportation, storage, treatment, or disposal at the Property or, to Seller's actual knowledge only (without any duty to investigate or make inquiry), any adjacent property, of any hazardous substance; and

(f) There are no underground storage tanks on the Property.

6.4 No Condemnation Proceedings. There are no condemnation or eminent domain proceedings pending, threatened or contemplated against the Property or any part of the Property,

and Seller has received no notice, oral or written, of the desire of any public authority or other entity to take or use the Property or any part of the Property.

6.5 Operating Agreements. The Property is not subject to any operating or maintenance agreements or service contracts that will survive Closing.

6.6 Pending Litigation. There is no litigation or any administrative proceeding pending with respect to the Property or for which Seller has received service of process or written notice of the threat thereof.

6.7 Flood Hazard Area. No portion of the Property is located within any Special Flood Hazard Area designated by FEMA and/or the United States Department of Housing and Urban Development, or in any areas similarly designated by any agency or any other governmental authority.

6.8 OFAC Compliance. Seller and all beneficial owners of Seller (if applicable) are in compliance with all laws, statutes, rules and regulations of any federal, state or local governmental authority in the United States of America applicable to such Persons (defined below), including, without limitation, the requirements of Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Order") and other similar requirements contained in the rules and regulations of the Office of Foreign Asset Control, Department of the Treasury ("OFAC") and in any enabling legislation or other Executive Orders in respect thereof (the Order and such other rules, regulations, legislation, or orders are collectively called the "Orders"). Neither Seller nor any beneficial owner of Seller (if applicable): (a) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the "Lists"); (b) is a Person who has been determined by competent authority to be subject to the prohibitions contained in the Orders; (c) is owned or controlled by, nor acts for or on behalf of, any Person on the Lists or any other Person who has been determined by competent authority to be subject to the prohibitions contained in the Orders. As used herein, the term "Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee, estate, limited liability company, unincorporated organization, real estate investment trust, government or any agency or political subdivision thereof, or any other form of entity.

6.9 No New Encumbrances. Between the date hereof and the Closing, Seller shall not grant or permit any new encumbrances, leases, licenses, or other occupancy agreements on or about the Property without the prior written consent of Purchaser.

6.10 No Violations. The Property is not in violation of any existing law, statute, ordinances, rules or regulations of any governmental authority having or asserting jurisdiction over or in connection with the ownership, operation, use, maintenance or development of the Property.

6.11 Adverse Notice/Orders. No governmental authority having jurisdiction over the Property has issued or threatened to issue any notice or order that adversely affects the use, development, construction and/or operation of the Property as presently conducted.

6.12 Bankruptcy. Seller is not the subject of any proceeding by or against Seller under any federal or state law or statute regarding bankruptcy, insolvency, fraudulent transfers, receivership, conservatorship, custodianship, trusteeship, moratorium or creditors' rights or debtors' obligations generally. Seller has not made any assignment for the benefit of creditors or failed to pay its obligations as they come due, and Seller is not insolvent.

6.13 No Outstanding Rights to Purchase. There are no outstanding rights or options of any party to purchase the Property including, but not limited to, any rights of first offer or rights of first refusal.

6.14 Subdivision. To the extent a subdivision of the Property from a larger parcel of real estate is required to consummate Closing as contemplated hereunder (the "Subdivision"), Seller shall be responsible, at its sole cost and expense, to cause such Subdivision to be completed at or prior to Closing in accordance with all applicable laws, ordinances and regulations. In any event, Seller shall not record or cause the recordation in the applicable public records of any plats or other documentation causing the Subdivision without the prior written approval of Purchaser, such approval not to be unreasonably withheld, conditioned or delayed.

6.15 Easements over Retained Land. In connection with Purchaser's proposed development and use of the Property, Seller hereby agrees to grant to Purchaser at Closing any easements for utilities and access requested by Purchaser across, through and under Seller's retained real estate located adjacent to the Property, provided that the location of such easements and the documentation therefor are reasonably acceptable to Seller.

6.16 Additional Site Work. During the term of this Agreement, Seller shall provide written notice to Purchaser of any site work performed at, or other improvements to be constructed upon, the Property, and Seller hereby covenants, at Seller's sole cost and expense, to cause all of such site work and improvements to comply with all applicable laws, ordinances, rules and regulations of all governmental authorities and regulatory agencies.

6.17 Truth of Warranties and Representations. The truth and accuracy in all material respects, as of the date of Closing, of all representations and warranties made by Seller herein and in the Seller's Certificate described in Section 4.7(d) shall be an express condition to Purchaser's obligation to consummate the transactions contemplated herein.

ARTICLE SEVEN - CONDEMNATION

7.1 If the Property or any portion thereof be taken by condemnation or conveyed under the threat of condemnation prior to Closing, or if there is any pending or threatened condemnation against the Property as of the date of Closing, Purchaser may, at its sole election, either: (i) terminate this Agreement by notifying Seller in writing on or before the last date for Closing as provided for above, in which case the Earnest Money (save and except the Independent Consideration) shall be refunded to Purchaser, and all rights and obligations of the parties under this Agreement shall expire, and this Agreement shall become null and void; or (ii) proceed to Closing, in which event the Purchase Price shall be reduced by the total of any awards or other proceeds received by Seller on or before the date of Closing with respect to any taking, and, at Closing, Seller shall assign to Purchaser all of its right to any and all awards or other proceeds paid or payable thereafter by reason

of any taking. Seller shall notify Purchaser of the existence or threat of eminent domain proceedings within five (5) days after Seller learns thereof.

ARTICLE EIGHT - DEFAULT; REMEDIES ON DEFAULT

8.1 Default; Liquidated Damages. Purchaser and Seller acknowledge that it would be extremely impracticable and difficult to ascertain the actual damages that would be suffered by Seller if Purchaser fails to consummate the purchase and sale of the Property herein (for any reason other than Seller's failure, refusal or inability to perform any of Seller's covenants and agreements hereunder or the failure of any other of the conditions to Purchaser's obligation to close hereunder). Purchaser and Seller have considered carefully the loss to Seller as a consequence of the negotiation and execution of this Agreement; and the personal expenses of Seller incurred in connection with the preparation of this Agreement and Seller's performance hereunder; and the other damages, general and special, that Purchaser and Seller realize and recognize Seller will sustain, but that Seller cannot at this time calculate with absolute certainty. Based on all those considerations, Purchaser and Seller have agreed that the damage to Seller would reasonably be expected to amount to the Earnest Money.

Accordingly, if all conditions precedent to Purchaser's obligation to consummate the purchase of the Property have been waived in writing by Purchaser or satisfied, and if Seller has performed its covenants and agreements hereunder, but Purchaser has breached its covenants and agreements hereunder and has failed, refused or is unable to consummate the purchase and sale of the Property by the date of the Closing, then the Escrow Agent shall deliver the Earnest Money to Seller as full and complete liquidated damages. Upon delivery of the Earnest Money to Seller as provided above, no party to this Agreement shall have any liability to any other party to this Agreement; and this Agreement shall, in its entirety, be deemed null, void and of no further force and effect.

If Seller has breached its covenants, representations, warranties and/or agreements under this Agreement and/or has failed, refused or is unable to consummate any purchase and sale contemplated herein by the date of Closing, then Escrow Agent, promptly upon request by Purchaser, shall return the Earnest Money (save and except the Independent Consideration) to Purchaser; provided, however, that such return shall not limit Purchaser's right, at its sole election, to terminate this Agreement and/or to maintain an action for breach of this Agreement, including but not limited to specific performance and any other legal or equitable relief as may now or hereafter be as may now or hereafter be available to Purchaser.

8.2 Rights of Escrow Agent. The parties hereby acknowledge and agree that Escrow Agent shall promptly deposit the Earnest Money into an escrow account having as the beneficiary thereof the Purchaser. The parties hereby acknowledge and agree that Escrow Agent shall have the right to disburse same to Purchaser or Seller upon three (3) Business Days' written notice to the parties; provided, however, that Escrow Agent shall not have received any written objections to such disbursement within three (3) Business Days after receipt by Purchaser and Seller of said notice. The parties hereto hereby acknowledge that the Escrow Agent shall have no liability to any party on account of its failure to disburse the Earnest Money in the event of an unresolved dispute as to which party is entitled to receive the same. In the event of any dispute as to who is entitled to receive the Earnest Money, Escrow Agent shall have the right, at its sole election, either to retain the

funds and disburse them in accordance with the final order of a court of competent jurisdiction or to deposit the Earnest Money with said court, pending a final decision of such controversy. The parties each agree to, jointly and severally, indemnify and hold Escrow Agent harmless from and against any loss, cost or liability arising out of its good faith actions as escrow agent hereunder. The parties hereto further agree that Escrow Agent shall not be liable for failure of the depository and shall only be liable otherwise in the event of its gross negligence or willful misconduct.

ARTICLE NINE - MISCELLANEOUS PROVISIONS

9.1 Entire Agreement; Counterparts; Amendments. This Agreement constitutes the entire agreement between the parties hereto with respect to the transactions contemplated herein, and it supersedes all prior understandings or agreements between the parties. This Agreement may be executed in one (1) or more duplicate original counterparts, each of which shall be effective as and shall constitute an original document binding upon the party or parties signing the same. Escrow Agent acknowledges and agrees that this Agreement may be amended without its consent or joinder; provided that any such amendment document shall have a material adverse effect on such party. For purposes hereof, any extensions of relevant time periods or changes in the Purchase Price shall be deemed not to have a material adverse effect on Escrow Agent.

9.2 Binding Effect. Subject to the provisions of Section 9.10 below, this Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, devisees, personal representatives, successors and assigns.

9.3 Survival of Warranties. It is the express intention and agreement of the parties to this Agreement that all representations and warranties made by Seller in this Agreement shall survive this Agreement and the delivery of the Deed at Closing.

9.4 Waiver; Modification. Failure by Purchaser or Seller to insist upon or enforce any of its rights shall not constitute a waiver thereof. Either party hereto may waive the benefit of any provision or condition for its benefit contained in this Agreement. No oral modification hereof shall be binding upon the parties, and any modification shall be in writing and signed by the parties.

9.5 Time of Essence. TIME IS OF THE ESSENCE OF THIS AGREEMENT.

9.6 Construction. Each party hereto hereby acknowledges that all parties hereto participated equally in the drafting of this Agreement and that, accordingly, no court construing this Agreement shall construe it more stringently against one party than the other.

9.7 Governing Law. This Agreement shall be governed by, and construed under, the laws of the State of Florida.

9.8 Cumulative Remedies. Subject to the limitations set forth in Article 8 above, each and every one of the rights, benefits and remedies provided to Purchaser or Seller by this Agreement, or by any instrument or documents executed pursuant to this Agreement, are cumulative and shall not be exclusive of any other of said rights, remedies and benefits allowed by law or equity to the Purchaser, except to the extent provided in Article 8 of this Agreement.

9.9 Date Hereof. For purposes of this Agreement, "the date hereof" or similar references shall mean the Execution Date.

9.10 Assignment. Purchaser shall have the right to assign this Agreement without the prior written consent of Seller, and upon the assignee's execution of a document assuming all of Purchaser's rights and obligations under this Agreement, the previous Purchaser shall automatically be released from any and all obligations hereunder.

9.11 Calculation of Time Periods. Unless otherwise specified, in computing any period of time described herein, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is not a Business Day, in which event the period shall run until the end of the next Business Day. The last day of any period of time described herein shall be deemed to end at 6:00 p.m. local time where the Property is located.

9.12 Liability Regarding Property Operations. Notwithstanding anything to the contrary contained herein, Purchaser assumes and shall assume at Closing no liabilities of Seller of any kind or nature whatsoever, whether known or unknown, fixed or contingent, in connection with or as a result of the acquisition of the Property or arising from or in connection with Seller's ownership of the Property or Seller's operation of any business, concern, or enterprise involving the Property.

9.13 Confidentiality. Seller agrees that the terms of this Agreement and the transaction contemplated hereby are confidential and that such terms as well as the identity of the Purchaser (and any assignee of the Purchaser) and/or any parties related to the Purchaser (and any assignee of the Purchaser) shall not be disclosed to anyone except on a confidential basis, those employees or consultants of the Seller which require such information and have a direct involvement with the approval, completion or closing of this transaction.

9.14 Tax Free Exchange. Seller and Purchaser understand that the other may desire to exchange other property of like kind for the Property so as to qualify such exchange for non-recognition treatment under Section 1031 of the Internal Revenue Code. Toward that end, Purchaser and/or Seller may intend to make the purchase and sale of the Property part of such so-called tax free exchange. Accordingly, Seller and Purchaser each agree to fully cooperate with the other and to take any and all actions as may be necessary to effectuate and facilitate the tax free exchange contemplated by this provision, including, without limitation, the entering into exchange and escrow agreements, purchase and sale/option agreements, and such other documents as may be necessary to effectuate the tax free exchange. The party requesting the cooperation of the other in any such tax-free exchange shall reimburse such other party for any out-of-pocket expenses incurred by such non-requesting party in facilitating the tax-free exchange. Neither party shall be required to take title to any exchange property in connection with any such exchange.

9.15 Business Day. For purposes of this Agreement, a "Business Day" is any day other than a Saturday, Sunday or Federal holiday.

9.16 Prevailing Party. In the event either Purchaser or Seller files a suit to enforce this Agreement or any provisions contained herein, the prevailing party in such suit (i.e., the party that recovers from the other the relief or a substantial portion of such relief sought whether by final judgment or otherwise) shall be entitled to recover, in addition to all other remedies or damages, reasonable attorneys' fees and costs of court incurred in connection with such suit.

9.17 Other Offers. Seller acknowledges that Purchaser will incur substantial expense in performing its preliminary underwriting and investigations concerning the Property. In consideration of this acknowledgement, Seller agrees not to solicit, entertain or accept any formal or informal offers to purchase the Property or any part thereof so long as this Agreement remains in full force and effect.

9.17 HOME/HUD Provisions. Notwithstanding any provision of this Agreement to the contrary, if U.S. Department of Housing and Urban Development ("HUD") funds are used to acquire the Property, including, but not limited to, HOME funds, the parties hereto acknowledge and agree that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of an environmental review and receipt of a release of funds notice from the U.S. Dept. of HUD under 24 CFR Part 58. The parties further agree that the provision of any federal funds in connection with the acquisition of the Property is conditioned upon the determination to proceed with, modify or cancel such provision based upon the results of a subsequent environmental review. If no HUD funds are utilized with respect to the acquisition of the Property, this provision shall be considered null and void.

9.18 Voluntary Sale. Purchaser and Seller hereby acknowledge and agree as follows: (1) Purchaser does not have the right of eminent domain; (2) because this is a voluntary transaction, Purchaser will not be able to acquire the Property offered for sale if negotiations fail to result in an amicable agreement; (3) Purchaser estimates the fair market value of the Property to be the Purchase Price; (4) even though Federal funds may be used in the acquisition of the Property, Seller WILL NOT be entitled to any relocation benefits; and (5) if applicable, any tenant legally occupying the Property is eligible to receive relocation assistance and benefits as identified in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

ARTICLE TEN - NOTICES

10.1 Notices. All notices, requests, consents and other communications hereunder shall be in writing and shall be personally delivered, sent by Federal Express or other overnight or same day courier service providing a return receipt, or mailed by first-class registered or certified mail, return receipt requested, postage prepaid, or by telecopy (with proof of transmission and receipt) (and shall be effective when received, when refused or when the same cannot be delivered, as evidenced on the return receipt):

If to Purchaser:

OCDC Palm Village, L.P.
Attn: James Robbins
204 Cloverdale Blvd
Ft Walton Beach, FL 32547

Phone: (850) 863-1969
Fax: (850) 863-7954

With a copy to:

Jeffrey C. Adams, Esq.
Arnall Golden Gregory LLP
171 17th Street, NW, Suite 2100
Atlanta, GA 30363
Phone: 404 873 7014
Fax: 404 873 7015

If to Seller:

Community Housing of Okaloosa County, LLC
Attn: Aaron Wentz
814A Shadow Lane
Ft. Walton Beach, Florida 32547
Phone: (850) 863-8006
Fax: (850) 863-8009

If to Escrow Agent:

D. Michael Chesser
Attorney at Law
1201 Eglin Parkway
Shalimar Florida 32579
Phone: (850) 651-9944
Fax: (850) 651-6084

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IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.

PURCHASER:

OCDC PALM VILLAGE, L.P., a Florida
limited partnership

By: Community Housing of Okaloosa
County, LLC

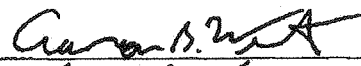
Its: General Partner

By: 
Name: JAMES ROBBINS
Title: EXECUTIVE DIRECTOR

Date of Execution: 10/10/13

SELLER:

COMMUNITY HOUSING OF OKALOOSA
COUNTY, LLC, a Florida limited liability company

By: 
Name: Aaron B. Wentz
Title: Chairman, Okaloosa CDC

Date of Execution: 10/10/13

ESCROW AGENT:


Name: D. Michael Chesser

Date of Execution: 10/10/13

EXHIBIT "A"
Description of Property

PARCEL B

LOT 8 AND A PORTION OF LOT 7 OF PATRICK SUBDIVISION, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 2, PAGE 100, OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT A 4 INCH SQUARE CONCRETE MONUMENT (NO IDENTIFICATION) MARKING THE NORTHEAST CORNER OF LOT 7 OF PATRICK SUBDIVISION, AS RECORDED IN PLAT BOOK 2, PAGE 100, OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA.

FROM SAID POINT OF BEGINNING, ALONG THE EAST LINE OF LOT 7, RUN SOUTH 01 DEGREES 52 MINUTES 30 SECONDS WEST, A DISTANCE OF 219.87 FEET TO A 1/2 INCH IRON ROD AND CAP STAMPED LB 7191 SEAS MARKING THE SOUTHEAST CORNER OF LOT 7;

THENCE ALONG THE EAST LINE OF LOT 8 OF PATRICK SUBDIVISION, RUN SOUTH 01 DEGREES 51 MINUTES 45 SECONDS WEST, A DISTANCE OF 162.85 FEET TO A 4 INCH SQUARE CONCRETE MONUMENT STAMPED LB 1355 JENKINS MARKING THE SOUTHEAST CORNER OF LOT 8;

THENCE LEAVING SAID EAST LINE, ALONG THE SOUTH LINE OF LOT 8, RUN NORTH 87 DEGREES 50 MINUTES 59 SECONDS WEST, A DISTANCE OF 315.81 FEET TO A 1/2 INCH IRON ROD AND CAP STAMPED PANHANDLE;

THENCE ALONG SAID SOUTH LINE, RUN NORTH 88 DEGREES 23 MINUTES 18 SECONDS WEST, A DISTANCE OF 249.78 FEET TO A 4 INCH SQUARE CONCRETE MONUMENT (NO IDENTIFICATION) MARKING THE SOUTHWEST CORNER OF LOT 8;

THENCE LEAVING SAID SOUTH LINE, ALONG THE WEST LINE OF LOT 8, RUN NORTH 02 DEGREES 26 MINUTES 08 SECONDS EAST, A DISTANCE OF 162.34 FEET TO A 1 INCH IRON PIPE MARKING THE NORTHWEST CORNER OF LOT 8;

THENCE LEAVING SAID WEST LINE, ALONG THE NORTH LINE OF LOT 8, RUN SOUTH 88 DEGREES 10 MINUTES 21 SECONDS EAST, A DISTANCE OF 208.64 FEET TO A 5/8 INCH IRON ROD AND ILLEGIBLE CAP;

THENCE LEAVING SAID NORTH LINE, RUN NORTH 10 DEGREES 17 MINUTES 02 SECONDS EAST, A DISTANCE OF 220.88 FEET TO A 4 INCH SQUARE CONCRETE MONUMENT (NO IDENTIFICATION) ON THE NORTH LINE OF LOT 7;

THENCE ALONG THE NORTH LINE OF LOT 7, RUN SOUTH 88 DEGREES 21 MINUTES

52 SECONDS EAST, A DISTANCE OF 323.01 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT

A PORTION OF LOT 7 OF PATRICK SUBDIVISION, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 2, PAGE 100 OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT A 4 INCH SQUARE CONCRETE MONUMENT (NO IDENTIFICATION) MARKING THE NORTHEAST CORNER OF LOT 7 OF PATRICK SUBDIVISION, AS RECORDED IN PLAT BOOK 2, PAGE 100, OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA.

FROM SAID POINT OF COMMENCEMENT, ALONG THE EAST LINE OF LOT 7, RUN SOUTH 01 DEGREES 52 MINUTES 30 SECONDS WEST, A DISTANCE OF 219.87 FEET TO A 1/2 INCH IRON ROD AND CAP STAMPED LB 7191 SEAS MARKING THE SOUTHEAST CORNER OF LOT 7;

THENCE LEAVING SAID EAST LINE, ALONG THE SOUTH LINE OF LOT 7, RUN NORTH 88 DEGREES 07 MINUTES 17 SECONDS WEST, A DISTANCE OF 195.23 FEET;

THENCE LEAVING SAID SOUTH LINE, RUN NORTH 01 DEGREES 25 MINUTES 19 SECONDS EAST, A DISTANCE OF 13.97 FEET TO THE POINT OF BEGINNING.

FROM SAID POINT OF BEGINNING, RUN NORTH 88 DEGREES 19 MINUTES 48 SECONDS WEST, A DISTANCE OF 103.60 FEET;

THENCE NORTH 01 DEGREES 40 MINUTES 12 SECONDS EAST, A DISTANCE OF 21.50 FEET;

THENCE NORTH 05 DEGREES 48 MINUTES 14 SECONDS EAST, A DISTANCE OF 49.00 FEET;

THENCE NORTH 22 DEGREES 33 MINUTES 27 SECONDS EAST, A DISTANCE OF 17.00 FEET;

THENCE SOUTH 88 DEGREES 17 MINUTES 37 SECONDS EAST, A DISTANCE OF 89.40 FEET;

THENCE SOUTH 01 DEGREES 40 MINUTES 12 SECONDS WEST, A DISTANCE OF 15.20 FEET;

THENCE SOUTH 88 DEGREES 20 MINUTES 41 SECONDS EAST, A DISTANCE OF 4.30 FEET;

THENCE SOUTH 01 DEGREES 25 MINUTES 19 SECONDS WEST, A DISTANCE OF 71.00

FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAINING AN AGGREGATE ACREAGE OF 3.608 ACRES, MORE OR LESS.

Attachment

9

2013 LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION - GRANT FORM

Name of Development: Palm Village

Development Location: Villa Palms Circle, at the intersection of Patrick Drive and Villa Palms Circle, Fort Walton Beach
(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site where the Development Location Point is located.)

On or before the Application Deadline, the City/County of Okaloosa committed
(Name of City or County)

\$ 629,200.00 as a grant to the Applicant for its use solely for assisting the proposed Development referenced above. The City/County does not expect to be repaid or reimbursed by the Applicant, or any other entity, provided the funds are expended solely for the Development referenced above. No consideration or promise of consideration has been given with respect to the grant. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this grant is effective as of the Application Deadline referenced above, and is provided specifically with respect to the proposed Development.

The source of the grant is: Neighborhood Stabilization Program (NSP) funds
(e.g. SHIP, HOME, CDBG)

CERTIFICATION

I certify that the foregoing information is true and correct and that this commitment is effective at least through June 30, 2014.

Signature

Print or Type Name

Print or Type Title

This certification must be signed by the chief appointed official (staff) responsible for such approvals, Mayor, City Manager, County Manager/Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons named above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. To be considered for points, the amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

If the Application is not eligible for automatic points, this contribution will not be considered if the certification contains corrections or 'white-out' or if the certification is altered or retyped. The certification may be photocopied.

Please note: This form may be modified by Florida Housing Finance Corporation per Section 67-60.005, F.A.C.

Attachment

10

N/A

Attachment

11

N/A

Attachment

12



Constance Callahan
Vice President

SunTrust
1155 Peachtree Street
Suite 300
Atlanta, GA 30309
Tel 404 588 7039
Fax 404 230 5543
constance.callahan@suntrust.com

CONFIDENTIAL

October 1, 2013

OCDC Palm Village, L.P.
Attn: James Robbins
Executive Director
Okaloosa Community Development Corporation
2014 Cloverdale Blvd
Fort Walton Beach, FL 32547

**Re: Palm Village, new construction of a 38 unit HTC apartment complex
Location: Villa Palms Circle, at the intersection of Patrick Drive and Villa Palms Circle,
Fort Walton Beach, Okaloosa County, FL**

Dear Mr. Robbins,

I am pleased to advise you that SunTrust Bank (the "Bank") is providing this letter of interest for making a construction and permanent loan (the "Loan") to finance the construction of Palm Village, a 38-unit HTC apartment complex located in Fort Walton Beach, Okaloosa County, Florida (the "Project"). It is based substantially on the proposed terms and conditions set forth in the attached Annex I (Annex I together with this cover letter, the "Proposal Letter").

This Proposal Letter is merely an expression of interest by the Bank in the proposed financing and the terms are subject to standard credit underwriting and approval by the Bank.

By its signature below, the Borrower requests the Bank to process this letter as an application for the loan and to present the loan for consideration by the Bank's loan committee. If this letter states an acceptable basis for commencing the Bank's review process, please so advise by executing and returning the enclosed copy of this letter by October 15, 2013. Bank is hereby authorized to order an appraisal, environmental assessment, and engineering report covering the property, and to engage counsel to prepare any commitment letter referenced above.

Thank you for the opportunity to be considered for the financing of this project. We look forward to pursuing this opportunity with you.

Sincerely,
Sun Trust Community Capital, LLC

Constance Callahan
Vice President

ANNEX I

PROPOSED SUMMARY OF TERMS AND CONDITIONS

- Borrower:** OCDC Palm Village, LP, a Florida limited partnership ("Partnership"). The Partnership is the Applicant for RFA 2013-001 to Florida Housing Finance Corporation ("FHFC") and is to be the direct recipient.
- Purpose:** To construct Palm Village, a 38-unit HTC apartment community in Fort Walton Beach, Okaloosa County, Florida.
- Loan Amount:** A construction loan of \$2,706,000 and a permanent loan of \$1,528,925 (based on accepted appraisal, performing DSCR and final approval by the Bank)
- Required Equity and other Sources:** Borrower must provide evidence to the Bank's satisfaction prior to loan closing of the LIHTC 2014 award from the Florida Housing Finance Corporation, the \$25,300 SHIP loan and the \$629,200 NSP award.
- Maturity:** 240 months including 24 month construction loan converting to a 216 month perm loan with payment of monthly principal and interest. Conversion will be based on 90% physical occupancy at 90 consecutive days and a minimum of 1.20X DSCR.
- Construction Loan Interest Rate:** The interest per annum payable on the Loan will be the "Index" plus a margin of 3.00% (the "Interest Rate"). The "Index" shall be the one month LIBOR established by the British Banker Association as of 11:00 a.m. (London Time) on the first business day of each month as published by an on-line information service, such as Bloomberg Financial Markets News Services or any comparable reporting service selected by the Bank. Interest Rate shall be adjusted on the first business day of the month. Adjustments to the Rate shall be effective as of the first calendar day of each month. Interest will be calculated on the actual number of days elapsed over a year of 360 days.
- Permanent Loan Interest Rate:** Fixed and fully drawn at closing at 3.23% over the ten year daily SWAP rate index H.15 published by the Federal Reserve. Today's effective rate is 6.10%. The underwriting rate is 6.50%
- Origination Fee:** 1.00% of the construction loan amount.
- Perm Fee:** 1.25% of the permanent loan amount and paid at closing.
- Collateral:** The Loan will be secured by a first mortgage on the land and improvements constructed thereon (the "Project"). The security will also include all customary items for loans of this type, including assignment of plans and specifications, leases and rents, architectural and construction contracts, etc. and other documents as may be advised by Bank's counsel. No other mortgage or liens may exist on the property, except for the SHIP loan, unless approved by the Bank.

Repayment: Interest only due monthly during the construction period. Upon conversion the loan will be paid based on a 30 year amortization and actual/360 count. The full outstanding principal amount shall be due upon maturity.

Prepayment Penalty: Standard prepayment value prepayment provision for the perm loan per SunTrust loan documentation.

Financial Covenant: A minimum of 1.20X DSCR measured annually based on actual NOI (including replacement reserve) and debt service.

Guarantor(s): Guarantees of payment and performance as prescribed herein to be provided by the corporate guaranties of OCDC Palm Village, L.P., Okaloosa Community Development Corporation, Prestwick Development Company LLC and any other entities that the Bank may deem necessary, along with the personal guarantees of Kenneth G. Blankenship, Richard Darien Lee, and Wifey A. Tucker III. Perm loan shall be non-recourse after conversion except for standard SunTrust carve-outs.

Liquidity Covenant: A combined minimum of \$1,000,000 in unrestricted cash and a combined minimum Net Worth of \$3,000,000 to be verified bi-annually.

Third Party Assessments: At the Borrower's expense, the Bank will order and approve prior to closing the Loan an appraisal, Phase I Environmental report and other assessments deemed necessary, such as building/structural condition, flood determinations, soils reports, wetlands delineations, etc. If third party costs are to be incurred prior to approval of a commitment, a deposit may be required to cover such costs shall be required.

Other Requirements:

- (1) Such other terms, conditions and documentation as are standard and customary for this type of transaction or otherwise deemed necessary or appropriate by the Bank.
- (2) Initial approval of the subject transaction is subject to, without limitation, receipt and review of financial information on the Borrower and the Guarantor.
- (3) An ALTA as-built survey of the property and all improvements; a detailed construction completion report affirming the project has been built according the approved plans and specifications; receipt of all certificates of occupancy and all relevant permits, licenses and approvals from all governing jurisdictions.
- (4) Receipt of Bank-ordered MAI appraisal acceptable to Bank in its sole discretion; loan amount not to exceed 80% of stabilized property value.
- (5) All loan costs, including but not limited to, Bank's legal fees and expenses, appraisal and environmental costs, title costs, survey, flood zone certification, insurance, recording, etc., shall be paid by the Borrower, whether or not the Loan closes.

Financial Reporting Requirements: Annual borrower, guarantor audited financial statements and real estate portfolio performance schedule must be provided to the Bank within 120 days of each fiscal year end upon completion. Borrower shall provide internally-prepared monthly income and balance sheet statements and rent rolls within thirty days of

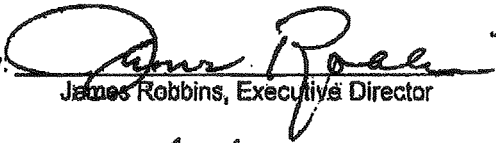
month end.

This Term Sheet is presented to the above-referenced borrower in connection with a credit facility proposed by SunTrust Bank. This Term Sheet describes some of the basic terms proposed to be included in loan documents between the Bank and the borrower. This Term Sheet is for discussion purposes only and is not a commitment, nor does it purport to summarize all of the conditions, covenants, representations, warranties, events of default or other provisions that may be contained in documents required to consummate this financing. The terms are subject to standard credit underwriting and approval and to negotiation and execution of loan documents in form and substance satisfactory to the Bank.

Acknowledged and accepted:

OCDC Palm Village, L.P., a Florida limited partnership
By: Community Housing of Okaloosa County, LLC, its General Partner
By: Okaloosa Community Development Corporation

By:


James Robbins, Executive Director

Date:

10/15/13

Attachment

13



Brian Womble
First Vice President

SunTrust Community Capital, LLC
1155 Peachtree Street, NE
Suite 300
Atlanta, Georgia 30309
Tel 404.588.8775
Fax 404.230.5534
brian.womble@suntrust.com

October 1, 2013

OCDC Palm Village, L.P.
Attn: James Robbins
Executive Director
Okaloosa Community Development Corporation
2014 Cloverdale Blvd
Fort Walton Beach, FL 32547

Re: Palm Village, new construction of a 38 unit HTC apartment complex
Location: Villa Palms Circle, at the intersection of Patrick Drive and Villa Palms Circle,
Fort Walton Beach, Okaloosa County, FL

Dear Mr. Robbins,

This Term Sheet is for discussion purposes only and sets forth general terms and conditions of a proposed equity investment in a Limited Partnership that will construct, develop, own and operate the property described below. This Term Sheet does not represent or imply an offer to invest nor does it limit the terms and provisions that would be set forth in an amended and restated Partnership Agreement and related documents prepared by SunTrust Community Capital, LLC's ("STCC") counsel (the "Project Documents"). No commitment exists until STCC completes all due diligence, underwriting, credit, management and regulatory approvals, and final Project Documents are signed by all respective parties.

Partnership Name: OCDC Palm Village, LP, a Florida limited partnership ("Partnership"). The Partnership is the Applicant for RFA 2013-001 to Florida Housing Finance Corporation ("FHFC") and is to be the beneficiary of the equity proceeds.

Project Name/Description: Palm Village. New Construction- 38 unit apartment complex with related site amenities, located in Fort Walton Beach, Okaloosa County, Florida (the "Project").

General Partner: Community Housing of Okaloosa County, LLC, a Florida limited liability company, is the General Partner. Okaloosa Community Development Corporation, a 501(c)3 not for profit corporation, is the sole member of the GP entity. The General Partner will have a .01% interest in the 1) operating profits and losses, 2) depreciation, 3) Low Income Housing Tax Credits (the "Tax Credits"), and shall have an interest in Cash Flow and proceeds from Capital Transactions as elsewhere described. The General Partner has certain rights and duties as described in the Project Documents and will agree to serve as the sole general partner of the Partnership for the entire Partnership term. All obligations of the General Partner under the Project Documents shall be guaranteed by financially responsible persons or entities acceptable to STCC in its sole discretion.

Investor Limited Partner: An affiliate of SunTrust Community Capital, LLC ("STCC") will have a 99.99% limited partner interest in the 1) operating profits and losses, 2) depreciation, 3) Low Income Housing Tax Credits (the "Tax Credits"),

depreciation, 3) Low Income Housing Tax Credits (the "Tax Credits"), and shall have an interest in Cash Flow and proceeds from Capital Transactions as elsewhere described. The Investor Limited Partner will have certain rights as described in the Project Documents.

Special Limited Partner:

An affiliate of SunTrust Community Capital, LLC ("STCC") will act as the Special Limited Partner with rights, powers and obligations defined in the Partnership Agreement.

Developer:

Prestwick Development Company, LLC and Okaloosa Community Development Corporation will act as the Developers of the property, pursuant to a Development Agreement acceptable to STCC

Housing Tax Credits

The anticipated annual Federal Low Income Housing Tax Credit ("LIHTC") amount is \$420,431. 100% of the units are expected to qualify under Section 42 of the Internal Revenue Code (the "Code"). 90% of the units will be rent restricted and set aside for tenants earning not more than 60% of the Area Median Income and 10% of the units for tenants earning not more than 33% of the Area Median Income. The unit mix will be: 38 3 BR/2 BA units. STCC's investment is subject to, among other things, the Project's receipt of a reservation for \$420,421 LIHTC's from the Florida Housing Finance Corporation, of which STCC will purchase an anticipated amount of \$420,379 (rounded to the nearest dollar).

Estimated LIHTC:

The project's Federal LIHTC's are estimated to be \$4,204,210 over the Tax Credit Period; based on a tax credit rate of 7.57%, and information you or your agents provided to STCC. STCC's investment is predicated on the Tax Credit Authority's award and allocation of LIHTC's of not less than this amount.

LIHTC Purchase Price:

\$.92 per Federal Tax Credit dollar earned and properly allocable to STCC.

Estimated STCC Capital:

Estimated to be \$3,867,488 based on information provided by you or your agents. The Capital Contribution will be reduced by, among other things, any reduction in the Partnership's qualified basis.

STCC Pay In Schedule:

Capital Contribution #1: (30%) Estimated to be \$1,160,246 at Admission to the Partnership (contemplated to close prior to or simultaneously with the closing of the Construction Loan/Perm Loan). Funds will be made available for closing and via a monthly draw process. Prior to Admission, STCC shall have received and approved all due diligence requested by it, including without limitation, evidence of the Project's eligibility for LIHTC's acceptable to STCC, and an Accountant's Pro Forma Certificate indicating an anticipated Annual Credit of not less than \$420,421 per year, which Accountant and Certificate to be acceptable to STCC.

Capital Contribution #2: (25%) Estimated to be \$966,872 upon receipt of 1) final Certificates of Occupancy on all units by the appropriate authority, 2) certification by STCC Construction Inspector that the Project was completed in accordance with the plans and specifications, and 3) acknowledgement by Lender of completion of the Project in accordance with the Project documents.

The proposed amount of equity to be paid prior to construction completion is \$2,127,118.

Capital Contribution #3: (10%) Estimated to be \$386,749 upon the latest to occur: 1) evidence that application has been made for Forms 8609 on all LIHTC units, 2) final Accountant's Cost Certification certifying the amount of the Annual Credit of not less than \$420,421 per year, and all costs, 3) physical occupancy of 90% of the units by qualified tenants at pro forma rents and qualified leases, and 4) achievement of debt service coverage of all contemplated payments of principal and interest of 1.0X for a period of three (3) consecutive calendar months.

Capital Contribution #4: (35%) Estimated to be \$1,353,821 upon the latest to occur of: 1) receipt of properly executed Forms 8609 representing all LIHTC units, 2) stabilized physical occupancy of 93% of the units by qualified tenants at pro forma rents and qualified leases for 90 consecutive days, 3) all permanent loans have closed on the property and have begun amortizing and 4) debt service coverage of all payments of principal and interest of 1.20X for three (3) consecutive calendar months.

Construction/Perm Loan:

The Partnership shall obtain construction bridge loan financing in an amount not to exceed \$2,706,000, and a perm loan in the amount of \$1,526,926, with terms and conditions acceptable to STCC. It is the understanding that SunTrust Bank will provide the Construction/Perm Loan.

The Partnership shall also obtain a SHIP loan in an amount of \$25,300 and a NSP award of \$629,200, with terms and conditions acceptable to STCC.

OTHER FINANCING: Any financing, refinancing, or substitute credit enhancement will be subject to terms and conditions acceptable to STCC.

Asset Management Fee:

\$3,000 annual fee paid to SunTrust Bank for its services from available cash flow and the extent not paid from cash flow, paid from the distributions of Capital Transactions. The amount of the Asset Management Fee shall increase by 3% per annum.

Incentive Management Fee:

The Partnership shall pay to the Supervisory Management Agent (an affiliate of the General Partner) and Incentive Management Fee for management supervision service as described in the Supervisory Management Agreement. Such fee will be 50% of cash flow and shall be payable in accordance with the provisions of the Supervisory Management Agreement, as approved by STCC.

Reserve Requirements:

1) **Working Capital Reserve:** \$143,159. This Reserve will be available to fund operating deficits, and capital improvements not paid from the Capital Replacement Reserve and shall be funded from Capital Contribution #4. If there is insufficient cash available from the proceeds of Capital Contribution #4, then the funding of the Working Capital Reserve will be the obligation of the Guarantors. Any draws from this Reserve shall be replenished from Cash Flow or by the Guarantors as set forth in the Project Documents.

2) **Capital Replacement Reserve:** The Partnership will establish and maintain a reserve for capital replacements at the higher of \$300 per unit per year (increased annually by 3%) or an amount required by the permanent lender.

Cash Flow:

After payment of all operating expenses and debt service, cash flow (after the stabilization of the Project) will be distributed within ninety (90) days after the end of each fiscal year, in the following priority:

- (i) Pay STCC for any amounts due as a result of any unpaid Credit Adjuster amount to be outlined in the Project Documents and not reimbursed by the Guarantors
- (ii) Restore Working Capital Reserve
- (iii) Distribute funds to the Partners as necessary to enable them to pay taxes on their respective shares of taxable income from the Partnership
- (iv) Voluntary Partner Loans
- (v) Asset Management Fee
- (vi) Deferred Developer Fee
- (vii) Negative Cash Flow Loans;
- (viii) Incentive Management Fee, if applicable 50%
- (ix) The balance, 80% to the General Partner and 20% to STCC

Capital Transactions:

During the LIHTC compliance period, STCC must approve terms and conditions related to any financing, refinancing or substitute credit enhancement of the Project. Use of proceeds from any sale, financing or refinancing would be prioritized as follows:

- (i) Debts and obligations, including expenses associated with sale or refinancing
- (ii) Pay STCC for any amounts due as a result of any unpaid Credit Adjuster amount to be outlined in the Project Documents and not reimbursed by the Guarantors
- (iii) Funding of any required Reserves (if refinancing)
- (iv) Voluntary Partner Loans
- (v) Asset Management Fees
- (vi) Deferred Developer Fee
- (vii) Negative Cash Flow Loans
- (viii) \$1,000 to the Special Limited Partner
- (ix) The balance, 90% to the General Partner and 10% to STCC.

Attorney Matters:

STCC shall rely upon the opinion of its legal counsel and other professionals as to its status as a partner, the availability of the Tax Credits to the Partnership, the taxation of the Partnership, the non-recourse nature of the mortgage loans and the absence of any risk of loss on any party or related person, the allocation of the low income tax credits and other tax items to STCC, and other matters, including the enforceability of guarantees and indemnities required by STCC, covered under the Project Documents. Such legal and other professional fees for STCC shall be paid by the Partnership.

Accountants:

Independent CPA acceptable to STCC and at the expense of the Partnership.

Reporting:

Monthly balance sheet, income statement, rent roll; annual Audit draft due by March 15 of each year; tax return draft due by February 15 of each year, with final tax return due March 1; annual budget due by December 1 of the preceding year. Because of STCC's need for timely, accurate tax and Audit information, failure to provide the tax return and Audit within the specified time period shall result in a fine to be paid by

the General Partners of not less than \$250 per day for every day past the due date. In addition, failure to deliver to STCC final cost certification for the Project within forty (90) days of the Completion Date for the Project shall result in a fine to be paid by the General Partner of not less than \$250 per day for every day past the due date.

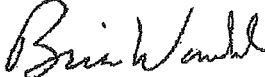
Project Accounts:

All operating and reserve accounts to be maintained with SunTrust Bank or an affiliate, for the entire 15-year Compliance Period.

This entire offer is made based on representations by the General Partner, the Developer, and/ or their agents, as to all facts regarding the Project, including but not limited to, the credit worthiness and financial viability of the General Partner, project Partnership, and the Guarantors. STCC's investment is subject to receipt, review and approval of all environmental and geological reports, site inspections, appraisal, market study, personal and / or corporate financial statements of the Guarantors and General Partners, revised construction budgets, revised development budget and total project costs, plans and specifications, financing sources, cash flow projections, the construction contract and other items deemed necessary by STCC to make an informed investment decision. Terms are subject to change upon the completion of STCC's due diligence, and changes to the financial projections and other pertinent information provided by you or your agents. STCC's investment is contingent upon final STCC approval, regulatory approval, and mutually acceptable terms and conditions contained in the Project Documents. The Project Documents will supercede this letter.

Unless accepted, this offer will expire on October 15, 2013. Once accepted, the offer will remain until July 31, 2014.

Sincerely,



Brian Womble
First Vice President

Acknowledged and accepted:

OCDC Palm Village, L.P., a Florida limited partnership
By: Community Housing of Okaloosa County, LLC, its General Partner
By: Okaloosa Community Development Corporation, its sole member

By: 
James Robbins, Executive Director

Date: 10/11/13

Attachment

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Okaloosa Community Development Corporation

*Community Housing of Okaloosa County, LLC
Okaloosa Housing Partners*

October 10, 2013

OCDC Palm Village, L.P.
c/o Prestwick Development Company, LLC
3715 Northside Parkway, NW
Building 200, Suite 175
Atlanta, GA 30327

Re: Applicant/Borrower/Direct Recipient: OCDC Palm Village, L.P.
Development: Palm Village
Development Location: Villa Palms Circle, at the intersection of Patrick Drive and
Villa Palms Circle, Fort Walton Beach

To Whom It May Concern:

Okaloosa County is committed to the provision of a deferred payment loan in the sum of Twenty-Five Thousand Three Hundred Dollars (\$25,300.00) for the above referenced Borrower/Development. The Development will consist of 38 affordable, rental housing units for families and will be located at the above referenced Development Location.

Funding for this loan is provided through the SHIP Program administered by Okaloosa Community Development Corporation for the purpose of affordable multi-family rental housing construction/rehabilitation developments in Okaloosa County. The loan is contingent upon the award and allocation of federal low-income housing tax credits from Florida Housing Finance Corporation. Upon approval of an award, OCDC Palm Village, L.P. will be issued a rental housing loan agreement for the amount stated above, as a fifteen (15) year deferred, long-term balloon payment loan at 0% annual interest.

Okaloosa Community Development Corporation hereby provides a statement of firm commitment of financing for Palm Village. If you need any further information please do not hesitate to contact me at 850-863-1969.

Sincerely,

Mike Kent, Treasurer
Okaloosa Community Development
Corporation

ACCEPTED BY APPLICANT:

OCDC Palm Village, L.P.
By: Community Housing of Okaloosa County, LLC, its GP

By:
James Robbins, Executive Director
Community Development Corporation,
Sole Member and Manager of said GP

Attachment

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**OKLOOSA COMMUNITY DEVELOPMENT CORPORATION
204 CLOVERDALE BOULEVARD
FORT WALTON BEACH, FLORID 32547**

RESOLUTION

WHEREAS, the Okaloosa Community Development Corporation bylaws state that the officers of the Board of Directors shall consist of the Chairperson, Vice Chairperson, Secretary, and Treasurer, and

WHEREAS, the Board of Directors shall have the power to appoint Directors and the Executive Director to receive funds, establish bank accounts with financial institutions, designate signatories for Okaloosa Community Development Corporation and the Community Housing of Okaloosa County, LLC; disburse funds as required for the Corporation; and

NOW therefore be it resolved that the persons as shown below, have been designated as authorized signatories for the Okaloosa County Community Development Corporation and Community Housing of Okaloosa County, LLC, to receive funds, establish bank accounts with financial institutions, disburse funds as required for the Corporation and the LLC, and to sign documents related to programs and/or policies previously approved by the Board of Directors.

AARON WENTZ, Chairman

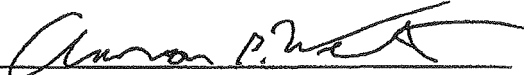
NATHANIEL SMITH, Secretary

TAMMY MCGAUGHY, Director

JAMES ROBBINS, Executive Director

MIKE KENT, Treasurer

DATE: 10/10/13


Aaron B. Wentz, Chairman

