

STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION

HTG FREEDOM, LLC  
Petitioner,  
vs.

FHFC Case No. 2015-028VW

FLORIDA HOUSING FINANCE CORPORATION  
Respondent.

August 13, 2015

**PETITION OF WAIVER**

HTG Freedom, LLC ("Freedom"), hereby petitions Florida Housing Finance Corporation ("Florida Housing") for a waiver or variance of the Respondent's prohibition on changes in the "Development Type" selected by an applicant. See Rule 67.48.004(3) (g) F.A.C. (2014) (the "Rule").

Freedom requests a waiver of the Rule, in order to allow for the construction of Garden Apartments (the "Garden Designation") in lieu of Mid-Rise, 4-stories (the "Mid-Rise Designation").

**A. THE PETITIONER:**

1. The name, address, telephone and facsimile numbers, and email address for Freedom and its qualified representative for Freedom's Application (as later defined) in response to the RFA (as later defined):

Name: Matthew Rieger  
Address: 3225 Aviation Ave., Suite 602  
Coconut Grove, FL 33133  
Telephone: 305-860-8188  
Fax: 305-856-1475  
Email: [mattr@htgf.com](mailto:mattr@htgf.com)

2. The name, address, telephone and facsimile numbers, e-mail address of Freedom's attorney, for purpose of this Petition, are:

Name: Matthew Rieger, Esquire  
Matthew Rieger, P.A.  
Address: 3225 Aviation Ave., Suite 602  
Coconut Grove, FL 33133  
Telephone: 305-860-8188  
Fax: 305-856-1475  
Email: [mattr@htgf.com](mailto:mattr@htgf.com)

**B. THE DEVELOPMENT:**

3. Freedom timely submitted its Application in response to RFA 2014-114 Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties (the "RFA"). See Application No. 2015-039C (the "Application") for the development named Freedom Gardens (the "Development"). Freedom received an award for competitive 2015 Housing Credits.

4. Freedom is also requesting Florida Housing staff approval of the following changes to items identified in the Application (Exhibit A):

i. Increase of Site: Freedom was able to relocate the amenities of the Development to a contiguous site over which Freedom has site control. Such increase to the Site does not affect the location of the Development Location Point and the Development will not meet the definition of Scattered Sites. The Development Site will have an area of 10.2 acres, instead of 6.9 acres as per the Application.

ii. Increase of Number of Units: Because of the Site increase, Freedom was able to add one more unit to the Development. The Development Site will have 96 units, instead of 95 units as per the Application.

iii. Concrete Construction: Because of the Site increase, Freedom was able to use Concrete Construction on the Development Site, which is a more adequate construction type for this region of the City of Brooksville. The Development will meet the requirements to be considered Concrete Construction instead of Wood Construction as per the Application.

5. The change of Development Type to Garden Designation is more adequate for this region of the City of Brooksville, as compared to the Mid-Rise Designation.

6. The requested waiver will not adversely affect the Development. However, a denial of this Petition (a) will result in a substantial economic hardship to Freedom; (b) could result in delay in completing construction of the Development; (c) could deprive Hernando County of essential affordable housing units in a timely manner and (d) would violate principles of fairness.

7. The waiver being sought is permanent in nature.

**C. Rule from Which Relief is Requested and Statute Implemented by the Rule**

8. Freedom requests a waiver of Rule 67.48.004(3) (g) F.A.C. (2014) that provides, in relevant part, as follows:

*"(3) For the SAIL, HOME and Housing Credit Programs, notwithstanding any other provision of these rules, the following items as identified by the Applicant in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below: ... (g) Development Type;"*

**D. Justification for Petition's Requested Waiver**

9. Under Section 120.542(1), Fla. Stat., and Chapter 28-104, F.A.C., F.A.C., Florida Housing has the authority to grant waivers to its rule requirements when strict application of these rules would lead to unreasonable, unfair and unintended consequences in particular instances. Waivers shall be granted when (1) the person who is subject to the rule demonstrates that the application of the rule will create a substantial hardship or violate principles of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the persons. Section 120.542(2), Fla. Stat.

10. In this instance, Freedom meets the standards for the waiver.

11. It is not uncommon for development changes to occur after submission of an application to Florida Housing.

12. At the time of submission, Freedom was forced to be overly conservative with certain wetlands and floodplains that run through the Site, which forced Freedom to design a conceptual site plan with two wood buildings that qualified as a Mid-Rise Designation to be able to fit all the apartments and the amenities in the limited space remaining after accounting for the wetland, wetland buffers, zoning setbacks, detention ponds and floodplain compensation areas.

13. Further civil engineering studies and a detailed wetland delineation made by the SWFWMD and certain zoning clarifications verified by the Zoning Administrator of the City of Brooksville regarding the contiguous site over which the Development is expanding allowed location of amenities in the contiguous site zoned C-2. This left more space for units to be located on the original Site with an R-3 zoning designation allowing Freedom's architects to fit 96 units in four 3-story buildings with the required parking in such original R-3 parcel, which qualifies as a Garden Designation.

14. After submitting the Application, Freedom ordered a Market Study which concluded that a 4-story wood Mid-Rise development was atypical for the area.

15. Freedom's scoring would not have been affected if Freedom had originally selected Garden Designation. There are no scoring points associated with the selection of Development Type or any of the other changes requested in Section 4 of this Petition.

16. Freedom would have met all eligibility and mandatory requirements if Freedom had originally selected Garden Designation and Concrete Construction, because of the following:

- i. The Total Development Cost per unit for Garden Designation with Concrete Construction is the same amount for Mid-Rise Designation with Wood Construction, as per Exhibit C, Section 8 of the RFA.

ii. In the new conceptual site plan, a residential building is located within 100 feet of the Development Location Point, same as a residential building was located within 100 feet of the Development Location Point in the previous conceptual site plan at the time of application.

iii. No other eligibility or threshold requirement could be affected by this change.

17. Freedom's ranking would not have been affected if Freedom had originally selected the Garden Designation, because of the following:

i. There was no preference or goal associated with Development Type or any of the other changes requested in Section 4 of this Petition that Freedom took advantage of.

ii. Freedom's Leveraging Classification in Group A would not be affected, since the Review Committee set the New Construction A/B Cut-Off line after \$116,153.85 of Total Corporation Funding Per Set-Aside Unit. The Review Committee had calculated Freedom's Total Corporation Funding Per Set-Aside Unit at \$110,040.49. If Freedom had applied as Garden Designation, Concrete Construction and 96-units, its Total Corporation Funding Per Set-Aside Unit would have resulted in \$94,193.51, which would mean a Leverage Classification of Freedom's Application as Group A in any case.

iii. No other tie-breaker in Section Four B.2. of the RFA would have negatively impacted the sorting order and ranking resulting in Freedom's selection for funding if it would have selected the Garden Designation as Development Type or any of the other items requested in Section 4 of this Petition.

18. If the relief sought pursuant to this petition is not granted, Freedom will suffer substantial hardship. The Development will be of inappropriate type, material and height for the Brooksville market, which could mean higher vacancies than expected due to the wrong product type and inadequate level of amenities. This is demonstrated by Freedom's Market Study dated May 5, 2015 (Exhibit B), on the Summary of Conclusions and Recommendations Number 2, on Page Two.

19. Also, not granting this waiver of the Rule will result in substantial delays, not allowing Freedom to meet Florida Housing's timing requirements and Land Contract closing periods, because Architectural and Civil Engineering planning and design, already advanced as a Garden Designation product, would need to be reinitiated, also adding unnecessary expenses to the Development<sup>1</sup>. Such is demonstrated by Freedom's Civil Engineering Contract dated June 1, 2015 (Exhibit C) where task .01 has

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<sup>1</sup> As per Rule 67.48.004, Freedom could not get approval from Florida Housing for this Rule waiver and the other changes until invited to underwrite, which was delayed by litigation involving other applications selected for funding.



been completed and task .02 has been initiated, for the achievement of closing according to Pre-Dev Timeline on Page 17.

**E. Conclusion:**

20. Controlling statute and Florida Housing's rules are designed to allow the flexibility necessary to provide relief from requirements when strict application, in particular circumstances, would lead to unreasonable, unfair or unintended results. Waivers should be granted when (a) the applicant subject to the rule demonstrates that strict application would create a substantial hardship or violate principles of fairness; and (b) the purpose of the underlying statute has been or will be achieved by other means. Section 120.542(2), Fla. Stat.

21. The requested waiver will not adversely impact the Development, any other applicant in the RFA or Florida Housing.

22. Should Florida Housing require additional information, Freedom is available to answer questions and to provide all information necessary for consideration of this Petition.

WHEREFORE, Petitioner HTG Freedom, LLC, respectfully requests that the Florida Housing Finance Corporation provide the following relief:

- A. Grant this Petition and all relief requested herein;
- B. Approve the change in the Development Type from the Mid-Rise Designation to the Garden Designation;
- C. Approve the other related changes requested in Section 4 of this Petition; and
- D. Grant such further relief as may be deemed appropriate.

Respectfully submitted,

MATTHEW RIEGER, P.A.  
Counsel for HTG Freedom, LLC  
3225 Aviation Ave, Suite 602  
Coconut Grove, FL 33133  
Telephone: 305-860-8188  
Fax: 305-856-1475  
Email: [mattr@htgf.com](mailto:mattr@htgf.com)

By:   
Matthew Rieger, Esquire



(305) 860-8188 • [www.htgf.com](http://www.htgf.com) • (305) 856-1475 fax

August 13, 2015

Candice Allbaugh  
Florida Housing Finance Corporation  
227 N. Bronough Street  
Suite 5000  
Tallahassee, FL 32301

Subject: Freedom Gardens - Changes to Application 2015-039C

Dear Ms. Allbaugh:

HTG Freedom, LLC ("Freedom"), hereby requests approval from the staff of Florida Housing Finance Corporation ("FHFC") to change certain items as identified in Application 2015-039C (the "Application").

Freedom is concurrently requesting a rule waiver from FHFC's Board in order to allow for the construction of Garden Apartments (the "Garden Designation") in lieu of Mid-Rise, 4-stories (the "Mid-Rise Designation").

Freedom timely submitted the Application in response to RFA 2014-114 Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties (the "RFA"). Freedom received an award for competitive 2015 Housing Credits through invitation to underwrite dated August 7, 2015.

**A. Considerations:**

1. At the time of submission, Freedom was forced to be overly conservative with certain wetlands and floodplains that run through the Site which forced Freedom to design a conceptual site plan (attached as **Exhibit A**) with two wood buildings that qualified as a Mid-Rise Designation in order to fit all the apartments and the amenities in the limited space remaining after accounting for the wetland, wetland buffers, zoning setbacks, retention ponds and floodplain compensation areas.

2. Further civil engineering studies and surveying performed after submission and a detailed wetland delineation made by the SWFWMD allowed Freedom to have a more detailed understanding of the amount of space available for buildings and parking under the original 6.9-acre parcel zoned R-3 which is the subject of the original submitted site (contained in Exhibit A of this letter) and later called Lot A under the new Conceptual Site Plan (attached as **Exhibit B**). Also, zoning clarifications verified by the Zoning Administrator of the City of Brooksville regarding the C-2 zoning designation of the contiguous parcel allowed location of amenities in Lot B (see Exhibit B), leaving more space for units to be located on the original Site (Lot A) and allowing Freedom's architects to fit 96 units in four 3-story buildings with the required parking in such R-3 parcel (Lot A), which qualifies as a Garden Designation.

3. Also, Freedom obtained a Market Study Report which concluded that a 4-story wood Mid-Rise development was atypical for the area and that Garden-Style Concrete Construction was more typical for the area.

4. In order to have sufficient retention area and improve the marketability of the Development, Freedom decided to add Lot C to the Development. This addition gives the Development direct access to Cortez Boulevard and allows the Development to place a monument sign on Cortez Boulevard which has more traffic than Main Street, and affords a better road system and fire exits.

5. Freedom has gained site control over Lots B and C, in addition to the original Lot A, as per the First Amendment to Purchase and Sale Agreement (attached as Exhibit C).

**B. The Request**

6. Freedom is hereby requesting FHFC staff to approve the following changes to the Application:

i. Increase the Development Site to 10.2 acres (legal description of Exhibit C), instead of 6.9 acres as per the Application's Attachment 13 (legal description contained on Agreement dated January 20, 2015).

ii. Increase the number of units to 96 units, instead of 95 units as per the Application. 100% of the 96 units will be New Construction. The 96 units are committed as affordable Set-Aside Units, and the Total Set-Aside Breakdown chart in the Application remains in effect and without change.

iii. To be considered Concrete Construction instead of Wood Construction as per the Application.

7. As mentioned previously, Freedom also requested the FHFC Board to approve the change of Development Type to Garden Designation instead of the Mid-Rise Designation.

**C. Analysis of Results of These Requested Changes**

8. Freedom is submitting this request under Rule 67.48.004(3) F.A.C. (2014).

9. Freedom's scoring under the RFA would not have been affected if Freedom had originally used 10.2 acres, applied for 96 units and selected Concrete Construction and Garden Designation. There are no scoring points associated with these items.

10. Freedom would have met all eligibility and mandatory requirements if Freedom had originally submitted its Application with the changes requested herein:

i. The Total Development Cost per unit for Garden Designation with Concrete Construction is the same amount for Mid-Rise Designation with Wood Construction, as per Exhibit C, Section 8 of the RFA.

ii. In the new conceptual site plan (Exhibit B), a residential building is located within 100 feet of the Development Location Point, same as a residential building was located within 100 feet of the Development Location Point in the previous conceptual site plan at the time of Application (Exhibit A).

iii. No other eligibility or threshold requirement could be affected by this change.

11. Freedom's ranking would not have been affected if Freedom had originally submitted its Application with the changes requested herein:

i. There was no preference or goal associated with these changes.

ii. Freedom's Leveraging Classification in Group A would not be affected, since the Review Committee set the New Construction A/B Cut-Off line after \$116,153.85 of Total Corporation Funding Per Set-Aside Unit. The Review Committee calculated Freedom's Total Corporation Funding Per Set-Aside Unit at \$110,040.49. If Freedom had applied as Garden Designation, Concrete Construction and 96-units, its Total Corporation Funding Per Set-Aside Unit would have resulted at \$94,193.51, which would mean a Leverage Classification of Freedom's application as Group A in any case.

iii. No other tie-breaker in Section Four B.2. of the RFA would have had negatively impacted the sorting order and ranking resulting in Freedom's selection for funding if it would

have selected the Garden Designation as Development Type or any of the other items requested herein.


Should FHFC require additional information, Freedom is available to answer questions and to provide all information necessary for consideration of this request.

WHEREFORE, we respectfully request that FHFC Staff approves Freedom's Development to be:

- A. On an increased site of 10.2-acres;
- B. 96 units;
- C. Concrete Construction; and
- D. Recommend the approval of Freedom's Rule Waiver petition to the FHFC Board.

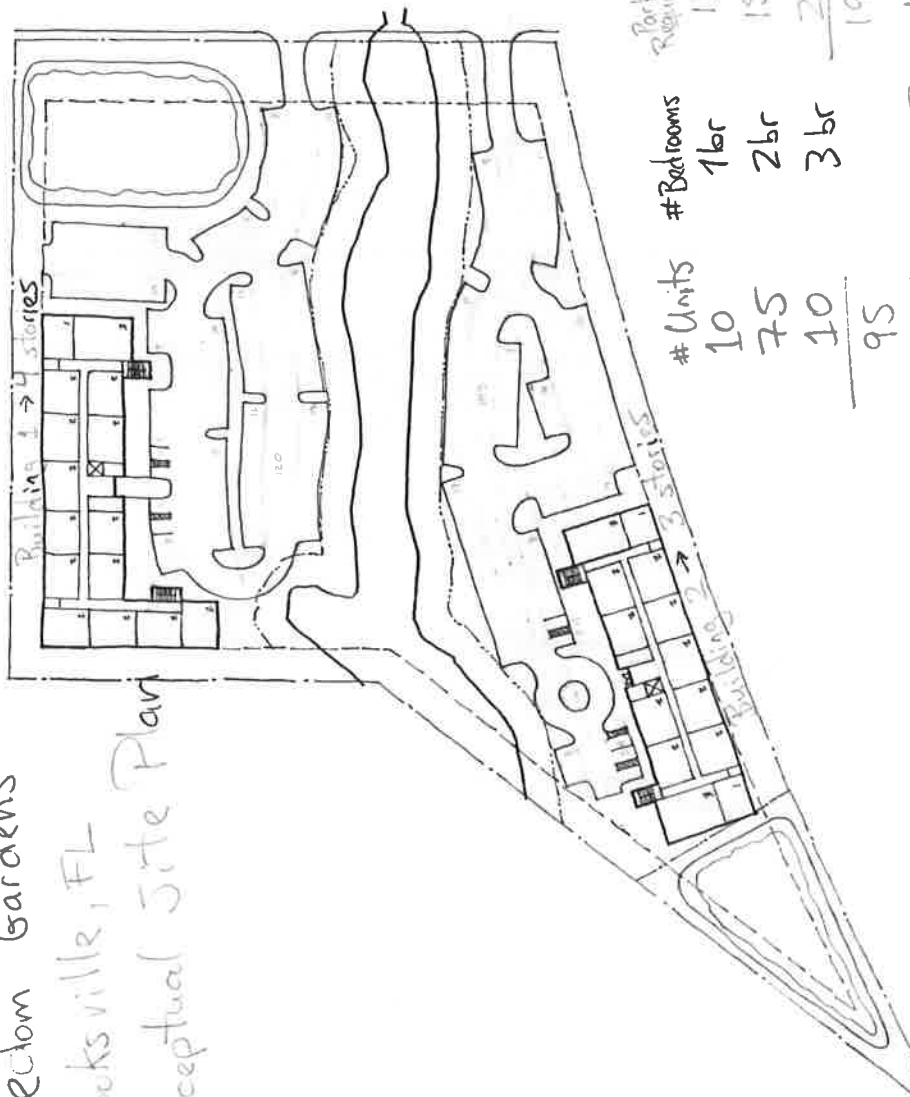
Respectfully submitted,

HTG Freedom, LLC  
3225 Aviation Ave, Suite 602  
Coconut Grove, FL 33133  
Telephone: 305-860-8188  
Fax: 305-856-1475  
Email: [mattr@htgf.com](mailto:mattr@htgf.com)

By:   
Matthew Rieger, Manager

# Exhibit A

Freedom Gardens  
Brooksville, FL  
Conceptual Site Plan



# Units	# Bedrooms	Parking Required
10	1br	15
75	2br	158
10	3br	20
<u>95</u>		<u>193</u>

Total 95 units, 223 parking spaces provided.

**CONCEPT PLAN**

**FREEDOM GARDENS  
CITY OF BROOKSVILLE, FL**

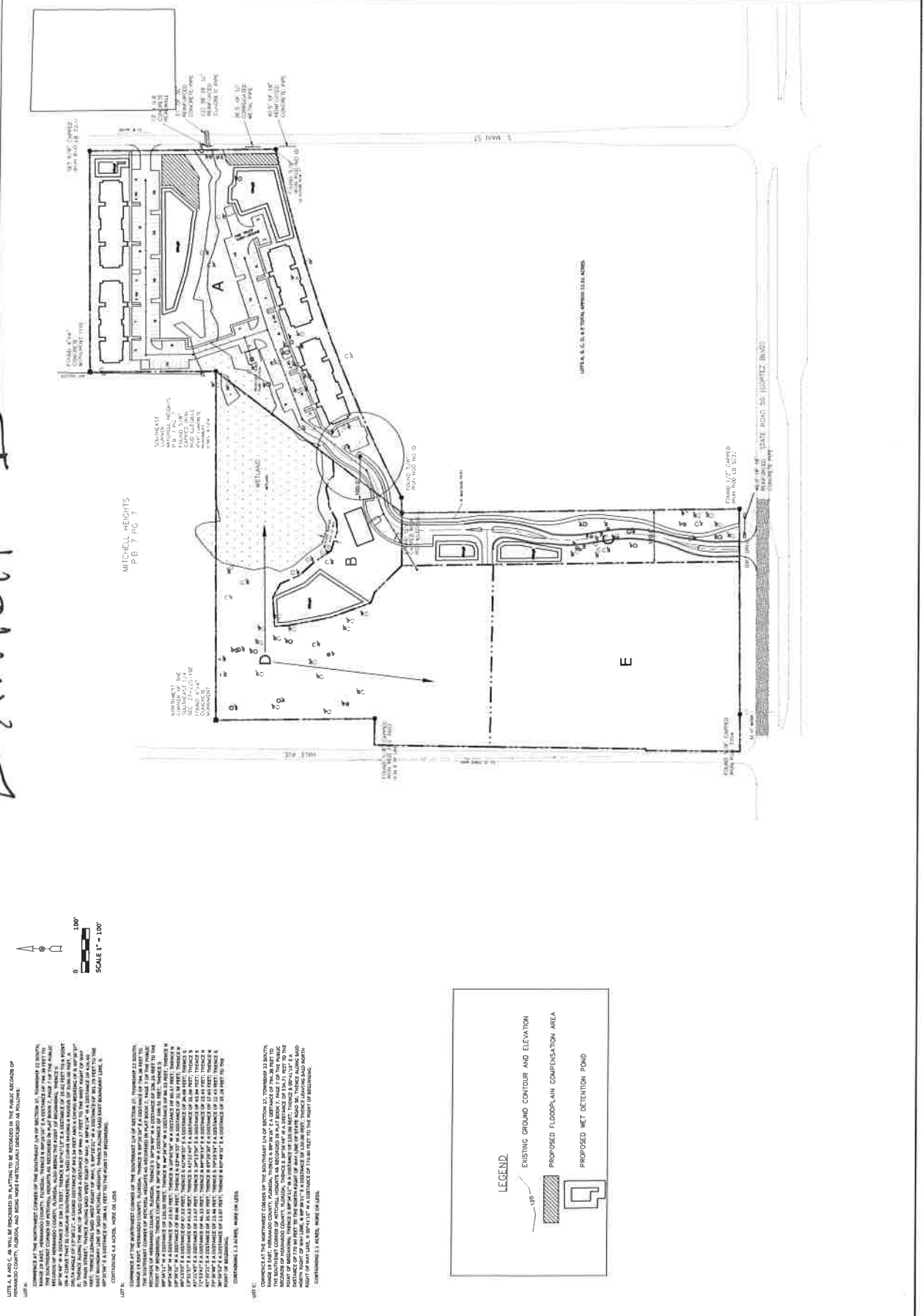
Coastal  
Engineering Associates, Inc.  
996 Cambridge Parkway - Brooksville - Florida 34601  
(352) 796-6222 Fax (352) 799-8268  
E9-0000142

REVISION OF DOCUMENT

NO.	DATE	DESCRIPTION
1		

DATE: 02/04/2014  
TIME: 11:00 AM  
PROJECT: FREEDOM GARDENS  
SHEET: 1  
SCALE: AS SHOWN

Exhibit B



10/11/2013 2:40 pm E:\13086\FreedomGardens\mg\concept\mg\_freedomg\_gardens\_10.dwg  
 13086  
 SHEET 1

FIRST AMENDMENT TO AGREEMENT

This First Amendment to Agreement ("Amendment") is made as of August 10, 2015, by and between Housing Trust Group, LLC, a Florida limited liability company ("HTG") and HTG Freedom, LLC, a Florida limited liability company ("FREEDOM").

WHEREAS, HTG and Freedom Bank of America, a Florida banking Corporation entered into that certain Agreement for Purchase and Sale effective June 9, 2014 (the "Underlying Contract") concerning the purchase and sale of 22.61 acres in Hernando County, Florida (the "Property"), as more particularly described in the Underlying Contract;

WHEREAS, HTG and FREEDOM entered into that certain Agreement dated January 20, 2015 (the "Agreement") concerning the purchase and sale of 6.9 acres of the Property (the "Subject Property"), as more particularly described in the Agreement;

WHEREAS, Seller and Buyer desire to enter into this Amendment to amend the Agreement to increase the Subject Property to 10.2 acres.

NOW THEREFORE, for good and sufficient mutual consideration, the receipt and sufficiency of which is hereby acknowledged by both parties, it is agreed to by Seller and Buyer as follows:

1. The Agreement remains in full force and effect, and remains unmodified except as expressly amended hereby.
2. The Legal Description contained in Exhibit A of the Agreement shall be replaced with the Legal Description attached to this Amendment.
3. In the event of any conflict between the terms and provisions of this Amendment and the terms and provisions of the Agreement, the terms and provisions of this Amendment shall control. Any capitalized terms not defined in this Amendment shall have the meaning as set forth in the Agreement.
4. This Amendment may be executed in counterparts, each of which shall be deemed an original document, but all of which will constitute one single document. A facsimile or email copy of this Amendment and any signatures thereof shall be considered for all purposes as originals.

(Signatures on following page)

IN WITNESS WHEREOF, each of the parties below has executed this document.

**BUYER:**

HOUSING TRUST GROUP, LLC,  
a Florida limited liability company

By:   
Name: Matthew Rieger  
Title: Manager

Date: August 10, 2015

**SELLER:**

HTG FREEDOM, LLC,  
a Florida limited liability company

By:   
Name: Matthew Rieger  
Title: Manager

Date: August 10, 2015



**EXHIBIT "A"**

Legal Description of the Subject Property

LOTS A, B AND C, AS WILL BE DESCRIBED IN PLATTING TO BE RECORDED IN THE PUBLIC RECORDS OF HERNANDO COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

LOT A:

Commence at the northwest corner of the southeast 1/4 of section 27, township 22 south, range 19 east, Hernando County, Florida; thence n 89°26'26" e a distance of 794.38 feet to the southeast corner of Mitchell Heights as recorded in plat book 7, page 7 of the public records of Hernando county, Florida, also being the point of beginning; thence s 36°56'49" w a distance of 534.71 feet; thence n 87°47'13" e a distance of 35.02 feet to a point on a curve that is concave southeasterly, said curve having a radius of 3100.00 feet, a delta angle of 15°38'22", a chord distance of 843.54 feet and a chord bearing of n 69°36'37" e; thence along the arc of said curve a distance of 846.17 feet to the west right of way of Main Street; thence along said west right of way, n 00°41'24" w a distance of 426.60 feet; thence leaving said west right of way, s 89°18'21" w a distance of 501.79 feet to the east boundary line of said Mitchell Heights; thence along said east boundary line, s 00°31'06" e a distance of 288.41 feet to the point of beginning.

CONTAINING 6.8 ACRES, MORE OR LESS

LOT B:

Commence at the northwest corner of the southeast 1/4 of section 27, township 22 south, range 19 east, Hernando County, Florida; thence n 89°26'26" e a distance of 794.38 feet to the southeast corner of Mitchell Heights as recorded in plat book 7, page 7 of the public records of Hernando County, Florida; thence s 36°56'49" w a distance of 336.20 feet to the point of beginning; thence continue s 36°56'49" w a distance of 198.51 feet; thence s 89°34'11" w a distance of 120.00 feet; thence n 44°34'56" w a distance of 86.33 feet; thence n 69°54'39" w a distance of 25.82 feet; thence n 20°05'58" w a distance of 90.67 feet; thence n 10°58'52" w a distance of 89.86 feet; thence n 03°46'55" w a distance of 32.56 feet; thence n 86°13'05" e a distance of 67.03 feet; thence s 61°08'55" e a distance of 34.68 feet; thence s 23°52'57" e a distance of 45.63 feet; thence s 41°22'45" e a distance of 31.09 feet; thence s 41°22'45" e a distance of 15.67 feet; thence s 34°13'50" e a distance of 45.94 feet; thence s 72°53'42" e a distance of 46.33 feet; thence n 84°58'19" e a distance of 25.45 feet; thence n 61°20'21" e a distance of 35.91 feet; thence n 85°29'30" e a distance of 17.65 feet; thence n 75°36'48" e a distance of 23.46 feet; thence s 70°19'54" e a distance of 22.43 feet; thence s 36°59'53" e a distance of 13.07 feet; thence n 85°48'51" e a distance of 35.28 feet to the point of beginning.

CONTAINING 1.3 ACRES, MORE OR LESS.

LOT C:

Commence at the northwest corner of the southeast 1/4 of section 27, township 22 south, range 19 east, Hernando County, Florida; thence n 89°26'26" e a distance of 794.38 feet to the southeast corner of Mitchell Heights as recorded in plat book 7, page 7 of the public records of Hernando County, Florida; thence s 36°56'49" w a distance of 534.71 feet to the point of beginning; thence s 89°34'11" w a distance of 120.00 feet; thence s 00°41'10" e a distance of 770.60 feet to the north right of way line of state road 50; thence along said north right of way line, n 89°34'11" e a distance of 120.00 feet; thence leaving said north right of way line, n 00°41'10" w a distance of 770.60 feet to the point of beginning.

CONTAINING 2.1 ACRES, MORE OR LESS.

Lots A, B and C here described will have a total area of approximately 10.2 acres.



**A MARKET STUDY OF**  
THE PROPOSED FREEDOM GARDENS APARTMENTS,  
A RENT AND INCOME RESTRICTED COMPLEX  
TO BE LOCATED ON THE WEST SIDE OF SOUTH MAIN STREET,  
NORTH OF THE INTERSECTION OF CORTEZ BOULEVARD  
(STATE ROAD 50) AND SOUTH MAIN STREET,  
BROOKSVILLE, FLORIDA 34601

**PREPARED FOR**  
HOUSING TRUST GROUP  
3225 AVIATION AVENUE  
COCONUT GROVE, FLORIDA 33133

**ATTN: MR. RODRIGO PAREDES**

**LOCATION COORDINATES**  
LONGITUDE: -82.38856 LATITUDE: 28.541845

**DATE OF REPORT**  
MAY 5, 2015

**PREPARED BY**  
**MERIDIAN APPRAISAL GROUP, INC.**

ROBERT VON, PRESIDENT  
STATE-CERTIFIED GENERAL REAL ESTATE APPRAISER RZ 1604

ERICA A. ERNST, ASSOCIATE APPRAISER  
STATE-CERTIFIED GENERAL REAL ESTATE APPRAISER RZ 3560



May 5, 2015

Mr. Rodrigo Paredes  
Housing Trust Group  
3225 Aviation Avenue  
Coconut Grove, Florida 33133

**Re: The proposed Freedom Gardens affordable apartment complex for the (family) general population.**

**Meridian File No: 15-SIE**

Dear Mr. Paredes:

As requested, we have prepared a market study for the proposed Freedom Gardens apartments. The improvements will consist of a 95 unit complex situated on a 6.90 acre site with an additional three to five acres carved out of the west adjacent parcel. The property will be considered a Class B improvement in the local area. The subject property will set aside 90% of its units at or below 60% of the Area Median Income (AMI) and 10% at or below 40% of the AMI. The subject will be restricted by the Housing Credit program. The rent and income restrictions remain for 50 years from the placed in service date.

The property is currently vacant land. The subject property is further described and identified by both legal and narrative descriptions within the text of the following report.

The intended use of this report is for internal purposes. The intended user of this report is Housing Trust Group. No other use or users are intended.

The purpose of this market study is to provide:

1. A site analysis;
2. An improvement analysis;
3. An Apartment Market Overview for the subject market area;
4. Rental estimates for the subject, both as a market rate project and as restricted by the Housing Credit program;
5. Conclusions and recommendations concerning the subject's unit mix, unit sizes, amenities and unit features relative to its competition;
6. Estimate an average absorption rate for the subject property

In order to accomplish the previous objectives, we have conducted the following research and analysis:

- 1) Examination of the subject site, demographics and other relevant factors that influence development potential.
- 2) Review of apartment market trends.
- 3) Review and evaluation of the development concept for the subject to include: features, amenities, unit mix, unit sizes and proposed rental rates.



MR. RODRIGO PAREDES  
MAY 5, 2015  
PAGE TWO

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This market study is the result of this evaluation, together with supporting data and documentation, as of the date of this report, May 5, 2015.

### Summary of Conclusions and Recommendations

- 1) The subject site is of a size and configuration that appears to be marginally suited for rental apartments. Overall, exposure is considered to be average for multi-family purposes. The subject site is bisected by a dry creek with only a pedestrian bridge planned to cross it which creates logistical issues for the tenants' access to the amenities. Based on the subject's site plan we have concluded that the subject property has poor access. The location of the site is central to neighborhood shopping, employment and healthcare facilities. All necessary utilities and services are available to the site to support the proposed development. Based on these investigations, we are of the opinion that the subject site is marginally suitable for apartment development based on its current site plan.
  
- 2) The subject is planned to be a two building, four-story, mid-rise style apartment project with one, two and three-bedroom units. The subject's unit mix breakdown is not optimal for the area given due to the high percentage of two-bedroom units and the low percentage of one-bedroom units. The subject project is planned to contain typical common amenities. The proposed improvements of four-story buildings with elevators appear to be out of characteristic for the neighborhood. A garden apartment design is much more suitable to the area. Based on the apartment market in the subject area we are of the opinion that the proposed improvements are atypical and not optimal for their use as affordable apartments for the general population (families).

The following is the subject's proposed unit mix.

Unit Type	# Of Units	Unit Size (S.F.)	Total S.F.
1/1	8	620	4,960
2/2	76	920	69,920
3/2	11	1,100	12,100
<b>Total/Avg.</b>	<b>95</b>	<b>916</b>	<b>86,980</b>

The total living area within the units is 86,980 square feet, resulting in an average unit size of 916 square feet. The indicated density is 13.77 units per acre.

Common amenities will include clubhouse, swimming pool, playground, fitness center, sand volleyball court and one elevator in each building. Unit amenities will include refrigerator, oven/range, dishwasher, microwave, garbage disposal, blinds, ceiling fans and washer/dryer connections. The subject property will have a mix of tile and simulated wood throughout the units with carpet in the bedrooms. The countertops will be laminate. The subject property will set aside 90% of its units at or below 60% of the Area Median Income (AMI) and 10% at or below 40% of the AMI.

- 3) The apartment market within Hernando County consists of a wide variety of unit types ranging from older subsidized housing, older market rate projects to newer affordable projects, and upscale market rate projects. Occupancy rates in Hernando County and in the 10 and three-mile rings from the subject are at higher levels than the average of the past five years. The studio units have the same asking rate at the county, 10-mile and three-mile level. The one-bedroom units have the highest asking rental rate at the county level. The two and three-bedroom asking rents are highest on the 10-mile level.

MR. RODRIGO PAREDES  
MAY 5, 2015



PAGE THREE

- 4) Our conclusions of attainable restricted rents are summarized in the following chart.

<b>Potential Base Rental Income-Restricted</b>				
<b>Unit Type</b>	<b>Set Aside</b>	<b>No. Units</b>	<b>\$/Month</b>	<b>Total Annual Rent</b>
1/1	40% AMI	1	\$295	\$3,540
1/1	60% AMI	7	\$516	\$43,344
2/2	40% AMI	8	\$353	\$33,888
2/2	60% AMI	68	\$618	\$504,288
3/2	40% AMI	1	\$405	\$4,860
3/2	60% AMI	10	\$712	\$85,440
<b>Total/Avg.</b>		<b>95</b>	<b>\$592</b>	<b>\$675,360</b>

Our conclusions of attainable market rents are summarized in the following chart.

<b>Potential Base Rental Income-Market</b>				
<b>Unit Type</b>	<b>No. Units</b>	<b>Unit Size</b>	<b>\$/Month</b>	<b>Total Annual Rent</b>
1/1	8	620	\$740	\$71,040
2/2	76	920	\$870	\$793,440
3/2	11	1,100	\$1,020	\$134,640
<b>Total/Avg.</b>	<b>95</b>	<b>916</b>	<b>\$876</b>	<b>\$999,120</b>

The subject benefits from a good spread between market and restricted rents at all set asides, as shown on the following chart.

<b>Restricted Rent vs. Market Rent Comparison</b>						
<b>Unit Type</b>	<b>Set Aside</b>	<b>No. of Units</b>	<b>Net Rent</b>	<b>Market Rent</b>	<b>\$ Difference</b>	<b>% Difference</b>
1/1	40% AMI	1	\$295	\$740	\$445	151%
1/1	60% AMI	7	\$516	\$740	\$224	43%
2/2	40% AMI	8	\$353	\$870	\$517	146%
2/2	60% AMI	68	\$618	\$870	\$252	41%
3/2	40% AMI	1	\$405	\$1,020	\$615	152%
3/2	60% AMI	10	\$712	\$1,020	\$308	43%
<b>Total/Avg.</b>		<b>95</b>	<b>\$592</b>	<b>\$876</b>	<b>\$284</b>	<b>48%</b>

According to FHFC requirements, the average market rent must be 10% greater than the average restricted rent; in our analysis, the estimated overall weighted average market rent is 48% greater than estimated average restricted rent.



MR. RODRIGO PAREDES  
MAY 5, 2015  
PAGE FOUR

The following chart compares the subject's maximum allowable restricted rents to the achievable rents.

Max vs. Achievable Restricted Rent				
Unit Type	Set Aside	Max Net Rent	Est. Net Rent	Difference
1/1	40% AMI	\$295	\$295	\$0
1/1	60% AMI	\$516	\$516	\$0
2/2	40% AMI	\$353	\$353	\$0
2/2	60% AMI	\$618	\$618	\$0
3/2	40% AMI	\$405	\$405	\$0
3/2	60% AMI	\$712	\$712	\$0
<b>Total/Avg.</b>		<b>\$592</b>	<b>\$592</b>	<b>\$0</b>

- 5) The subject's proposed unit mix of one, two and three-bedroom units is typical of other restricted properties designated for families (general population). However, it lacks the optimal breakdown of one, two and three-bedroom units for the area. The subject's unit mix should have an increased number of one-bedroom units given that 41% of the affordable households in Hernando County are one-person households. The subject's unit sizes are within the range but are on the smaller side of the comparable projects for their one, two-bedroom and three-bedroom units. The subject offers similar project amenities relative to the comparables including a swimming pool, volley ball court, fitness center and community center/clubhouse. The subject is similar to the comparables in terms of unit features. The four-story design is atypical for the market.
- 6) Based on the absorption history within other affordable projects we have estimated an average absorption rate for the subject property of 13 units per month.

The analyses, opinions and conclusions were developed and this report has been prepared in conformance with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board of the Appraisal Foundation and the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.

This letter of transmittal precedes the consultation report, further describing the property and containing the reasoning and most pertinent data leading to the final conclusions. Your attention is directed to the "Extraordinary Assumptions/Extraordinary Limiting Conditions," "General Assumptions," "General Limiting Conditions" and "Certification," which have been included within the text of this report.

Respectfully submitted,  
**Meridian Appraisal Group, Inc.**

A handwritten signature in blue ink, appearing to read "Rut V".

Robert Von, President  
State-Certified General Real Estate Appraiser RZ 1604

A handwritten signature in blue ink, appearing to read "Erica A. Ernst".

Erica A. Ernst, Associate Appraiser  
State-Certified General Real Estate Appraiser RZ 3560

RV:EAE:dmh

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**ADDENDA**

- APPRAISERS' QUALIFICATIONS
- ENGAGEMENT LETTER
- 2015 RENTAL RATES AND INCOME LIMITS
- UTILITY ALLOWANCE
- DEVELOPER'S UNIT MIX
- AGREEMENT FOR PURCHASE AND SALE



## CERTIFICATION

---

As the undersigned consultants, we hereby certify that to the best of our knowledge and belief:

- the statements of fact contained in this report (upon which the analyses, opinion and conclusions expressed herein are based) are true and correct.
- the analysis, opinions and conclusion in the report are limited only by the assumptions and limiting conditions and special assumptions, if any, set forth and are the personal, unbiased professional analyses, opinions and conclusions of the consultant.
- we have no present or prospective interest in the subject property and have no personal bias with respect to the parties involved.
- our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- our compensation is not contingent upon the development or the reporting of a predetermined conclusion or conclusions that favor the cause of the client, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this report.
- our analyses and opinions were developed and this report has been prepared in conformity with (and the use of this report is subject to) all regulations issued by the appropriate regulatory entities regarding the enactment of Title XI of the Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA) and any subsequent updates, the Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Standards Board of the Appraisal Foundation, and the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- we have personally inspected the subject property and every comparable project included within this report.
- no one, other than the undersigned, prepared the personal unbiased professional analyses, conclusions and opinions concerning real estate that are set forth in this report unless and except as acknowledged in this report.
- we have performed within the context of the competency provision of the Uniform Standards of Professional Appraisal Practice.
- Robert Von, President and Erica A. Ernst, Associate Appraiser, verify that they have not performed any real estate related services involving the subject property of this report within the three-year period immediately preceding the acceptance of this assignment.

### **Property Location**

The subject property is located on the west side of South Main Street, north of the intersection of Cortez Boulevard (State Road 50) and South Main Street in Brooksville, Florida.

### **Date of Report**

May 5, 2015

CERTIFICATION (CONT'D)

---

Certified by  
**Meridian Appraisal Group, Inc.**



Robert Von, President  
State-Certified General Real Estate Appraiser RZ 1604



Erica A. Ernst, Associate Appraiser  
State-Certified General Real Estate Appraiser RZ 3560

EXECUTIVE SUMMARY

**Location**

The subject property is located on the west side of South Main Street, north of the intersection of Cortez Boulevard (State Road 50) and South Main Street in Brooksville, Florida.

**Site Description**

The subject site is irregular in shape and contains 6.90 acres; however, an additional three to five acres is planned to be carved out of the west adjacent parcel to hold all of the subject amenities and to offer access off of Cortez Boulevard. The subject site has about 300' of frontage along the west side of South Main Street. The subject property is planned to have two access points on the west side of South Main Street with an additional access point planned on Cortez Boulevard. We observed no apparent drainage problems when we inspected the subject, which appears to be mostly located within **Zone "X"** with a portion in **Zone "AE"**. **Zone "X"** is an area outside the 100 year flood plain but **Zone "AE"** is an area within the 100 year flood plain where mandatory flood insurance purchase requirements do appear to apply. It is zoned R-3, by the city of Brooksville. The future land use designation is Multi-Family Residential. Based on these investigations, we are of the opinion that the subject site is suitable for multi-family development.

**Qualified Census Tract (QCT):** No (404)

**Difficult to Develop Area (DDA):** Yes (Tampa-St. Petersburg-Clearwater MSA)

**Improvement Analysis**

The subject will consist of 95 apartment units within two, four-story apartment buildings.

The subject property will set aside 90% of its units at or below 60% of the Area Median Income (AMI) and 10% at or below 40% of the AMI. The subject will be restricted by the Housing Credit program. The following is the subject's proposed unit mix.

Unit Type	Set Aside	# Of Units	Unit Size (S.F.)	Total S.F.
1/1	40% AMI	1	620	620
1/1	60% AMI	7	620	4,340
2/2	40% AMI	8	920	7,360
2/2	60% AMI	68	920	62,560
3/2	40% AMI	1	1,100	1,100
3/2	60% AMI	10	1,100	11,000
<b>Total/Avg.</b>		<b>95</b>	<b>916</b>	<b>86,980</b>

The total area within the units is 86,980 square feet, resulting in an average unit size of 916 square feet. The indicated density is 13.77 units per acre.

Unit amenities will include a refrigerator, oven/range, dishwasher, microwave, garbage disposal, blinds, ceiling fans and washer/dryer connections. The subject property will have a mix of tile and simulated wood throughout the units with carpet in the bedrooms. The countertops will be laminate. Common amenities will include a clubhouse, swimming pool, playground, fitness center, sand volleyball court and one elevator in each building.

**Apartment Market Overview**

The apartment market within Hernando County consists of a wide variety of unit types ranging from older subsidized housing, older market rate projects to newer affordable projects, and upscale market rate projects. Occupancy rates in Hernando County and in the 10 and three-mile rings from the subject are at higher levels than the average of the past five years. The studio units have the same asking rate at the county, 10-mile and three-mile level. The one-bedroom units have the highest asking rental rate at the county level. The two and three-bedroom asking rents are highest on the 10-mile level.

EXECUTIVE SUMMARY (CONT'D)

**Market and Restricted Rents**

Our conclusions of attainable restricted rents are summarized in the following chart.

<b>Potential Base Rental Income-Restricted</b>				
<b>Unit Type</b>	<b>Set Aside</b>	<b>No. Units</b>	<b>\$/Month</b>	<b>Total Annual Rent</b>
1/1	40% AMI	1	\$295	\$3,540
1/1	60% AMI	7	\$516	\$43,344
2/2	40% AMI	8	\$353	\$33,888
2/2	60% AMI	68	\$618	\$504,288
3/2	40% AMI	1	\$405	\$4,860
3/2	60% AMI	10	\$712	\$85,440
<b>Total/Avg.</b>		<b>95</b>	<b>\$592</b>	<b>\$675,360</b>

Our conclusions of attainable market rents are summarized in the following chart.

<b>Potential Base Rental Income-Market</b>				
<b>Unit Type</b>	<b>No. Units</b>	<b>Unit Size</b>	<b>\$/Month</b>	<b>Total Annual Rent</b>
1/1	8	620	\$740	\$71,040
2/2	76	920	\$870	\$793,440
3/2	11	1,100	\$1,020	\$134,640
<b>Total/Avg.</b>	<b>95</b>	<b>916</b>	<b>\$876</b>	<b>\$999,120</b>

The subject benefits from a good spread between market and restricted rents at all set asides, as shown on the following chart.

<b>Restricted Rent vs. Market Rent Comparison</b>						
<b>Unit Type</b>	<b>Set Aside</b>	<b>No. of Units</b>	<b>Net Rent</b>	<b>Market Rent</b>	<b>\$ Difference</b>	<b>% Difference</b>
1/1	40% AMI	1	\$295	\$740	\$445	151%
1/1	60% AMI	7	\$516	\$740	\$224	43%
2/2	40% AMI	8	\$353	\$870	\$517	146%
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3/2	40% AMI	1	\$405	\$1,020	\$615	152%
3/2	60% AMI	10	\$712	\$1,020	\$308	43%
<b>Total/Avg.</b>		<b>95</b>	<b>\$592</b>	<b>\$876</b>	<b>\$284</b>	<b>48%</b>

According to FHFC requirements, the average market rent must be 10% greater than the average restricted rent; in our analysis, the estimated overall weighted average market rent is 48% greater than estimated average restricted rent.

The following chart compares the subject's maximum allowable restricted rents to the achievable rents.

<b>Max vs. Achievable Restricted Rent</b>				
<b>Unit Type</b>	<b>Set Aside</b>	<b>Max Net Rent</b>	<b>Est. Net Rent</b>	<b>Difference</b>
1/1	40% AMI	\$295	\$295	\$0
1/1	60% AMI	\$516	\$516	\$0
2/2	40% AMI	\$353	\$353	\$0
2/2	60% AMI	\$618	\$618	\$0
3/2	40% AMI	\$405	\$405	\$0
3/2	60% AMI	\$712	\$712	\$0
<b>Total/Avg.</b>		<b>\$592</b>	<b>\$592</b>	<b>\$0</b>

EXECUTIVE SUMMARY (CONT'D)

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**Conclusion and Recommendations Regarding Amenities, Unit Features, Unit Sizes and Unit Mix**

The subject's proposed unit mix of one, two and three-bedroom units is typical of other restricted properties designated for families (general population). However, it lacks the optimal breakdown of one, two and three-bedroom units for the area. The subject's unit mix should have an increased number of one-bedroom units given that 41% of the affordable households in Hernando County are one-person households. The subject's unit sizes are within the range but are on the smaller side of the comparable projects for their one, two-bedroom and three-bedroom units. The subject offers similar project amenities relative to the comparables including a swimming pool, volley ball court, fitness center and community center/clubhouse. The subject is similar to the comparables in terms of unit features. The four-story design is atypical for the market.

**Absorption Rate**

Based on the absorption history within other affordable projects we have estimated an average absorption rate for the subject property of 13 units per month.

## GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

---

This appraisal report has been made with the following **general assumptions**:

1. The legal description used in this report is assumed to be correct.
2. The appraisers have made no survey of the property and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the property.
3. No responsibility is assumed for matters of legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be good and merchantable.
4. Information and data furnished by others is usually assumed to be true, correct and reliable. When such information and data appears to be dubious and when it is critical to the appraisal, a reasonable effort has been made to verify all such information; however, the appraiser assumes no responsibility for its accuracy.
5. All mortgages, liens, encumbrances, leases and servitude have been disregarded unless so specified within the report. The property is appraised as though under responsible ownership and competent management.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures rendering it more or less valuable. No responsibility is assumed for such conditions or for engineering that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined and considered in the appraisal report.
9. It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
10. It is assumed that the utilization of the land and improvements will be within the boundaries or property lines or the property described and that there will be no encroachments or trespass unless noted within the report.
11. The dates of value to which the opinions in this report apply are reported herein. The appraiser assumes no responsibility for economic or physical factors occurring at some later dates that may affect the opinions stated herein.
12. Unless otherwise stated in the report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraisers. The appraisers have no knowledge of the existence of such materials on or in the property. The appraisers, however, are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The reader is urged to retain an expert in this field, if desired.

This appraisal report has been made with the following **general limiting conditions**:

1. The appraisers will not be required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been previously made thereof.

**GENERAL ASSUMPTIONS AND LIMITING CONDITIONS (CONT'D)**

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2. Possession of the report, or copy thereof, does not carry with it the right of publication. It may not be used for any purposes by any person other than the party to whom it is addressed without written consent of the appraiser, and in any event only with proper written qualification and only in its entirety.
3. The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for the land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
4. No environmental impact studies were requested or made in conjunction with this appraisal, and the appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research or investigation.
5. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales or any other media without written consent and approval of the appraisers. Nor shall the appraiser, firm or professional organization of which the appraiser is a member be identified without written consent of the appraisers.
6. Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing General Assumptions and General Limiting Conditions.

This report has been made with the following **Extraordinary Assumptions and Limiting Conditions**:

1. We have relied upon verbal representations provided by leasing agents and property managers regarding rental and occupancy rates and project-specific information for the comparable properties.
2. We have assumed and our conclusions are based upon the assumption that the improvements will be constructed as presented in this report.

## DEFINITION OF IMPORTANT TERMS

---

### **Highest and Best Use<sup>1</sup>**

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

### **Fee Simple Estate<sup>2</sup>**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

### **Leased Fee Estate<sup>3</sup>**

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

### **Leasehold Estate<sup>4</sup>**

The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

**Cost-Burden (CB)** is the percent of income spent on housing which includes rent plus utilities. A common CB target for affordable housing is 30%.

**Level of Effort (LOE)** is Supply divided by Demand. If the supply of affordable housing within a defined geographic area is equal to 500 and the potential demand within that same defined geographic area equals 2,000, then the Level of Effort is  $500/2,000$  or 25%. Level of Effort defines how much of the potential demand has already been satisfied.

**Capture Rate (CR)** is just the individual subject units divided by Demand. If the subject contains 100 units and the potential demand is 2,000 then the Capture Rate is  $100/2,000$  or 5%. Capture Rate helps to define the size of the subject relative to the size of the market.

**Remaining Potential Demand (RPD)** is equal to Demand minus Supply. If the potential demand is 2,000 and the supply is 500 then the RPD is 2,000 minus 500 or 1,500. RPD helps to define how deep the remaining market is.

**Growth of Income-Qualified Renter Households ( $\Delta$  IQRH).** Potential demand currently is 2,000; however, five years from now the potential demand will grow to 2,500, indicating growth of 500 over the five-year period or an annual growth of potential demand of 100.

### **Definition Sources**

<sup>1</sup> The Appraisal of Real Estate, Appraisal Institute, 14<sup>th</sup> Edition, 2013, Pages 333

<sup>2</sup> The Dictionary of Real Estate Appraisal, Appraisal Institute, 5<sup>th</sup> Edition, 2010, Page 78

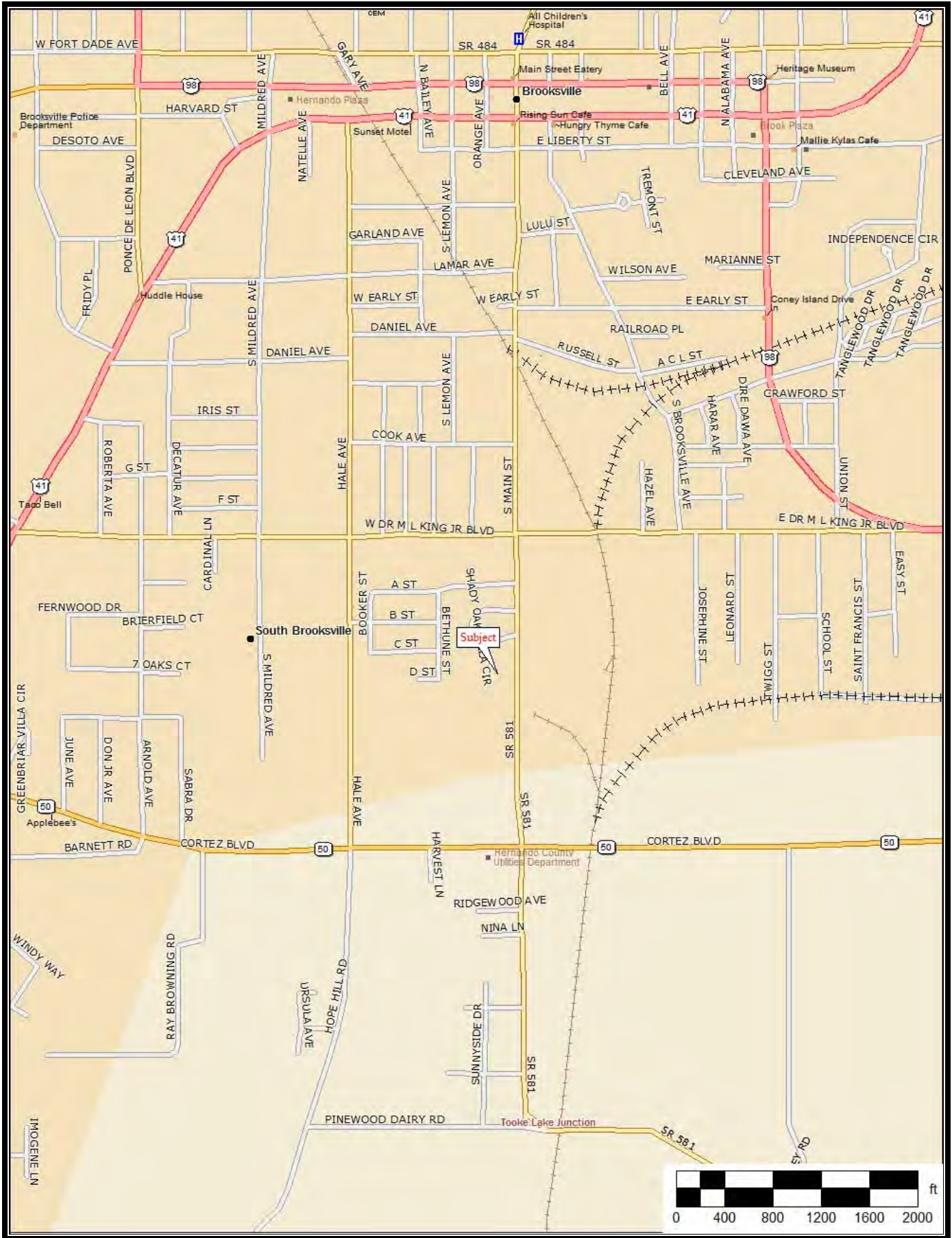
<sup>3</sup> The Dictionary of Real Estate Appraisal, Appraisal Institute, 4<sup>th</sup> Edition, 2002, Page 161. The Dictionary's 5<sup>th</sup> Edition definition of leased fee interest (Page 111) is "A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a landlord-tenant relationship (i.e. a lease)." While both are accurate, we consider the Dictionary's 4<sup>th</sup> Edition definition to be more descriptive and easily understood.



### STATE LOCATION MAP

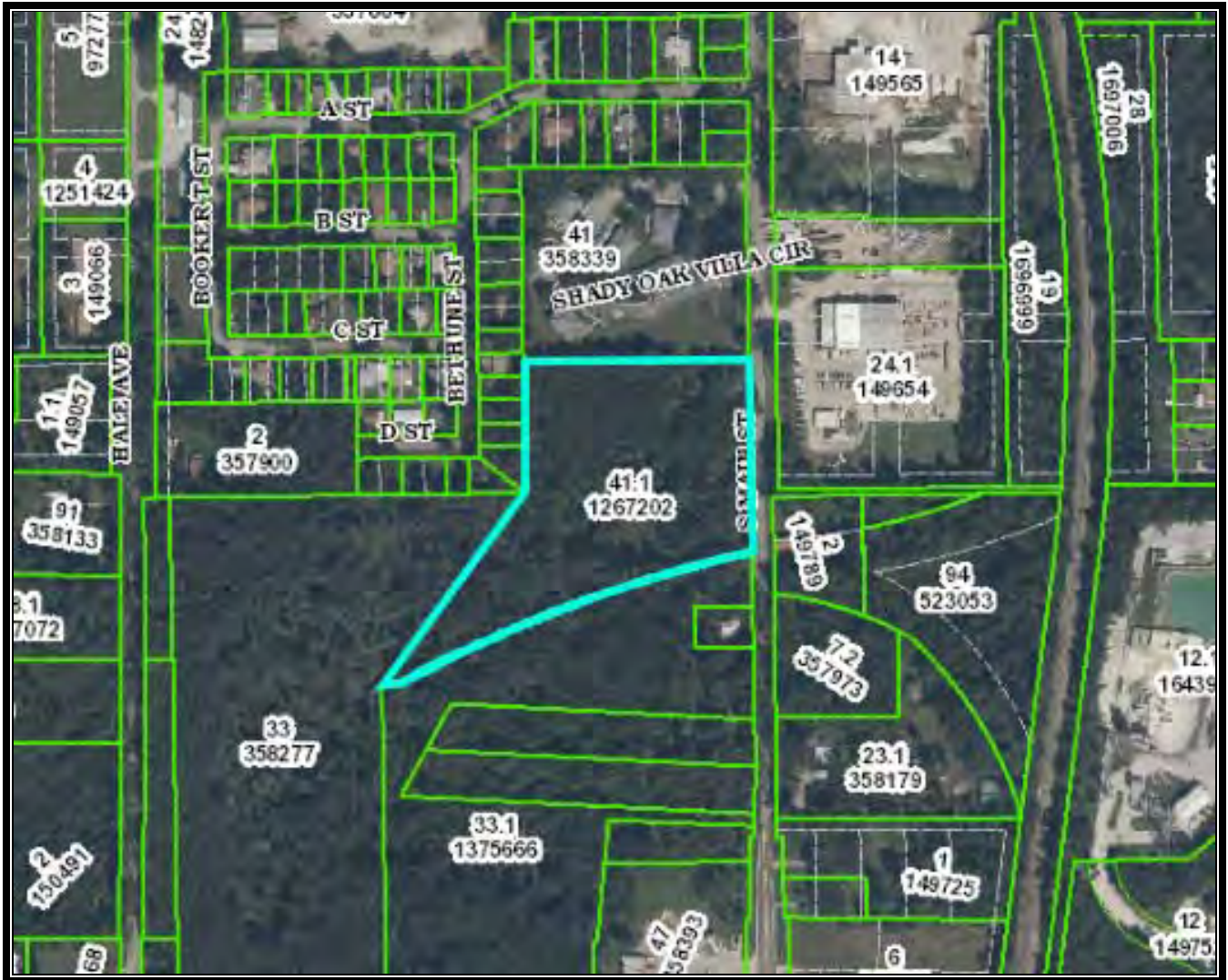


### LOCATION MAP





AERIAL MAP





SUBJECT PHOTOGRAPHS



STREET SCENE OF SOUTH MAIN STREET FACING SOUTH, SUBJECT PROPERTY TO THE RIGHT



STREET SCENE OF SOUTH MAIN STREET FACING NORTH, SUBJECT PROPERTY TO THE LEFT



VIEW OF SUBJECT FACING WEST FROM SOUTH MAIN STREET



VIEW OF SUBJECT FACING WEST FROM SOUTH MAIN STREET



VIEW OF SUBJECT FACING WEST FROM SOUTH MAIN STREET



VIEW OF SUBJECT FACING WEST FROM SOUTH MAIN STREET



SUBJECT PHOTOGRAPHS

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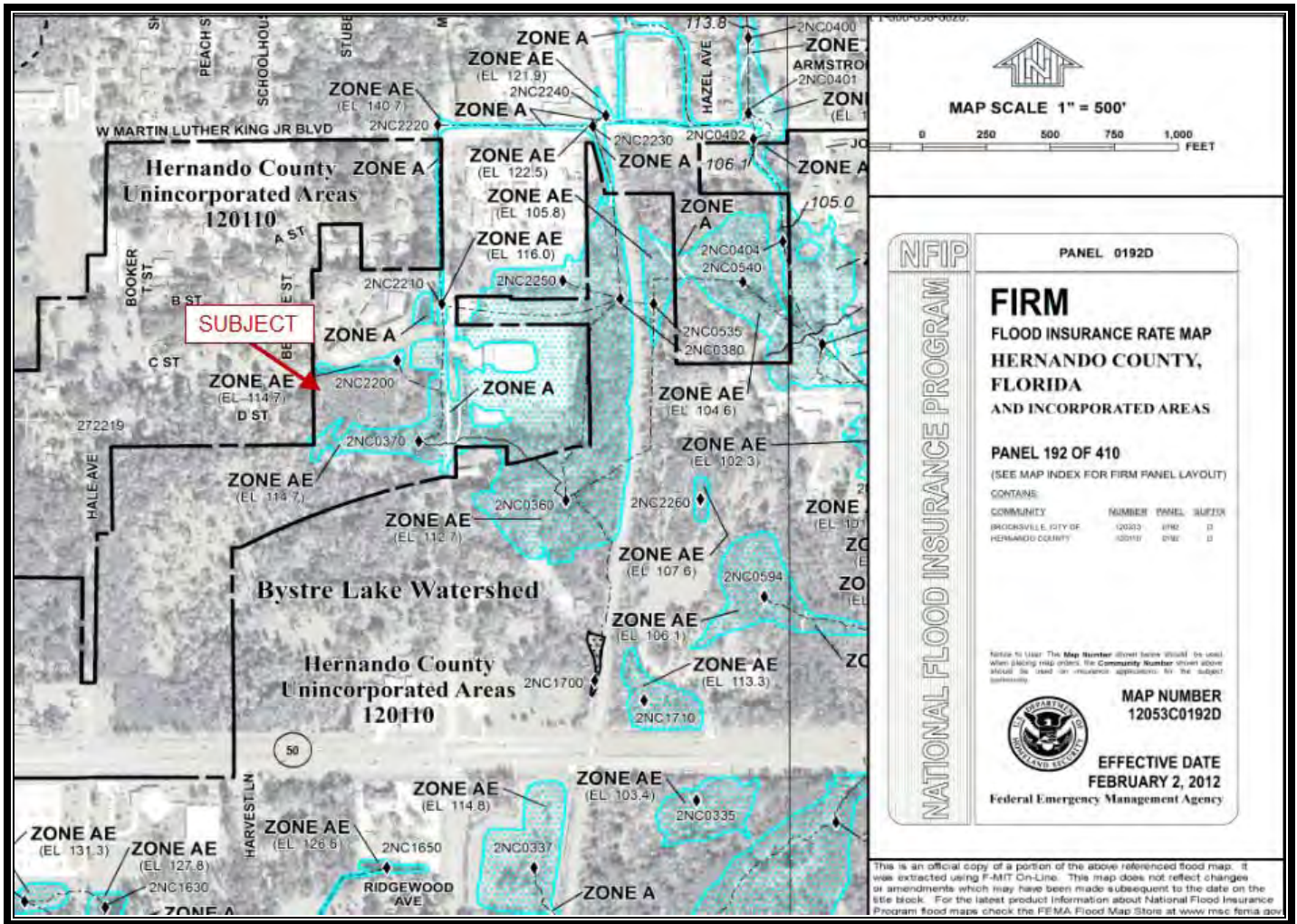


VIEW OF SUBJECT PROPERTY'S FRONTAGE  
ALONG SOUTH MAIN STREET



ALTERNATE VIEW OF SUBJECT PROPERTY  
FROM SOUTH MAIN STREET FACING SOUTHWEST

FLOOD MAP



## SUBJECT PROPERTY DATA

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### Type

The Freedom Gardens apartment will consist of 95 rental unit. The subject property will set aside 90% of its units at or below 60% of the Area Median Income (AMI) and 10% at or below 40% of the AMI. The subject will be restricted by the Housing Credit program.

### Location

The subject property is located on the west side of South Main Street, north of the intersection of Cortez Boulevard (State Road 50) and South Main Street in Brooksville, Florida.

### Legal Description

The legal description is as follows:

Legal Description of the Subject Property

FOR A POINT OF BEGINNING, COMMENCE AT THE SOUTHEAST CORNER OF LOT 7, BLOCK E, MITCHELL HEIGHTS, PER THE PLAT THEREOF RECORDED IN PLAT BOOK 7, PAGE 7 OF THE PUBLIC RECORDS OF HERNANDO COUNTY, FLORIDA; THENCE ALONG THE EAST LINE OF SAID LOT 7 AND THE NORTHERLY EXTENSION THEREOF, N 00°32'18" W A DISTANCE OF 288.98 FEET; THENCE LEAVING SAID LINE, N 89°30'11" E A DISTANCE OF 501.79 FEET TO THE WEST RIGHT OF WAY LINE OF MAIN STREET; THENCE ALONG SAID RIGHT OF WAY LINE, S 00°32'18" E A DISTANCE OF 426.60 FEET TO A POINT ON A CURVE THAT IS CONCAVE TO THE SOUTHEAST, SAID CURVE HAVING A RADIUS OF 3100.00 FEET, A DELTA ANGLE OF 15°38'27", A CHORD DISTANCE OF 843.63 FEET AND A CHORD BEARING OF S 69°48'47" W; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 846.25 FEET; THENCE S 87°56'31" W A DISTANCE OF 35.01 FEET; THENCE N 37°09'53" E A DISTANCE OF 534.11 FEET TO THE POINT OF BEGINNING.  
CONTAINING 6.90 ACRES, MORE OR LESS

### Ownership and Three-Year History of Subject

According to the Hernando County Tax Rolls, the subject property is currently owned by Freedom Bank of America. There have been no other transfers of the property within the last three years. The parent tract (total 22.61 acres) is under contract for \$925,000 from Freedom Bank of America to Housing Trust Group, LLC with closing set for February 26, 2016. The subject's 6.9 acre site is also under a subsequent contract for \$925,000 from Housing Trust Group, LLC to HTG Freedom, LLC.

### Flood Zone

According to the Department of Housing and Urban Development, Flood Hazard Boundary Map, Community Panel 12053C0192D dated February 2, 2012, the subject property appears to be mostly located within **Zone "X"** with a portion in **Zone "AE"**. **Zone "X"** is an area outside the 100 year flood plain but **Zone "AE"** is an area within the 100 year flood plain where mandatory flood insurance purchase requirements do appear to apply.

### Zoning

The subject property is zoned R-3, by the City of Brooksville. The future land use designation is Multi-Family Residential. The subject's future land use allows for up to 18 dwelling units per acre. The subject's proposed improvements appear to conform to the zoning requirements.

SUBJECT PROPERTY DATA (CONT'D)

**Assessment and Taxes**

**Current Taxes**

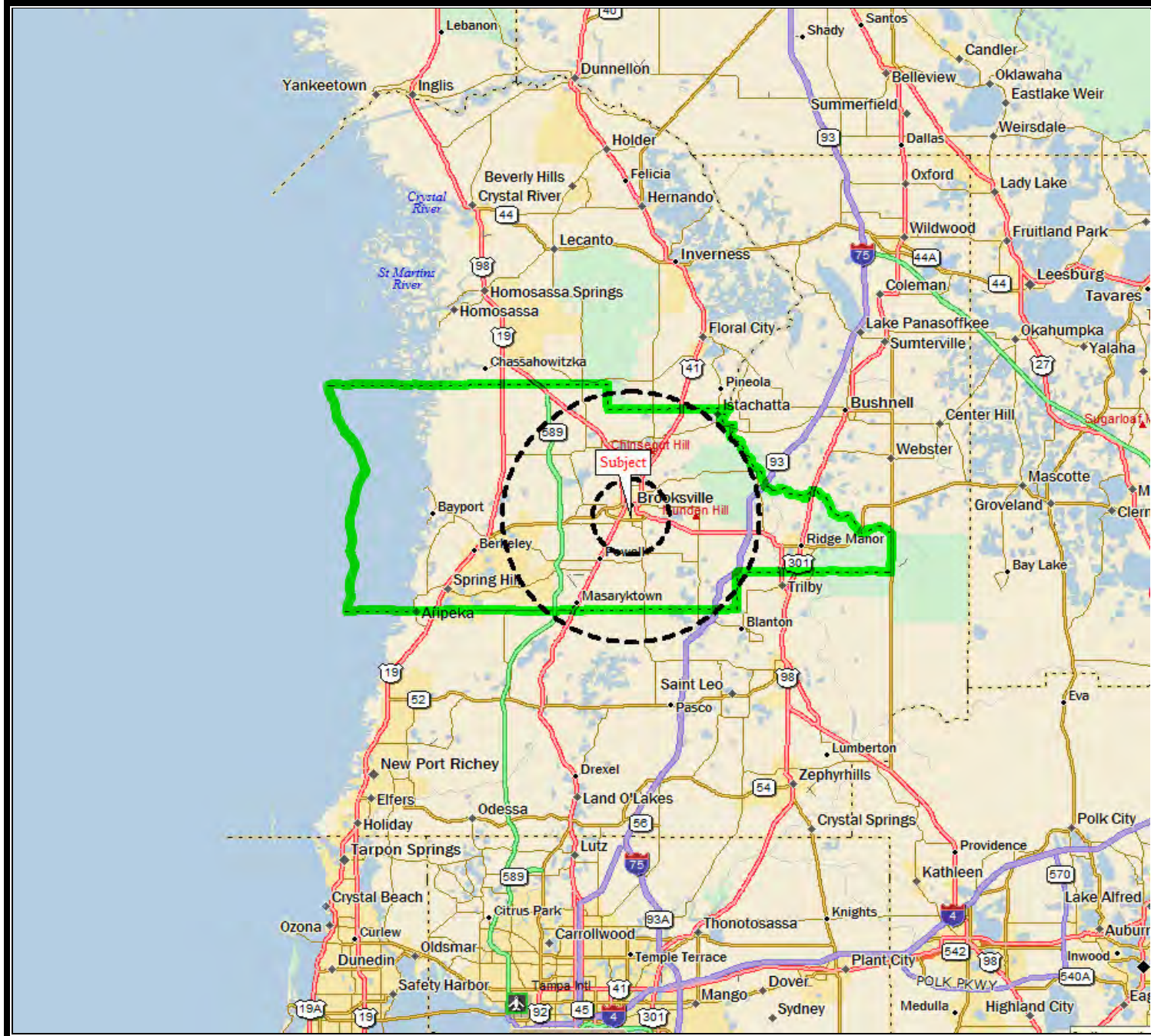
The subject's 2014 taxes are calculated as follows for the 6.9 acre site.

<b>Subject Property Real Estate Taxes</b>	
<b>Parcel #</b>	R27 422 19 0000 0410 0010
Total Assessment	\$48,300
Exemption	\$0
Taxable Assessed Value	\$48,300
Current_Year Millage Rate	0.022707
Current_Year Gross Ad Valorem Taxes	\$1,097
Non Ad Valorem Taxes	\$80
Total Gross Taxes	\$1,177
Net Taxes w/4% Discount for payment in November	\$1,130
<b>Net Taxes Per Unit</b>	<b>\$12</b>

Up to a 4% discount is available if taxes are paid in November, decreasing 1% per month. The 2013 taxes are paid; there are no delinquent taxes.



### APARTMENT MARKET OVERVIEW MAP WITH THREE AND 10-MILE RINGS



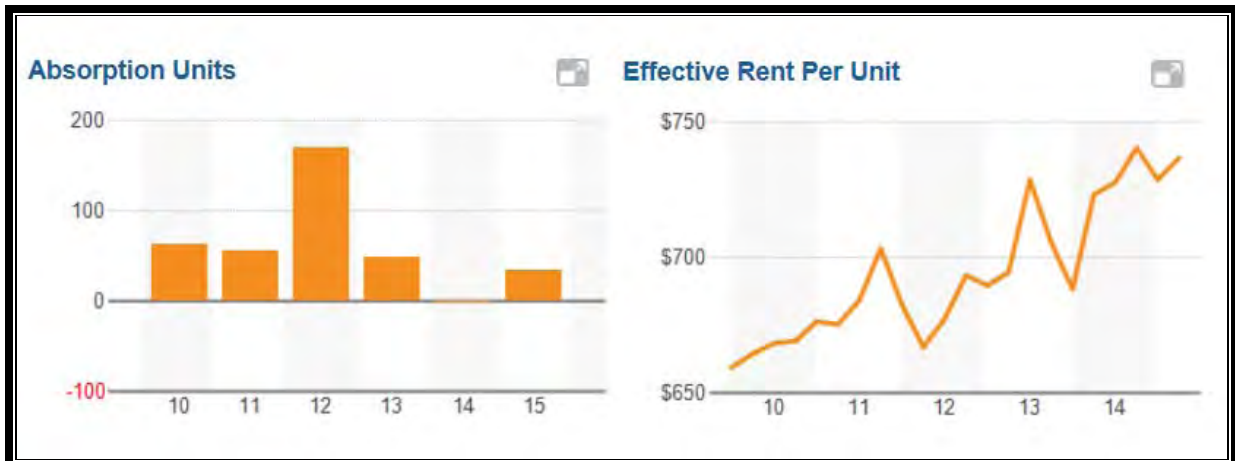
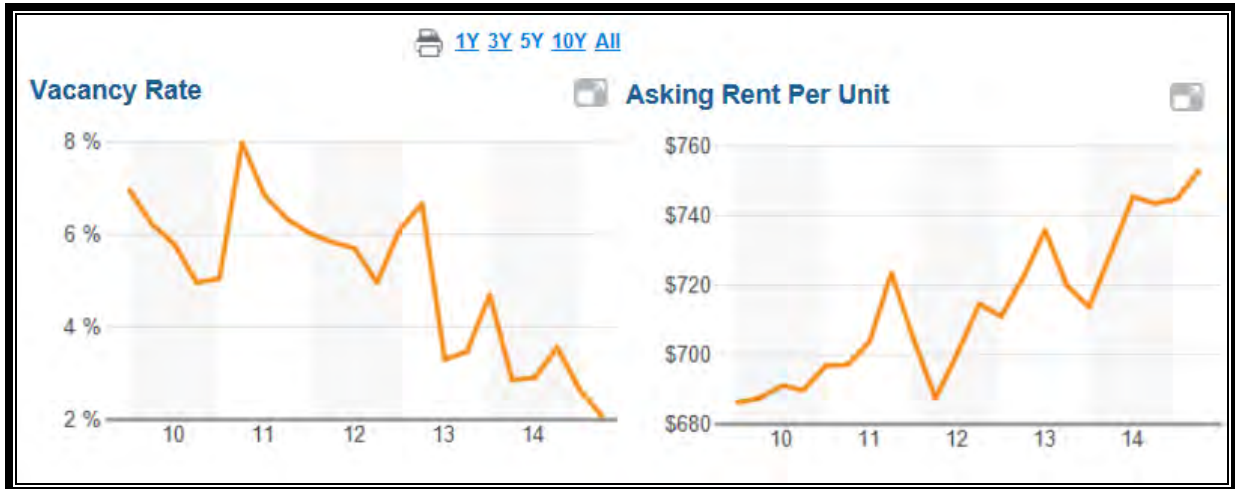
## APARTMENT MARKET OVERVIEW

The subject lies in Hernando County. We have provided performance summaries of the apartment market on a county level and for 10-mile and three-mile rings centered on the subject property using current CoStar data. This analysis includes both market and affordable properties.

### County Level

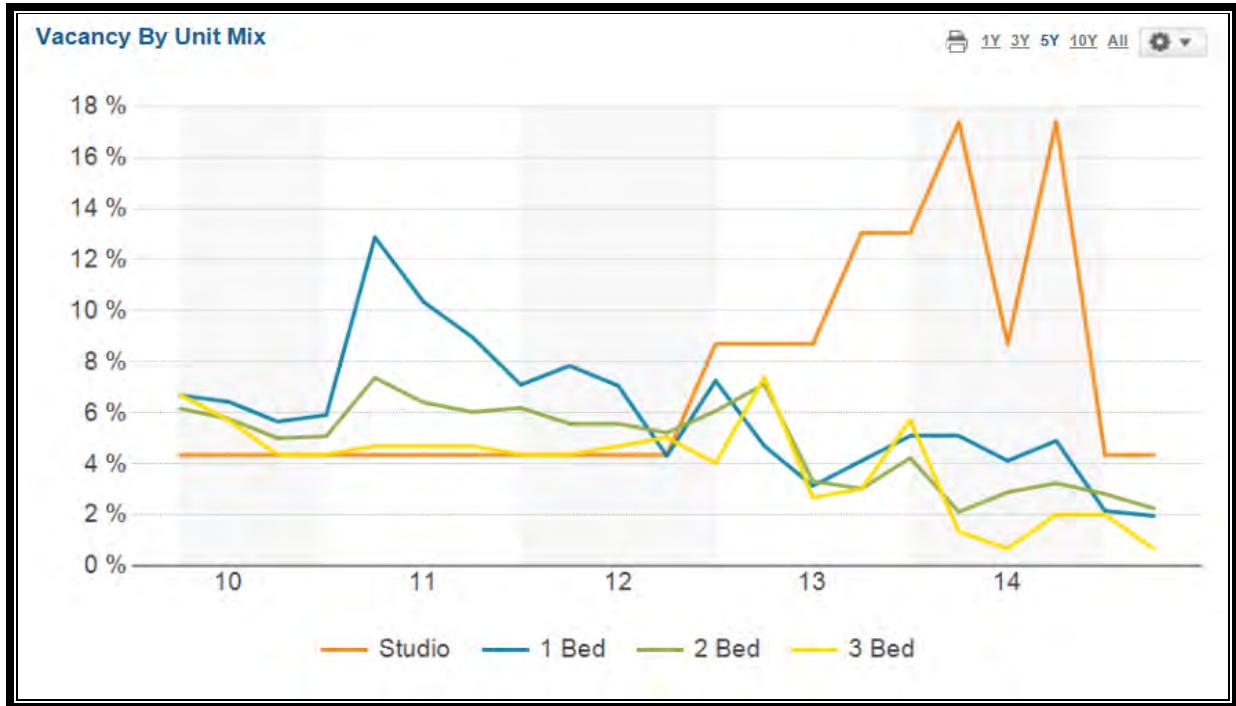
The current vacancy rate of 2.1 % is lower than the five year average of 5.1%. The current asking rental rates are higher for all unit types as compared to the five year averages and concessions are lower.

Leasing Units	Survey	5-Year Avg	Inventory in Units	Survey	5-Year Avg
Vacant Units	53	126	Existing Units	2,670	2,456
Vacancy Rate	2.1%	5.1%	12 Mo. Const. Starts	103	69
12 Mo. Absorption Units	60	70	Under Construction	103	58
			12 Mo. Deliveries	0	48
Rents	Survey	5-Year Avg	Sales	Past Year	5-Year Avg
Studio Asking Rent	\$513	\$461	Sale Price Per Unit	\$909	\$55,789
1 Bed Asking Rent	\$615	\$590	Asking Price Per Unit	\$60,000	\$17,972
2 Bed Asking Rent	\$764	\$717	Sales Volume (Mil.)	\$0.1	\$34
3+ Bed Asking Rent	\$836	\$812	Cap Rate	-	11.6%
Concessions	2.0%	2.7%			

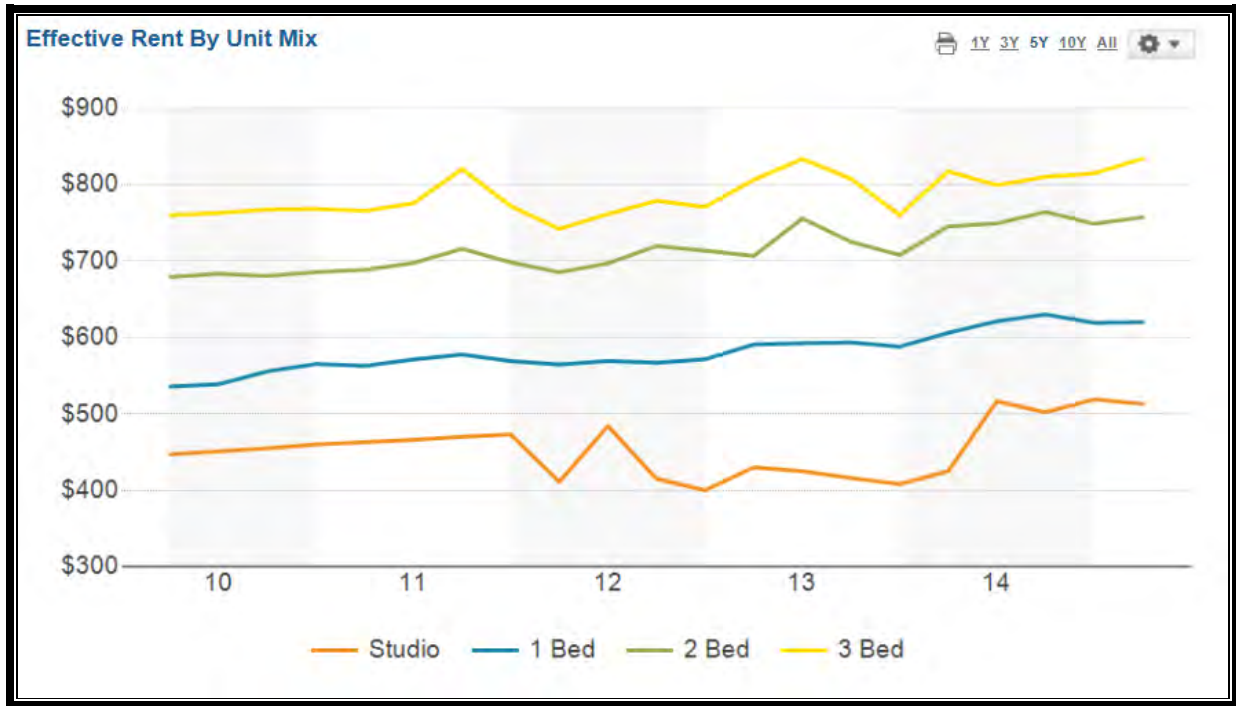


APARTMENT MARKET OVERVIEW (CONT'D)

Vacancy rates by unit type are summarized below. Vacancy rates have historically been lowest for three-bedroom units. Vacancy rates for all unit types have fallen over the past five years. Studio units vacancy rates have been the most volatile.



Effective rents (asking rents net of concessions) have increased for all unit types over the past five years on the county-level.



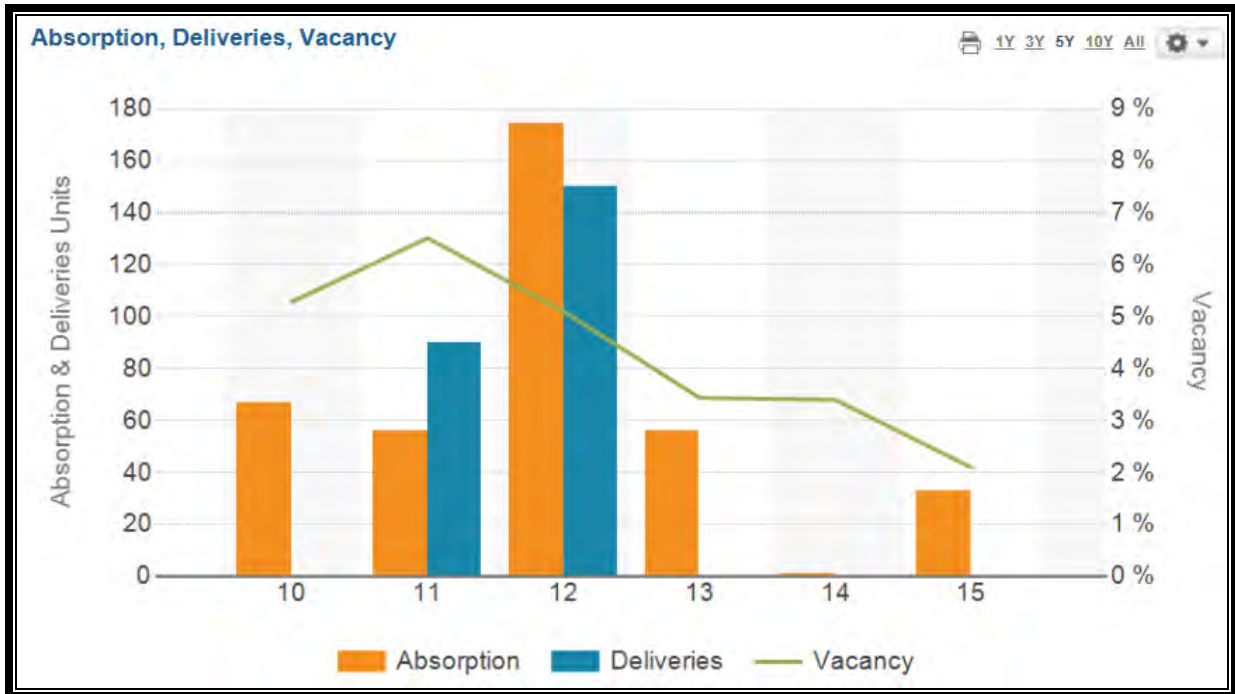
In general, occupancy rates have decreased when rents have increased sharply.



APARTMENT MARKET OVERVIEW (CONT'D)



There were no deliveries of units in 2010, 2013, 2014 and thus far in 2015. Absorption was less than deliveries in 2011 and absorption outpaced deliveries in 2012.



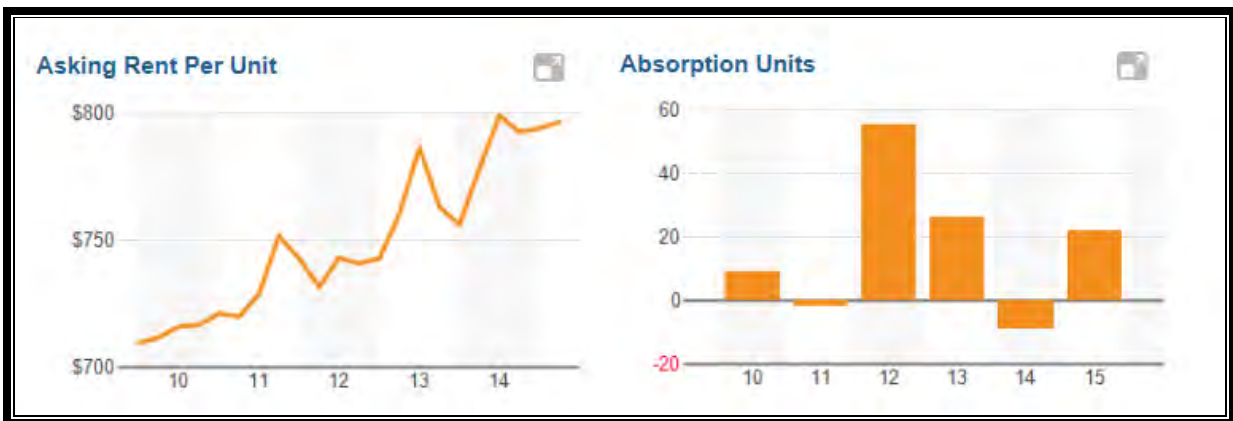
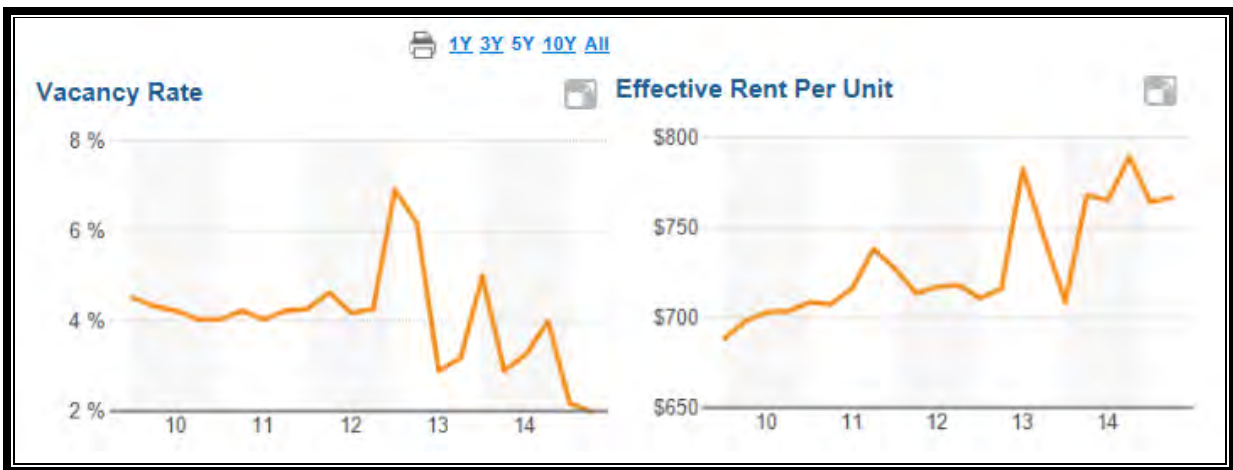
We have also provided performance summaries of the apartment market using CoStar data for the area contained within a 10-mile ring and three-mile ring centered on the subject property. These analyses include both market and affordable properties.

**10-Mile Ring**

The current vacancy rate of 2.1% is lower than the five year average of 4.5%. The current asking rental rates are higher for all unit types as compared to the five year averages; however, concessions are higher.

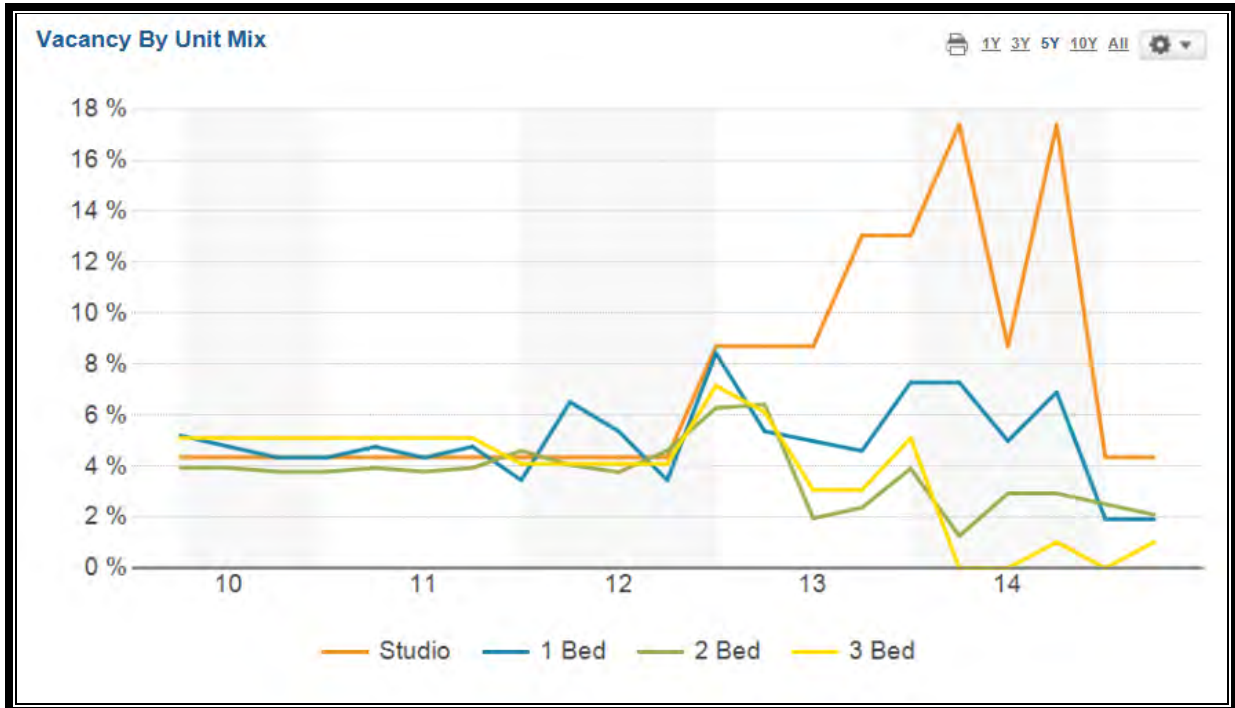
APARTMENT MARKET OVERVIEW (CONT'D)

Leasing Units	Survey	5-Year Avg	Inventory in Units	Survey	5-Year Avg
Vacant Units	27	57	Existing Units	1,396	1,272
Vacancy Rate	2.1%	4.5%	12 Mo. Const. Starts	0	14
12 Mo. Absorption Units	33	21	Under Construction	0	14
			12 Mo. Deliveries	0	14
Rents	Survey	5-Year Avg	Sales	Past Year	5-Year Avg
Studio Asking Rent	\$513	\$461	Sale Price Per Unit	\$909	\$55,789
1 Bed Asking Rent	\$588	\$568	Asking Price Per Unit	-	\$17,972
2 Bed Asking Rent	\$817	\$763	Sales Volume (Mil.)	\$0.1	\$34
3+ Bed Asking Rent	\$914	\$908	Cap Rate	-	11.6%
Concessions	3.4%	2.9%			

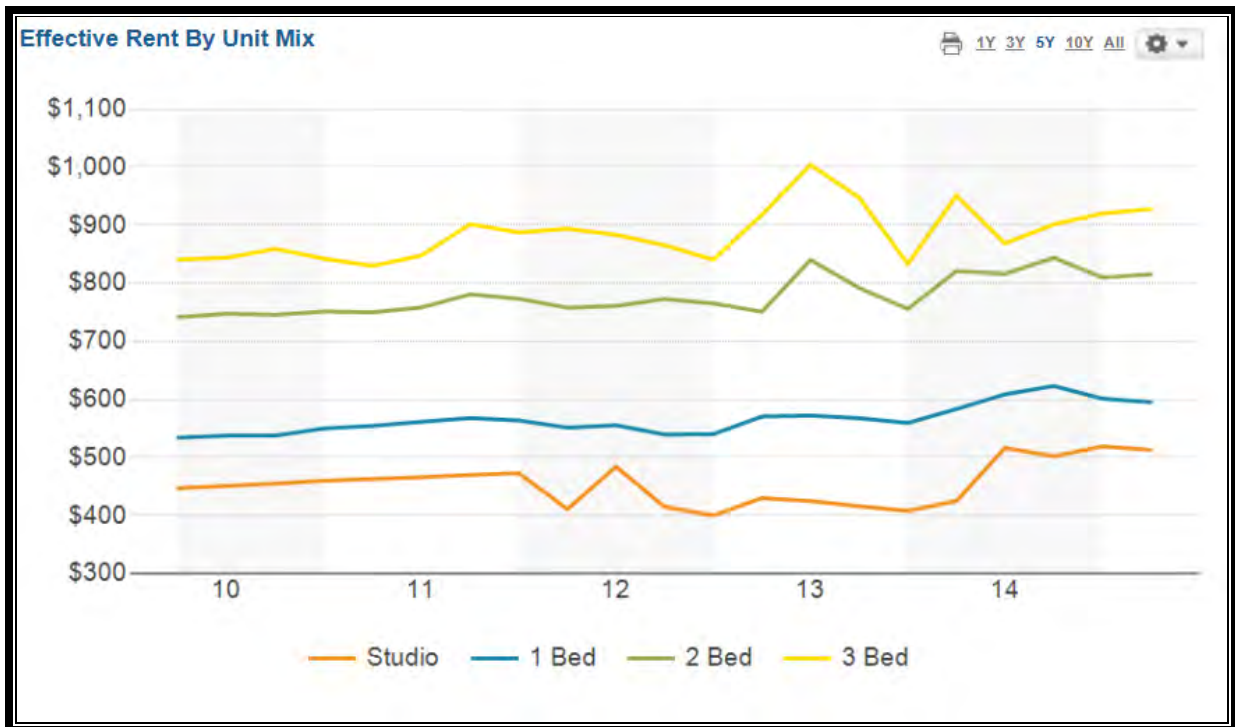


Vacancy rates by unit type are summarized on the following page. Vacancy rates have historically been lowest for two and three-bedroom units. Studio units vacancy rates have been the most volatile.

APARTMENT MARKET OVERVIEW (CONT'D)



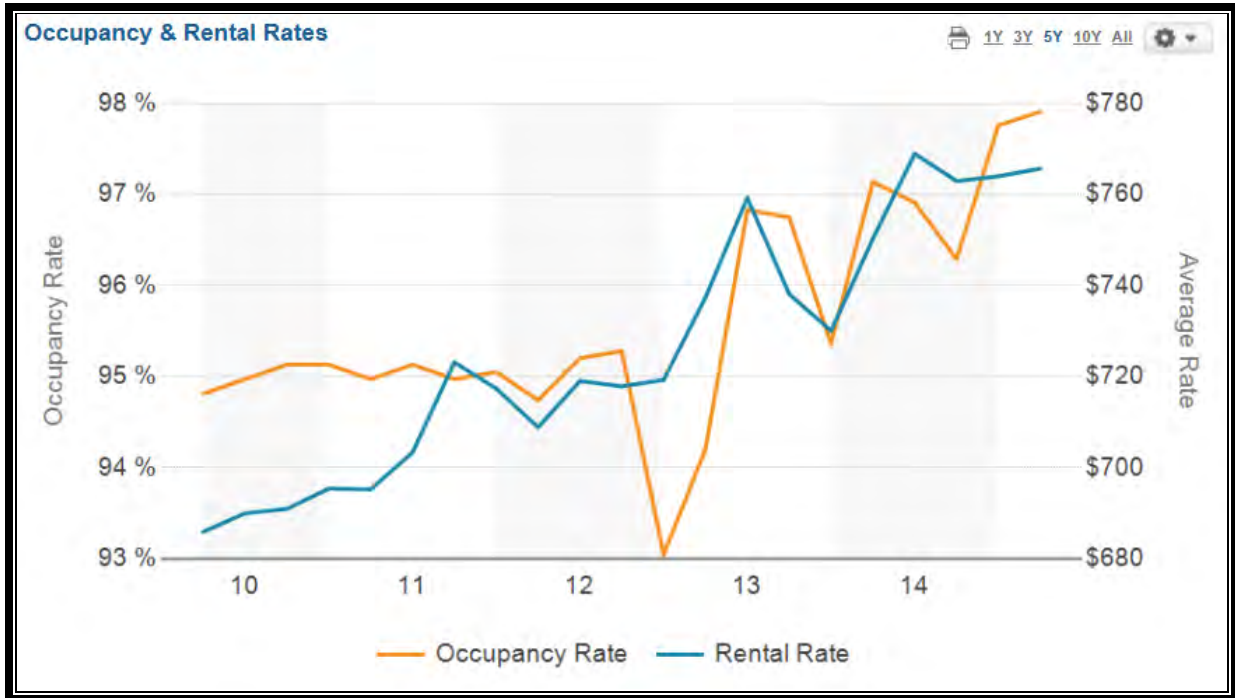
Effective rents (asking rents net of concessions) have increased for all unit types over the past five years.



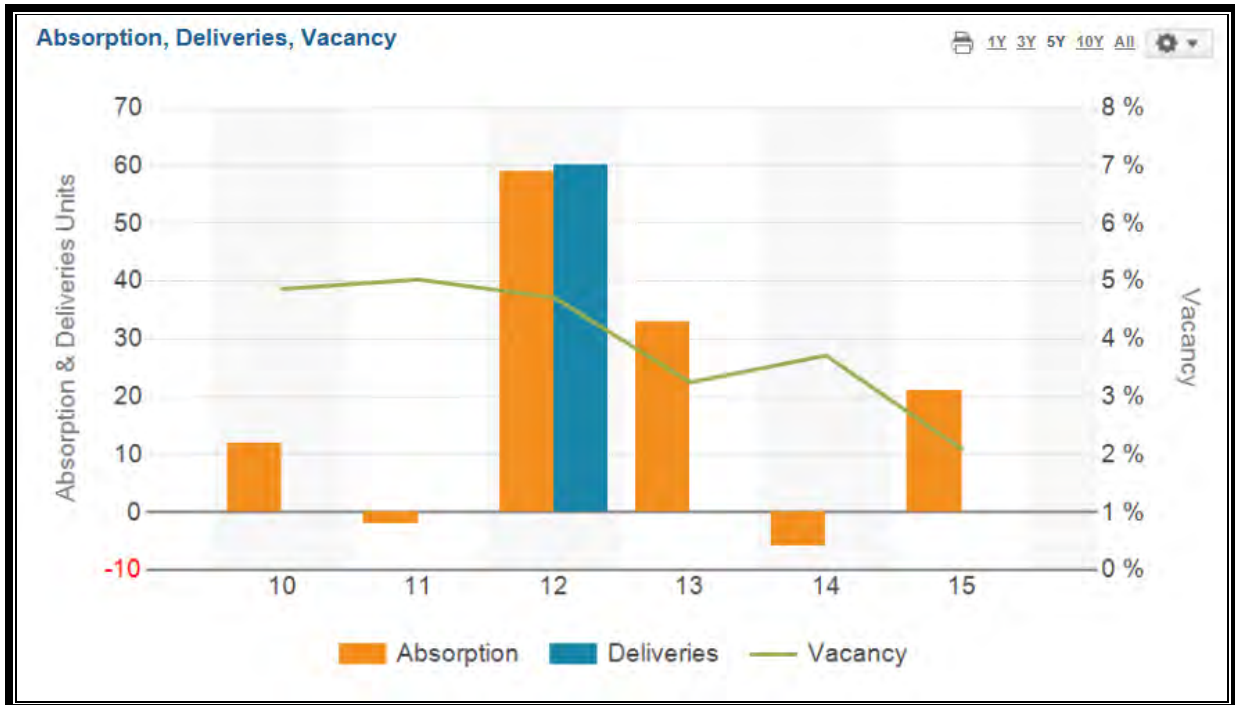
In general, rents have increased over the last five years.



APARTMENT MARKET OVERVIEW (CONT'D)



Deliveries of new units were higher than absorption in 2012, the only year there has been deliveries in the past five years. There were no deliveries in 2010, 2011, 2013, 2014 and thus far in 2015.

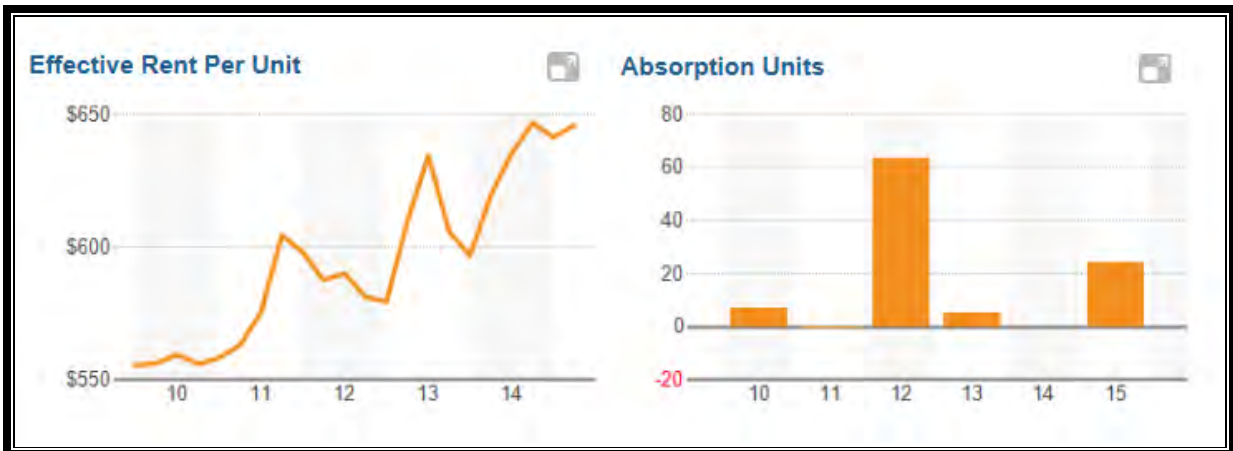
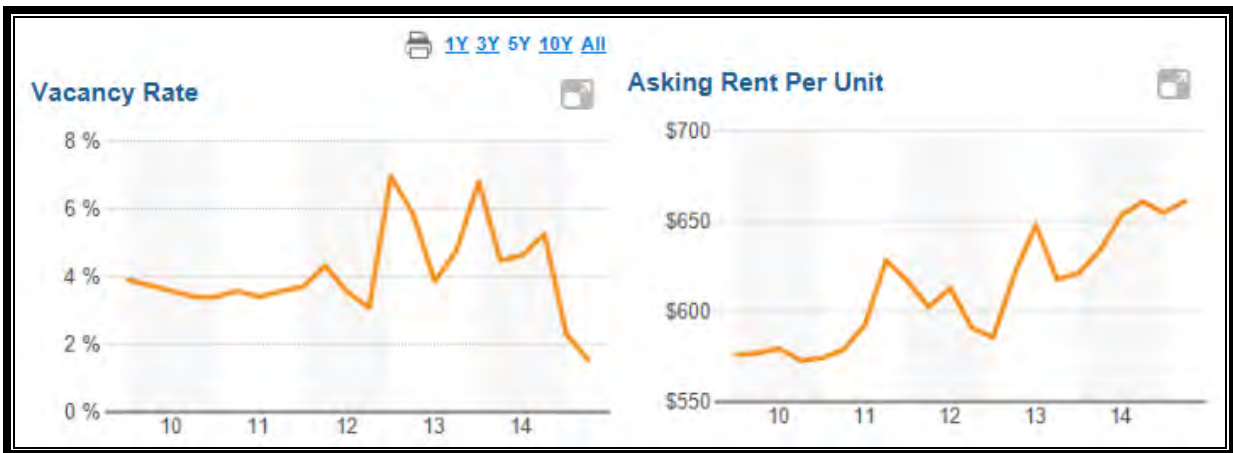


**Three-Mile Ring**

The current vacancy rate of 1.5% is lower than the five-year average of 4.3%. The current asking rental rates are higher for all unit types as compared to the five-year averages and concessions are lower. There have been no new units added in the past year within the three-mile ring.

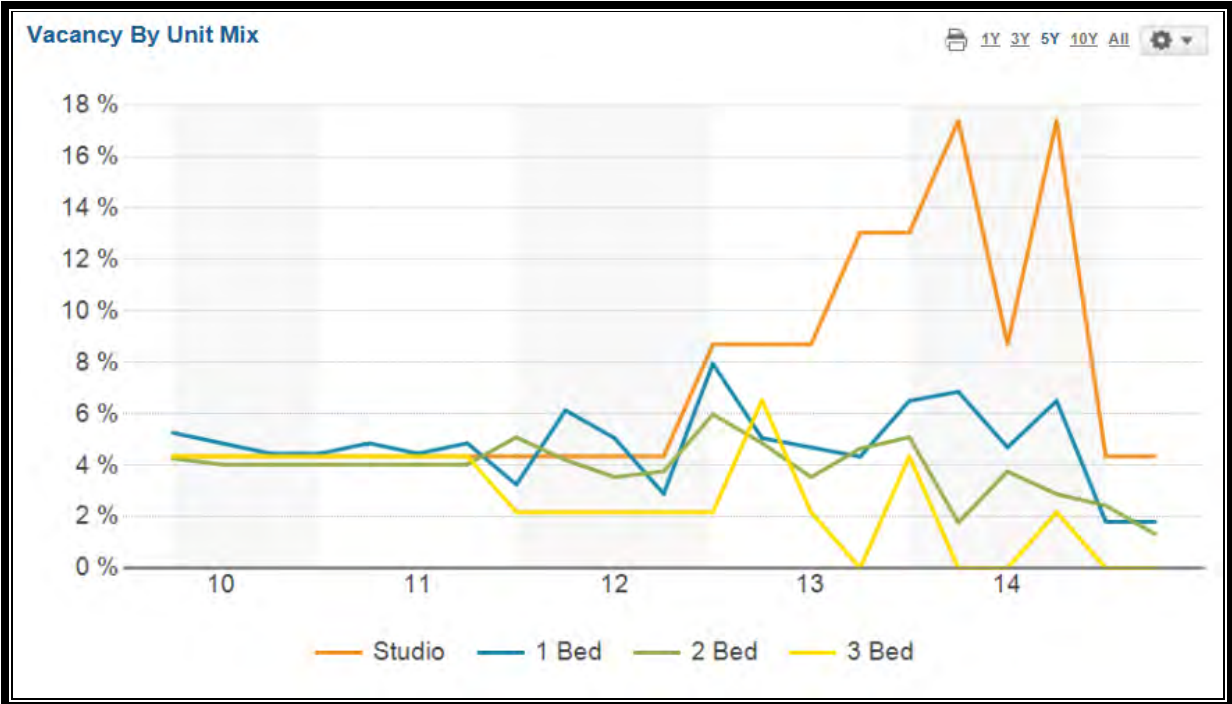
APARTMENT MARKET OVERVIEW (CONT'D)

Leasing Units	Survey	5-Year Avg	Inventory in Units	Survey	5-Year Avg
Vacant Units	12	34	Existing Units	902	778
Vacancy Rate	1.5%	4.3%	12 Mo. Const. Starts	0	14
12 Mo. Absorption Units	34	17	Under Construction	0	14
			12 Mo. Deliveries	0	14
Rents	Survey	5-Year Avg	Sales	Past Year	5-Year Avg
Studio Asking Rent	\$513	\$461	Sale Price Per Unit	\$909	\$22,533
1 Bed Asking Rent	\$582	\$559	Asking Price Per Unit	-	\$17,972
2 Bed Asking Rent	\$680	\$627	Sales Volume (Mil.)	\$0.1	\$6.7
3+ Bed Asking Rent	\$810	\$734	Cap Rate	-	16.7%
Concessions	0.4%	1.7%			

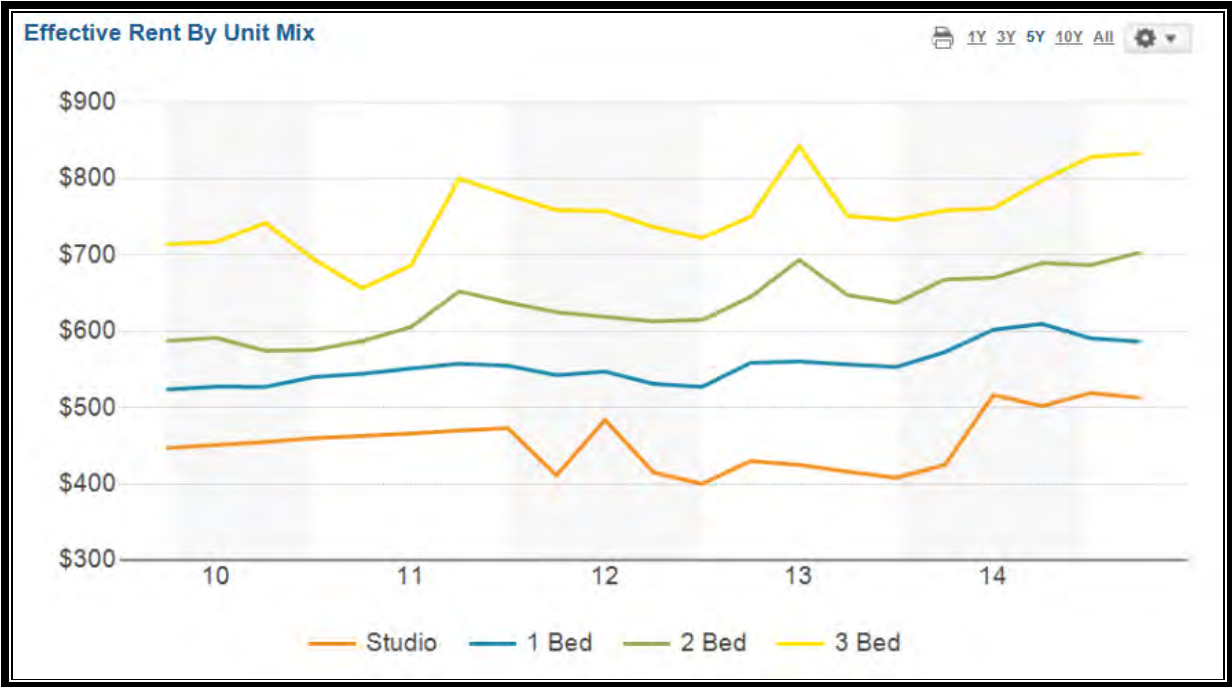


Vacancy rates by unit type are summarized on the following page. Vacancy rates have historically been lowest for three-bedroom units in the three-mile ring. Studio units have been the most volatile.

APARTMENT MARKET OVERVIEW (CONT'D)

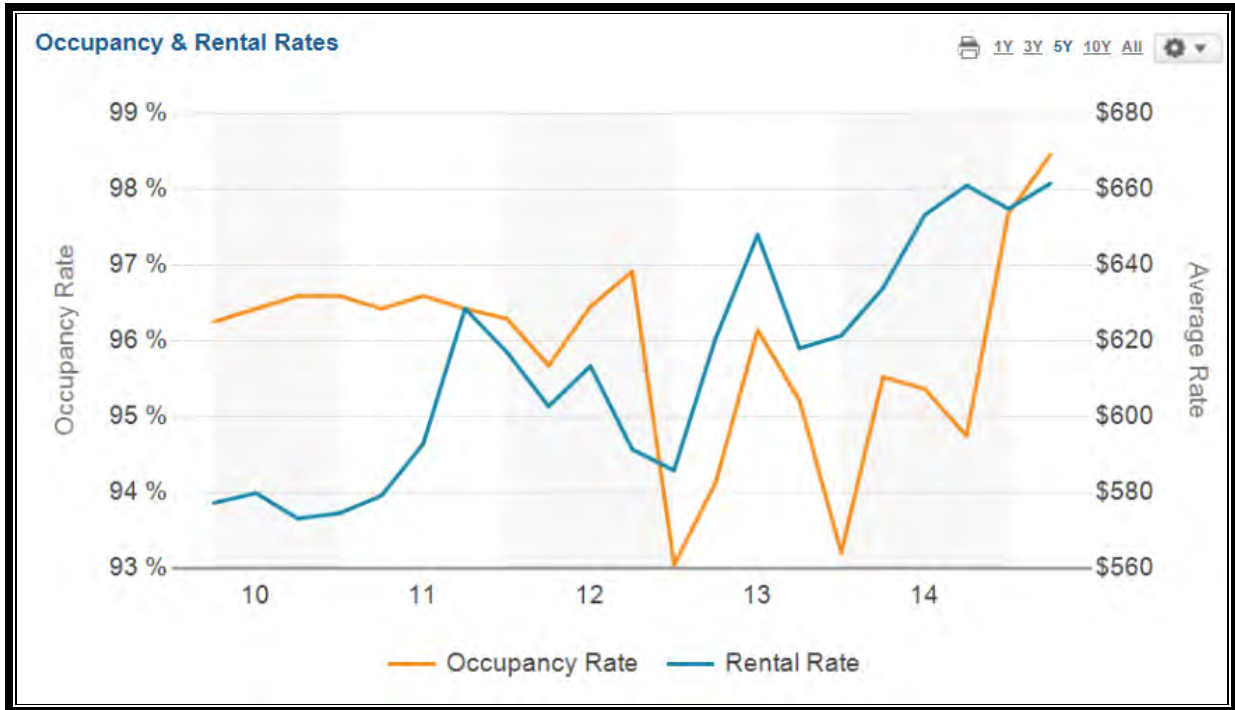


Effective rents (asking rents net of concessions) have increased for all unit types except three-bedroom units over the past five years.

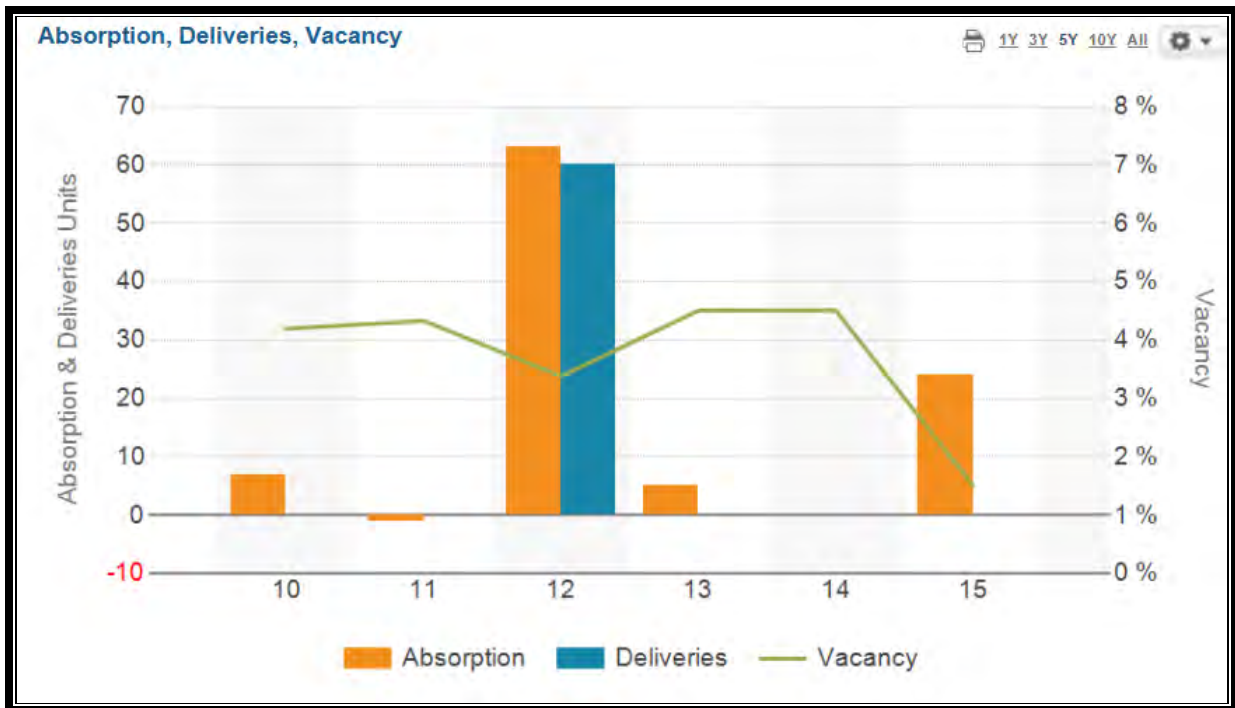


In general, rents have increased over the last five years.

APARTMENT MARKET OVERVIEW (CONT'D)



There have been no deliveries of new units since 2012 within the three-mile ring. Negative absorption occurred in 2011 but have been positive every other year and thus far in 2015.



**Comparison of the County, 10-Mile and Three-Mile Rings**

The 10-mile ring contains 52.3% of the county's inventory and the three-mile ring contains 33.8%. The 10-mile ring and the three-mile ring do not have any units under construction. The County, 10-mile ring and the three-mile ring have had no deliveries over the past 12 months. The vacancy rate is lowest at the three-mile level and the highest at the county/10-mile level. The absorption on the county level is the highest but is positive at all levels with the lowest in the 10-mile level. The studio units have the same asking rate at the county, 10-mile and three-mile level. The one-bedroom units have the highest asking rental rate at the county level. The two

APARTMENT MARKET OVERVIEW (CONT'D)

and three-bedroom asking rents are highest on the 10-mile level. We reviewed the list of all properties in the three-mile ring and most were built in the 1980's. The concessions rate is lowest in the three-mile ring and highest at the county level.

Comparison			
AREA	COUNTY	10-MILE RING	3-MILE RING
Existing Units	2,670	1,396	902
Under Construction	103	0	0
12 Mo. Deliveries	0	0	0
Vacancy Rate	2.1%	2.1%	1.5%
12 Mo. Absorption	60	33	34
Studio Asking Rents	\$513	\$513	\$513
1 BR Asking Rent	\$615	\$588	\$582
2 BR Asking Rent	\$764	\$817	\$680
3+ BR Asking Rent	\$836	\$914	\$810
Concessions	2.00%	3.40%	0.40%
<b>Source: CoStar</b>			

**Planned and New Apartment Development**

The following summarizes affordable properties that have applied for funding in the 2014 cycle in Hernando County.

**Cypress View**, Spring Hill, 92 elderly units, new construction

**Village Point**, Unincorporated Hernando County, 106 family units, new construction

**Vista Park**, Unincorporated Hernando County, 100 family units, new construction

Only Vista Park was funded.

**Current Occupancy, Household Distribution and Cost-Burden Data by Unit Type**

We have provided more in-depth information on a sampling of affordable projects operating under FHFC and/or other affordable housing programs (including properties with rent-assisted units) regarding occupancy by unit type, distribution of households by unit type, and cost burden by household size and unit type. This data was compiled by Meridian Appraisal Group, Inc. in 2014; it is based on 1,257 units within Hernando County:



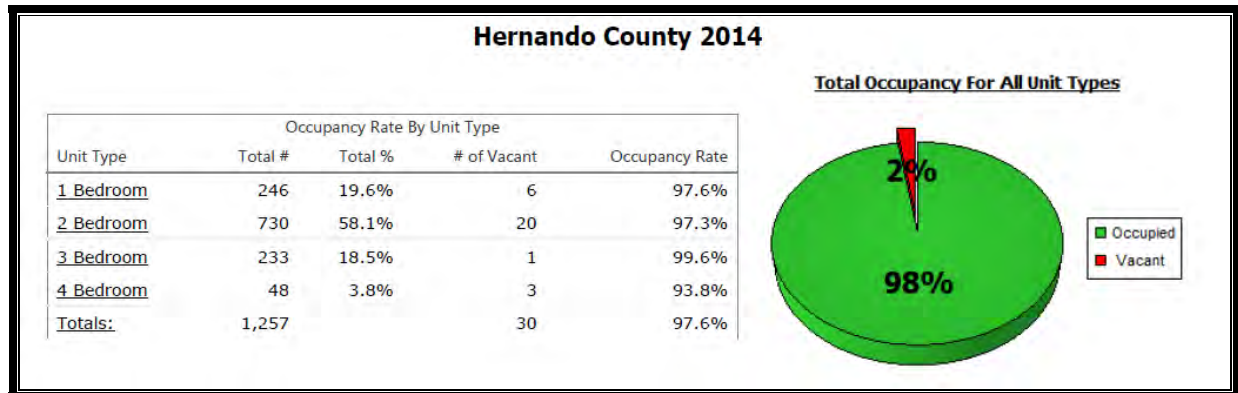
APARTMENT MARKET OVERVIEW (CONT'D)

Development Report
Development Name
<a href="#">Bridgewater Club</a>
<a href="#">Brook Haven</a>
<a href="#">Madison Reserve</a>
<a href="#">Magnolia Gardens</a>
<a href="#">Mariners Cay</a>
<a href="#">Nantucket Cove Apartments</a>
<a href="#">NORBOURNE ESTATES</a>
<a href="#">NORBOURNE ESTATES II</a>
<a href="#">Portillo Apartments</a>
<a href="#">Spring Haven</a>
<a href="#">Spring Haven II</a>
<a href="#">Villas of Shady Oaks Apts.</a>
<a href="#">Vista Grand at Spring Hill</a>

The following discussions and graphics are specific to these projects.

**Occupancy by Unit Type**

The overall occupancy for the above-cited sampling of projects was 97.6%. Occupancies by unit type range from 93.8% (four-bedroom units) to 99.6% (three-bedroom units). Two-bedroom units have the largest proportion of units (58.1%).

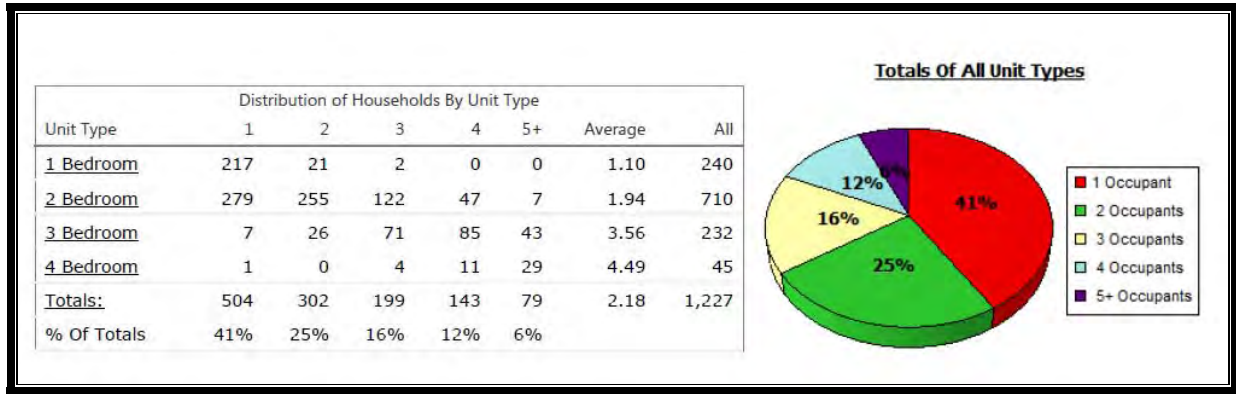


**Distribution of Households by Unit Type**

Although two-bedroom units are the most common unit type, most households have one (41%) or two (25%) occupants. Only 6% of the households have five or more occupants. Notably, a significant number of smaller households rent larger units. For example, one would expect two-bedroom units to be occupied primarily by households with two or more people; however, the data indicates that about 39% of these occupied units are occupied by one-person households.

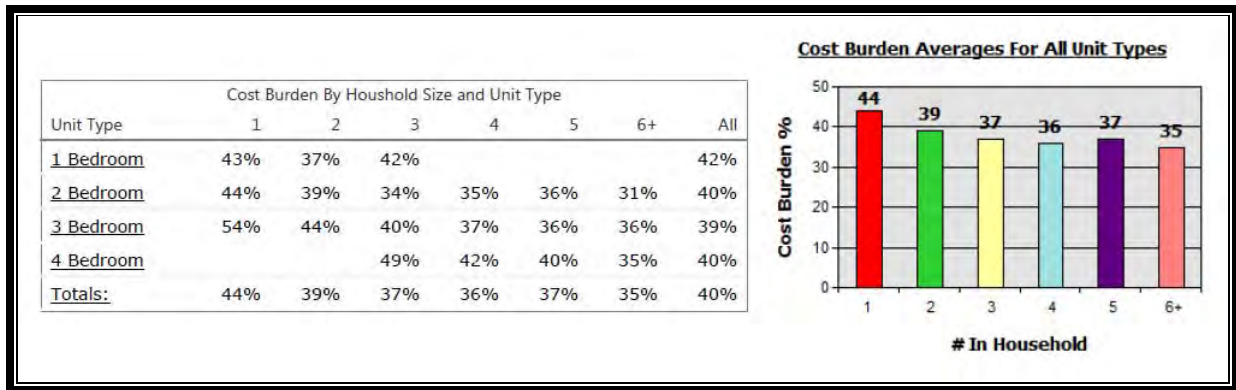


APARTMENT MARKET OVERVIEW (CONT'D)



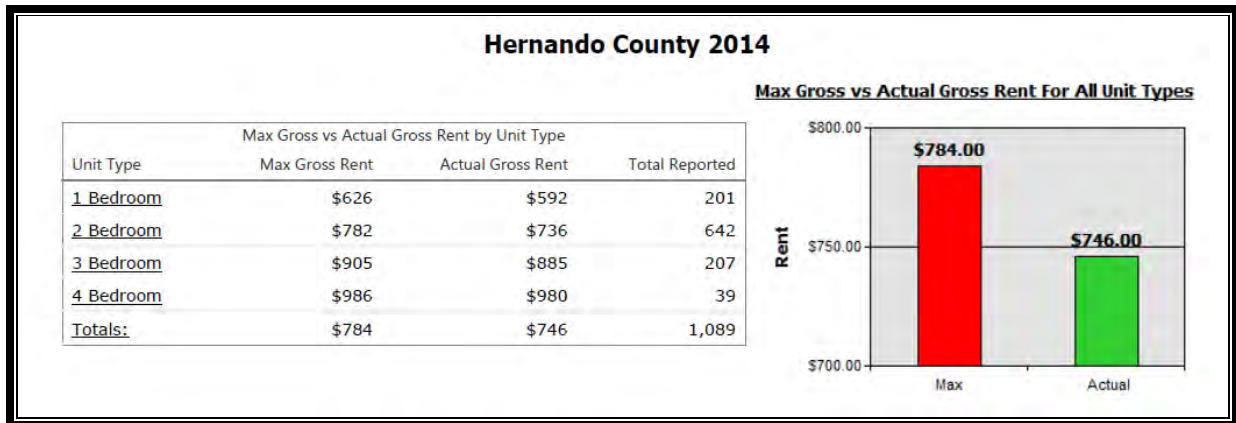
**Cost Burden by Household Size and Unit Type**

As a result of the smaller households renting larger units noted above, the cost-burden is generally highest for smaller households renting larger units. The overall cost-burden ratio for all of the projects is 40%, indicating that, on average, 40% of the household income is spent on housing expenses (rent plus utilities). In general, the cost-burden decreases as the size of the household increases, with the highest cost-burden found in one-person households and the lowest in large households. In the subject county, there is a fairly wide range of cost-burdens, from 35% to 44%.



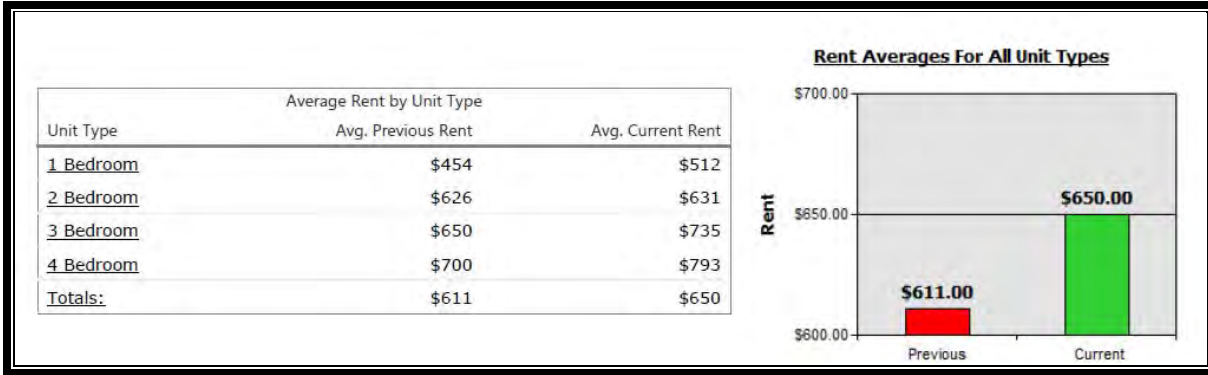
**Rent Analyses**

The average actual gross rent for all unit types is \$746, or \$38 lower than the maximum gross rent; the actual rents are lower than the maximum rents for all unit types.

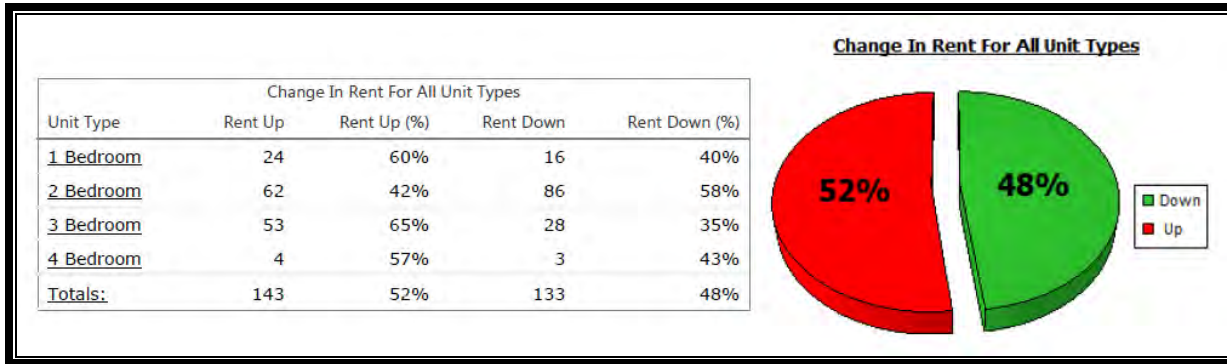


The data indicates that, on average, tenants paid \$39 more for rent after moving into affordable housing, presumably with newer, better quality improvements and amenities.

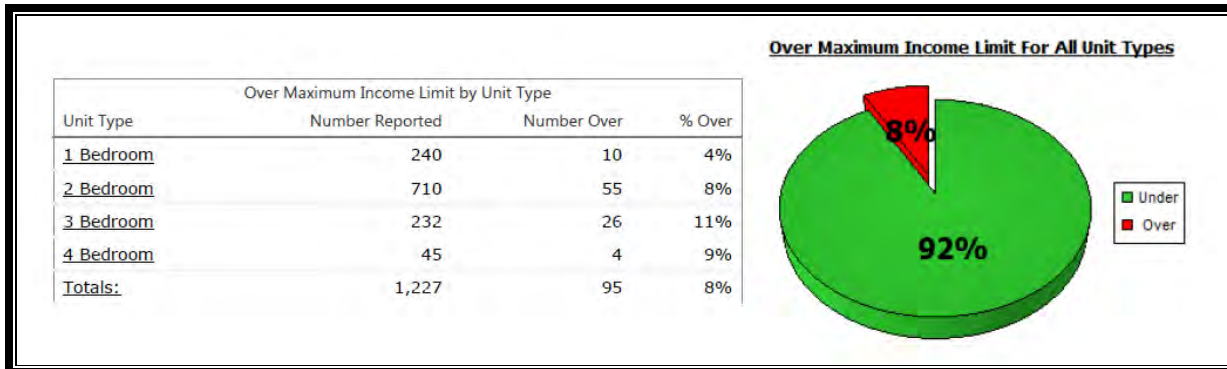
APARTMENT MARKET OVERVIEW (CONT'D)



Approximately 52% of units had rent increases, while 48% experienced a decrease.



Approximately 92% of tenants are under the maximum income limits for all unit types.



**Conclusion**

The apartment market within Hernando County consists of a wide variety of unit types ranging from older subsidized housing, older market rate projects to newer affordable projects, and upscale market rate projects. Occupancy rates in Hernando County and in the 10 and three-mile rings from the subject are at higher levels than the average of the past five years. The studio units have the same asking rate at the county, 10-mile and three-mile level. The one-bedroom units have the highest asking rental rate at the county level. The two and three-bedroom asking rents are highest on the 10-mile level.

## DEMOGRAPHIC INFORMATION

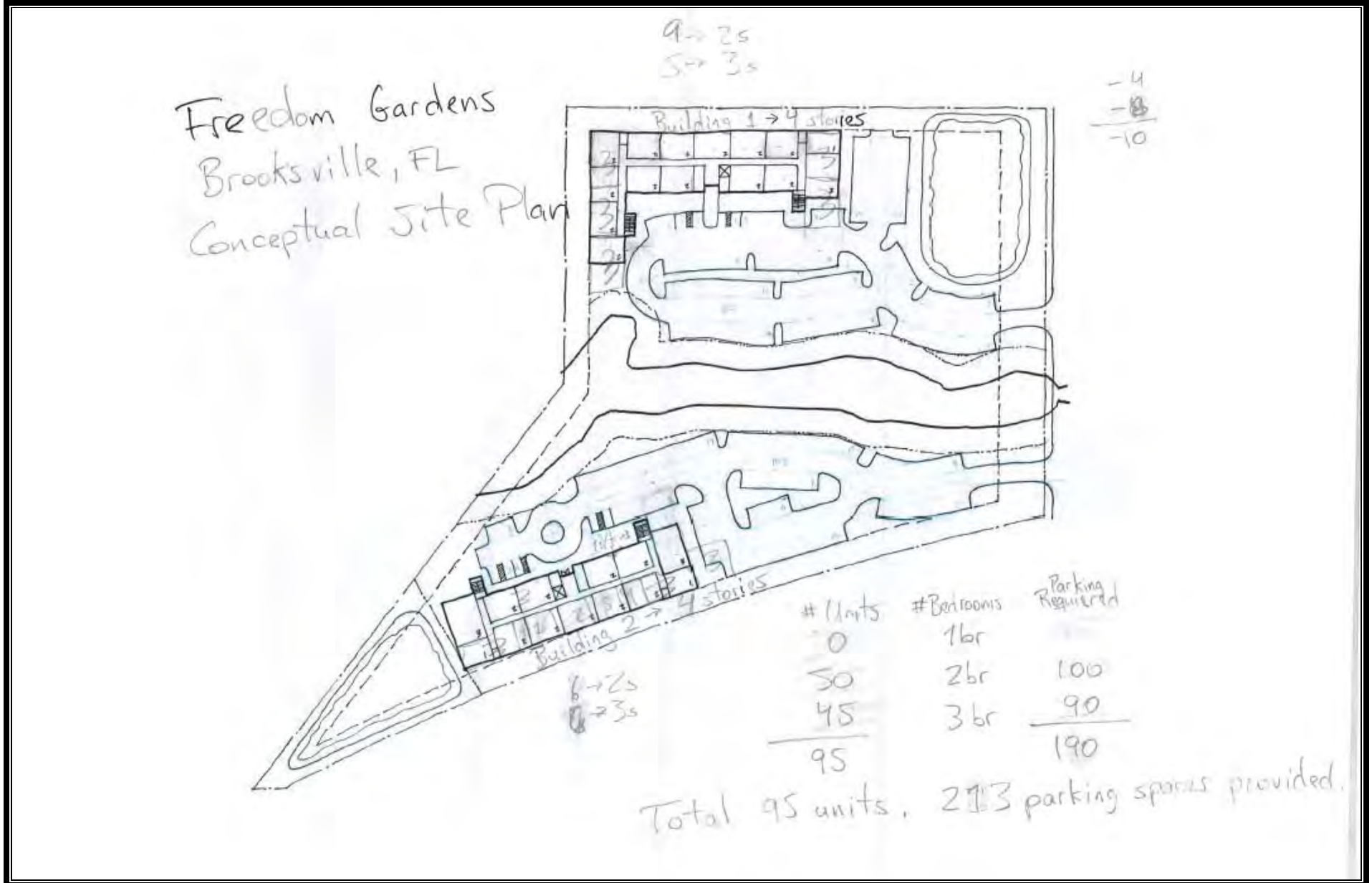
Below is a summary of the subject's demographics from *Costar* in the one-mile, three-mile and five-mile radius.

<b>Population</b>	<b>1 Mile</b>	<b>3 Mile</b>	<b>5 Mile</b>
2014 Total Population:	<b>3,803</b>	<b>12,943</b>	<b>21,409</b>
2019 Population:	<b>3,855</b>	<b>13,059</b>	<b>21,479</b>
Pop Growth 2014-2019:	<b>1.37%</b>	<b>0.90%</b>	<b>0.33%</b>
Average Age:	<b>41.80</b>	<b>44.70</b>	<b>44.70</b>
<b>Households</b>			
2014 Total Households:	<b>1,632</b>	<b>5,662</b>	<b>9,128</b>
HH Growth 2014-2019:	<b>1.41%</b>	<b>0.90%</b>	<b>0.37%</b>
Median Household Inc:	<b>\$26,625</b>	<b>\$29,247</b>	<b>\$32,207</b>
Avg Household Size:	<b>2.20</b>	<b>2.20</b>	<b>2.30</b>
2014 Avg HH Vehicles:	<b>1.00</b>	<b>1.00</b>	<b>2.00</b>
<b>Housing</b>			
Median Home Value:	<b>\$68,947</b>	<b>\$71,607</b>	<b>\$82,906</b>
Median Year Built:	<b>1978</b>	<b>1979</b>	<b>1981</b>

Below is more detailed information for the subject's demographics from *Costar* in the one-mile, three-mile and five-mile radius. The population is expected to grow moderately from 2014 to 2019 on all levels. The information below indicates that 44% of households in the one-mile ring, 34% of households in the three-mile ring and 27% of households in the five-mile ring are renter occupied.

<b>Radius</b>	<b>1 Mile</b>	<b>3 Mile</b>	<b>5 Mile</b>
<b>Population:</b>			
2019 Projection	3,855	13,059	21,479
2014 Estimate	3,803	12,943	21,409
2010 Census	3,695	12,762	21,477
Growth 2014-2019	1.37%	0.90%	0.33%
Growth 2010-2014	2.92%	1.42%	(0.32%)
2014 Population Hispanic Origin	255	805	1,326
<b>2014 Population by Race:</b>			
White	2,376	10,451	18,408
Black	1,309	2,124	2,426
Am. Indian & Alaskan	19	52	84
Asian	28	106	175
Hawaiian & Pacific Island	4	10	14
Other	68	199	301
<b>Households:</b>			
2019 Projection	1,655	5,713	9,162
2014 Estimate	1,632	5,662	9,128
2010 Census	1,578	5,577	9,140
Growth 2014 - 2019	1.41%	0.90%	0.37%
Growth 2010 - 2014	3.50%	0.29%	(1.56%)
Owner Occupied	917	3,716	6,615
Renter Occupied	715	1,947	2,513
<b>2014 Avg Household Income</b>	<b>\$30,070</b>	<b>\$37,259</b>	<b>\$44,176</b>
<b>2014 Med Household Income</b>	<b>\$26,625</b>	<b>\$29,247</b>	<b>\$32,207</b>
<b>2014 Households by Household Inc:</b>			
<\$25,000	763	2,430	3,568
\$25,000 - \$50,000	649	2,038	2,976
\$50,000 - \$75,000	143	687	1,189
\$75,000 - \$100,000	58	328	805
\$100,000 - \$125,000	13	64	263
\$125,000 - \$150,000	6	38	120
\$150,000 - \$200,000	0	26	56
\$200,000+	0	51	149

SITE PLAN





AERIAL



THE SUBJECT SITE IS THE ORANGE HIGHLIGHTED SITE AND THE RED OUTLINED AREA INCLUDES THE SUBJECT SITE AND THE THREE TO FIVE ADDITIONAL ACRES THAT WILL BE CARVED OUT OF THE ADJACENT TRACT FOR ACCESS AND AMENITIES

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## SITE ANALYSIS

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### Location

The subject property is located on the west side of South Main Street, north of the intersection of Cortez Boulevard (State Road 50) and South Main Street in Brooksville, Florida.

### Access/Exposure

The subject's site plan indicates that the site is bisected by a seasonal creek and there will only be pedestrian access planned over it. The subject property is planned to have two access points on the west side of South Main Street and one from Cortez Boulevard. The tenant access to the amenities is not ideal and dry creek with pedestrian access only creates logistical issues. It appears no other access is available based on the current site plan; therefore, we have concluded that the subject property has poor access. The subject has average exposure.

### Area and Dimensions

According to the survey provided, the subject site contains about 300,564 square feet, or 6.90 acres; however, a representative of the subject developer has indicated that three to five acres of the west adjacent tract will be carved out to hold the subject's amenities including the clubhouse and pool. The three to five acres will also add access from Cortez Boulevard. The site is irregular in shape. The subject site has about 300' of frontage along the west side of South Main Street.

### Topography and Drainage

The subject's topography appears to be below road grade of South Main Street. Drainage appears to be adequate. We observed no apparent drainage problems when we inspected the subject site. According to the site plan there is a seasonal creek which bisects the subject site. However, we assume no responsibility for hidden or unapparent conditions beyond our expertise as appraisers.

### Soil Conditions/Types

A visual inspection by the appraisers of the soil revealed no apparent adverse conditions. We assume no responsibility for hidden or unapparent conditions beyond our expertise as appraisers.

### Utilities and Services

The following utilities providers serve the subject site. Water and sewer are available to the area.

Water	City of Brooksville
Sewer	City of Brooksville
Electricity	Duke Energy
Police	City of Brooksville
Fire/Rescue	City of Brooksville

### Easements and Encroachments

We are not aware of any atypical easements or encroachments encumbering the subject that would impede development. We reserve the right to revise our report accordingly should it be found that any atypical easements or encroachments exist on the subject site.

### Hazardous or Toxic Materials

No hazardous or toxic materials were observed and none came to our attention during our physical property inspection. Please refer to Item 12 of the "*General Assumptions*" of this report for a full disclaimer. We were not provided with a Phase I Environmental Site Assessment for the subject site.

### Surrounding Land Uses

To the north is multi-family development, the south is vacant land, to the east is industrial development and vacant land and to the west is vacant land and single family residential.



SITE ANALYSIS (CONT'D)

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**Conclusion**

The subject site is of a size and configuration that appears to be marginally suited for rental apartments. Overall, exposure is considered to be average for multi-family purposes. The subject site is bisected by a dry creek with only a pedestrian bridge planned to cross it which creates logistical issues for the tenants' access to the amenities. Based on the subject's site plan we have concluded that the subject property has poor access. The location of the site is central to neighborhood shopping, employment and healthcare facilities. All necessary utilities and services are available to the site to support the proposed development. Based on these investigations, we are of the opinion that the subject site is marginally suitable for apartment development based on its current site plan.

IMPROVEMENT ANALYSIS

The following data is based on the preceding site plan and information provided by the developer.

**Type and Size**

The subject will consist of 95 apartment units within two, four-story apartment buildings with surface parking.

The following is the subject's unit mix.

Unit Type	Set Aside	# Of Units	Unit Size (S.F.)	Total S.F.
1/1	40% AMI	1	620	620
1/1	60% AMI	7	620	4,340
2/2	40% AMI	8	920	7,360
2/2	60% AMI	68	920	62,560
3/2	40% AMI	1	1,100	1,100
3/2	60% AMI	10	1,100	11,000
<b>Total/Avg.</b>		<b>95</b>	<b>916</b>	<b>86,980</b>

The total rentable area within the units is 86,980 square feet, resulting in an average unit size of 916 square feet. The indicated density is 13.77 units per acre.

Common area amenities will include clubhouse, swimming pool, playground, fitness center, sand volleyball court and one elevator in each building. The common area amenities are to be located on the three to five acre site to carved out of the west adjacent parcel.

Unit amenities will include refrigerator, oven/range, dishwasher, microwave, garbage disposal, blinds, ceiling fans and washer/dryer connections. The subject property will have a mix of tile and simulated wood throughout the units with carpet in the bedrooms. The countertops will be laminate.

**Construction Details**

Based upon information provided by the subject developer and typical apartment projects, the subject's construction details are as follows:

<b>Exterior Walls:</b>	Hardiboard Siding
<b>Windows:</b>	Aluminum Windows
<b>Roof:</b>	Hip Roof
<b>Partitions:</b>	Gypsum Board
<b>Party Wall:</b>	One-hour rated firewall between units
<b>Lighting:</b>	Fluorescent and Incandescent
<b>Heat &amp; Air Conditioning:</b>	HVAC
<b>Flooring:</b>	Carpet, Tile and Vinyl Plank
<b>Laundry:</b>	Washer/Dryer Connections
<b>Other:</b>	One Elevator in Each Building

**General Layout and Efficiency**

The subject's general design (four-story with elevators) is not consistent with other neighborhood properties. The subject's unit mix is atypical of comparable properties due to the lack of traditional one-bedroom units, or three-bedroom units.

**Age and General Condition**

The physical condition of the improvements will be new upon completion. The economic life of the improvements is estimated at 50 years.

IMPROVEMENT ANALYSIS (CONT'D)

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**Construction Quality**

We estimate that the subject apartment buildings are Good quality, Class D multi-family buildings per the *Marshall Valuation Service* definition. Interior finish is Good quality.

**Site Improvements**

The property will have property signage, concrete curbing, adequate lighting, and typical landscaping with irrigation. All utility services are within the area and should adequately service the subject. A total of 200 parking spaces (about 2.11 spaces per unit) will be provided. We have assumed that the subject's site plan will be approved.

**Personal Property**

Personal property typically included in apartment projects consists of the appliances in each unit, mini-blinds and/or vertical blinds in each unit, clubhouse/common area furnishings and equipment, and other similar items.

**Conclusion**

The subject is planned to be a two building, four-story, mid-rise style apartment project with one, two and three-bedroom units. The subject's unit mix breakdown is not optimal for the area given due to the high percentage of two-bedroom units and the low percentage of one-bedroom units. The subject project is planned to contain typical common amenities. The proposed improvements of four-story buildings with elevators appear to be out of characteristic for the neighborhood. A garden apartment design is much more suitable to the area. Based on the apartment market in the subject area we are of the opinion that the proposed improvements are atypical and not optimal for their use as affordable apartments for the general population (families).

MARKET RENTAL RATE ANALYSIS

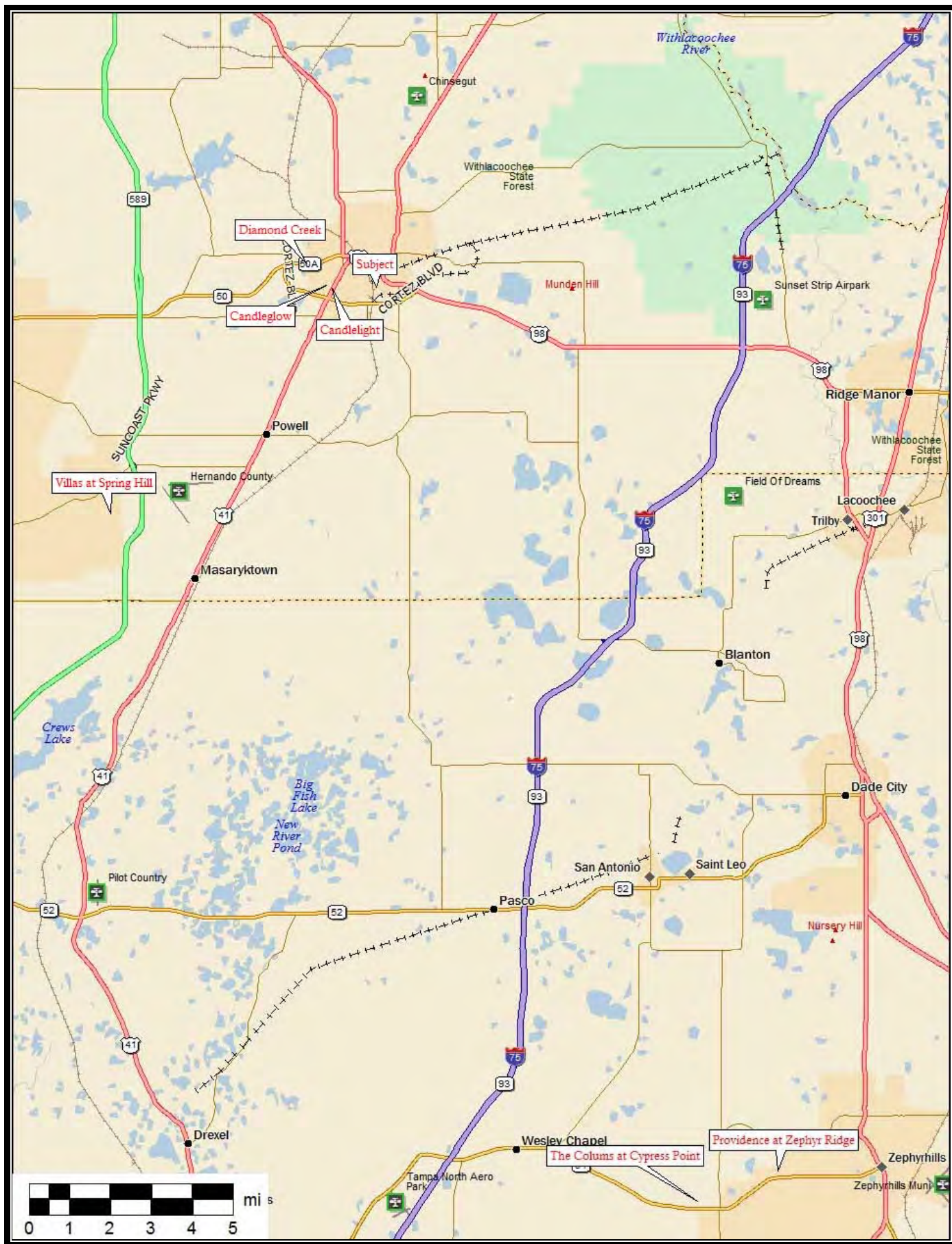
**Market Rental Rate Estimate**

The subject's location in Brooksville which has an ample supply of market rate apartments. We included six properties that are in the competitive market area.

<b>Occupancy - Market Comps</b>						
<b>City</b>	<b>Apartment Project</b>	<b>Type</b>	<b># Units</b>	<b>Year Built</b>	<b>Occupancy</b>	<b># Occupied</b>
<b>Stabilized Projects</b>						
Brooksville	Candlelight	Market	111	1982	92%	102
Brooksville	Candleglow Apartments	Market	152	1987	97%	148
Brooksville	Diamond Creek	Market	34	1984	100%	34
Spring Hill	Villas at Spring Hill	Market	140	2008	98%	137
Zephyrhills	Providence at Zephyr Ridge	Market	208	2010	99%	205
Wesley Chapel	Columns at Cypress Point	Market	294	2008	95%	279
<b>Projects in Lease-up, Under Construction, Confidential, or Unwilling to Participate in Survey</b>						
N/A						
Total Units			939			905
Less: Confidential Occupancy or Unstabilized Occupancies			0			0
Total Stabilized Units Responding to Survey			939			905
Overall Occupancy Rate (Stabilized Projects)			939		96%	905
Average Project Size			157			
Average Age			1997			
Source: Meridian Appraisal Group, Inc. field survey				Apr-15		
Note: The year built for projects with multiple phases is the date of the first phase. The date of rehabilitated projects is the original year built.						

All of comparables are operating at stabilized occupancy ranging from 92% to 100%, with a weighted average of 96%. The comparables listed above are analyzed in the following estimation of the subject's market rents.

### MARKET RENT COMPARABLES MAP

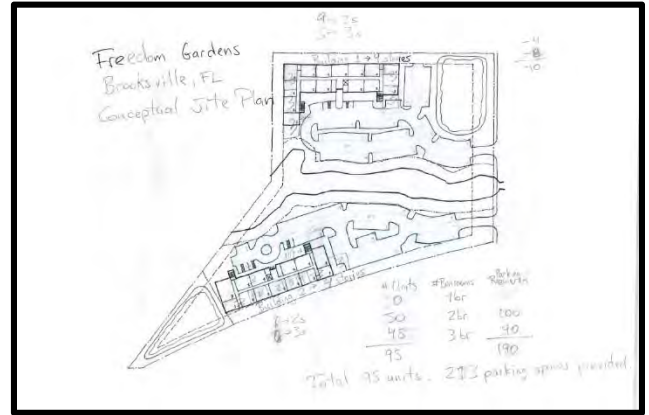




**SUBJECT AT MARKET RENTAL RATES**

**LOCATION DATA**

**Record Number:** N/A  
**Market Type:** Affordable  
**Property Name:** Freedom Gardens  
**Address:** South Main Street  
 Brooksville, Hernando County  
 FL 34601  
**Long/Lat:** W 82.38856/N 28.541845  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R27 422 19 0000 0410 0010



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Wood Frame  
**Year Built:** 2016  
**Number of Units:** 95  
**Condition:** Good  
**Date Surveyed:** May 1, 2015  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 4  
**Number of Buildings:** 2  
**Parking:** N/A  
**Garages:** None  
**Occupancy:** 95%  
**Concessions:** None  
**Rental Premiums:** None  
**Utilities Included:** Trash, Pest  
**Project Amenities:** Outdoor Pools (1), Exercise  
 Fitness, Club House, Laundry,  
 Playground, Volleyball Court

**Unit Features:** Ceiling Fans, Microwaves, W/D Hookups

UNIT MIX				
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF
'1/1	8	620	\$740	\$1.19
'2/2	76	920	\$870	\$0.95
'3/2	11	1,100	\$1,020	\$0.93
<b>Averages</b>	<b>95</b>	<b>916</b>	<b>\$876</b>	<b>\$0.96</b>

**COMMENTS**

None.

MARKET RENT COMPARABLE NO. 1

**LOCATION DATA**

**Record Number:** 799  
**Market Type:** Market  
**Property Name:** Candlelight  
**Address:** 965 Candlelight Boulevard  
 Brooksville, Hernando County  
 FL 34601  
**Long/Lat:** W82.405180/N28.543930  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R28 422 19 0000 0060 0100



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Modular  
**Year Built:** 1982  
**Number of Units:** 111  
**Condition:** Average  
**Date Surveyed:** April 28, 2015 (352-678-3228)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 1  
**Number of Buildings:** 8  
**Parking:** N/A  
**Garages:** None  
**Occupancy:** 92%  
**Concessions:** N/A  
**Rental Premiums:** Renovated units with new appliances and cabinetry  
**Utilities Included:** None  
**Project Amenities:** Laundry

**Unit Features:** Patios Balconies, Vaulted Ceilings, Ceiling Fans, W/D Hookups

UNIT MIX				
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF
'Studio	22	288	\$594	\$2.06
'1/1	79	579	\$699	\$1.21
'2/1	8	864	\$729	\$0.84
'2/2	2	864	\$749	\$0.87
<b>Averages</b>	<b>111</b>	<b>547</b>	<b>\$681</b>	<b>\$1.24</b>

**COMMENTS**

The rental rates used in this analysis is for the renovated units with new appliances, cabinetry and carpet.

MARKET RENT COMPARABLE NO. 2

**LOCATION DATA**

**Record Number:** 925  
**Market Type:** Market  
**Property Name:** Candleglow Apartments  
**Address:** 1071 Candlelight Boulevard  
 Brooksville, Hernando County  
 FL 34601  
**Long/Lat:** W82.407150/N28.544890  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R28 422 19 0000 0060 0230



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Masonry  
**Year Built:** 1987  
**Number of Units:** 152  
**Condition:** Fair  
**Date Surveyed:** April 28, 2015 (352-799-7958)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 2  
**Number of Buildings:** 10  
**Parking:** 250  
**Garages:** None  
**Occupancy:** 97%  
**Concessions:** None  
**Rental Premiums:** Upgraded Kitchens  
**Utilities Included:** Pest  
**Project Amenities:** Outdoor Pools (1), Club House,  
 Laundry, Outdoor Tennis, Sports  
 Court, Nature Trail

**Unit Features:** Patios Balconies, Vaulted Ceilings,  
 Ceiling Fans, Microwaves, W/D  
 Hookup

UNIT MIX				
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF
'1/1	44	552	\$580	\$1.05
'1/1	44	680	\$680	\$1.00
'2/2	64	860	\$770	\$0.90
<b>Averages</b>	<b>152</b>	<b>719</b>	<b>\$689</b>	<b>\$0.96</b>

**COMMENTS**

The rental rates used included upgraded kitchens with new appliances and cabinetry.

MARKET RENT COMPARABLE NO. 3

**LOCATION DATA**

**Record Number:** 926  
**Market Type:** Market  
**Property Name:** Diamond Creek  
**Address:** 1200 W Jefferson St  
 Brooksville, Hernando County  
 FL 34601  
**Long/Lat:** W82.410960/N28.553750  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R21 222 19 1670 0010 0010



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Wood Frame  
**Year Built:** 1984  
**Number of Units:** 34  
**Condition:** Fair  
**Date Surveyed:** April 28, 2015 (352-796-8209)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 1-2  
**Number of Buildings:** 5  
**Parking:** 75  
**Garages:** None  
**Occupancy:** 100%  
**Concessions:** None  
**Rental Premiums:** None  
**Utilities Included:** Pest  
**Project Amenities:** Outdoor Pools (1), Club House,  
 Laundry

**Unit Features:** Patios Balconies, Ceiling Fans,  
 Clubhouse

UNIT MIX				
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF
'2/2	34	1,000	\$675	\$0.68
<b>Averages</b>	<b>34</b>	<b>1,000</b>	<b>\$675</b>	<b>\$0.68</b>

**COMMENTS**

None

MARKET RENT COMPARABLE NO. 4

**LOCATION DATA**

**Record Number:** 508  
**Market Type:** Market  
**Property Name:** Villas at Spring Hill  
**Address:** 15352 Pablo Boulevard  
 Spring Hill, Hernando County  
 FL 34609  
**Long/Lat:** W82.488330/N28.464240  
**MSA:** Citrus-Hernando-Pasco  
**Tax Parcel No.:** R22-423-18-0000-0010-0020



**PROPERTY DATA**

**Apartment Type:** Garden, Villa  
**Construction Type:** Wood Frame  
**Year Built:** 2008  
**Number of Units:** 140  
**Condition:** Good  
**Date Surveyed:** April 28, 2015 (352.397.4890)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 2  
**Number of Buildings:** 36  
**Parking:** 240  
**Garages:** None  
**Occupancy:** 98%  
**Concessions:** None  
**Rental Premiums:** None  
**Utilities Included:** Water, Trash Collection, Sewer, Pest  
**Project Amenities:** Outdoor Pools (1), Exercise  
 Fitness, Club House, Laundry,  
 Sauna, Spa, Car Wash, Business  
 Center

**Unit Features:** Screen Porches, Security System,  
 Ceiling Fans, Washer Dryers,  
 Microwaves, Disposal,  
 Dishwasher, Refrigerator

UNIT MIX				
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF
'1/1	8	932	\$915	\$0.98
'2/2	24	1,091	\$950	\$0.87
'2/2.5	52	1,281	\$1,050	\$0.82
'3/2	56	1,257	\$1,095	\$0.87
<b>Averages</b>	<b>140</b>	<b>1,219</b>	<b>\$1,043</b>	<b>\$0.86</b>

**COMMENTS**

Project was completed in May 2008 and reached stabilized occupancy in July 2009 indicating an absorption rate of 10 units per month. The site was owned by Creative Choice Homes and this developer was awarded housing credits in the 2005 cycle as a project called Anderson Terrance. They ultimately decided to develop the project as a condominium project. However, due to changing market conditions, the project was converted to for rent apartment project and is being leased as such.



MARKET RENT COMPARABLE NO. 5

**LOCATION DATA**

**Record Number:** 213  
**Market Type:** Market  
**Property Name:** Providence at Zephyr Ridge  
**Address:** 35940 Inspiration Drive  
 Zephyrhills, Pasco County  
 FL 34654  
**Long/Lat:** W82.222280/N28.232850  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** 08-26-21-0000-00100-0011



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Wood Frame  
**Year Built:** 2010  
**Number of Units:** 208  
**Condition:** Good  
**Date Surveyed:** April 28, 2015 (813 788-7700)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 2-3  
**Number of Buildings:** 13  
**Parking:** 300 open spaces  
**Garages:** None  
**Occupancy:** 99%  
**Concessions:** One month off a 13 month lease in 3/2 only.  
**Rental Premiums:** Garage \$90-\$150, Storage \$15-\$30  
**Utilities Included:** Pest Control  
**Project Amenities:** Outdoor Pools (1), Exercise  
 Fitness, Club House, Laundry,  
 picnic area, playground, WiFi

**Unit Features:** Patios Balconies, Vaulted Ceilings,  
 Icemakers, Ceiling Fans, Washer  
 Dryers, Microwaves

UNIT MIX				
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF
'1/1	36	755	\$839	\$1.11
'1/1	36	807	\$819	\$1.01
'2/2	30	1,109	\$964	\$0.87
'2/2	60	1,125	\$984	\$0.87
'2/2/garage	16	1,125	\$1,249	\$1.11
'2/2/garage	10	1,155	\$1,229	\$1.06
'3/2	20	1,314	\$1,175	\$0.89
<b>Averages</b>	<b>208</b>	<b>1,023</b>	<b>\$978</b>	<b>\$0.96</b>

**COMMENTS**

100 free covered spaces are available.

MARKET RENT COMPARABLE NO. 6

**LOCATION DATA**

**Record Number:** 212  
**Market Type:** Market  
**Property Name:** Columns at Cypress Point  
**Address:** 4330 Point Cypress Blvd.  
 Wesley Chapel, Pasco County  
 FL 33545  
**Long/Lat:** W82.253130/N28.220660  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** 18-26-21-0000-01600-0000



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Masonry  
**Year Built:** 2008  
**Number of Units:** 294  
**Condition:** Good  
**Date Surveyed:** April 30, 2015 (813 779-7368)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 3  
**Number of Buildings:** 14  
**Parking:** 500 open spaces  
**Garages:** None  
**Occupancy:** 95%  
**Concessions:** If you look and lease the same day, \$150 admin fee is waived  
**Rental Premiums:** None  
**Utilities Included:** None  
**Project Amenities:** Outdoor Pools (1), Exercise

**Unit Features:** Patios Balconies, Vaulted Ceilings,  
 Ceiling Fans, Microwaves, W/D  
 Hookups, Stainless Steel  
 Appliances

UNIT MIX				
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF
'1/1	24	803	\$750	\$0.93
'1/1	78	892	\$785	\$0.88
'2/1	24	1,134	\$1,000	\$0.88
'2/2	60	1,180	\$980	\$0.83
'2/2	60	1,227	\$1,015	\$0.83
'3/2	48	1,409	\$1,100	\$0.78
<b>Averages</b>	<b>294</b>	<b>1,116</b>	<b>\$938</b>	<b>\$0.84</b>

**COMMENTS**

No rental premiums, rents change daily.

**MARKET RENTAL RATE ANALYSIS (CONT'D)**

**Rental Rate Analysis**

The following market rate analysis assumes that all of the units in the complex are leased at market rates without maximum income restrictions (exclusively market rate project). The comparables were adjusted for the utilities and services provided in the rental rates and we have also considered adjustments for location/quality/amenities in our rental rate conclusions. We have also taken into consideration the market trend of smaller units leasing for a higher per square foot rate than their larger counterparts.

**Adjustments**

We have compared each of the comparables to the subject and have made quantitative adjustments for utilities/services included in the rental rates, unit sizes and the number of bathrooms. Adjustments for water, sewer, electric and trash expenses were obtained from the local housing authority's utility allowance chart. Washer/dryer, square foot, alarm, cable and bathroom adjustments were derived from appraiser's experience and judgment. All of the **Market Rent Comparables** were located very proximate to the subject with similar locations, requiring no locations adjustments. **Market Rent Comparables No. 1, 2, 3, 4, 5 and 6** are all inferior in terms of age/condition as compared to the subject property, requiring upward adjustments of \$50, \$50, \$50, \$10, \$10 and \$10, respectively.

UTILITIES/SERVICES ADJUSTMENTS			
water (w) 1 BR	\$10	washer/dryer	\$35
sewer (s) 1 BR	\$28	square foot (sf)	\$0.35
water (w) 2 BR	\$12	alarm (a)	\$20
sewer (s) 2 BR	\$35	cable (basic) (c )	\$60
water (w) 3 BR	\$15	trash (t)	\$18
sewer (s) 3 BR	\$47	pest(p)	\$5

Adjustments were also applied for concessions based on the actual dollar amount, if offered; they are reflected in the "Other" adjustment. Qualitative adjustments for location, quality, condition and amenities were considered in our rental rate conclusions. These are considered quantitatively above.

**One-Bedroom Analysis**

One-Bedroom Market Rent Comparables Summary										
#	Complex Name	Unit Type	Street Rent	Util./Services	Net Adj.	Adj. Rent	Size/SF	Adj. Rent/SF	St. Rent/SF	
1	Candlelight	'1/1	\$699	none	\$87	\$786	579	\$1.36	\$1.21	
2	Candleglow Apartments	'1/1	\$680	p	\$47	\$727	680	\$1.07	\$1.00	
3	Diamond Creek			p						
4	Villas at Spring Hill	'1/1	\$915	w,s,t,p,w/d	-\$172	\$743	932	\$0.80	\$0.98	
5	Providence at Zephyr Ridge	'1/1	\$839	p,w/d	-\$54	\$785	755	\$1.04	\$1.11	
6	Columns at Cypress Point	'1/1	\$750	none	-\$31	\$719	803	\$0.90	\$0.93	
Average			\$777		-\$25	\$752	750	\$1.03	\$1.05	
<b>Freedom Gardens</b>		1/1		t,p		<b>\$740</b>	<b>620</b>	<b>\$1.19</b>		
Adjustment Summary (1 BR)										
#	Complex Name	Util./Services	Water	Sewer	Trash/Pest	W/D/Cable / Alarm	Location/ Quality/ Other	SF	Total	
1	Candlelight	none	\$0	\$0	\$23	\$0	\$50	\$14	\$87	
2	Candleglow Apartments	p	\$0	\$0	\$18	\$0	\$50	-\$21	\$47	
3	Diamond Creek	p	\$0	\$0	\$18	\$0	\$50	\$217	\$285	
4	Villas at Spring Hill	w,s,t,p,w/d	-\$10	-\$28	\$0	-\$35	\$10	-\$109	-\$172	
5	Providence at Zephyr Ridge	p,w/d	\$0	\$0	\$18	-\$35	\$10	-\$47	-\$54	
6	Columns at Cypress Point	none	\$0	\$0	\$23	\$0	\$10	-\$64	-\$31	
Average		---	-\$2	-\$5	\$17	-\$12	\$30	-\$2	\$27	

The comparables indicate adjusted rents (after deducting for concessions) of \$719 to \$786, with an average of \$752. The comparables range in size from 579 square feet to 932 square feet with an average unit size of 750 square feet. The subject's unit size of 620 square feet is within the range but on the smaller side of the

MARKET RENTAL RATE ANALYSIS (CONT'D)

comparables and below the comparables average. Primary weight was placed on **Market Rent Comparables No. 2, 4, 5 and 6** because of their age and overall similarity.

Based upon this analysis, we estimate a current market rent for the subject's one-bedroom units as follows:

<b>One-Bedroom Rent Conclusion</b>			
<b>Floor Plan</b>	<b>Unit Size</b>	<b>Rental Rate</b>	<b>Rental Rate/SF</b>
1/1	620	\$740	\$1.19

**Two-Bedroom Analysis**

<b>Two-Bedroom Market Rent Comparables Summary</b>									
#	Complex Name	Unit Type	Street Rent	Util./Services	Net Adj.	Adj. Rent	Size/SF	Adj. Rent/SF	St. Rent/SF
1	Candlelight	'2/2	\$749	none	\$93	\$842	864	\$0.97	\$0.87
2	Candleglow Apartments	'2/2	\$770	p	\$89	\$859	860	\$1.00	\$0.90
3	Diamond Creek	'2/2	\$675	p	\$40	\$715	1,000	\$0.72	\$0.68
4	Villas at Spring Hill	'2/2	\$950	w,s,t,p,w/d	-\$132	\$818	1,091	\$0.75	\$0.87
5	Providence at Zephyr Ridge	'2/2	\$964	p,w/d	-\$73	\$891	1,109	\$0.80	\$0.87
6	Columns at Cypress Point	2/2	\$980	none	-\$58	\$922	1,180	\$0.78	\$0.83
Average			\$848		-\$7	\$841	1,017	\$0.84	\$0.83
<b>Freedom Gardens</b>		2/2		t,p		<b>\$870</b>	<b>920</b>	<b>\$0.95</b>	
<b>Adjustment Summary (2 BR)</b>									
#	Complex Name	Util./Services	Water	Sewer	Trash	W/D/Cable / Alarm	Location/ Quality/ Other	SF	Total
1	Candlelight	none	\$0	\$0	\$23	\$0	\$50	\$20	\$93
2	Candleglow Apartments	p	\$0	\$0	\$18	\$0	\$50	\$21	\$89
3	Diamond Creek	p	\$0	\$0	\$18	\$0	\$50	-\$28	\$40
4	Villas at Spring Hill	w,s,t,p,w/d	-\$12	-\$35	\$0	-\$35	\$10	-\$60	-\$132
5	Providence at Zephyr Ridge	p,w/d	\$0	\$0	\$18	-\$35	\$10	-\$66	-\$73
6	Columns at Cypress Point	none	\$0	\$0	\$23	\$0	\$10	-\$91	-\$58
Average		--	-\$2	-\$6	\$17	-\$12	\$30	-\$34	-\$7

The comparables indicate adjusted rents (after deducting for concessions) of \$715 to \$922, with an average of \$841. The comparables range in size from 860 square feet to 1,180 square feet with an average unit size of 1,017 square feet. The subject's unit size of 920 square feet is within the range of the comparables but on the smaller side of the comparables and below the comparables average. Primary weight was placed on **Market Rent Comparables No. 2, 4, 5 and 6** because of their age and overall similarity.

Based upon this analysis, we estimate a market rent for the subject's two-bedroom units as follows:

<b>Two-Bedroom Rent Conclusion</b>			
<b>Floor Plan</b>	<b>Unit Size</b>	<b>Rental Rate</b>	<b>Rental Rate/SF</b>
2/2	920	\$870	\$0.95

MARKET RENTAL RATE ANALYSIS (CONT'D)

**Three-Bedroom Analysis**

<b>Three-Bedroom Market Rent Comparables Summary</b>									
#	Complex Name	Unit Type	Street Rent	Util./Services	Net Adj.	Adj. Rent	Size/SF	Adj. Rent/SF	St. Rent/SF
1	Candlelight								
2	Candleglow Apartments								
3	Diamond Creek								
4	Villas at Spring Hill	'3/2	\$1,095	w,s,t,p,w/d	-\$142	\$953	1,257	\$0.76	\$0.87
5	Providence at Zephyr Ridge	'3/2	\$1,175	p,w/d	-\$82	\$1,093	1,314	\$0.83	\$0.89
6	Columns at Cypress Point	3/2	\$1,100	none	-\$75	\$1,025	1,409	\$0.73	\$0.78
Average			\$1,123		-\$100	\$1,024	1,327	\$0.77	\$0.85
<b>Freedom Gardens</b>		3/2		t,p		<b>\$1,020</b>	1,100	<b>\$0.93</b>	
<b>Adjustment Summary (3 BR)</b>									
#	Complex Name	Util./Services	Water	Sewer	Trash	W/D/Cable / Alarm	Location/ Quality/ Other	SF	Total
1	Candlelight	none	\$0	\$0	\$23	\$0	\$50	\$385	\$458
2	Candleglow Apartments	p	\$0	\$0	\$18	\$0	\$50	\$385	\$453
3	Diamond Creek	p	\$0	\$0	\$18	\$0	\$50	\$385	\$453
4	Villas at Spring Hill	w,s,t,p,w/d	-\$15	-\$47	\$0	-\$35	\$10	-\$55	-\$142
5	Providence at Zephyr Ridge	p,w/d	\$0	\$0	\$18	-\$35	\$10	-\$75	-\$82
6	Columns at Cypress Point	none	\$0	\$0	\$23	\$0	\$10	-\$108	-\$75
Average		--	-\$3	-\$8	\$17	-\$12	\$30	\$153	\$178

The comparables indicate adjusted rents (after deducting for concessions) of \$953 to \$1,093, with an average of \$1,024. The comparables range in size from 1,257 square feet to 1,409 square feet with an average unit size of 1,327 square feet. The subject's unit size of 1,100 square feet is well below the range of the comparables.

Based upon this analysis, we estimate a market rent for the subject's three-bedroom units as follows:

<b>Three-Bedroom Rent Conclusion</b>			
Floor Plan	Unit Size	Rental Rate	Rental Rate/SF
3/2	1,100	\$1,020	\$0.93

**Market Rental Rate Conclusions**

The market rent estimates are summarized in the following table:

<b>Potential Base Rental Income-Market</b>				
Unit Type	No. Units	Unit Size	\$/Month	Total Annual Rent
1/1	8	620	\$740	\$71,040
2/2	76	920	\$870	\$793,440
3/2	11	1,100	\$1,020	\$134,640
<b>Total/Avg.</b>	<b>95</b>	<b>916</b>	<b>\$876</b>	<b>\$999,120</b>

Therefore, the subject's potential gross income as an exclusively market rate project, excluding rent premiums, is estimated at \$999,120.



## RENTAL AND COMPETITIVE ANALYSIS AS RESTRICTED

### Restricted Rental Rate Analysis

The subject will be restricted by the Housing Credit program. The subject property will set aside 90% of its units at or below 60% of the Area Median Income (AMI) and 10% at or below 40% of the AMI.

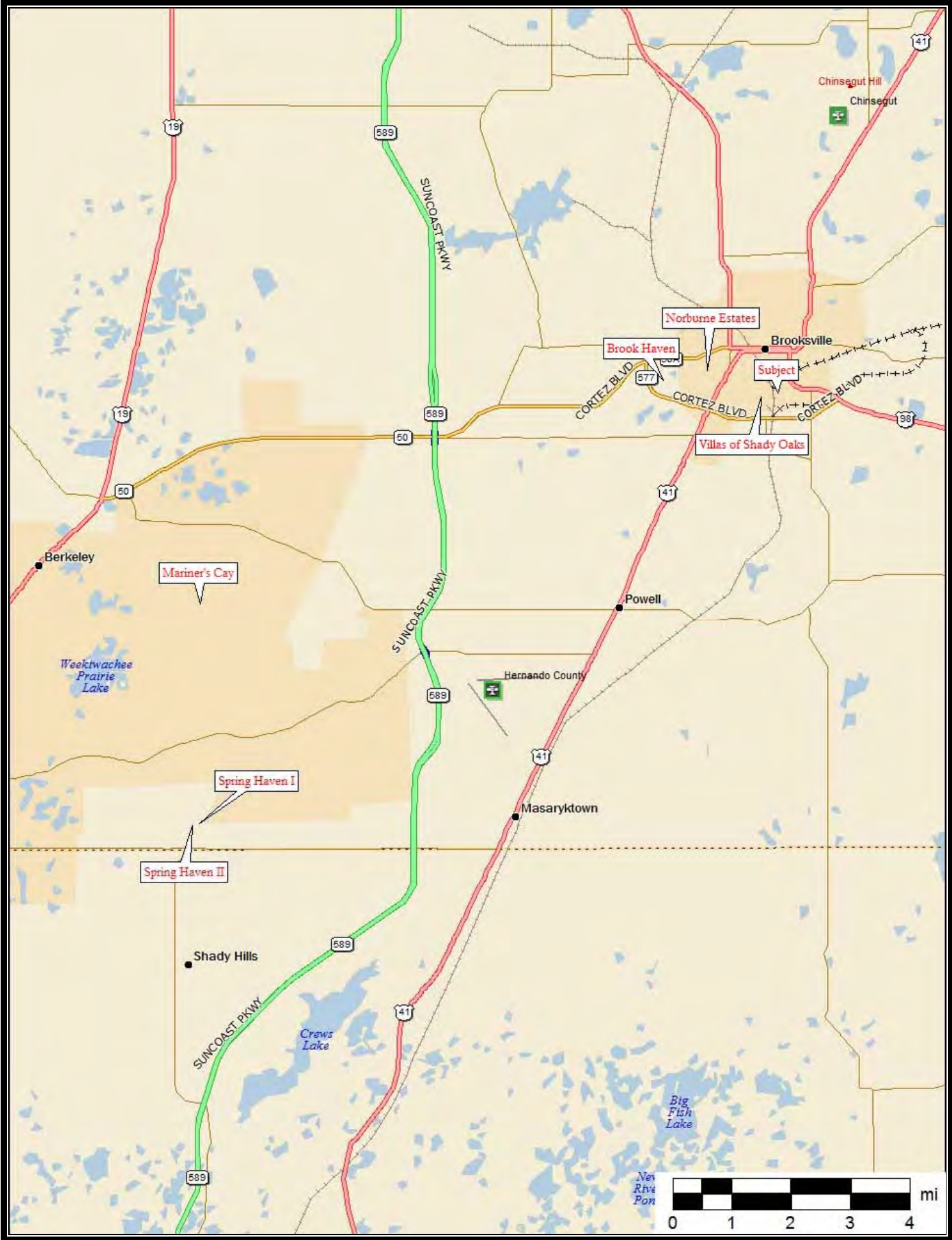
We have chosen the following comparable properties for the competitive analysis and estimation of attainable restricted rents.

Occupancy - Restricted Comps						
City	Apartment Project	Type	# Units	Year Built	Occupancy	# Occupied
<b>Stabilized Projects</b>						
Brooksville	Norburne Estates	Restricted	59	1991	98%	58
Brooksville	Villas of Shady Oaks	Restricted	36	1994	100%	36
Brooksville	Brook Haven	Restricted	160	2007	100%	160
Spring Hill	Mariner's Cay	Restricted	160	2009	100%	160
Spring Hill	Spring Haven I	Restricted	176	2004	100%	176
Spring Hill	Spring Haven II	Restricted	88	2007	100%	88
<b>Projects in Lease-up, Under Construction, Confidential, or Unwilling to Participate in Survey</b>						
N/A						
Total Units			679			678
Less: Confidential Occupancy or Unstabilized Occupancies			0			0
Total Stabilized Units Responding to Survey			679			678
Overall Occupancy Rate (Stabilized Projects)			679		100%	678
Average Project Size			113			
Average Age			2002			
Source: Meridian Appraisal Group, Inc. field survey				Apr-15		
Note: The year built for projects with multiple phases is the date of the first phase. The date of rehabilitated projects is the original year built.						

The restricted rate projects are 98% to 100% occupied, with a weighted average of 100%; all are stabilized.

Detailed write-ups of the comparable restricted rate rental projects used in the analyses follow.

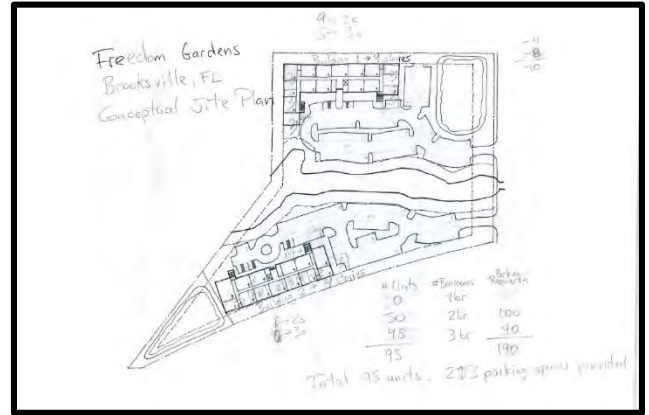
RESTRICTED RENT COMPARABLES MAP



**SUBJECT AT RESTRICTED RENTAL RATES**

**LOCATION DATA**

**Record Number:** N/A  
**Market Type:** Affordable  
**Property Name:** Freedom Gardens  
**Address:** South Main Street  
 Brooksville, Hernando County  
 FL 34601  
**Long/Lat:** W 82.38856/N 28.541845  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R27 422 19 0000 0410 0010



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Wood Frame  
**Year Built:** 2016  
**Number of Units:** 95  
**Condition:** Good  
**Date Surveyed:** May 1, 2015  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 4  
**Number of Buildings:** 2  
**Parking:** N/A  
**Garages:** None  
**Occupancy:** 95%  
**Concessions:** None  
**Rental Premiums:** None  
**Utilities Included:** Trash, Pest  
**Project Amenities:** Outdoor Pools (1), Exercise  
 Fitness, Club House, Laundry,  
 Playground, Volleyball Court

**Unit Features:** Ceiling Fans, Microwaves, W/D Hookups

UNIT MIX					
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF	Utilities Allowance
'1/1-40%	1	620	\$295	\$0.48	\$147
'1/1-60%	7	620	\$516	\$0.83	\$147
'2/2-40%	7	920	\$353	\$0.69	\$178
'2/2-60%	69	920	\$618	\$0.67	\$178
'3/2-40%	1	1,100	\$405	\$0.37	\$209
'3/2-60%	10	1,100	\$712	\$0.65	\$209
<b>Averages</b>	<b>95</b>	<b>916</b>	<b>\$592</b>	<b>\$0.64</b>	<b>\$0.65</b>

**COMMENTS**

None.

RESTRICTED RENT COMPARABLE NO. 1

**LOCATION DATA**

**Record Number:** 928  
**Market Type:** Affordable  
**Property Name:** Norburne Estates  
**Address:** 600 Darby Lane  
 Brooksville, Hernando County  
 FL 34601  
**Long / Lat:** W82.405350/N28.550280  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R21 422 19 0000 0300 0000



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Masonry  
**Year Built:** 1991  
**Number of Units:** 59  
**Condition:** Fair to Average  
**Date Surveyed:** April 27, 2015 (352-754-8860)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 1  
**Number of Buildings:** 8  
**Parking:** N/A  
**Garages:** None  
**Occupancy:** 98%  
**Concessions:** None  
**Rental Premiums:** None  
**Utilities Included:** Water, Trash Collection, Sewer, Pest  
**Project Amenities:** Clubhouse, Laundry, Playground     **Unit Features:** Ceiling Fans

UNIT MIX					
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF	Utilities Allowance
'1/1-60%	15	750	\$613	\$0.82	\$75
'2/1-60%	44	1,000	\$682	\$0.68	\$92
<b>Averages</b>	<b>59</b>	<b>936</b>	<b>\$664</b>	<b>\$0.71</b>	

**COMMENTS**

All units are at 60% AMI. We attempted numerous times to get in touch with a representative at Norburne Estates but none of our phone calls were returned. Their voicemail gave their current rental rates and their occupancy is taken from the FHFC Occupancy Reports. We estimated their utility allowance based on what was typical in the area.



RESTRICTED RENT COMPARABLE NO. 2

**LOCATION DATA**

**Record Number:** 929  
**Market Type:** Affordable  
**Property Name:** Villas of Shady Oaks  
**Address:** 17 Shady Oaks Circle  
 Brooksville, Hernando County  
 FL 34601  
**Long/Lat:** W82.389080/N28.543370  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R27 422 19 0000 0410 0000



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Wood Frame  
**Year Built:** 1994  
**Number of Units:** 36  
**Condition:** Average  
**Date Surveyed:** April 27, 2015 (352-544-0080)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 2  
**Number of Buildings:** 6  
**Parking:** 40  
**Garages:** None  
**Occupancy:** 100%  
**Concessions:** None  
**Rental Premiums:** None  
**Utilities Included:** Pest  
**Project Amenities:** Club House, Laundry

**Unit Features:** Ceiling Fans

UNIT MIX					
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF	Utilities Allowance
'1/1-60%	4	600	\$470	\$0.78	\$120
'2/1-60%	28	731	\$523	\$0.72	\$139
'3/1-60%	4	988	\$574	\$0.58	\$165
<b>Averages</b>	<b>36</b>	<b>745</b>	<b>\$523</b>	<b>\$0.70</b>	

**COMMENTS**

None.



RESTRICTED RENT COMPARABLE NO. 3

**LOCATION DATA**

**Record Number:** 930  
**Market Type:** Affordable  
**Property Name:** Brook Haven  
**Address:** 7781 Crystal Brook Circle  
 Brooksville, Hernando County  
 FL 34601  
**Long/Lat:** W82.415420/N28.547720  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R28 222 19 1449 0000 0030



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Masonry  
**Year Built:** 2007  
**Number of Units:** 160  
**Condition:** Average  
**Date Surveyed:** April 27, 2015 (352-397-4340)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 2  
**Number of Buildings:** 20  
**Parking:** N/A  
**Garages:** None  
**Occupancy:** 100%  
**Concessions:** None  
**Rental Premiums:** None  
**Utilities Included:** Water, Trash Collection, Sewer, Pest  
**Project Amenities:** Outdoor Pools (1), Exercise  
 Fitness, Club House, Laundry,  
 Business Center, Car Wash,  
 Volleyball

**Unit Features:** Ceiling Fans, Microwaves, W/D  
 Hookups

UNIT MIX					
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF	Utilities Allowance
'1/1-60%	8	749	\$594	\$0.79	\$75
'2/2-60%	120	943	\$710	\$0.75	\$92
'3/2-60%	32	1,152	\$819	\$0.71	\$100
<b>Averages</b>	<b>160</b>	<b>975</b>	<b>\$726</b>	<b>\$0.74</b>	

**COMMENTS**

100% of the units are at 60% AMI set asides.

RESTRICTED RENT COMPARABLE NO. 4

**LOCATION DATA**

**Record Number:** 931  
**Market Type:** Affordable  
**Property Name:** Mariner's Cay  
**Address:** 4253 Central Park Drive  
 Spring Hill, Hernando County  
 FL 34608  
**Long/Lat:** W82.544080/N28.493830  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R32 323 17 5170 1131 0010



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Wood Frame  
**Year Built:** 2009  
**Number of Units:** 160  
**Condition:** Average  
**Date Surveyed:** April 27, 2015 (352-263-2310)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 3  
**Number of Buildings:** 20  
**Parking:** N/A  
**Garages:** None  
**Occupancy:** 100%  
**Concessions:** None  
**Rental Premiums:** None  
**Utilities Included:** Water, Trash Collection, Sewer, Pest  
**Project Amenities:** Outdoor Pools (1), Exercise  
 Fitness, Club House, Laundry, Playground, Car Wash  
**Unit Features:** Ceiling Fans, W/D Hookups

UNIT MIX					
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF	Utilities Allowance
'2/2-60%	94	974	\$721	\$0.74	\$77
'3/2-60%	50	1,240	\$836	\$0.67	\$92
<b>Averages</b>	<b>160</b>	<b>1,066</b>	<b>\$761</b>	<b>\$0.71</b>	

**COMMENTS**

10% of the property's units are set aside at 33% AMI and 90% of the units are set aside at 60% AMI. Only the rental rates for the 60% set aside units are listed. When we spoke with a leasing agent updated UA information was not available and the UA used above is from December 2012.

RESTRICTED RENT COMPARABLE NO. 5

**LOCATION DATA**

**Record Number:** 927  
**Market Type:** Affordable  
**Property Name:** Spring Haven I  
**Address:** 220 Spring Haven Loop  
 Spring Hill, Hernando County  
 FL 34609  
**Long/Lat:** W82.545430/N28.439770  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R31 223 18 3537 0000 0010



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Masonry  
**Year Built:** 2004  
**Number of Units:** 176  
**Condition:** Average to Good  
**Date Surveyed:** April 28, 2015 (855-256-3218)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 2  
**Number of Buildings:** 22  
**Parking:** N/A  
**Garages:** None  
**Occupancy:** 100%  
**Concessions:** None  
**Rental Premiums:** None  
**Utilities Included:** Trash Collection, Pest  
**Project Amenities:** Outdoor Pools (2), Exercise  
 Fitness, Club House, Business  
 Center, Sand Volleyball Court

**Unit Features:** Ceiling Fans, Microwaves, W/D  
 Hookups

UNIT MIX					
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF	Utilities Allowance
'1/1-60%	16	726	\$562	\$0.77	\$135
'2/2-60%	104	943	\$682	\$0.72	\$158
'3/2-60%	56	1,152	\$793	\$0.69	\$188
<b>Averages</b>	<b>176</b>	<b>990</b>	<b>\$706</b>	<b>\$0.71</b>	

**COMMENTS**

None

RESTRICTED RENT COMPARABLE NO. 6

**LOCATION DATA**

**Record Number:** 932  
**Market Type:** Affordable  
**Property Name:** Spring Haven II  
**Address:** 305 Glenn Ivy Terrace  
 Spring Hill, Hernando County  
 FL 34608  
**Long/Lat:** W82.546470/N28.438520  
**MSA:** Tampa-St. Petersburg-Clearwater  
**Tax Parcel No.:** R31 223 18 3537 0000 0020



**PROPERTY DATA**

**Apartment Type:** Garden  
**Construction Type:** Wood Frame  
**Year Built:** 2007  
**Number of Units:** 88  
**Condition:** Average to Good  
**Date Surveyed:** April 27, 2015 (352-688-8098)  
**Surveyed by:** Erica Ernst  
**Number of Stories:** 2  
**Number of Buildings:** 5  
**Parking:** N/A  
**Garages:** None  
**Occupancy:** 100%  
**Concessions:** None  
**Rental Premiums:** None  
**Utilities Included:** Trash Collection, Pest  
**Project Amenities:** Outdoor Pools (1), Exercise  
 Fitness, Club House, Laundry,  
 Car Wash, Playground

**Unit Features:** Ceiling Fans, Microwaves, W/D Hookups

UNIT MIX					
Unit Type	Number of Units	Size (SF)	Rent per Month	Monthly Rent Per SF	Utilities Allowance
'2/2-60%	64	952	\$682	\$0.72	\$158
'3/2-60%	24	1,158	\$793	\$0.68	\$188
<b>Averages</b>	<b>88</b>	<b>1,008</b>	<b>\$712</b>	<b>\$0.71</b>	

**COMMENTS**

This is the second phase of Spring Haven.

RENTAL AND COMPETITIVE ANALYSIS AS RESTRICTED (CONT'D)

**Rental Rate Analysis**

**Area Median Income (AMI)**

The Housing Credit maximum rental rates are based on the area’s median income and are gross rental rates, thus including an allowance for utilities. The 2015 Area Median Income for the subject’s MSA is \$59,000. This level is higher than the 2014 AMI of \$57,400, but less than the 2010 level of \$59,400.

The subject’s area has special income/rent limits for projects placed in service on or before December 31, 2008 under the 2008 Housing Economic Recovery Act (HERA). The HERA income/rent limits are higher than those permitted in properties placed in service after this date; therefore, higher rents are allowed for some of the comparables than those allowed for the subject.

**Maximum Gross Restricted Rental Rates**

The 2015 Housing Credit Maximum Restricted Rental Rates for the subject’s set asides are summarized as follows:

<b>2015 – Tampa-St. Petersburg-Clearwater MSA-Non-HERA Maximum Gross Restricted Rental Rates</b>					
<b># Bedrooms</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
40% of AMI	\$413	\$442	\$531	\$614	\$685
60% of AMI	\$619	\$663	\$796	\$921	\$1,027

The maximum rental rates are gross rental rates, thus include an allowance for utilities.

**Utilities Allowances**

The subject will include trash and pest control expenses in the rental rates.

We have calculated the utilities allowances for the subject property using a chart from the local Housing Authority, included in the *Addenda*.

The utilities allowances are deducted from the maximum gross rental rates in order to determine the maximum net rental rates as restricted by the Housing Credit program.

**Maximum Allowable Net Rent Calculations**

The following chart illustrates the 2015 maximum net rent calculations for the subject property.

<b>Unit Type</b>	<b>Set Aside</b>	<b># Of Units</b>	<b>Gross Rent</b>	<b>U/A</b>	<b>Net Rent</b>
1/1	40% AMI	1	\$442	\$147	\$295
1/1	60% AMI	7	\$663	\$147	\$516
2/2	40% AMI	8	\$531	\$178	\$353
2/2	60% AMI	68	\$796	\$178	\$618
3/2	40% AMI	1	\$614	\$209	\$405
3/2	60% AMI	10	\$921	\$209	\$712
<b>Total/Avg.</b>		<b>95</b>	<b>\$771</b>	<b>\$179</b>	<b>\$592</b>

**Adjustments**

The impact of utilities included in the rents is inherent in the utilities allowances, which are added to the net rents of the comparables.

Within restricted rate projects, we have found that rental rates are less sensitive to the size of the units than they are to the overall appeal of the complex. Thus, no adjustment is made for size and less consideration has been given to the rental rate per square foot. However, we have found that projects with larger units in similar areas typically are more capable of commanding the maximum rental rates and have higher occupancy rates.



**RENTAL AND COMPETITIVE ANALYSIS AS RESTRICTED (CONT'D)**

Similarly, the number of bathrooms in the units is not typically an adjustment, but can impact marketability and occupancy.

In the analysis, we considered the occupancy rates in the comparable complexes in order to assess the market's acceptance of the project's rental rates.

**One-Bedroom Analysis – 60% AMI**

<b>One-Bedroom Restricted Comparables Summary</b>									
#	Complex Name	Unit Type	Set Aside	Net Rent	U/A	Gross Rent	U/Services	Size/SF	Net Rent/SF
1	Norburne Estates	1/1-60%	60% AMI	\$613	\$75	\$688	w,s,t,p	750	\$0.82
2	Villas of Shady Oaks	1/1-60%	60% AMI	\$470	\$120	\$590	p	600	\$0.78
3	Brook Haven	1/1-60%	60% AMI	\$594	\$75	\$669	w,s,t,p	749	\$0.79
4	Mariner's Cay						w,s,t,p		
5	Spring Haven I	1/1-60%	60% AMI	\$562	\$135	\$697	t,p	726	\$0.77
6	Spring Haven II						t,p		
Average				\$560	\$101	\$661		706	\$0.79
2015 Max 60% AMI Gross Rent-HERA						\$669			
2015 Max 60% AMI Gross Rent						\$663			
<b>Freedom Gardens</b>		1/1	40% AMI	\$295	\$147	\$442	t,p	620	\$0.48
<b>Freedom Gardens</b>		1/1	60% AMI	\$516	\$147	\$663	t,p	620	\$0.83

Some of the comparables are achieving rents above the current maximum rents for the subject due to HERA higher limit; the maximum gross rent for these properties is \$669. The maximum gross rent for new properties is \$663.

Based upon this analysis, we estimate that the subject will attain a gross rent of \$663; deducting \$147 for the utilities allowance results in a restricted rent for the subject's one-bedroom units as follows:

<b>One-Bedroom Rent Conclusion-Restricted</b>				
Unit Type	Set Aside	Unit Size	Rental Rate	Rental Rate/SF
1/1	60% AMI	620	\$516	\$0.83

**Two-Bedroom Analysis – 60% AMI**

<b>Two-Bedroom Restricted Comparables Summary</b>									
#	Complex Name	Unit Type	Set Aside	Net Rent	U/A	Gross Rent	U/Services	Size/SF	Net Rent/SF
1	Norburne Estates	2/1-60%	60% AMI	\$682	\$92	\$774	w,s,t,p	1,000	\$0.68
2	Villas of Shady Oaks	2/1-60%	60% AMI	\$523	\$139	\$662	p	731	\$0.72
3	Brook Haven	2/2-60%	60% AMI	\$710	\$92	\$802	w,s,t,p	943	\$0.75
4	Mariner's Cay	2/2-60%	60% AMI	\$721	\$77	\$798	w,s,t,p	974	\$0.74
5	Spring Haven I	2/2-60%	60% AMI	\$682	\$158	\$840	t,p	943	\$0.72
6	Spring Haven II	2/2-60%	60% AMI	\$682	\$158	\$840	t,p	952	\$0.72
Average				\$667	\$119	\$786		924	\$0.72
2015 Max 60% AMI Gross Rent-HERA						\$802			
2015 Max 60% AMI Gross Rent						\$796			
<b>Freedom Gardens</b>		2/2	40% AMI	\$353	\$178	\$531	t,p	920	\$0.38
<b>Freedom Gardens</b>		2/2	60% AMI	\$618	\$178	\$796	t,p	920	\$0.67

Again, some of the comparables are achieving rents above the current maximum rents for the subject due to HERA higher limit; the maximum gross rent for these properties is \$802. The maximum gross rent for new properties is \$796.

Based upon this analysis, we estimate that the subject will attain a gross rent of \$796; deducting \$178 for the utilities allowance results in a restricted rent for the subject's two-bedroom units as follows:

RENTAL AND COMPETITIVE ANALYSIS AS RESTRICTED (CONT'D)

<b>Two-Bedroom Rent Conclusion-Restricted</b>				
Unit Type	Set Aside	Unit Size	Rental Rate	Rental Rate/SF
2/2	60% AMI	920	\$618	\$0.67

Our estimate is equal to the 2015 maximum allowable rent.

**Three-Bedroom Analysis – 60% AMI**

<b>Three-Bedroom Restricted Comparables Summary</b>									
#	Complex Name	Unit Type	Set Aside	Net Rent	U/A	Gross Rent	U/Services	Size/SF	Net Rent/SF
1	Norburne Estates								
2	Villas of Shady Oaks	3/1-60%	60% AMI	\$574	\$165	\$739	p	988	\$0.58
3	Brook Haven	3/2-60%	60% AMI	\$819	\$100	\$919	w,s,t,p	1,152	\$0.71
4	Mariner's Cay	3/2-60%	60% AMI	\$836	\$92	\$928	w,s,t,p	1,240	\$0.67
5	Spring Haven I	3/2-60%	60% AMI	\$793	\$188	\$981	t,p	1,152	\$0.69
6	Spring Haven II	3/2-60%	60% AMI	\$793	\$188	\$981	t,p	1,158	\$0.68
Average				\$763	\$147	\$910		1,138	\$0.67
2015 Max 60% AMI Gross Rent-HERA						\$927			
2015 Max 60% AMI Gross Rent						\$921			
<b>Freedom Gardens</b>		<b>3/2</b>	<b>40% AMI</b>	<b>\$405</b>	<b>\$209</b>	<b>\$614</b>	<b>t,p</b>	<b>1,100</b>	<b>\$0.37</b>
<b>Freedom Gardens</b>		<b>3/2</b>	<b>60% AMI</b>	<b>\$712</b>	<b>\$209</b>	<b>\$921</b>	<b>t,p</b>	<b>1,100</b>	<b>\$0.65</b>

Again, some of the comparables are achieving rents above the current maximum rents for the subject due to HERA higher limit; the maximum gross rent for these properties is \$927. The maximum gross rent for new properties is \$921.

Based upon this analysis, we estimate that the subject will attain a gross rent of \$921; deducting \$209 for the utilities allowance results in a restricted rent for the subject's three-bedroom units as follows:

<b>Three-Bedroom Rent Conclusion-Restricted</b>				
Unit Type	Set Aside	Unit Size	Rental Rate	Rental Rate/SF
3/2	60% AMI	1,100	\$712	\$0.65

Our estimate is equal to the 2015 maximum allowable rent.

**Subject Units Set Aside for Tenants with Incomes at or Below 33% of the AMI**

The subject property will set aside 90% of its units at or below 60% of the Area Median Income (AMI) and 10% at or below 40% of the AMI. Some of the comparables offer units at set asides below the 60% AMI level; all are reported to have rents at the maximum set aside rates. We estimate that the subject's units will achieve the maximum allowable rents, also.

**Potential Gross Rental Income As Restricted**

Therefore the subject's estimated potential gross income as restricted is estimated at.

RENTAL AND COMPETITIVE ANALYSIS AS RESTRICTED (CONT'D)

Potential Base Rental Income-Restricted				
Unit Type	Set Aside	No. Units	\$/Month	Total Annual Rent
1/1	40% AMI	1	\$295	\$3,540
1/1	60% AMI	7	\$516	\$43,344
2/2	40% AMI	8	\$353	\$33,888
2/2	60% AMI	68	\$618	\$504,288
3/2	40% AMI	1	\$405	\$4,860
3/2	60% AMI	10	\$712	\$85,440
<b>Total/Avg.</b>		<b>95</b>	<b>\$592</b>	<b>\$675,360</b>

**Competitive Analysis**

**Location**

The subject is located in the Brooksville area of unincorporated Hernando County in an area that has achieved acceptance as a multi-family location. Most projects in close proximity to the subject are older market rate projects or affordable developments operating under similar affordable housing programs. The subject location is well serviced by commercial services and transportation linkages. Surrounding uses are most suitable for affordable housing.

**Size, Unit Mix and Unit Sizes**

The subject will have 95 units, all of which will have income restrictions. The comparable projects range in size from 36 to 176 units; the subject is within the size range. The project size is within the range of the comparables, the size of the subject project is appropriate based upon the site size and zoning.

The subject's unit mix will include one, two and three-bedroom units. The existing affordable projects that comprise the CMA offer unit mixes of primarily one, two and three-bedroom units or two and three-bedroom units. The subject property has a lower percentage of one and three-bedroom units and a higher percentage of two-bedroom units than the CMA average.

Unit Mix Analysis-Restricted							
Development	Occupancy	Efficiency	1-Bed	2-Bed	3-Bed	4-Bed	Total
Norburne Estates	98%	0	15	44	0	0	59
Villas of Shady Oaks	100%	0	4	28	4	0	36
Brook Haven	100%	0	8	120	32	0	160
Mariner's Cay	100%	0	104	56	0	0	160
Spring Haven I	100%	0	16	104	56	0	176
Spring Haven II	100%	0	0	64	24	0	88
<b>Weighted Average/Total</b>	<b>100%</b>	<b>0.0%</b>	<b>21.6%</b>	<b>61.3%</b>	<b>17.1%</b>	<b>0.0%</b>	<b>679</b>
Subject		0	8	76	11	0	95
<b>Average</b>		<b>0.0%</b>	<b>8.4%</b>	<b>80.0%</b>	<b>11.6%</b>	<b>0.0%</b>	

Using FHFC Recap data for all of Hernando County 19.6% of the units were one-bedroom units, 58.1% were two-bedroom units, 18.5% were three-bedroom units and 3.8% were four-bedroom units. The CMA has similar overall unit mix as compared to the county with a slightly higher percentage of one and two-bedroom units and a slightly lower percentage of three-bedroom units.

In the Apartment Market Overview the recapture data indicated that 41% of households living in affordable housing within the county are one-person households. Since the County has only about 20% one-bedroom units this results in a very high cost-burden of 44% for one-person households.

The subject's proposed unit mix of one, two and three-bedroom units is typical of other restricted properties designated for families (general population). However, it lacks the optimal breakdown of one, two and three-

**RENTAL AND COMPETITIVE ANALYSIS AS RESTRICTED (CONT'D)**

bedroom units for the area. The subject's unit mix should have an increased number of one-bedroom units given that 41% of the affordable households in Hernando County are one-person households.

The following chart summarizes the unit sizes for each unit type within the competitive projects; the unit sizes shown are the weighted averages for each type, if there is more than one size for the unit type.

<b>Unit Size Analysis-Restricted</b>				
<b>Unit Type</b>	<b>Comp Min</b>	<b>Comp Max</b>	<b>Comp Avg.</b>	<b>S/P</b>
Eff.	0	0	0	0
1-Bed	600	750	706	620
2-Bed	731	1,000	924	920
3-Bed	988	1,240	1,138	1,100
4-Bed	0	0	0	0

The subject's unit sizes are within the range but are on the smaller side of the comparable projects for their one, two-bedroom and three-bedroom units.

**Age/Quality/Condition**

The subject is a proposed Class B project. The comparables are similar projects that range in year built from 1991 to 2009. The subject's age and condition will be new and superior to all of the comparables. The quality of the finishes for the subject will be similar to superior to the comparables.

**Amenities and Unit Features**

As per a representative of the developer, proposed project amenities will include: clubhouse, swimming pool, playground, fitness center, sand volleyball court and one elevator in each building.

The projects that comprise the CMA provide the following amenities:

<b>Project Amenities Comparison-CMA Projects</b>										
<b>Development</b>	<b>Pool</b>	<b>Sport Court</b>	<b>Picnic Area</b>	<b>Playground</b>	<b>Clubhouse</b>	<b>Exercise Room</b>	<b>Cyber Café</b>	<b>Business Center</b>	<b>Billards</b>	<b>Car Care Area</b>
Norburne Estates	no	no	no	yes	yes	no	no	no	no	no
Villas of Shady Oaks	no	no	no	no	yes	no	no	no	no	no
Brook Haven	yes	yes	no	yes	yes	yes	no	yes	no	yes
Mariner's Cay	yes	no	no	yes	yes	yes	no	no	no	yes
Spring Haven I	yes	yes	no	no	yes	yes	no	yes	no	no
Spring Haven II	yes	yes	no	no	yes	yes	no	yes	no	no
<b>Subject</b>	yes	no	no	yes	yes	yes	no	no	no	no

Note: Laundry facility refers to either washer/dryers hookups in the units or coin-operated common area laundry room

Typically large projects offer a broader amenities package as compared to their smaller counterparts. The subject will offer reasonably similar project amenities relative to the comparables.

As per a representative of the developer, proposed unit features will include: refrigerator, oven/range, dishwasher, microwave, garbage disposal, blinds, ceiling fans and washer/dryer connections. The subject property will have a mix of tile and simulated wood throughout the units with carpet in the bedrooms. The countertops will be laminate. The subject offers similar project amenities relative to the comparables including a swimming pool, volley ball court, fitness center and community center/clubhouse. The subject is similar to the comparables in terms of unit features. The four-story design is atypical for the market.

**Utilities Included In Rent**

The comparable projects typically include the following utilities in the base rent:

- Trash
- Pest
- Water
- Sewer

**RENTAL AND COMPETITIVE ANALYSIS AS RESTRICTED (CONT'D)**

Or

- Trash
- Pest

The subject will include trash and pest control in the base rent.

**Rental Premiums**

Some of the comparable projects offer the following amenities for an additional charge:

- Cable
- Washer and Dryer

The subject units will be cable ready and will have washer/dryer hookups. The subject developer plans to charge premiums for washer/dryer appliance rentals.

**Product Conclusion**

The subject project is planned to be two, four-story apartment buildings with elevators. Overall, the subject project is not of similar design as compared to the subject's market which is more typically developed with garden style apartment projects. The subject project is planned to have similar amenities to be competitive within the subject's market.

The following chart compares the concluded attainable rents to the maximum allowable rents.

<b>Max vs. Achievable Restricted Rent</b>				
Unit Type	Set Aside	Max Net Rent	Est. Net Rent	Difference
1/1	40% AMI	\$295	\$295	\$0
1/1	60% AMI	\$516	\$516	\$0
2/2	40% AMI	\$353	\$353	\$0
2/2	60% AMI	\$618	\$618	\$0
3/2	40% AMI	\$405	\$405	\$0
3/2	60% AMI	\$712	\$712	\$0
<b>Total/Avg.</b>		<b>\$592</b>	<b>\$592</b>	<b>\$0</b>

The subject benefits from a good spread between market and restricted rents at the 40% and 60% AMI levels.

<b>Restricted Rent vs. Market Rent Comparison</b>						
Unit Type	Set Aside	No. of Units	Net Rent	Market Rent	\$ Difference	% Difference
1/1	40% AMI	1	\$295	\$740	\$445	151%
1/1	60% AMI	7	\$516	\$740	\$224	43%
2/2	40% AMI	8	\$353	\$870	\$517	146%
2/2	60% AMI	68	\$618	\$870	\$252	41%
3/2	40% AMI	1	\$405	\$1,020	\$615	152%
3/2	60% AMI	10	\$712	\$1,020	\$308	43%
<b>Total/Avg.</b>		<b>95</b>	<b>\$592</b>	<b>\$876</b>	<b>\$284</b>	<b>48%</b>

According to FHFC requirements, Market Rents are to exceed Restricted Rents by a minimum of 10%. In our analysis, the estimated Market Rents exceed the estimated Restricted Rents by 48%.



**ABSORPTION ESTIMATE**

We spoke with leasing agents and reviewed FHFC occupancy reports to obtain absorption rate comparables summarized as follows.

Due to current market conditions, few projects have been developed over the past couple of years. The following chart illustrates historical absorption rates; only the most recent projects are considered reflective of current market conditions.

<b>Average Monthly Absorption in Profiled Properties Tampa-St. Petersburg-Clearwater MSA</b>				
<b>Complex Name</b>	<b>Complex Type</b>	<b>County</b>	<b>Avg. # of Units Absorbed/Mo.</b>	<b>Lease-up Time Period</b>
Madison Reserve (E)	Affordable	Hernando	12.9	2012
Vista Grand at Spring Hill (E)	Affordable	Hernando	29	2012
Mariner's Cay	Affordable	Hernando	14	2009-2010
Villas at Spring Hill	Market	Hernando	9	2008
Brook Haven	Affordable	Hernando	11	2007
Spring Haven II	Affordable	Hernando	8	2007-2008
Ella at Encore (E)	Affordable	Hillsborough	24.3	2013
Metro 510	Affordable	Hillsborough	18.8	2011-2012
Fountains at Falkenburg (E)	Aff/Market	Hillsborough	24 to 29	2010-2011
Element	Market	Hillsborough	13	2009-2011
Bell Seaport Channelside	Market	Hillsborough	21.7	2008-2009
Cross Creek	Affordable	Hillsborough	29	2010
Sabal Ridge I	Affordable	Hillsborough	22	2010
Hunt Club	Affordable	Hillsborough	19	2009
Sabal Ridge II	Affordable	Hillsborough	22	2009
Fairview Cove	Affordable	Hillsborough	29	2009
Evergreen Manor	Affordable	Hillsborough	36	2007
Park Terrace	Affordable	Hillsborough	14	2007
Lansdowne Terrace	Affordable	Hillsborough	12	2007
Sawgrass Creek	Market	Pasco	10	2008
Columns at Bear Creek	Market	Pasco	15	2009
Columns at Cypress Point	Market	Pasco	13	2009
Providence at Zephyr Ridge	Market	Pasco	13	2010
Seneca at Cypress Creek	Market	Pasco	24	2010
Hudson Ridge	Affordable	Pasco	12	2009-2010
Banyan Senior (E)	Affordable	Pasco	7.1 minimum	2009-2011
Journet Place (E)	Affordable	Pasco	14.7	2011-2012
Grand Reserve (E)	Affordable	Pasco	11.8	2011-2012
Arbours at Fort King	Affordable	Pasco	21.4	2011
Fort King Colony	Affordable	Pasco	12.8	2011-2012
Clear Harbor	Affordable	Pinellas	28	2008
Booker Creek	Aff/Market	Pinellas	36	2010
The Portland	Affordable	Pinellas	34	2011
Oak Ridge Estates	Affordable	Pinellas	19	2011
Pine Berry Senior (E)	Affordable	Pinellas	14	2011
City Place (fka Burlington) (E)	Affordable	Pinellas	13.2	2010-2011
Lodges at Pinellas Park	Affordable	Pinellas	22	2011-2012
Fusion 1560	Market	Pinellas	14.4	2010-2012
Bayside Court	Aff/Market	Pinellas	18	2012-2013

Source: Field Survey by Meridian Appraisal Group, Inc. (E)=Elderly

The above properties indicate a range of absorption rates of 7.1 to 36 units per month. The most relevant properties are the newest affordable developments and properties in close proximity to the subject. Madison Reserve, Vista Grand at Spring Hill, Mariner's Cay, Villas at Spring Hill, Brook Haven and Spring Haven II

ABSORPTION ESTIMATE (CONT'D)

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are the nearest projects with lease up rates at 12.9, 29, 14, nine, 11 and eight units per month, respectively. We expect the subject's absorption to fall within these indications.

In garden and villa-style projects absorption occurs over the course of construction and tenants move into individual buildings as they are completed. The construction schedule for this product type and any delays between buildings impacts the absorption rate. Typically, a leasing office is opened up on site or a phone number is advertised approximately three months before the first units are available. The pre-leasing thus provides enough tenants to occupy the first building when completed and this continues as buildings are completed; individual buildings receive Certificates of Occupancy (COs) and tenants are moved into individual buildings as they are completed. With garden and villa-style products, a significant number of units are typically leased by completion. Mid-rise and high-rise projects typically receive one CO for the entire building and absorption does not start until all units are complete.

The subject will have two buildings and will have to wait for CO in each building in order to lease. Based on the absorption history within other affordable projects we have estimated an average absorption rate for the subject property of 13 units per month.

ADDENDA

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## APPRAISERS' QUALIFICATIONS

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## QUALIFICATIONS OF ROBERT VON, PRESIDENT

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<b>BUSINESS ADDRESS</b>	<p><b>Meridian Appraisal Group, Inc.</b>          1331 Sundial Point          Winter Springs, Florida 32708          Phone: 407.637.8705 Fax: 407.875.1061          E-mail: <a href="mailto:rvon@meridianag.com">rvon@meridianag.com</a></p>
<b>FORMAL EDUCATION</b>	<p><b>California State University, Northridge</b>          May 1986, Bachelor of Science in Business Administration, Real Estate Finance</p>
<b>REAL ESTATE EDUCATION</b>	<p>Has completed course work for admission to the Appraisal Institute and all necessary for State-Certification and continuing education. A partial list of course work is as follows:</p> <p><i>Course/Seminars/Continuing Education</i></p> <ul style="list-style-type: none"> <li>• Real Estate Appraisal Principles</li> <li>• Basic Valuation Procedures</li> <li>• Standards of Professional Practice – Part A</li> <li>• Standards of Professional Practice – Part B</li> <li>• Capitalization Theory and Techniques – Part A</li> <li>• Capitalization Theory and Techniques – Part B</li> <li>• Highest and Best Use and Market Analysis</li> <li>• Appraising Troubled Properties</li> <li>• Advanced Applications</li> <li>• USPAP Update</li> <li>• MAP Valuation Training for Third Party Appraisers</li> </ul>
<b>EXPERIENCE</b>	
<b>2007 – Present</b>	<p><b>Meridian Appraisal Group, Inc.</b>  <b>President and Principal</b>          Responsible for the acquisition, co-ordination and review of appraisal assignments on real property. Also responsible for the preparation of appraisal assignments on various real property with specialization in multi-family apartments and A&amp;D projects throughout Florida.</p>
<b>January 2004 – 2007</b>	<p><b>Realvest Appraisal Services, Inc.</b>  <b>President and Principal</b></p>
<b>June 1998 – 2003</b>	<p><b>Realvest Appraisal Services, Inc.</b>  <b>Vice President and Principal</b>          Responsible for the acquisition, co-ordination and review of appraisal assignments on real property. Also responsible for the preparation of appraisal assignments on various real property with specialization in multi-family apartments and A&amp;D projects throughout Florida.</p>
<b>1994 – 1998</b>	<p><b>Pardue, Heid, Church, Smith &amp; Waller, Inc.</b>  <b>Commercial Manager and Commercial Real Estate Analyst</b>          Responsible for the preparation and review of appraisal assignments on various real property including vacant land, subdivisions, retail centers, office buildings, apartments, industrial properties and special use properties.</p>



QUALIFICATIONS OF ROBERT VON, PRESIDENT  
(CONT'D)

1993 – 1994

**Barnett Banks, Inc.**

**Review Appraiser**

Responsible for reviewing reports for Special Assets and Corporate and Commercial Real Estate Department. Performed all appraisal reviews for the CFCRC, a consortium of 12 lending institutions.

1986 – 1993

**HomeFed Bank, FSB**

**Senior Review Appraiser**

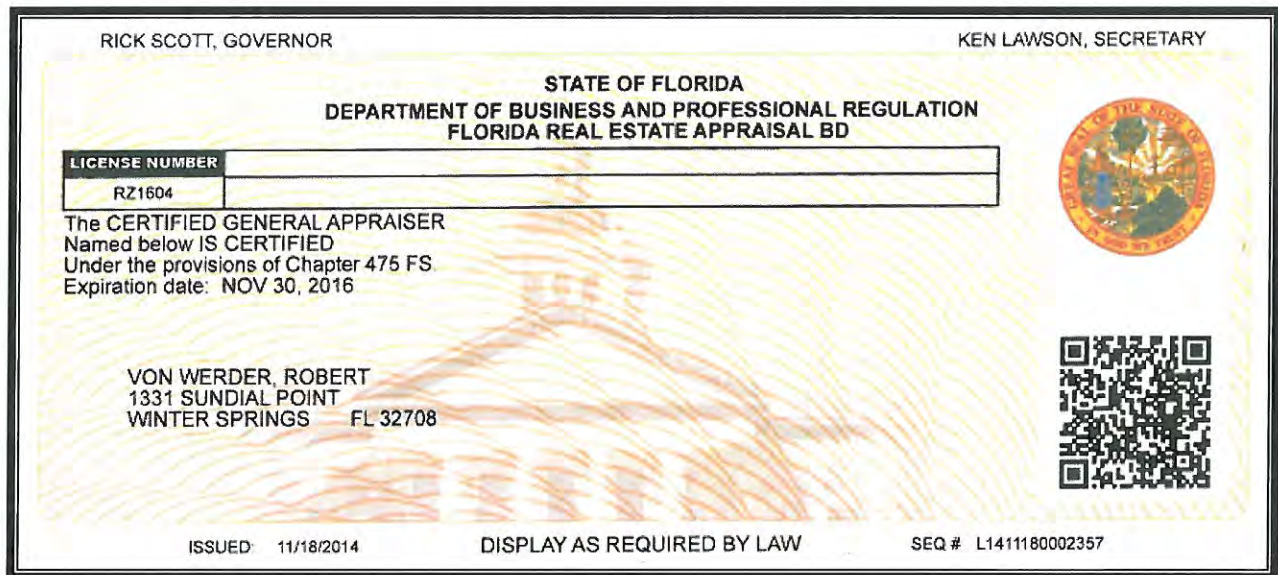
Responsible for the ordering and review of full narrative appraisal reports for the entire east coast portfolio. Assignments completed in 14 states and the District of Columbia

**CERTIFICATIONS  
& LICENSES**

State-Certified General Real Estate Appraiser RZ 1604  
Orlando Chamber of Commerce – Member  
Downtown Orlando Partnership – Member

**PROFESSIONAL  
AFFILIATIONS**

Board of Directors – Florida Housing Coalition





**QUALIFICATIONS OF  
ERICA A. ERNST, ASSOCIATE APPRAISER**

**BUSINESS ADDRESS**                    **Meridian Appraisal Group, Inc.**  
 1331 Sundial Point  
 Winter Springs, Florida 32708  
 Phone: 407.637-8702 Fax: 407.875.1061  
 E-mail: [ernst@meridianag.com](mailto:ernst@meridianag.com)

**FORMAL EDUCATION**                **University of Florida**  
 Master of Science – Real Estate, May 2009  
 Master of Arts – International Business, December 2007  
 Bachelor of Science – Business Administration, May 2006

**REAL ESTATE EDUCATION**        Has completed all courses necessary for State Certification and continuing education. A partial list of course work is as follows:

*Courses*

- USPAP, Uniform Standards of Professional Appraisal Practice
- Florida Appraiser Laws, Rules and Relationships
- General Appraiser Income Approach Part 1
- General Appraiser Income Approach Part 2
- General Appraiser Site Valuation & Cost Approach
- General Appraiser Sales Comparison Approach

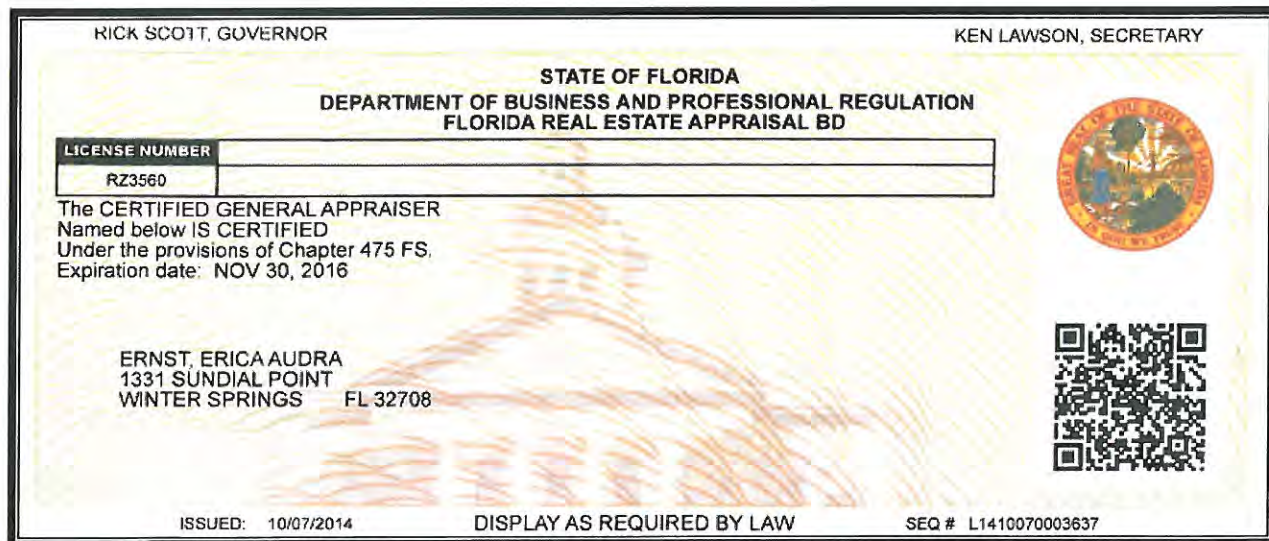
**EXPERIENCE**

**April 2013 – Present**                **Meridian Appraisal Group, Inc.**  
**Associate Appraiser**  
 Responsible for the preparation of appraisal assignments on various real property.

**November 2009 – April 2013** **Meridian Appraisal Group, Inc.**  
**Trainee Appraiser**

**July 2009 – November 2009** **Meridian Appraisal Group, Inc.**  
**Research Analyst**

**CERTIFICATIONS  
& LICENSES**                            State-Certified General Real Estate Appraiser RZ 3560



ENGAGEMENT LETTER

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1331 SUNDIAL POINT  
WINTER SPRINGS, FLORIDA 32708  
TEL 407.875.6933  
FAX 407.875.1061

April 17, 2015

Mr. Rodrigo Paredes  
Housing Trust Group  
3225 Aviation Avenue, Suite 602  
Coconut Grove, FL 33133

**RE: Market Study for Freedom Gardens, Brooksville, Florida**

Gentlemen:

Thank you for the opportunity to provide a market study on the above-referenced property. The following outlines the scope of services to be provided by Meridian Appraisal Group, Inc.

- The report will be prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP), as adopted by the Appraisal Standards Board of the Appraisal Foundation.
- The market study will include an apartment market overview for the county, market and restricted rental rate analysis, absorption analysis and unit mix analysis.

The total fee for the market study is \$3,200, with delivery of the report by May 4, 2017. Our fee estimate includes the cost of one original copy and one digital copy, with each additional original at \$125.

Authorization to proceed with this assignment is considered confirmed upon receipt of a signed copy of this letter.

Items which will likely be necessary to complete the assignment include site survey, site plan, legal description, and any environmental or engineering studies or reports. In addition, a contact name or person will be required to answer any questions I may have.

Should you request that we abandon this assignment during the progress of our work, billings will be rendered up to the date of our receipt of a written request for such abandonment and shall immediately become due and payable. In the event of any dispute relative to this proposal, the prevailing party shall be entitled to the reimbursement of attorney's fees and costs.

Housing Trust Group  
April 17, 2015  
Page Two

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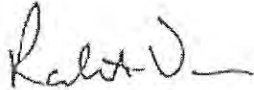
If the scope of services and the terms of this proposal are acceptable to you, please indicate acceptance of the terms by signature at the space provided and return one executed copy for our files along with the requested supporting documentation.

We appreciate the opportunity to work with you on this assignment. Please feel free to contact me if you have any questions.

Best regards,

**Meridian Appraisal Group, Inc.**

AGREED AND ACCEPTED



Robert Von, President  
State-Certified General Appraiser RZ1604

By: 

Date: 4/17/2015

RV:gm



2015 RENTAL RATES & INCOME LIMITS

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Note: The hold harmless provisions of IRC Section 142(d)(2)(E) mean that projects with at least one building placed in service on or before the end of the 45-day transition period for newly-released limits use whichever limits are greater, the current-year limits or the limits in use the preceding year.

HUD released 3/6/2015  
FHFC Posted : 3/8/2015

**2015 Income Limits and Rent Limits**  
**Florida Housing Finance Corporation**  
**Multifamily Rental Programs -- Except HOME and SHIP**  
**CWHIP Homeownership Program**

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Hernando County (Tampa-St.Petersburg-Clearwater MSA)	25%	10,325	11,800	13,275	14,750	15,950	17,125	18,300	19,475	20,650	21,830	258	276	331	383	428	472
	28%	11,564	13,216	14,868	16,520	17,864	19,180	20,496	21,812	23,128	24,450	289	309	371	429	479	528
	30%	12,390	14,160	15,930	17,700	19,140	20,550	21,960	23,370	24,780	26,196	309	331	398	460	513	566
	33%	13,629	15,576	17,523	19,470	21,054	22,605	24,156	25,707	27,258	28,816	340	365	438	506	565	623
	35%	14,455	16,520	18,585	20,650	22,330	23,975	25,620	27,265	28,910	30,562	361	387	464	537	599	661
	40%	16,520	18,880	21,240	23,600	25,520	27,400	29,280	31,160	33,040	34,928	413	442	531	614	685	755
	45%	18,585	21,240	23,895	26,550	28,710	30,825	32,940	35,055	37,170	39,294	464	497	597	690	770	849
	50%	20,650	23,600	26,550	29,500	31,900	34,250	36,600	38,950	41,300	43,660	516	553	663	767	856	944
	60%	24,780	28,320	31,860	35,400	38,280	41,100	43,920	46,740	49,560	52,392	619	663	796	921	1,027	1,133
	80%	33,040	37,760	42,480	47,200	51,040	54,800	58,560	62,320	66,080	69,856	826	885	1,062	1,228	1,370	1,511
120%	49,560	56,640	63,720	70,800	76,560	82,200	87,840	93,480	99,120	104,784	1,239	1,327	1,593	1,842	2,055	2,266	
140%	57,820	66,080	74,340	82,600	89,320	95,900	102,480	109,060	115,640	122,248	1,445	1,548	1,858	2,149	2,397	2,644	
HERA Special Limits	25% - HS	10,400	11,900	13,375	14,850	16,050	17,250	18,425	19,625	20,790	21,978	260	278	334	386	431	475
per Section 142(d)(2)(E)	28% - HS	11,648	13,328	14,980	16,632	17,976	19,320	20,636	21,980	23,285	24,615	291	312	374	432	483	532
(est. 2011)	30% - HS	12,480	14,280	16,050	17,820	19,260	20,700	22,110	23,550	24,948	26,374	312	334	401	463	517	570
For use by projects that	33% - HS	13,728	15,708	17,655	19,602	21,186	22,770	24,321	25,905	27,443	29,011	343	367	441	509	569	627
placed in service at least	35% - HS	14,560	16,660	18,725	20,790	22,470	24,150	25,795	27,475	29,106	30,769	364	390	468	540	603	665
one building on or	40% - HS	16,640	19,040	21,400	23,760	25,680	27,600	29,480	31,400	33,264	35,165	416	446	535	618	690	761
before 12/31/2008	45% - HS	18,720	21,420	24,075	26,730	28,890	31,050	33,165	35,325	37,422	39,560	468	501	601	695	776	856
	50% - HS	20,800	23,800	26,750	29,700	32,100	34,500	36,850	39,250	41,580	43,956	520	557	668	772	862	951
	60% - HS	24,960	28,560	32,100	35,640	38,520	41,400	44,220	47,100	49,896	52,747	624	669	802	927	1,035	1,141

Florida Housing Finance Corporation (FHFC) income and rent limits are based upon figures provided by the United States Department of Housing and Urban Development (HUD) and are subject to change. Updated schedules will be provided when changes occur.

UTILITY ALLOWANCE

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**Allowances for Tenant-Furnished Utilities and Other Services**

U.S. DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT  
Office of Public and Indian Housing

OMB Approval No. 2577-0169  
(exp. (04/30/2014))

Locality		Unit Type		Date (mm/dd/yyyy)			
Hernando County Housing Authority, Florida		Multi-Family/garden apt.		10/01/14			
Utility or Service	Monthly Dollar Allowances						
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	a. Natural Gas	2.00	2.00	3.00	4.00	5.00	6.00
	b. Bottle Gas	7.00	7.00	8.00	11.00	14.00	17.00
	c. Electric	3.00	4.00	5.00	6.00	6.00	7.00
	d. Fuel Oil						
Cooking	a. Natural Gas	4.00	5.00	6.00	7.00	7.00	7.00
	b. Bottle Gas	16.00	17.00	21.00	24.00	26.00	27.00
	c. Electric	8.00	9.00	10.00	11.00	13.00	14.00
	d. Fuel Oil						
Other Electric		22.00	26.00	31.00	37.00	44.00	52.00
Air Conditioning		35.00	41.00	49.00	60.00	70.00	84.00
Water Heating	a. Natural Gas	9.00	9.00	12.00	14.00	15.00	17.00
	b. Bottle Gas	34.00	35.00	45.00	52.00	58.00	64.00
	c. Electric	14.00	14.00	21.00	25.00	30.00	34.00
	d. Fuel Oil						
Water	a. City	15.00	16.00	19.00	22.00	24.00	27.00
	b. County	15.00	16.00	19.00	22.00	24.00	27.00
Sewer	a. City	23.00	24.00	30.00	35.00	40.00	44.00
	b. County	23.00	24.00	30.00	35.00	40.00	44.00
Trash Collection City/County		12.58	12.58	12.58	12.58	12.58	12.58
Range		3.00	3.00	3.00	3.00	4.00	4.00
Refrigerator		5.00	5.00	5.00	5.00	6.00	6.00
Other -specify Customer Charge	a. Electric	13.38	13.38	13.38	13.38	13.38	13.38
	b. Natural Gas	12.50	14.09	14.09	14.09	14.09	14.09
Actual Family Allowances - To be used by the family to compute allowances. Complete below for the actual unit rented.				Utility or Service		per month cost	
Name of Family				Heating			
				Cooking			
Address of Unit				Other Electric			
				Air Conditioning			
				Water Heating			
Number of Bedrooms				Water			
				Sewer			
				Trash Collection			
				Range/Microwave			
				Refrigerator			
				Other			
				<b>Total</b>			

DEVELOPER'S UNIT MIX

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Type	Set-Aside	AMI	Max Gross	Utilities	Max Net	Proposed Rent	Monthly Rent per SF	Final Unit Mix	Unit %	Total Rent	Sq. Ft.
1br/1b	LI	60%	\$663	\$147	\$516	\$516	0.69 \$/SF	7	7%	\$3,615	750
1br/1b	ELI	40%	\$442	\$147	\$295	\$295	0.39 \$/SF	1	1%	\$295	750
2br/2b	LI	60%	\$796	\$178	\$618	\$618	0.67 \$/SF	69	73%	\$42,671	920
2br/2b	ELI	40%	\$531	\$178	\$353	\$353	0.38 \$/SF	7	7%	\$2,474	920
3br/2b	LI	60%	\$921	\$209	\$712	\$712	0.65 \$/SF	10	11%	\$7,124	1,100
3br/2b	ELI	40%	\$614	\$209	\$405	\$405	0.37 \$/SF	1	1%	\$405	1,100
							<b>TOTAL</b>	<b>95</b>	<b>100%</b>	<b>\$56,585</b>	
										Annual Gross Income	<b>\$679,019</b>

AGREEMENT FOR PURCHASE AND SALE

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## AGREEMENT

This AGREEMENT (the "Agreement") is made by and between Housing Trust Group, LLC, a Florida limited liability company ("HTG") and HTG Freedom, LLC, a Florida limited liability company ("FREEDOM").

WHEREAS, Freedom Bank of America, a Florida Banking Corporation ("Owner"), currently owns a real property located in Hernando County of approximately 22.61 acres ("Property").

WHEREAS, Owner and HTG entered into that certain Purchase and Sale Agreement effective June 9, 2014 (the "Underlying Contract") concerning the purchase and sale of the Property.

WHEREAS, FREEDOM intends to submit a LIHTC application to FHFC; and

WHEREAS, HTG and FREEDOM desire to enter into this Agreement concerning a portion of the Property as described herein.

### WITNESSETH:

1. Property. Subject to the terms and conditions set forth below and for TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by HTG and FREEDOM, HTG shall convey to FREEDOM and FREEDOM shall purchase from HTG the following described parcel of property situated in Hernando County, Florida:

SEE EXHIBIT "A" ATTACHED HERETO (the "Subject Property").

2. Purchase Price. The sum of NINE HUNDRED TWENTY FIVE THOUSAND AND NO/100 DOLLARS (\$925,000.00), subject to adjustments, credits, and prorations as set forth herein (the "Purchase Price"), shall be paid by FREEDOM to HTG in cash at Closing.

3. HTG's Documents. HTG shall execute and deliver to FREEDOM at Closing, the following:

a. A deed executed by HTG conveying to FREEDOM fee simple title to the Subject Property;

b. Such other Closing documents as reasonably may be required to consummate the transaction or which may be required by the Title Insurance Company in order to issue the Title Policy as required by a Title Commitment.

4. Expense Provisions. Any and all costs related to the Closing (as later defined) including but not limited to documentary stamps and transfer/sales taxes, the cost of recording the deed, the cost of the Survey, and the title insurance premium shall be paid by FREEDOM on or before Closing.

5. Closing. Subject to the terms and conditions hereof, the closing ("Closing") of this transaction shall be completed, on or before May 31, 2016 (the "Closing Date"). At FREEDOM's option, the Closing may be held sooner so long as FREEDOM gives HTG notice of the revised Closing Date with sufficient notice of not less than three (3) business days. HTG shall deliver possession of the Property to FREEDOM on the Closing Date.

6. Taxes and Expenses. Real estate taxes shall be prorated as of the day of Closing. FREEDOM shall be responsible for all taxes or other expenses which are due on or after Closing.

7. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Either party may assigns its rights under this Agreement.

8. Obligations and Rights. HTG shall comply with the Underlying Contract for the purchase of the entire Property. All of HTG's rights, title and interests in the Underlying Contract are hereby assigned to the FREEDOM, who concurrently assumes HTG's rights, title and interest in the Underlying Contract. HTG remains obligated under the Underlying Agreement for the purchase of the entire Property and for all other obligations and liabilities thereunder.

9. Amendments. Except as otherwise provided herein, this Agreement may be amended or modified by, and only by, a written instrument executed by HTG and FREEDOM.

10. Law. This Agreement shall be governed by and construed in accordance with Florida law.

11. Section Headings. The section headings inserted in this Agreement are for convenience only and are not intended to, and shall not be construed to, limit, enlarge or affect the scope or intent of this Agreement, nor the meaning of any provision hereof.

12. Attorneys' Fees and Costs. In any litigation arising out of or pertaining to this Agreement, the prevailing party shall be entitled to an award of its attorneys' fees, whether incurred before, after or during trial, or upon any appellate level.

13. Time. Time is of the essence of this Agreement. When any time period specified herein falls or ends upon a Saturday, Sunday or legal holiday, the time period shall automatically extend to 5:00 P.M. on the next ensuing business day.

14. Counterparts and Fax. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. It is the intent of the parties to circulate original signature copies, however, fax or email copies shall be deemed originals until original signatures are obtained.

15. Default. In the event of a default by HTG, FREEDOM shall be entitled to demand and receive specific performance of this Agreement.

16. Underlying Contract. HTG shall fully comply with the terms of the Underlying Contract and, at FREEDOM's sole option, FREEDOM shall have the absolute right to comply with any such term including the making of any payment on HTG's behalf.

WITNESS, the due execution hereof this 20<sup>th</sup> day of January 2015.

HOUSING TRUST GROUP, LLC,  
a Florida limited liability company

By:   
Matthew Rieger, Manager

HTG FREEDOM, LLC,  
a Florida limited liability company

By:   
Matthew Rieger, Manager



EXHIBIT "A"

Legal Description of the Subject Property

FOR A POINT OF BEGINNING, COMMENCE AT THE SOUTHEAST CORNER OF LOT 7, BLOCK E, MITCHELL HEIGHTS, PER THE PLAT THEREOF RECORDED IN PLAT BOOK 7, PAGE 7 OF THE PUBLIC RECORDS OF HERNANDO COUNTY, FLORIDA; THENCE ALONG THE EAST LINE OF SAID LOT 7 AND THE NORTHERLY EXTENSION THEREOF, N 00°32'18" W A DISTANCE OF 288.98 FEET; THENCE LEAVING SAID LINE,  
N 89°30'11" E A DISTANCE OF 501.79 FEET TO THE WEST RIGHT OF WAY LINE OF MAIN STREET; THENCE ALONG SAID RIGHT OF WAY LINE, S 00°32'18" E A DISTANCE OF 426.60 FEET TO A POINT ON A CURVE THAT IS CONCAVE TO THE SOUTHEAST, SAID CURVE HAVING A RADIUS OF 3100.00 FEET, A DELTA ANGLE OF 15°38'27", A CHORD DISTANCE OF 843.63 FEET AND A CHORD BEARING OF S 69°48'47" W;  
THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 846.25 FEET; THENCE S 87°56'31" W A DISTANCE OF 35.01 FEET; THENCE N 37°09'53" E A DISTANCE OF 534.11 FEET TO THE POINT OF BEGINNING.  
CONTAINING 6.90 ACRES, MORE OR LESS

**AGREEMENT FOR PURCHASE AND SALE**

This AGREEMENT FOR PURCHASE AND SALE (this "Agreement") is entered into by FREEDOM BANK OF AMERICA, a Florida banking Corporation (referred to herein as the "Seller") and HOUSING TRUST GROUP, LLC, a Florida limited liability company ("Buyer") as of June 9, 2014 (the "Effective Date").

**BACKGROUND:**

Seller is currently the owner of approximately 22.61 acres of land in Hernando County, Florida, which is more particularly described in **Exhibit "A"** attached hereto and made a part hereof (the "Property"). The parties to this Agreement have agreed to the sale and purchase of the Property on the terms and conditions which are set forth in this Agreement.

**AGREEMENT:**

**1. Purchase and Sale.** Subject to all of the terms and conditions of this Agreement, Seller will sell to Buyer and Buyer will purchase from Seller the Property, together with all appurtenances, rights, easements and rights of way incident thereto, if owned or controlled by Seller.

**2. Purchase Price.** The purchase price to be paid by Buyer to Seller for the Property is Nine Hundred Twenty Five Thousand and no/00 Dollars (\$925,000.00) (the "Purchase Price").

(a) Deposits.

(i) First: Within five (5) business days of the Effective Date (as defined herein), Buyer shall deposit with Johnson, Pope, Bokor, Ruppel & Burns, LLP, as escrow agent ("Escrow Agent"), the sum of Twenty Five Thousand and no/00 Dollars (\$25,000.00) (the "First Deposit").

(ii) Second: Assuming Buyer has not otherwise terminated this Agreement, Buyer shall deposit the sum of Twenty Five Thousand and no/00 Dollars (\$25,000.00) ("Second Deposit") with Escrow Agent upon the expiration of the Investigation Period (as defined in Section 4 below).

(iii) The First Deposit, Second Deposit and any Closing Date Extension Payment [as defined in Section 7(b)] are hereinafter referred to, collectively, as the "Deposit". Any and all interest earned on the Deposit shall be paid to Buyer unless Buyer shall be in default of its obligations under this Agreement and in such event such interest shall be paid to Seller.

(b) Refundability. The Deposit shall be refundable to Buyer if Buyer terminates this Agreement for any reason and in its sole and absolute discretion between the Effective Date and the expiration of the Investigation Period. Following the expiration of the Investigation Period, the Deposit shall be non-refundable to Buyer,

this Agreement due to any of the following: (1) pursuant to Buyer's right to terminate pursuant to this Agreement, (2) pursuant to Buyer's right to terminate in the event of an uncured title defect, (3) pursuant to Buyer's right to terminate as a result of a moratoria at the Property as described in Section 14, (4) pursuant to Buyer's right to terminate as a result of a condemnation at the Property as described in Section 16, and (5) as a result of Seller's breach of this Agreement.

(c) Payment of Purchase Price. At the time of the Closing, Buyer will pay to Seller, by wire transfer of funds, the Purchase Price as adjusted for prorations and adjustments as set forth in this Agreement. At the Closing, the Deposit, net of any Closing Date Extension Payment(s), shall be credited to Buyer's obligations to pay the Purchase Price hereunder.

**3. Title and Title Insurance and Survey.**

(a) Title. Five (5) business days after the Effective Date, Seller shall provide Buyer with its owner's title policy received by Seller at the time of Seller's acquisition of the Property, if any, insuring Seller's title to the Property. Buyer shall obtain a commitment (the "Title Commitment") for an owner's title insurance policy, together with legible copies of all documents referenced therein, issued by a title insurance company acceptable to Buyer ("Title Company") no later than sixty (60) days prior to the expiration of the Investigation Period. The Title Commitment shall have a date subsequent to the Effective Date and shall show that title to the Property is good and marketable and insurable subject to no liens, encumbrances, exceptions or qualifications which would preclude Buyer, in its sole discretion, from constructing and developing the Contemplated Improvements (as defined herein). Buyer shall have sixty (60) days prior to the expiration of the Investigation Period in which to examine the condition of title. If Buyer fails to provide Seller with written notice of specific defects that make title to the Property other than as required by this Section 3, then, for all purposes of this Agreement, Buyer shall be deemed to have accepted title in the condition described in the Title Commitment and Survey. Any title exceptions which are not objected to in accordance to this Section 3 shall be deemed to be acceptable in all respects to Buyer. If Buyer timely notifies Seller that title does not satisfy the requirements of this Section 3, then Seller agrees to use reasonable diligence to make title good, marketable and insurable, for which purpose Seller shall have a reasonable time in which to do so but in no event more than sixty (60) days from the receipt of Buyer's written notice that title is unacceptable. After reasonable diligence on the part of Seller, if title is not rendered as required by this Section 3, then at the end of such sixty (60) day period, the Deposit, at the election of Buyer, shall be returned to Buyer, this Agreement shall be terminated and all parties hereto shall be released from any and all obligations and liabilities hereunder other than those that specifically survive hereunder. At any time prior to such termination, Buyer may elect by written notice to Seller to waive any defects in title, in which event the Closing shall take place pursuant to this Agreement without any abatement whatsoever in the Purchase Price. In the event that any title exception shall appear subsequent to the date of the Title Commitment, the existence of same shall constitute a default hereunder, unless Buyer shall not object to such title exception.

(b) **Survey.** Within five (5) business days after the Effective Date, Seller shall provide Buyer with the most recent survey of the Property in Seller's possession, if any. Buyer may, at Buyer's expense, order and subsequently obtain a current topographical and boundary survey of the Property (the "Survey"). The Survey shall show that there are no encroachments on the Property. Any encroachments shown shall be treated as a title defect and the terms and conditions set forth in Section 3(a) of this Agreement shall apply with respect thereto. Buyer shall notify Seller of survey defects within sixty (60) days prior to the expiration of the Investigation Period.

**4. Investigation Period.** Buyer shall have the period beginning on the Effective Date and ending nine (9) months thereafter (the "Investigation Period") in which to determine that the Property can be developed pursuant to a plan satisfactory to Buyer in Buyer's sole and absolute discretion (the "Contemplated Improvements"). Among other things, Buyer shall verify that (a) adequate utility service is or will be made available by a public utility company to a boundary of the Property; (b) municipal fees, including sewer and water connection fees, do not exceed an amount acceptable to Buyer; (c) there are not unusual soil conditions which would prohibit the standard construction practice for Buyer's intended use of the Property; (d) a market survey and financing feasibility study substantiates the need for a rental housing development in the area of the Property; and (e) all other matters (including, without limitation, the results of any physical inspections, environmental assessments, wetlands assessments, engineering studies and site plan studies) affecting or relating in any way to the Property are otherwise satisfactory to Buyer. During the Investigation Period and until the Closing, Seller shall provide Buyer and its agents with access to the Property, upon forty eight (48) hour advanced notice, to perform tests and inspections and otherwise do all things that may be necessary (including, without limitation, clearing the Property for survey purposes, soil borings, and environmental investigations, among other things), as determined by Buyer in order to accomplish Buyer's goals as set forth in the immediately preceding sentence. Buyer hereby indemnifies and holds Seller harmless from any loss, cost or expense, including, but not limited to, attorneys' fees and costs incurred by Seller as a result of the gross negligence or intentional misconduct of Buyer and any of Buyer's agents who enter the Property. This indemnification shall survive any termination of this Agreement and Closing for a period of twelve (12) months. Notwithstanding anything contained herein to the contrary, Buyer shall have no indemnification obligation with respect to, or other liability for, or in connection with any claims arising from, pre-existing conditions on or under the Property, or those arising from the presence, discovery or disturbance of Hazardous Substances, Hazardous Waste, and Hazardous Materials (as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. '9601 *et seq.* and the regulations promulgated thereunder (as amended from time to time) and shall include oil and oil waste as those terms are defined in the Clean Water Act, 33 U.S.C. '1251 *et seq.* and the regulations promulgated thereunder (as amended from time to time), the Resource, Conservation and Recovery Act, 42 U.S.C. '6901 *et seq.* (as amended from time to time), and the Florida Resource Recovery and Management Act, Florida Statutes '403.70-403.73 (as amended from time to time) and shall include any other elements or compounds contained in the list of hazardous substances adopted by the United States Environmental Protection Agency ("EPA") and the list of toxic pollutants designated by the United States Congress or EPA as defined by any other Federal, State or local statute, law, ordinance,



code, rule, regulation, order or decree relating to standards of conduct concerning any toxic or dangerous waste or substance). No later than seven (7) days after the Effective Date, Seller shall provide to Buyer any and all information relating to the Property which is in Sellers' possession or control or in the possession or control of Sellers' agents, employees and/or professionals, if any, including, without limitation, full and complete copies of all leases, surveys, topographical maps, soil boring reports, traffic studies, any and all environmental reports, site planning concepts, project approvals, permits, licenses, title policies, proof of payment of school, water, sewer, road and recreational impact fees, homeowners' association documents, developer agreements (whether recorded or not) and any other document of which Seller has knowledge, if any. If for any reason Buyer, in its sole and absolute discretion, determines that the Contemplated Improvements cannot be built on the Property or that Buyer wishes to terminate this Agreement for any reason or no reason at all, then no later than the expiration of the Investigation Period, Buyer shall, in writing, notify Seller that it has elected not to proceed with the transaction contemplated hereby. Thereupon, the Deposit shall immediately be returned to Buyer without the need for any authorization from Seller to Escrow Agent and the parties hereto shall be relieved of all liability under this Agreement other than those that specifically survive hereunder. In the event that Buyer fails to timely notify Seller in writing of its election not to proceed with the transaction contemplated hereby, Buyer shall be deemed to have elected to proceed. Following any inspections upon the Property, Buyer or Buyer's agents shall return the Property to the condition it existed immediately prior to such inspections, reasonable wear and tear excepted; this provision shall survive any termination of this Agreement. In the event Buyer has terminated this Agreement, Buyer shall deliver to Seller a copy of all third party reports obtained by Buyer during the Investigation Period in possession or control of Buyer, Buyer's agents, employees, contractors, and/or professionals.

**5. Tax Credit Financing.** Seller acknowledges that Buyer is an experienced developer of low income housing and tax credit financed housing and Buyer may apply for and pursue an allocation of competitive Low Income Housing Tax Credits from the Florida Housing Finance Corporation ("Housing Credits") in an amount in Buyer's sole and absolute discretion necessary for Buyer's financing for the Contemplated Improvements.

**6. Conditions Precedent to Buyer's Obligation to Close.** The following are specific conditions which must be satisfied prior to, and must be true at, Closing:

(a) **No Governmental Prohibitions.** There are no governmental prohibitions that prevent Buyer from constructing the Contemplated Improvements.

(b) **Access.** There shall be direct, uninterrupted and continuous ingress and egress access for pedestrian and vehicular traffic to and from the Property.

(c) **Other.** All of the other conditions set forth in this Agreement to be satisfied prior to the Closing shall have been satisfied in all respects as required by the terms of this Agreement.



**7. Closing and Closing Costs.**

(a) **Closing Date.** The purchase and sale contemplated by this Agreement shall close (the "Closing") on or before six (6) months after the expiration of the Investigation Period (the "Closing Date").

(b) **Closing Extensions.** Buyer shall, at its sole option, be entitled to two (2) successive thirty (30) day extensions of the Closing Date (each a "Closing Date Extension"). For each Closing Date Extension, Buyer shall pay the sum of Twenty Five Thousand and no/00 Dollars (\$25,000.00) to Escrow Agent (each such \$25,000.00 payment is hereinafter referred to as a "Closing Date Extension Payment"). At the end of each period that is the subject of a particular Closing Date Extension, Buyer may, at its sole option: (a) proceed to the Closing of the transactions contemplated hereby or (b) elect to extend the Closing Date pursuant to this Section. Buyer shall not receive a credit against its obligation to pay the Purchase Price for any Closing Date Extension Payment(s). Each such Closing Date Extension Payment shall be non-refundable to Buyer if Buyer terminates this Agreement due to any of the following: (1) pursuant to Buyer's right to terminate pursuant to this Agreement, (2) pursuant to Buyer's right to terminate in the event of an uncured title defect, (3) pursuant to Buyer's right to terminate as a result of a moratoria at the Property as described in Section 14, (4) pursuant to Buyer's right to terminate as a result of a condemnation at the Property as described in Section 16, and (5) as a result of Seller's breach of this Agreement.

(c) **Closing Location.** The Closing will be held at the offices of Escrow Agent or at such other place as the parties may mutually agree upon.

(d) **Early Closing.** Notwithstanding anything contained herein to the contrary, at any time prior to the scheduled Closing Date, Buyer in its sole discretion may elect to close this transaction. Buyer shall exercise this election by delivering to Seller written notice of Buyer's intention to close which notice shall set a closing date not more than thirty (30) days from the date of such notice.

(e) **Costs.** Seller shall pay the cost of all transfer fees, including, documentary stamps to be affixed to the deed and for the recording of, and any and all other costs relating to obtaining title corrective instruments and any fees, costs or expenses owed to Escrow Agent. Buyer shall pay the cost of the recording of the deed, the owner's title insurance policy premium, the cost of the Survey, any title updates, investigation and lien searches and for all recording costs (except the costs of recording curative documents required pursuant to the terms of Section 3 hereof, which costs shall be paid for by Seller). Seller and Buyer shall each pay for their own legal fees in connection with this Agreement.

**8. Seller's Deliveries.** Seller shall deliver to Buyer at least five (5) days prior to the Closing copies of the following documents (with the exception of subsection (c) below which shall be delivered at Closing), dated as of the day of Closing, the delivery and accuracy of which shall be a condition to Buyer's obligation to consummate the transactions contemplated hereby:

(a) Warranty Deed. A special warranty deed (the "Deed") in recordable form, duly executed by Seller, conveying to Buyer good, marketable and insurable fee simple title to the Property subject only to those exceptions contained in the Title Commitment and approved by Buyer pursuant to the terms of this Agreement, with the legal description provided in the Title Commitment, together with any relevant Florida Department of Revenue forms, if necessary.

(b) Affidavit. A no-lien and exclusive possession affidavit in form and content customarily used in Hernando County, Florida. The no-lien affidavit shall relate to any activity of Seller at the Property within the period that a mechanic's lien can be filed based on such activity prior to the Closing.

(c) Title Insurance. To the extent necessary to permit the Title Company to remove any exception in the Title Commitment for mechanics' and materialmen's liens and general rights of parties in possession, an affidavit as to debts and liens and parties in possession executed by Seller, made to Buyer and the Title Company and in a form reasonably acceptable to the Title Company, along with a GAP Affidavit and any other items reasonably required by the Escrow Agent.

(d) FIRPTA Affidavit. In order to comply with the requirements of the Foreign Investment Real Property Tax Act of 1980 ("FIRPTA"), Seller will deliver to Buyer at the Closing Seller's affidavit under penalty of perjury stating Seller is not a "foreign person," as defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations promulgated thereunder, setting forth Seller's taxpayer identification number, and that Seller intends to file a United States income tax return with respect to the transfer. Seller represents and warrants to Buyer that it has not made nor does Seller have any knowledge of any transfer of the Property or any part thereof that is subject to any provisions of FIRPTA that has not been fully complied with in all respects. As required by law, if Seller fails to comply with the requirement of this subsection, Buyer shall withhold ten percent (10%) of the Purchase Price in lieu of payment thereof to Seller and pay it over instead to the Internal Revenue Service in such form and manner as may be required by law.

(e) Seller's Certificate. A duly executed certification (the "Seller's Certificate") that every warranty of Seller under this Agreement is true and correct as of the Closing as if made by Seller at such time. Such warranties will survive the Closing for a period of 12 months.

(f) Corporation Documents, if applicable. A company resolution and incumbency certificate duly executed, authorizing Seller to close the transaction contemplated hereby and execute any and all documents in connection therewith, together with (a) certified, by the Florida Secretary of State or the Florida Office of Financial Regulation, articles of incorporation and; (b) certified, by the Florida Secretary of State, certificate of active status.

(g) Other Documents. Any and all other documents as may be reasonably necessary in order to fully and completely consummate the transactions contemplated hereby pursuant to the terms of this Agreement.

9. Buyer's Deliveries. At the Closing, and after Seller has complied with all of the terms and conditions of this Agreement and simultaneously with Seller's delivery of the documents required in Section 8 hereof, Buyer shall:

(a) Purchase Price. Pay, by wire transfer of funds to Escrow Agent for disbursement to Seller, the Purchase Price, adjusted for the pro rations, Seller's closing costs and other payments provided for in this Agreement; and

(b) Buyer's Resolution. Deliver to Seller a resolution, duly executed, authorizing Buyer to close the transaction contemplated hereby.

10. Taxes and Prorations. At the Closing, the taxes on the Property shall be prorated as of the Closing Date, between the parties on the basis of the taxes paid for the most recent year that have been assessed and billed. If the actual taxes for the year of Closing are not determinable on the date of the Closing, then the parties agree to re-prorate taxes promptly upon issuance of the tax bill for the year of the Closing. Any special assessment liens certified as of the date of the Closing shall be paid for by Seller. Any pending liens shall be assumed by Buyer. In the event Buyer is responsible for the placement of a lien on the Property, Buyer shall be responsible for the payment, satisfaction and/or bonding of such lien. This provision shall survive the Closing of the transaction.

11. Possession. Buyer shall be granted full possession of the Property as of the Closing vacant and free of any and all tenancies.

12. Seller's Warranties. Seller hereby warrants to Buyer as follows:

(a) Title. Seller is vested with good and marketable fee simple title to the Property subject only to the permitted title exceptions as provided herein.

(b) No Condemnation. There are no condemnation or eminent domain proceedings pending or, to the best of Seller's knowledge contemplated against the Property or any part thereof, and Seller has received no notice of the desire of any public authority to take or use the Property or any part thereof.

(c) No Litigation. Seller has not received notice of any pending suits or proceedings against or affecting Seller or any part of the Property which (i) do or could affect title to the Property or any part thereof or (ii) do or could prohibit or make unlawful the consummation of the transactions contemplated by this Agreement, or render Seller unable to consummate the same.

(d) Environmental. To the best of Seller's knowledge, Seller has not violated any applicable environmental laws affecting the Property, including, without limitation, any laws relating to toxic and/or hazardous wastes as defined by Federal or Florida law.

(e) Authority. Seller has full power and authority to execute and deliver this Agreement and all documents now or hereafter to be delivered by it pursuant to this Agreement and to perform all of its obligations arising under this Agreement.

(f) No Violation of Seller's Agreements. This Agreement and any of the documents executed or to be executed by Seller hereunder do not and will not contravene any provision of any document governing Seller's authority to act hereunder, any present judgment, order, decree, writ or injunction, or any provision of any currently applicable law, rule or regulation, in each case applicable to Seller and/or the Property.

(g) Tax Liens. The Property is free and clear of all liens except for ad valorem taxes for the current year and year of Closing, not yet due and payable, and for all subsequent years.

(h) No Violation of Laws. To the best of Seller's knowledge there is no violation of, any law, regulation, ordinance, order or judgment affecting the Property.

(i) No Unrecorded Encumbrances. To the best of Seller's knowledge there are no unrecorded easements, restrictions or encumbrances affecting all or any part of the Property.

(j) No Knowledge of Facts. To the best of Seller's knowledge, there are no facts that prohibit Seller from closing the transaction contemplated hereby in accordance with the terms hereof.

(k) No Untrue Statements. No representation or warranty by Seller, to Seller's knowledge, in this Agreement or in any instrument, certificate or statement furnished to Buyer pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained herein or therein not misleading.

(l) No Adverse Tax Matters. There are no agreements, waivers or other arrangements providing for any extension of time with respect to the assessment of any type of tax or deficiency against Seller in respect of the Property, nor to the best of Seller's knowledge, are there any actions, suits, proceedings, investigations or claims for additional taxes and assessments asserted by any taxing authority.

(m) No Mechanics' Liens. There are no mechanics' or materialmen's liens against the Property and if subsequent to the Closing hereunder, any mechanics' or other liens shall be filed against the Property or against Buyer or its assigns and not caused by Buyer, based upon any act or omission occurring prior to the Closing on the Property, Seller shall take such action, within ten (10) days after notice of the filing thereof, by



bonding, deposit, payment or otherwise, as will remove, transfer or satisfy such lien of record against the Property, at Seller's sole cost and expense.

(n) No Parties in Possession. There are no parties in possession of any portion of the Property, whether as lessees, tenants-at-sufferance, trespassers or otherwise and Seller has made available to Buyer accurate information and complete copies of any and all service contracts which are in Seller's files and to the best of Seller's knowledge, Seller has delivered or made available all other reasonable due diligence materials requested in writing by Buyer which are in Seller's possession.

At the Closing, Seller shall, in writing, reaffirm to Buyer pursuant to the Seller's Certificate the truth and correctness, as of the date of the Closing, of each of the aforementioned warranties and agrees to indemnify and hold Buyer harmless from and against any and all loss or damage suffered by Buyer on account of the untruth or incorrectness of any such warranties. The aforementioned warranties shall survive Closing for a period of 12 months.

**13. Covenants of Seller.** Seller hereby covenants with Buyer as follows:

(a) No Creation of Encumbrances. Between the Effective Date and the date of Closing, Seller will not, without Buyer's prior written consent, which shall not be unreasonably withheld or delayed, create by its consent any encumbrances on the Property. For purposes of this provision the term "encumbrances" shall mean any liens, claims, options, mortgages or other encumbrances, encroachments, rights-of-way, leases, easements, covenants, conditions or restrictions.

(b) No Zoning Action. Between the Effective Date and the date of the Closing, Seller will not file any application for any change of the present zoning classification of the Property, unless requested to do so by Buyer. In the event Buyer requests Seller to file any such application, Seller will cooperate fully with Buyer in all respects by executing consents, applications and other such documents reasonably requested by Buyer in connection with its efforts in developing the Property.

(c) No Environmental Action. Between the Effective Date and the date of the Closing, Seller will not file any application for any environmental permit or any change to any existing environmental permit, approval, report, status or condition of any kind relating to the Property unless such change is requested by Buyer. Seller will cooperate fully with Buyer in all respects by executing consents, applications and other such documents reasonably requested by Buyer in connection with its efforts in developing the Property to a condition such that building may commence.

(d) Maintenance of Insurance. Between the Effective Date and the date of the Closing, all existing insurance policies shall remain continuously in full force and effect.

Buyer acknowledges Seller has no insurance policies with respect to the Property, except Seller's general public liability policy, which shall be renewed or replaced upon its annual expiration.



**14. Moratoria.** If, at the time of the Closing, there are sewer, water, building or other moratoria in effect which would interfere with the immediate construction and occupancy of the Contemplated Improvements, then Buyer, at its sole option, may: (a) terminate this Agreement and obtain a return of the Deposit, whereupon the parties shall be relieved from all further liabilities and obligations hereunder other than those that specifically survive hereunder or (b) close the transactions contemplated hereby without regard to the moratoria and without any adjustment in the Purchase Price or extension of the Closing date.

**15. Real Estate Commissions.** Buyer and Seller hereby warrant to each other that, other than Eshenbaugh Land Company ("Eshenbaugh"), neither party are represented by a real estate broker or agent and that no other real estate commission shall be paid in connection with this transaction and each party shall indemnify the other from any claims of any parties claiming a commission by, under or through either party. Any and all commissions due to Eshenbaugh shall be payable solely by Seller. This provision shall survive the Closing of the transaction.

**16. Condemnation.** In the event of the institution against the record owner of the Property of any proceedings, judicial, administrative or otherwise, relating to the taking, or to a proposed taking of any portion of the Property by eminent domain, condemnation or otherwise (which materially impairs the proposed development of the Property), prior to the Closing, or in the event of the taking of any portion of the Property by eminent domain, condemnation or otherwise, prior to the Closing, then Seller shall notify Buyer promptly and Buyer shall have the option, in its sole and absolute discretion, of either (a) terminating this Agreement and obtaining a return of the Deposit, whereupon the parties shall be relieved from all further liabilities and obligations hereunder other than those that specifically survive hereunder or (b) proceeding to the Closing in accordance with the terms of this Agreement, but at the Closing Seller shall assign to Buyer all of Seller's right, title and interest in, to and under any and all awards that have been or may be made with respect to such eminent domain proceeding or condemnation. Any such election hereunder must be made by Buyer within twenty (20) days of the notice furnished by Seller. If Buyer fails to make a timely election in writing, Buyer shall be deemed to have elected alternative (a) above.

**17. Loss or Damage.** Any loss or damage to the Property between the Effective Date and the Closing shall not void this Agreement or modify the provisions hereof.

**18. Default.**

(a) **Buyer Default.** If the transactions contemplated hereby do not close solely due to a refusal or default on the part of Buyer, then the Deposit, together with any and all interest earned thereon, shall be delivered by Escrow Agent to Seller as liquidated and agreed upon damages and thereafter, Buyer shall be relieved from all further obligations under this Agreement and Seller shall have no further claim against Buyer for specific performance or for damages by reason of the failure of Buyer to close the transactions contemplated hereby.

(b) **Seller Default.** If the transactions contemplated hereby fail to close due to a default on the part of Seller, then at the option of Buyer the Deposit shall be returned by Escrow Agent to Buyer, together with any and all interest earned thereon, provided, however, that such return shall not limit Buyer's right to maintain an action for specific performance of this Agreement by Seller. Buyer shall not have right to sue for damages, whether direct, consequential or incidental suffered by Buyer as a result of Seller's default.

**19. Escrow.** Escrow Agent, in receiving funds to hold in escrow hereunder, is authorized and agrees by acceptance thereof to promptly deposit and to hold same in escrow and to disburse same subject to clearance thereof in accordance with terms and conditions of this Agreement. Failure of clearance of funds shall not excuse performance by Buyer. In the event of doubt as to its duties or liabilities under the provisions of this Agreement, Escrow Agent may, in its sole discretion, continue to hold the monies which are the subject of this escrow until the parties mutually agree to the disbursement thereof, or until a judgment of a court of competent jurisdiction shall determine the rights of the parties thereto, or it may file an interpleader action and deposit all the monies then held pursuant to this Agreement with the Clerk of the Circuit Court of Pinellas County, Florida, and upon notifying all parties concerned of such action, all liability on the part of Escrow Agent shall fully terminate, except to the extent of accounting for any monies theretofore delivered out of escrow. In the event of any suit between Buyer and Seller wherein Escrow Agent is made a party by virtue of acting as escrow agent hereunder, or in the event of any suit wherein Escrow Agent interpleads the subject matter of this escrow, Escrow Agent shall be entitled to recover a reasonable attorneys' fee and costs incurred, said fees and costs to be charged and assessed as court cost in favor of the prevailing party. All parties agree that Escrow Agent shall not be liable to any party or person whomsoever for misdelivery to Buyer or Seller of monies subject to this escrow, unless such misdelivery shall be due to a willful breach of this Agreement or gross negligence on the part of Escrow Agent. Any fees, costs or expenses owed to Escrow Agent, shall be payable by Seller.

**20. Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the transactions contemplated herein, and it supersedes all prior understandings or agreements between the parties.

**21. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors and permitted assigns.

**22. Survival of Paragraphs.** The terms, conditions and warranties contained herein that state they specifically survive shall survive the Closing and delivery of the Deed or earlier termination of this Agreement as set forth herein.

**23. Waiver; Modification.** The failure by Buyer or Seller to insist upon or enforce any of their rights shall not constitute a waiver thereof, and nothing shall constitute a waiver of Buyer's right to insist upon strict compliance with the terms of this Agreement. Either party may waive the benefit of any provision or condition for its benefit that is contained in this Agreement. No oral modification of this Agreement shall be binding upon the parties and any modification must be in writing and signed by the parties hereto.





In the event Seller receives a New Offer, upon terms and conditions which are, in Seller's reasonable discretion, deemed more favorable or beneficial to Seller than the terms of this Agreement, Seller hereby agrees to provide Buyer with the right of first refusal to match such New Offer. New Offers subject to this Section must have a purchase price not less than 85% of the Purchase Price in this Agreement, must close within 90 days from the date of the New Offer and must be from an independent third party which may not be an affordable housing developer or their affiliates. In the event a New Offer does not close within 90 days of the date of the New Offer, this Agreement shall be reinstated and proceed to Closing in Buyer's sole and absolute discretion. The right of first refusal is to be exercised within ten (10) days of submission to Buyer of a signed contract containing all the terms and conditions of the New Offer to Buyer. The failure of Buyer to exercise the right of first refusal within the time allowed will result in: a) a waiver of the right of first refusal; b) a termination of this Agreement; c) the immediate return of the Deposit to Buyer; and d) Seller shall reimburse Buyer for all reasonable expenses incurred by Buyer in connection with Buyer's due diligence and Housing Credits application. The rights granted to Seller under this Section shall expire and terminate thirty (30) days before the next Housing Credits application deadline, which date Buyer shall provide to Seller within fifteen (15) days after Buyer has received notice of such Housing Credits application deadline. If Buyer fails to give such notice to Seller, the rights granted to Seller shall not expire until thirty (30) days after Buyer provides such notice to Seller.

**28. Assignment.** This Agreement may be assigned by Buyer. Seller may not assign its rights under this Agreement.

**29. Attorneys' Fees.** In the event that it becomes necessary for either party to bring suit to enforce the terms of this Agreement, then the prevailing party shall be entitled to recover all costs, including attorneys' fees, incurred in connection with such litigation (including appellate proceedings) against the non-prevailing party. This provision shall survive the Closing of the transaction and any termination of this Agreement.

**30. Effective Date.** The effective date of this Agreement (the "Effective Date") shall be the date first above written.

**31. Time of the Essence.** Time is of the essence with respect to each provision of this Agreement that requires action be taken by either party within a stated time period, or upon a specified date, provided, however, if the date for performance is on a Saturday, Sunday or federal holiday, the date for performance shall be extended to the next business day.

**32. Counterparts; Email or Facsimile Signatures.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original but all of which, together, shall constitute but one and the same instrument. This Agreement shall be effective when the parties have emailed or faxed their respective signatures either to the other party or to the other party's counsel. Email or facsimile signatures shall have the same legal effect as original signatures.

[SIGNATURES BEGIN ON THE NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year last below written.

**BUYER:**

HOUSING TRUST GROUP, LLC,  
a Florida limited liability company

By: [Signature]  
Name: Matthew Rieger  
Title: Manager

Date: June 5, 2014

**SELLER:**

FREEDOM BANK OF AMERICA,  
a Florida banking corporation

By: [Signature]  
Name: Cathy Swanson  
Title: President & CEO

Date: June 9, 2014



EXHIBIT "A"  
The Property

PARCEL A:

Commence at the Southeast corner of Lot 7, Block E, MITCHELL HEIGHTS, as per plat thereof recorded in Plat Book 7, page 7, public records of Hernando County, Florida; thence North  $00^{\circ}19'35''$  West, along the East line of said Lot 7, and the Northerly extension thereof, a distance of 288.98 feet; thence North  $89^{\circ}30'11''$  East, a distance of 501.79 feet, to the West right-of-way line of Main Street (formerly known as Mitchell Road); thence South  $00^{\circ}32'18''$  East, along the West right-of-way line, a distance of 426.60 feet, to a point on the South line of that certain parcel described in Official Records Book 502, page 1763, public records of Hernando County, Florida, said point lying on a curve of which the radius lies South  $12^{\circ}21'59''$  East, a radial distance of 3100.00 feet; thence following two calls along the Southerly line of said parcel; thence Southwesterly along the arc of said curve, through a central angle of  $15^{\circ}38'27''$ , a distance of 846.25 feet; thence South  $87^{\circ}56'31''$  West, a distance of 35.01 feet; thence North  $37^{\circ}09'53''$  East, a distance of 534.11 feet, to the Point of Beginning.

PARCEL B:


Commencing at the Northeast corner of the Northwest 1/4 of the Southeast 1/4 of Section 27, Township 22 South, Range 19 East, Hernando County, Florida; thence South  $89^{\circ}47'38''$  West, a distance of 504.47 feet to the Southeast corner of MITCHELL HEIGHTS, as recorded in Plat Book 7, page 7, public records of Hernando County, Florida and the Point of Beginning; thence South  $37^{\circ}07'12''$  West, a distance of 534.88 feet; thence South  $00^{\circ}24'28''$  East, a distance of 770.01 feet to the North right-of-way of State Road #50 (Cortez Blvd.); thence South  $89^{\circ}49'35''$  West, along said right-of-way line, a distance of 467.66 feet to a point on the West line of the Northwest 1/4 of the Southeast 1/4 of said Section 27; thence North  $00^{\circ}26'28''$  West, a distance of 1193.61 feet to the Northwest corner of the Southeast 1/4 of said Section 27; thence North  $89^{\circ}41'14''$  East, a distance of 793.73 feet to the Point of Beginning.

PARCEL C:

Commence at the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of Section 27, Township 22 South, Range 19 East, Hernando County, Florida; thence North  $00^{\circ}20'26''$  West, along the East boundary of said Northeast 1/4 of the Southwest 1/4, a distance of 160.58 feet to the North right-of-way line of State Road #50 (Cortez Boulevard) and the Point of Beginning; thence South  $89^{\circ}56'01''$  West, along said North right-of-way line, a distance of 84.14 feet to the East right-of-way line of Hale Avenue; thence North  $00^{\circ}44'51''$  East, along said right-of-way line, a distance of 215.13 feet; thence South  $89^{\circ}44'42''$  East, a distance of 80.06 feet to the East line of said Northeast 1/4 of the Southwest 1/4; thence South  $00^{\circ}20'26''$  East, a distance of 214.67 feet to the Point of Beginning.

PARCEL D:

Commence at the Northeast corner of the Northeast 1/4 of the Southwest 1/4 of Section 27, Township 22 South, Range 19 East, Hernando County, Florida; thence run South  $00^{\circ}42'18''$  East, a distance of 361.28 feet for a Point of Beginning; thence continue South  $00^{\circ}42'18''$  East, a distance of 617.69 feet; thence South  $89^{\circ}53'26''$  West, a distance of 76.02 feet to a point on the right-of-way line of Hale Avenue; thence run North  $00^{\circ}45'44''$  East, a distance of 618.65 feet; thence South  $89^{\circ}13'48''$  East, a distance of 60.20 feet to the Point of Beginning.





June 1, 2015

HTG Freedom LLC

Agreement for Surveying and Engineering Services – Freedom Gardens

Coastal Engineering Associates, Inc. is pleased to submit the following agreement for professional services (the "Agreement") for your consideration. *Coastal Engineering Associates, Inc.*, hereinafter referred to as "**Coastal**", proposes furnishing professional services on behalf of *HTG Freedom, LLC*, hereinafter referred to as the "**Client**" for the fees stipulated herein.

**Project Description:**

Multifamily Housing development on Property: Key Number 1267202, with access road and possible ancillary uses (drainage, clubhouse, pool, volleyball court, playground and visitor parking) on portion of the adjacent Property Key Number 358277, both located in Section 27, Township 22 S, Range 19 E, Brooksville, Hernando County ("Contemplated Improvements"). Legal description of the property controlled by the Client is attached as "Exhibit C" ("Property").

**Scope of Work**

Coastal will:

.01 Initial Concept Planning for Contemplated Improvements:

A. Preliminary Survey–

- a. Prepare preliminary boundary sketch and description over the Property ("Sketch and Description") with separate area measurements for the following proposed future lots or tracts (both total area and net area excluding wetlands) and adding preliminary topo using topographic information available to Coastal:
  - i. Key Number 1267202 ("Lot A");
  - ii. Preliminary road access proposed parcel on portion of Key Number 358277 ("Lot B");
  - iii. Preliminary residential amenity parcel on portion of Key Number 358277 ("Lot C"); and
  - iv. create another parcel over the following 3 adjacent portions to be integrated ("Lot D"):
    1. balance of Parcel Key Number 358277
    2. Parcel Key Number 150482, and
    3. Parcel Key Number 1402887.
- b. In Lots A, B, C and D survey the following:
  - i. Location of trees that are 18 inches d.b.h. and greater and 36 inches d.b.h. and greater (in two separate colors);
  - ii. Location of wetland jurisdictional line with wetland flags currently located on site by others and 25 feet buffer line (the general wetland location map and data will be provided by Client); and

- iii. Identify location of Coordinate N 28 32 27.27 w 82 23 24.23 on the map and draw a 100 feet radius circumference around it.
- B. Prepare an initial conceptual site plan ("Concept Plan") using general building footprints provided by Client, and adding required residential parking on Lot A, road access on Lot B and approximate amenities in Lot C, with approximate area for retention ponds based on preliminary drainage design, and provide such Concept Plan in both PDF and AutoCAD.
- C. Adjust the size of Lots B and C to fit all the required Contemplated Improvements. Initially the Conceptual Plan will try to fit a 96 unit 3-story garden style walk-up development divided in 3 or 4 residential buildings with required parking and any other required improvement in Lot A. If such approach is unsuccessful, in the Client's sole discretion, Client will provide new Mid-Rise 4 story building footprints and Coastal will finalize the new Concept Plan. Such second approach to the Concept Plan shall not be considered Additional Services.
- D. Once Concept Plan has been defined, reissue preliminary Sketch and Description for Lots A, B, C, and D, and provide Client with final Conceptual Plan in both PDF and AutoCAD file.

.02 Planning, Research & Conceptual Engineering for the Contemplated Improvements (Lots A, B and C)

A. Research/Conceptual Engineering/Agency Coordination/ Utility Agreement

1. Review major development issues and opportunities with Client.
2. Site Conditions Review – Perform preliminary engineering site visit. Research appropriate SWFWMD Watershed Study to determine extent of potential floodplain or other drainage impacts. Review published soils data and/or other public record information that may be determined to affect drainage and site design. Review FDOT SR 50 plans and planned improvements, available traffic studies, archaeological surveys for potential impacts to design. Determine infrastructure and capacity of the sewer and water service provided by the City of Brooksville Utilities Department.
3. Biotic Evaluation - Perform a pedestrian survey of the portion of the property being developed to determine general plant and/or animal distributions and to identify protected plant and/or animal species under applicable jurisdictions. This does not include any field review with appropriate agencies or any mitigation planning or permitting. Based on the results of the above assessment and evaluation, the Client will be provided with a scope and fee to perform any required permitting and mitigation.
4. Using the general building footprint provided by Client, biotic evaluation, available floodplain mapping and survey information provided under task 1, above, (large tree, boundary and wetland line), prepare a conceptual site plan for review by Client and use in discussions with the City of Brooksville.
5. Meet with City of Brooksville Planning, Engineering, Utilities, Public Works and SWFWMD officials to review issues and options and secure general agreement on solutions.
6. Prepare and submit an application for concurrency, including materials normally required for such submittal. Traffic study not anticipated or included in this scope.
7. If required, prepare a draft utility agreement to address the Client-approved and regulatory-required infrastructure improvements. Provide the draft agreement to Client for content/legal review and assist Client in negotiations with the City.

8. Coastal will provide a research memo to Client with relevant information obtained during and prior to this task, and such memo will include agency and City fees for all civil engineering permitting activity known to Coastal, including utility connection fees, and a preliminary cost estimate of drainage work ("Research Memo"). The Research Memo shall also identify which of the permits listed in task .04 A.2 comply with each of the following:
  - a. That could be submitted after the Civil Engineering Plan and before the Construction Documents are completed;
  - b. That need to be approved as a requirement for final building permit submittal; and
  - c. That could be approved concurrently with the final building permit.

**B. Conceptual Engineering**

1. Prepare conceptual grading, drainage and master utility plans based on the Client-approved conceptual plan and utilizing information collected from completion of a Site Conditions Review and Survey tasks in this Agreement ("Civil Engineering Plan"). Conceptual engineering work includes the following:
  - d. Analyze the conceptual site plan for compliance with applicable codes, agency requirements, available utilities and preliminary drainage plan.
  - e. Determination of wet versus dry pond, design storm event, and estimated requirements for accommodating floodplain compensation, pre versus post-development volume, and historic storage volume.
  - f. Analyze project demands on City water and sewer to determine best configuration for master utility plan and possible off-site improvements.
  - g. Conduct pre-application meetings with SWFWMD, FDOT and the City of Brooksville Utilities and Engineering Departments to review/resolve site specific issues.
  - h. Coordinate with other consultants providing separate studies or analyses required for design plans, including Geo-technical (soils investigation), archaeological (if required), and utility locate service (if required).
  - i. Provide Client with Civil Engineering Plan in both PDF and AutoCAD file.

**.04 Engineering & Permitting for Contemplated Improvements (Lots A, B and C)**

**A. Final Engineering Design**

1. Construction Documents - Prepare plans and specifications, based upon the Client-approved Civil Engineering Plan ("Construction Documents"). The plans and specifications shall specifically include the following:
  - a. Detailed paving, grading and drainage plan (Design of turn lanes on SR 50 are not anticipated or covered in this scope and engineering fee)



- b. Design and modeling of onsite sewage collection and potable water distribution facilities.
  - c. Onsite pump station and force main.
  - d. Anticipated connection to City of Brooksville Utilities Department's potable water and wastewater lines, which lie adjacent to the subject property at SR 50 or Main Street.
  - e. Horizontal and vertical control plan.
  - f. Basic landscape/irrigation and tree mitigation plans to meet City requirements
  - g. Miscellaneous sheets (details sheet, cover sheet, etc.)
2. Permitting and Processing - Prepare and submit standard documents and applications for the following permits and/or agreements to the required governmental organizations:
- a. Florida Department of Environmental Protection (FDEP) permit applications for sanitary sewerage collection facilities (industrial wastewater permit not anticipated) and potable water distribution system.
  - b. Florida Department of Transportation (FDOT) driveway permit application.
  - c. Florida Department of Transportation (FDOT) right-of-way use permit application.
  - d. Florida Department of Transportation (FDOT) drainage connection permit application per Rule 14086, storm drainage. (Critical Duration Analysis Method).
  - e. Southwest Florida Water Management District (SWFWMD) Environmental Resource Permit (ERP).
  - f. City of Brooksville Code Compliance Review submittal.
  - g. Stormwater Pollution Prevention (SWPP) Plan and Construction Surface Water Management (CSWM) Plan.

NOTES:

1. Client directed changes after the approval of the Civil Engineering Plan that result in additional design, engineering, and/or permitting work will be provided as necessary additional services under Client Directed Extras.
2. Architectural building plans, structural design, landscape architect, geotechnical investigation, plumbing, electrical, etc., as may be required for building permit(s) shall be by others.
3. Coastal cannot guarantee the approval of the required government regulatory permits and agreements. Nevertheless, Coastal will use best efforts to obtain all approvals in a timely fashion.
4. Digital CADD files to be used for the purpose of construction planning and estimating only will be available at the Client's request and receipt of a signed copy of the Coastal Electronic File Release and Use Agreement included as "Exhibit D".

**.08 Construction Review for Contemplated Improvements (Lots A, B and C)**

- A. Bid Phase - Assist in contract bidding, if requested by Client.

B. Construction Phase - Provide construction observation of the described construction work as required of the Engineer of Record in accordance with applicable regulatory law and agency requirements for construction observation and certification including:

1. Coordinate preconstruction conference.
2. Periodic on site observation as required for certification of construction with applicable regulatory agencies (includes periodic progress meetings, pre-final and final inspections).
3. Consultation and advice during construction directly applicable to completed plans and specifications.
4. Processing of applicable pay requests; shop drawings, tests; and change orders.
5. Prepare "record drawings" from Client/Contractor supplied as-builts and construction completion certifications for permits obtained under this Agreement ("Record Drawings Approvals"). Prepare and submit performance and maintenance bond cost estimates as required.

NOTE: Coastal shall visit the site at intervals appropriate to the stage of construction, or as otherwise agreed to in writing by the Client and Coastal, in order to observe the progress and quality of the Work completed by the Contractor. Such visits and observation are not intended to be an exhaustive check or a detailed inspection of the Contractor's work but rather are to allow Coastal to become familiar with the Work in progress and to determine, in general, if the Work is proceeding in accordance with the Contract Documents. Based on this general observation, Coastal shall keep the Client informed about the progress of the Work and shall advise the Client about observed deficiencies in the Work. If the Client desires more extensive project observation or full-time project representation, the Client shall request that such services be provided by Coastal as Additional Services in accordance with the terms of this Agreement.

**.09 Surveying Services**

- A. ALTA Boundary Survey - In accordance with F.A.C. Chapter 61G17-6, for Lots A, B and C.
- B. Design Survey for Contemplated Improvements on Lots A, B, and C.
  1. Topographic Survey - Locate all surface features, provide elevations to one-foot contour intervals.
  2. Tree Location - Locate and identify 10" diameter or greater trees.
  3. Wetland Survey - Locate wetlands points already established by client.

4. Locate and stake geotech boring locations and determine coordinates and elevation for design and field testing needs and determining SHWT.

C. Platting:

1. Prepare a plat ("Final Plat") for Property. Property includes Lots A, B, C and D (Parcel D maybe be divided into two or three tracks or parcels, as the Client will timely inform Coastal before this task is initiated).
2. Prepare a Final Plat in accordance with Chapter 177 of Florida statutes and applicable City requirements. The Final Plat shall include a plat boundary and monumentation consistent with F.A.C. Chapter 61G17-6, plat preparation, submittal, signature signoff and plat recording. Coastal shall provide Client with Final Plat in both PDF and AutoCAD file.

**.10 Client Directed Extras**

Provide additional miscellaneous services not covered under the above scope of work only at the request of and with written authorization from the Client. Coastal shall notify Client of any possible task that will generate Additional Services mentioned above before starting such activity.

**Summary of Fees**

Coastal will be paid the following fees: (An Emailed Notice to Proceed shall be used to start project tasks individually)

.01	Initial Concept Planning.....	Lump Sum: \$14,000.00
.02	Planning, Research & Conceptual Engineering .....	Lump Sum: \$24,550.00
.04	Final Engineering & Permitting.....	Lump Sum: \$44,000.00
.08	Construction Review	
	A. Bid Phase .....	Hourly Rates
	B. Construction Phase.....	Lump Sum: \$12,950.00
.09	Surveying Services:	
	A. and B. ....	Lump Sum: \$7,500.00
	C. ....	Lump Sum: \$6,000.00
.11	Extra Services.....	Hourly Rates As Per Exhibit B Schedule of Professional Fees

Reimbursables ..... As Per Exhibit B Schedule of Professional Fees

Agency fees to be paid directly by Client.

**Retainer**

The Client shall make an initial payment of \$ 3,000.00 as a retainer, upon execution of this Agreement. Upon receipt of this retainer payment, Coastal shall commence services as provided for under this Agreement. The retainer shall be held by Coastal and shall be applied against direct expenses, regulatory permit fees, unpaid invoices or other related project expenses at the close out of the Agreement. In the event the amount of the retainer exceeds the unpaid expenses, Coastal shall refund the balance with the final invoice. If the final invoice for direct expenses exceeds the retainer, the Client shall promptly remit the remaining amount due. As services are performed, invoices will be submitted by Coastal to the Client, and are payable on receipt. Direct expenses shall include permit application fees to governmental agencies required to complete professional services on behalf of the Client.

**Acceptance**

If the above scope and fees meet with your approval, please indicate in the space provided below and return one (1) signed copy within thirty (30) days of the date of this proposal which will constitute an "Agreement and Notice to Proceed" to task .01. After task .01, any other listed task shall initiate upon the Client's email notice ordering Coastal to initiate a specific task ("Notice to Proceed").

Coastal reserves the right to renegotiate or terminate any or all of the terms and conditions provided herein should Client fail to execute the proposal within thirty (30) days of the date of this proposal. Client shall have the right to terminate this agreement at any point, and Coastal shall suspend all activities once Client has notified such decision and shall prepare an invoice for any services rendered and not billed through the date of the notice to terminate.

**Summary of Scheduled Project Deliverables**

Coastal will perform each task diligently and shall complete each task within the following time periods:

- .01 Initial Concept Planning: Three weeks from Agreement execution. This task will be considered completed with Coastal's submittal to Client of the Concept Plan. ✓
- .02 Planning, Research & Conceptual Engineering
  - A. Research/Conceptual Engineering/Agency Coordination/ Utility Agreement: Three weeks from Notice to Proceed and completion of Section .01. The task will be completed with the issuance of the Research Memo.
  - B. Conceptual Engineering: Three weeks from Notice to Proceed and completion of Section .02 A. and Section .09 A & B. This task will be considered completed with Coastal's submittal to Client of the Civil Engineering Plan.
- .04 Engineering & Permitting
  - A.1. Construction Documents: ~~Four~~ Five weeks from Notice to Proceed, receipt of geotechnical report, completion of Section .09 B and completion of Section .02 B. This task will be considered completed with Coastal's submittal to Client of the Construction Documents. ✓
  - A.2. Submittal of Permits for Agency Processing: Two weeks from Notice to Proceed and completion of applicable task, according to Research Memo. Coastal will diligently follow up with agencies in an attempt to obtain approvals as soon as possible, and any unusual delay should

immediately be informed to Client. Nevertheless, Coastal will not be responsible for any delays in permitting beyond Coastal's control. Task will be completed with submittal of all permits.

.08 Construction Review: Simultaneous with construction. This task will be completed with Record Drawings Approvals.

.09 Surveying Services

A. and B. ALTA Boundary Survey and Design Survey: Three weeks from Notice to Proceed and completion of task .01. Task will be completed with such survey's approval by Client.

C. Preparation and Submittal of Final Plat: Four weeks from Notice to Proceed and provision of necessary documents from Client. Task will be completed with submittal of Final Plat. Coastal should continually take into consideration the pre-development timeline provided by Client as may be changed from time to time ("Pre-Dev Timeline"). A copy of such preliminary Pre-Dev Timeline is attached as Exhibit E. Coastal shall coordinate its activities with Client and if Coastal encounters any situation that will change the latest Pre-Dev Timeline, it should notify Client immediately.

Other terms

The acceptance of this Agreement will supersede the Memorandum of Understanding signed between Housing Trust Group, LLC and Coastal as it pertains to Key Number 1267202, 358277, 150482 and 1402887.

Other terms to this Agreement are contained in "Exhibit A". Hourly Rates and Reimbursable Expenses are contained in "Exhibit B".

Sincerely,

COASTAL ENGINEERING ASSOCIATES, INC.



Donald Lacey, AICP  
Senior Vice President

Notices to Coastal: Don Lacey ([dlacey@coastal-engineering.com](mailto:dlacey@coastal-engineering.com)), with copy to Jan Hehn ([jhehn@coastal-engineering.com](mailto:jhehn@coastal-engineering.com)).

CLIENT: HTG Freedom, LLC

BY: [Signature]

TITLE: Manager

DATE: 6/2/15

Notices to Client: Rodrigo Paredes ([rparedes@htgf.com](mailto:rparedes@htgf.com)), with copy to Jason Larson ([jasonl@htgf.com](mailto:jasonl@htgf.com)).

Exhibits:

- A - General Conditions
- B - Hourly Rate and Reimbursable Schedule
- C - Legal Description of Property
- D - Coastal Electronic File Release and Use Agreement
- E - Preliminary Pre-Dev Timeline



## Exhibit A

### General Conditions

#### Payments

COASTAL shall invoice the Client at the completion of each individual task as summarized in the Agreement. Payments will be due and payable within 30 days upon receipt of invoice and Client's approval of each of Coastal's completed deliverables for each task. Payments will be considered past due thirty (30) days after receipt of invoice and will be charged at 1% per month (APR 12%) finance charge on the unpaid balance.

COASTAL will be reimbursed for direct expenses by Client at actual cost or in accordance with attached printing price list, and they will include:

1. Blueprints and/or reproducible for purposes other than in-house working drafts.
2. All other outside printing services (including SWFWMD aerials, County aerials).
3. Special postage (Federal Express, UPS) when requested or required.
4. International long distance teleconference service between two or more parties.

#### Insurance

The Client agrees, to the fullest extent permitted by law, to limit the liability of Coastal and his or her subconsultants for any and claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of Coastal and his or her subconsultants to all those named shall not exceed \$50,000, or Coastal's total fee for services rendered on this project, whichever is greater. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless other prohibited by law. Coastal agrees to maintain workers' compensation and employer's liability insurance of a form and in an amount as required by state law; insurance coverage certificates for required insurance will be provided to Client based on Client's written notice to proceed and specific request.

#### Job Site Safety

Neither the professional activities of Coastal, nor the presence of Coastal or its employees and subconsultants at a construction/project site, shall relieve the General Contractor of its obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending and coordinating the Work in accordance with the contract documents and any health or safety precautions required by any regulatory agencies. Coastal and its personnel have no authority to exercise any control over any construction contractor or its employees in connection with their work or any health or safety programs or procedures. The Client agrees that the General Contractor shall be solely responsible for jobsite safety, and warrants that this intent shall be carried out in the Client's contract with the General Contractor. The Client also agrees that the Client will attempt for Coastal and Coastal's subconsultants shall to be indemnified by the General Contractor and made additional insureds under the General Contractor's policies of general liability insurance.

#### Timeliness of Performance

The Client and Coastal are aware that many factors outside the Coastal's control may affect the Consultant's ability to complete the services to be provided under this Agreement. Coastal will perform these services with reasonable diligence and expediency consistent with sound professional services. Unjustified delays on the completion periods specified in the Agreement may be considered, in Client's discretion, as basis for termination of the Agreement, and any task not finalized on time without justifiable reasons shall not be billed, regardless of the percentage of completion invested by Coastal on such task.

**Stepped Dispute Resolution**

In the event of a dispute arising out of or relating to this Agreement or the services to be rendered hereunder, the Client and Coastal agree to attempt to resolve such disputes in the following manner. First, if a party fails to comply with any provision of this Agreement, the other party will deliver written notice to the non-complying party specifying the non-compliance. The non-complying party will have five (5) days after delivery of such notice to cure the non-compliance. . Second, if such negotiations are not fully successful, the parties agree to attempt to resolve any remaining disputes by formal nonbinding mediation conducted in accordance with rules and procedures to be agreed upon by the parties.

**Governing Law and Jurisdiction**

The Client and the Coastal agree that this Agreement and any legal actions concerning its validity, interpretation and performance shall be governed by the laws of Hernando County, Florida. It is further agreed that any legal action between the Client and the Coastal arising out of this Agreement or the performance of the services shall be brought in a court of competent jurisdiction in Hernando County, Florida.

**Modification to the Terms of this Agreement**

In the event Client issues a Purchase Order or Memorandum or other Instrument covering the professional services described herein, it is hereby specifically agreed and understood that such Purchase Order, Memorandum or Instrument is for Client internal control purposes only and any and all terms and conditions contained therein, whether printed or written, shall be of no force or effect. This Agreement is the entire contract between the parties and there is no modification or waiver of any of the terms at this time.

**Exhibit B**

**HOURLY RATES**

Principal Engineer/Expert Testimony.....\$250.00

**ENGINEERING**

Principal.....\$170.00  
 Principal Engineer (*Environmental/Transportation/Drainage*) ..... \$155.00  
 Project Manager ..... \$132.00  
 Senior Project Engineer ..... \$110.00  
 Project Engineer ..... \$100.00  
 Senior Designer ..... \$ 90.00  
 Designer ..... \$ 77.00

**ENVIRONMENTAL**

Principal Environmental Scientist ..... \$155.00  
 Senior Environmental Scientist ..... \$110.00

**PLANNING**

Principal.....\$170.00  
 Principal Planner (*Land Use/Transportation*) ..... \$155.00  
 Senior Planner ..... \$130.00  
 Senior Transportation Planner ..... \$105.00  
 Staff Planner ..... \$ 90.00

**CONSTRUCTION REVIEW**

Principal.....\$170.00  
 Project Manager ..... \$132.00  
 Senior Construction Manager ..... \$ 77.00  
 Construction Representative..... \$ 65.00

**SURVEY HOURLY RATE**

Senior Land Surveyor ..... \$110.00  
 Land Surveyor.....\$ 90.00  
 Survey Crew (3 Person) ..... \$132.00  
 Survey Crew (2 Person) ..... \$105.00  
 Senior Survey Technician..... \$ 72.00

**SUPPORT PERSONNEL**

Administrative Support ..... \$ 55.00

**REIMBURSABLES**

Direct and Out-of-Pocket Expenses..... Invoice with no added charge  
 Regulatory Permit/Filing Fees ..... Directly by Client  
 Postage ..... Cost

Reimbursable costs for out of Coastal's office at the invoice cost of such expense or the following amounts, whichever is the less.

<b>BLACK &amp; WHITE COPIES/PRINTS</b>	
8.5" x 11" (1-99 COPIES)	\$ 0.10
8.5" x 11" (100-299 COPIES)	\$ 0.08
8.5" x 11" (300 COPIES OR MORE)	\$ 0.06
8.5" x 14" (1-99 COPIES)	\$ 0.10
8.5" x 14" (100-299 COPIES)	\$ 0.08
8.5" x 14" (300 COPIES OR MORE)	\$ 0.06
11" x 17" (1-99 COPIES)	\$ 0.20
11" x 17" (100-299 COPIES)	\$ 0.16
11" x 17" (300 COPIES OR MORE)	\$ 0.12
<b>COLOR COPIES/PRINTS</b>	
8.5" x 11" (1-50 COPIES)	\$ 0.39
8.5" x 11" (51-100 COPIES)	\$ 0.29
8.5" x 11" (101 AND UP)	\$ .020
8.5" x 14"	\$ 0.69
11" x 17"	\$ 0.99
<b>LARGE FORMAT COPIES/PRINTS</b>	
	<b>PRICE PER SHEET</b>
<b>Black &amp; White Copies/Prints</b>	
24" x 36"	\$ 1.00
30" x 42"	\$ 1.50
36" x 48"	\$ 2.00
All other sizes (price per sq. ft.)	\$ 0.50
<b>Color Copies/Prints</b>	
24" x 36" (on heavy weight bond)	\$ 8.00
All other sizes (price per sq. ft.)	\$ 1.50
24" x 36" (on satin photo paper)	\$ 15.00
All other sizes on satin photo paper (price per sq. ft.)	\$ 2.75

<b>SCANS - BLACK &amp; WHITE OR COLOR \$0.50/SQ. FT. (UP TO 36" WIDE)</b>	
24" x 36"	\$ 6.00
<b>FINISHING</b>	
Foam Board (price per board)	\$ 8.00
Collating/Inserting (per sheet)	\$ 0.10
Hand Folding (per sheet)	\$ 1.00
GBC Binding incl. spine and front and back covers (per book):	
Up to 2"	\$ 8.00
<b>ELECTRONIC MEDIA</b>	
CD (price per each)	\$ 5.00
DVD (price per each)	\$ 15.00
<b>SPECIALTY MEDIA</b>	
Canvas (price per sq. ft.)	\$ 25.00
<b>AERIALS (COLOR)</b>	
24" X 36" (price per each)	\$ 25.00
30" x 36" (price per each)	\$ 35.00
36" x 48" (price per each)	\$ 50.00
<b>CONCRETE MONUMENTS</b>	\$ 25.00

**NOTE:** RATES ARE SUBJECT TO CHANGE



Exhibit C  
The Property

**PARCEL A:**

Commence at the Southeast corner of Lot 7, Block E, MITCHELL HEIGHTS, as per plat thereof recorded in Plat Book 7, page 7, public records of Hernando County, Florida; thence North  $00^{\circ}19'35''$  West, along the East line of said Lot 7, and the Northerly extension thereof, a distance of 288.98 feet; thence North  $89^{\circ}30'11''$  East, a distance of 501.79 feet, to the West right-of-way line of Main Street (formerly known as Mitchell Road); thence South  $00^{\circ}32'18''$  East, along the West right-of-way line, a distance of 426.60 feet, to a point on the South line of that certain parcel described in Official Records Book 502, page 1763, public records of Hernando County, Florida, said point lying on a curve of which the radius lies South  $12^{\circ}21'59''$  East, a radial distance of 3100.00 feet; thence following two calls along the Southerly line of said parcel; thence Southwesterly along the arc of said curve, through a central angle of  $15^{\circ}38'27''$ , a distance of 846.25 feet; thence South  $87^{\circ}56'31''$  West, a distance of 35.01 feet; thence North  $37^{\circ}09'53''$  East, a distance of 534.11 feet, to the Point of Beginning.

**PARCEL B:**

Commencing at the Northeast corner of the Northwest 1/4 of the Southeast 1/4 of Section 27, Township 22 South, Range 19 East, Hernando County, Florida; thence South  $89^{\circ}47'38''$  West, a distance of 504.47 feet to the Southeast corner of MITCHELL HEIGHTS, as recorded in Plat Book 7, page 7, public records of Hernando County, Florida and the Point of Beginning; thence South  $37^{\circ}07'12''$  West, a distance of 534.88 feet; thence South  $00^{\circ}24'28''$  East, a distance of 770.01 feet to the North right-of-way of State Road #50 (Cortez Blvd.); thence South  $89^{\circ}49'35''$  West, along said right-of-way line, a distance of 467.66 feet to a point on the West line of the Northwest 1/4 of the Southeast 1/4 of said Section 27; thence North  $00^{\circ}26'28''$  West, a distance of 1193.61 feet to the Northwest corner of the Southeast 1/4 of said Section 27; thence North  $89^{\circ}41'14''$  East, a distance of 793.73 feet to the Point of Beginning.

**PARCEL C:**

Commence at the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of Section 27, Township 22 South, Range 19 East, Hernando County, Florida; thence North  $00^{\circ}20'26''$  West, along the East boundary of said Northeast 1/4 of the Southwest 1/4, a distance of 160.58 feet to the North right-of-way line of State Road #50 (Cortez Boulevard) and the Point of Beginning; thence South  $89^{\circ}56'01''$  West, along said North right-of-way line, a distance of 84.14 feet to the East right-of-way line of Hale Avenue; thence North  $00^{\circ}44'51''$  East, along said right-of-way line, a distance of 215.13 feet; thence South  $89^{\circ}44'42''$  East, a distance of 80.06 feet to the East line of said Northeast 1/4 of the Southwest 1/4; thence South  $00^{\circ}20'26''$  East, a distance of 214.67 feet to the Point of Beginning.

**PARCEL D:**

**Commence at the Northeast corner of the Northeast 1/4 of the Southwest 1/4 of Section 27, Township 22 South, Range 19 East, Hernando County, Florida; thence run South 00°42'18" East, a distance of 361.28 feet for a Point of Beginning; thence continue South 00°42'18" East, a distance of 617.69 feet; thence South 89°53'26" West, a distance of 76.02 feet to a point on the right-of-way line of Hale Avenue; thence run North 00°45'44" East, a distance of 618.65 feet; thence South 89°13'48" East, a distance of 60.20 feet to the Point of Beginning.**




Exhibit D



966 Candlelight Boulevard • Brooksville • Florida 34601  
(352) 796-9423 • Fax (352) 799-8359  
e-mail: coastal@coastal-engineering.com  
www.coastal-engineering.com

## Electronic File Release and Use Agreement

**Recipient:** recipient name  
company name  
address

**Client:** Rodrigo Paredes  
Housing Trust Group  
3225 Aviation Ave., Ste 602  
Coconut Grove, FL 33133

**Date:**

**Project:** Freedom Gardens – Parcel Key Nos 1267202 and 358277 and others as  
Per Contract dated June 1, 2015.

The Recipient and Client identified above acknowledges that COASTAL drawings and specifications, including all documents on electronic media, (Documents) are instruments of COASTAL's professional service. Nevertheless, the documents prepared under contract for the project identified above are the property of the Client identified above.

The Recipient and/or Client shall not reuse, make or permit to be made, any modification to the Documents as an instrument of COASTAL. The Recipient and/or Client agrees to waive any claim against COASTAL arising from any unauthorized transfer, reuse or modification of the Documents.

Electronic files furnished to the Recipient and/or Client are deemed accepted by the Recipient and/or Client upon receipt and COASTAL shall have no further obligation to correct errors or maintain electronic files.

The Recipient and/or Client is aware that differences may exist between the electronic files delivered and the printed hard-copy construction documents or recorded plats. In the event of a conflict between the signed or sealed hard-copy construction documents or recorded plats prepared by COASTAL and electronic files, the signed or sealed documents shall govern.

In addition, the Recipient and Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless COASTAL, its officers, directors, employees and sub-consultants (collectively, COASTAL) against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, arising from any changes made by anyone other than COASTAL or from any transfer or reuse of the electronic files.

Under no circumstances shall delivery of the electronic files for use by the Recipient and/or Client be deemed a sale by COASTAL, and COASTAL makes no warranties, either express or implied, of merchantability and fitness for any particular purpose. In no event shall COASTAL be liable for any loss of profit or any consequential damages as a result of the Recipient's and/or Client's use or reuse of the electronic files.

With return of this form signed by the Recipient and Client, and a processing fee of \$500 paid in full by the Recipient or Client for payment of retrieval, and distribution costs incurred by COASTAL, the electronic files listed below shall be released to the Recipient and/or Client.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(list additional files on back of this document if necessary)

### Acceptance

Please indicate in the space provided below and return one (1) signed copy with the processing fee, which will constitute as an agreement to the above terms and conditions for the release and use of the electronic files.

Recipient: \_\_\_\_\_

Client: \_\_\_\_\_

June 1, 2015

Date: \_\_\_\_\_

Date: \_\_\_\_\_

M:\PROPOSALS 2006\Electronic File Release and Use Agreement 060606.doc

FOR REFERENCE

**Exhibit E**  
**Preliminary Pre-Dev Timeline**

Task Name	Duration	Start	Finish	Predecessors	Q2		Q3		Q4		Q1					
					Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>Development</b>	215	05/22/15	03/17/16		[Gantt bar spanning from 05/22/15 to 03/17/16]											
Reports and Studies	36	05/12/15	07/01/15		[Gantt bar from 05/12/15 to 07/01/15]											
Appraisal	30	05/22/15	07/01/15	47	[Gantt bar from 05/22/15 to 07/01/15]											
Market Study	30	05/22/15	07/01/15	47	[Gantt bar from 05/22/15 to 07/01/15]											
Geotechnical Study / Engineering Report	21	06/23/15	07/21/15	21	[Gantt bar from 06/23/15 to 07/21/15]											
Phase I / Environmental Clearance	10	08/12/15	08/25/15	20	[Gantt bar from 08/12/15 to 08/25/15]											
Traffic Study	21	06/23/15	07/21/15	21	[Gantt bar from 06/23/15 to 07/21/15]											
Architecture and Engineering	116	05/27/15	11/04/15		[Gantt bar from 05/27/15 to 11/04/15]											
Architecture, Structure & MEP	116	05/27/15	11/04/15		[Gantt bar from 05/27/15 to 11/04/15]											
Architect Selection	4	05/27/15	06/01/15		[Gantt bar from 05/27/15 to 06/01/15]											
Building Footprints	5	06/02/15	06/08/15	14	[Gantt bar from 06/02/15 to 06/08/15]											
Schematic Design	21	07/07/15	08/04/15	21, 33, 14	[Gantt bar from 07/07/15 to 08/04/15]											
Construction Documents Completed	63	08/10/15	11/04/15	18, 26FF +10 days, 34	[Gantt bar from 08/10/15 to 11/04/15]											
Civil Engineering	90	05/27/15	09/29/15		[Gantt bar from 05/27/15 to 09/29/15]											
Civil Engineer Selection	4	05/27/15	06/01/15		[Gantt bar from 05/27/15 to 06/01/15]											
Preliminary Survey	8	08/02/15	08/11/15	19	[Gantt bar from 08/02/15 to 08/11/15]											
Initial Concept Plan	7	06/12/15	06/22/15	20, 15FF +6 days	[Gantt bar from 06/12/15 to 06/22/15]											
Planning, Research & Engineering	71	06/23/15	09/29/15		[Gantt bar from 06/23/15 to 09/29/15]											
Research phase, traffic concurrency and utility	15	06/23/15	07/13/15	21, 32	[Gantt bar from 06/23/15 to 07/13/15]											
Civil Engineering Plan	15	07/22/15	08/11/15	23, 11, 8, 28, 33	[Gantt bar from 07/22/15 to 08/11/15]											
Civil Permitting Submission 1	10	08/12/15	08/25/15	24	[Gantt bar from 08/12/15 to 08/25/15]											
Civil Construction Documents	25	08/12/15	09/15/15	24, 16, 34	[Gantt bar from 08/12/15 to 09/15/15]											
Civil Permitting Submission 2	10	09/16/15	09/29/15	26	[Gantt bar from 09/16/15 to 09/29/15]											
Surveying	56	06/23/15	09/08/15		[Gantt bar from 06/23/15 to 09/08/15]											
ALTA Boundary and Design Survey	15	06/23/15	07/13/15	21	[Gantt bar from 06/23/15 to 07/13/15]											
Plotting	20	08/12/15	09/08/15	28, 24	[Gantt bar from 08/12/15 to 09/08/15]											
FHFC Development Change Approval	56	08/22/15	08/07/15		[Gantt bar from 08/22/15 to 08/07/15]											
Land Use Attorney Opinion	10	05/22/15	06/04/15		[Gantt bar from 05/22/15 to 06/04/15]											
FHFC Staff pre-approval	10	08/23/15	07/06/15	32, 21	[Gantt bar from 08/23/15 to 07/06/15]											
FHFC Board Approval	1	08/07/15	08/07/15		[Gantt bar from 08/07/15 to 08/07/15]											
Permits	147	08/28/15	03/17/16		[Gantt bar from 08/28/15 to 03/17/16]											
Civil Permit Approvals pre Bid Permit submittal	63	08/26/15	11/20/15	25	[Gantt bar from 08/26/15 to 11/20/15]											
Civil Permit Approvals concurrently to Bid, Permit	63	09/30/15	12/25/15	27	[Gantt bar from 09/30/15 to 12/25/15]											
Building Permit Approval	63	12/22/15	03/17/16	36, 43, 37FF	[Gantt bar from 12/22/15 to 03/17/16]											
GC	29	11/11/15	12/21/15		[Gantt bar from 11/11/15 to 12/21/15]											
Initial Construction Bids	21	11/11/15	12/08/15	17FS +4 days, 28	[Gantt bar from 11/11/15 to 12/08/15]											
VE	8	12/10/15	12/10/15	40	[Gantt bar from 12/10/15 to 12/10/15]											
Selection of General Contractor	6	12/11/15	12/17/15	41	[Gantt bar from 12/11/15 to 12/17/15]											
Executed GC Contract	2	12/18/15	12/21/15	42	[Gantt bar from 12/18/15 to 12/21/15]											