

SUMMERSET APARTMENTS

Zephyrhills, FL

Response to RFA 2013-001 Affordable Housing Developments located In
Medium and Small Counties
October 17, 2013

Submitted by
Summerset Apartments Limited Partnership
Donald Paxton
2206 Jo An Drive
Sarasota Florida 34231
(941) 929-1270

Ken Leecy

Dir. of Multifamily Programs

FHFC

227 N. Bronough St. Ste. 5000

Tallahassee, FL 32301

BENEFICIAL
COMMUNITIES

Attachment

1

Attachment 1

The Applicant must be a legally formed entity [i.e., limited partnership, Limited Liability Company, etc.] qualified to do business in the state of Florida as of the Application Deadline. The Applicant must include, evidence from the Florida Department of State, Division of Corporations, that the Applicant satisfies the foregoing requirements; such evidence may be in the form of a certificate of status or other reasonably reliable information or documentation issued, published or made available by the Florida Department of State, Division of Corporations.

State of Florida



Department of State

I certify from the records of this office that SUMMERSET APARTMENTS LIMITED PARTNERSHIP, is a Limited Partnership or limited liability limited partnership organized under the laws of the state of Florida, filed on October 9, 2013.

The document number of this Limited Partnership is A13000000618.

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

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



CR2EO22 (1-11)

Ken Detzner

Ken Detzner
Secretary of State

Attachment

2

Attachment 2

An Applicant that indicates at question 2.c. of Exhibit A that it is applying as a Non-Profit will only be considered to be a Non-Profit if the Applicant meets the definition of Non-Profit as set out in Rule Chapter 67-48, F.A.C., completes the questions at question 2.c. of Exhibit A, and provides the following information for each Non-Profit entity as Attachment 2 to Exhibit A.

This item is NOT APPLICABLE as the partnership is a For Profit entity.

Attachment

3

Attachment 3

All Applicants must provide a list, as Attachment 3 to Exhibit A, identifying the Principals for the Applicant and for each Developer, as follows: For a Limited Partnership, provide a list identifying the following: (i) the Principals of the Applicant as of the Application Deadline and (ii) the Principals for each Developer as of the Application Deadline. This list must include warrant holders and/or option holders of the proposed Development.

Summerset Apartments Limited Partnership
Ownership Structure

General Partner: Summerset GP LLC (0.01%)

Manager of GP: Donald Paxton

Sole Member of GP: Beneficial Holdings 13 LLC (100%)

Members:

Beneficial Holdings III LLC (70%)

Members:

Paxton Family Holdings, LLC (90%)

Manager/Sole Member: Donald W. Paxton

O'Grady Family Holdings, LLC (10%)

Manager/Sole Member: Kathleen O'Grady

Manager: Donald W. Paxton

B Community Holdings LLC (30%)

Member:

Paxton Family Holdings, LLC (100%)

Manager/Sole Member: Donald W. Paxton

Manager: Donald W. Paxton

Manager: Donald W. Paxton

Limited Partner: Donald W. Paxton (to be replaced at syndication closing) (99.99%)

There are no warrant holders or option holders in the proposed development

Beneficial Development 13 LLC
Project Developer Structure

Members:

Beneficial Development III LLC (52.5%)

Members: Paxton Family Development, LLC (90%)

Manager/Sole Member: Donald W. Paxton

O'Grady Family Development, LLC (10%)

Manager/Sole Member: Kathleen O'Grady

Manager: Donald W. Paxton

B Community Development LLC (47.5%)

Member: Paxton Family Development, LLC (100%)

Manager/Sole Member: Donald W. Paxton

Manager: Donald W. Paxton

Manager: Donald W. Paxton

Attachment

4

Attachment 4

For each stated Developer entity that is not a natural person, provide, as Attachment 4 to Exhibit A, evidence from the Florida Department of State, Division of Corporations, that the Applicant satisfies the foregoing requirements; such evidence may be in the form of a certificate of status or other reasonably reliable information or documentation issued, published or made available by the Florida Department of State, Division of Corporations.

State of Florida



Department of State

I certify from the records of this office that BENEFICIAL DEVELOPMENT 13 LLC, is a limited liability company organized under the laws of the State of Florida, filed on June 11, 2013.

The document number of this company is L13000084447.

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

Authentication Code: 513A00014710-061213-L13000084447-1/1

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Twelfth day of June, 2013



Ken Detzner

Prior General Development Experience Chart

Name of Principal with the Required Experience: Donald Paxton

Name of Developer Entity (For the proposed Development) for which the above Party is a Principal: Beneficial Development 13 LLC

Name of Development	Location (City & State)	Affordable Housing Program that Provided Financing	Total Number of Units	Year Completed
Olive Grove	Ormond Beach, FL	Housing Credit	88	2012
Pine Berry	Clearwater, FL	Housing Credit	85	2011
Banyan Senior Apartments	Port Richey, FL	Housing Credit	96	2010
Oak Meadows	Cocoa, FL	Housing Credit	120	2009
Maple Crest	Fort Myers, FL	Housing Credit	120	2008
Laurel Oaks Seniors	Okeechobee, FL	Housing Credit	80	2008
Englewood Senior Apartments	Pensacola, FL	Housing Credit	92	2009
Royal Palms Senior Apartments	Titusville, FL	Housing Credit	96	2009
Pines at Warrington	Pensacola, FL	Housing Credit	160	2008
Pebble Hill Estates	Marianna, FL	Housing Credit	80	2008
Oaks at Shannon's Crossing	Okeechobee, FL	Housing Credit	100	2008
Oaks at Stone Fountain	Tampa, FL	Housing Credit	80	2008
The Palms at Lake Tulane	Avon Park, FL	Housing Credit	80	2007
Eden Gardens	Immokalee, FL	Housing Credit	93	2009

Attachment

5

Attachment 5

If New Construction, Rehabilitation, or Acquisition and Rehabilitation is selected, in order to be classified as an RA Level other than RA Level 6, the Applicant must provide, as Attachment 5 to Exhibit A, a letter from a designated administrator of a federal program that provides long-term rental assistance. The rental assistance provided must be tied to the proposed Development and its units and be for a minimum of 20 years from the date the Development's units are placed in service*. The letter must include the following information and be dated within 12 months of the Application Deadline:

- Name of the proposed Development;
- Address of the proposed Development;
- Total number of units that will receive PBRA, ACC, and/or other form of long-term rental assistance if the proposed Development is funded;
- The federal program associated with the rental assistance; and
- A statement that the committed rental assistance will be reserved and available for use by the proposed Development by the time the units are placed in service and committed for a minimum of 20 years upon the units being placed in service.

And;

Redevelopment or Acquisition and Redevelopment - The Applicant must provide, as Attachment 5 to Exhibit A, a letter from HUD or RD, dated within 12 months of the Application Deadline, which includes the following information:

- Name of the Development*;
- Address of the Development;
- Year built;
- Total number of units that will receive PBRA and/or ACC if the proposed Development is funded; and
- The HUD or RD program currently associated with the existing development.

This item is NOT APPLICABLE because the development will not utilize PBRA.

Attachment

6

Attachment 6

The Applicant has provided an acceptable Local Government Verification of Qualification as a TOD Development form, as **Attachment 6** to Exhibit A, certifying that the proposed Development is located within one of the following areas which have been designated and adopted by the Local Government planning agency in its comprehensive plan, land use plan, land development code, or zoning code as a Transit-Oriented 11 RFA 2013- 001 Development, Transit Oriented Development District, Energy Conservation Overlay (ECO), Activity Center, Rapid Transit Zone, *Transit Village*, or Rapid Transit Development Impact Zone

This item is not applicable as the development is not located in a TOD area.

Attachment

7

Attachment 7

[F]or an Application to be considered for any proximity points the Applicant must provide an acceptable Surveyor Certification form, as Attachment 7 to Exhibit A, reflecting the information outlined below. (The Surveyor Certification form is provided in Exhibit B of this RFA.)

- A Development Location Point; and
- Services information for the Bus or Rail Transit Service and Community Services for which the Applicant is seeking points. Exception for Small County Florida Keys Area

PHA Proximity Point Boost: An Application that involves a site(s) with an existing Declaration of Trust between a Public Housing Authority (PHA) and HUD will qualify to receive a 5 point boost toward its proximity score if the Applicant provides a letter from the PHA dated within 12 months of the Application Deadline certifying that the site(s) where all of the units in the proposed Development will be located has an existing Declaration of Trust between the PHA and HUD. The letter must be signed by the appropriate person authorized to make such a certification and must be provided as Attachment 7 to Exhibit A.

PHA Proximity Point Boost: An Application that involves a site(s) with an existing Declaration of Trust between a Public Housing Authority (PHA) and HUD will qualify to receive a 5 point boost toward its proximity score if the Applicant provides a letter from the PHA dated within 12 months of the Application Deadline certifying that the site(s) where all of the units in the proposed Development will be located has an existing Declaration of Trust between the PHA and HUD. The letter must be signed by the appropriate person authorized to make such a certification and must be provided as **Attachment 7** to Exhibit A.

This portion of item is NOT APPLICABLE because the development will not utilize the PHA proximity boost.

2013 SURVEYOR CERTIFICATION FORM

Name of Development: Summerset Apartments

West side of Fort King Rd approximately 1100 feet North of the intersection of Fort King Rd and

Development Location: Eiland Blvd. Zephyrhills, FL

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

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

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

State the Development Location Point. ²	N <u>28</u> Degrees	<u>15</u> Minutes	<u>15.6</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>11</u> Minutes	<u>36.3</u> Seconds (truncated after 1 decimal place)
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To be eligible for proximity points, Degrees and Minutes must be stated as whole numbers and Seconds must be truncated after 1 decimal place.

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

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

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

Grocery Store:	Latitude			Longitude		
Name - <u>Save a Lot</u> Address - <u>7320 Gall Blvd</u> <u>Zephyrhills, FL</u>	N <u>28</u> Degrees	<u>15</u> Minutes	<u>49.7</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>11</u> Minutes	<u>12.5</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Grocery Store is:						<u>0.76</u> Miles

Initials of Surveyor DLV

2013 SURVEYOR CERTIFICATION FORM

Public School:	Latitude			Longitude		
Name - <u>Woodland Elementary</u> Address - <u>38203 Henry Dr.</u> <u>Zephyrhills, FL</u>	N <u>28</u> Degrees	<u>14</u> Minutes	<u>54.8</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>11</u> Minutes	<u>5.5</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Public School is:					<u>0 6 6</u> Miles	
Medical Facility:	Latitude			Longitude		
Name - <u>EL Hospital Zephyrhills</u> Address - <u>7050 Gall Blvd.</u> <u>Zephyrhills, Florida</u>	N <u>28</u> Degrees	<u>15</u> Minutes	<u>41.2</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>11</u> Minutes	<u>8.1</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Medical Facility is:					<u>0 6 8</u> Miles	
Senior Center:	Latitude			Longitude		
Name - _____ Address - _____	N _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Senior Center is:					_____ Miles	
Pharmacy:	Latitude			Longitude		
Name - <u>CVS Pharmacy</u> Address - <u>37943 Eiland Blvd</u> <u>Zephyrhills, FL</u>	N <u>28</u> Degrees	<u>15</u> Minutes	<u>7.7</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>11</u> Minutes	<u>19.9</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Pharmacy is:					<u>0 3 2</u> Miles	

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

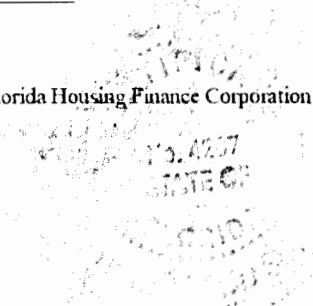
CERTIFICATION - Under penalties of perjury, I declare that the foregoing statement is true and correct.

Daniel L. Van Horn
Signature of Florida Licensed Surveyor

4267
Florida License Number of Signatory

Daniel L. Van Horn
Print or Type Name of Signatory

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



2013 SURVEYOR CERTIFICATION FORM

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

¹ "Scattered Sites," as applied to a single Development means a Development site that, when taken as a whole, is comprised of real property that is not contiguous (each such non-contiguous site within a Scattered Site Development, a "Scattered Site"). For purposes of this definition "contiguous" means touching at a point or along a boundary. Real property is contiguous if the only intervening real property interest is an easement provided the easement is not a roadway or street. (See Rule 67-48 002, F.A.C.)

² "Development Location Point" means a single point selected by the Applicant on the proposed Development site that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development. For a Development which consists of Scattered Sites, this means a single point on the site with the most units that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development (See Rule 67-48 002, F.A.C.)

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

Coordinates Location Chart																											
Service	Location where latitude and longitude coordinates must be obtained																										
Community Services	Coordinates must represent a point that is on the doorway threshold of an exterior entrance that provides direct public access to the building where the service is located.																										
Transit Services	<p>For Public Bus Stop, Public Bus Rapid Transit Stop, Public Bus Transfer Stop, TriRail Rail Stations and MetroRail Rail Stations, coordinates must represent the location where passengers may embark and disembark the bus or train.</p> <p>For SunRail Rail Stations, coordinates must represent either the location where passengers may embark and disembark the train or the coordinates listed below.</p> <table border="1"> <thead> <tr> <th>Station Name</th> <th>Latitude Longitude Coordinates</th> </tr> </thead> <tbody> <tr> <td>Altamonte Springs Station</td> <td>N 28 39 50.1, W 81 21 23.4</td> </tr> <tr> <td>Church Street Station</td> <td>N 28 32 20.3, W 81 22 50.6</td> </tr> <tr> <td>DeBary Station</td> <td>N 28 51 20.3, W 81 19 24.1</td> </tr> <tr> <td>Florida Hospital Station</td> <td>N 28 34 21.8, W 81 22 17.4</td> </tr> <tr> <td>Lake Mary Station</td> <td>N 28 45 31.8, W 81 19 04.3</td> </tr> <tr> <td>LYNX Central Station</td> <td>N 28 32 52.2, W 81 22 51.0</td> </tr> <tr> <td>Longwood Station</td> <td>N 28 42 04.1, W 81 20 43.4</td> </tr> <tr> <td>Maitland Station</td> <td>N 28 38 03.7, W 81 21 44.7</td> </tr> <tr> <td>Orlando Amtrak/ORMC Station</td> <td>N 28 31 39.5, W 81 22 28.6</td> </tr> <tr> <td>Sand Lake Road Station</td> <td>N 28 27 11.3, W 81 22 1.0</td> </tr> <tr> <td>Sanford/SR46 Station</td> <td>N 28 48 49.8, W 81 17 36.9</td> </tr> <tr> <td>Winter Park/Park Ave Station</td> <td>N 28 35 51.5, W 81 21 6.0</td> </tr> </tbody> </table>	Station Name	Latitude Longitude Coordinates	Altamonte Springs Station	N 28 39 50.1, W 81 21 23.4	Church Street Station	N 28 32 20.3, W 81 22 50.6	DeBary Station	N 28 51 20.3, W 81 19 24.1	Florida Hospital Station	N 28 34 21.8, W 81 22 17.4	Lake Mary Station	N 28 45 31.8, W 81 19 04.3	LYNX Central Station	N 28 32 52.2, W 81 22 51.0	Longwood Station	N 28 42 04.1, W 81 20 43.4	Maitland Station	N 28 38 03.7, W 81 21 44.7	Orlando Amtrak/ORMC Station	N 28 31 39.5, W 81 22 28.6	Sand Lake Road Station	N 28 27 11.3, W 81 22 1.0	Sanford/SR46 Station	N 28 48 49.8, W 81 17 36.9	Winter Park/Park Ave Station	N 28 35 51.5, W 81 21 6.0
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If there is no exterior public entrance to the Community Service, then a point should be used that is at the exterior entrance doorway threshold that is the closest walking distance to the doorway threshold of the interior public entrance to the service. For example, for a Pharmacy located within an enclosed shopping mall structure that does not have a direct public exterior entrance, the latitude and longitude coordinates at the doorway threshold of the exterior public entrance to the enclosed shopping mall that provide the shortest walking distance to the doorway threshold of the interior entrance to the Pharmacy would be used.

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

Attachment

8

Attachment 8

The Applicant must demonstrate site control by providing, as **Attachment 8** to Exhibit A, the documentation required in Items a., b., and/or c., as indicated below. If the proposed Development consists of Scattered Sites, site control must be demonstrated for all of the Scattered Sites.

ASSIGNMENT AND ASSUMPTION AGREEMENT

15 THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assignment") is made as of the day of October , 2013, between BENEFICIAL DEVELOPMENT 12 LLC, a Florida limited liability company ("Assignor"), and SUMMERSET APARTMENTS LIMITED PARTNERSHIP, a Florida limited partnership ("Assignee"), upon the following terms and conditions:

A. Assignor, as Purchaser, entered into a Real Estate Purchase Agreement with ACME Development Corporation & Clyde A. & Judith M Biston , ("Sellers"), dated August 28, 2103 ("Contract"), for the sale and purchase of the real property described in the Contract ("Property").

B. Assignor desires to assign the Contract to Assignee, and Assignee desires to accept and assume the Contract.

NOW, THEREFORE, for valuable consideration paid, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Assignor assigns to Assignee all of Assignor's rights, title and interest in and to the Contract and the Property.

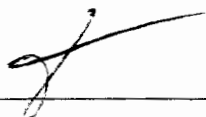
2. Assignor represents and warrants that (a) the Contract is in full force and effect, (b) the Contract has not been modified or amended, (c) Assignor has paid all sums required by the Contract to be paid by Assignor, and Assignor is not otherwise in default of any obligations under the Contract, (d) Assignor has no setoffs or claims against Seller arising out of the Contract and (e) there are no existing defaults by Seller under the Contract.

3. Assignee assumes and agrees to pay and perform all of Purchaser's duties, obligations, liabilities and responsibilities hereunder from and after the date of this Assignment, and Assignee agrees to indemnify and hold harmless Assignor from any and all claims, damages, losses and expenses that may arise out of, or in respect of, the Contract, from and after this date.

WITNESS the execution hereof as of the date first written above.

ASSIGNOR:

BENEFICIAL DEVELOPMENT 12 LLC,
a Florida limited liability company

By:  _____

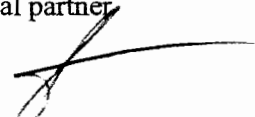
Name: Donald W. Paxton
Title: Manager

Date: October 15, 2013

ASSIGNEE:

**SUMMERSET APARTMENTS
LIMITED PARTNERSHIP,** a Florida limited partnership

By: Summerset GP LLC , a
Florida limited liability company
its general partner

By:  _____
Donald W. Paxton, Manager of GP

Date: October 15, 2013

REAL ESTATE PURCHASE AGREEMENT

This real estate purchase agreement (the "Agreement") is made and entered into this 28th day of August, 2013 by and between Acme Development Corporation & Mr. Clyde A Biston and Mrs. Judith M Biston whose address is PO Box 1299 Crystal Springs, FL 33524 (hereinafter referred to as "Seller") and BENEFICIAL DEVELOPMENT 12,LLC, a Florida limited liability company or assign, whose address is 2206 Jo-An Drive, Sarasota, Florida, 34231, (hereinafter referred to as "Purchaser"). The Seller and Purchaser may hereinafter be referred to collectively as the "Parties". This Agreement shall be effective upon execution by both the Seller and the Purchaser (the "Effective Date").

RECITALS

WHEREAS, Seller is the owner of 22 +/- acres of land, located along Eiland Blvd., Zephyrhills, Pasco County Florida, as more particularly described on the attached Exhibit "A", hereinafter referred to as the "Real Estate", and

~~WHEREAS, Seller desires to sell and Purchaser desires to purchase the Real Estate on the terms and conditions hereinafter set forth.~~

AGREEMENT

Subject to the terms and conditions of this Agreement, and in consideration of the mutual promises set forth below and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, Seller and Purchaser agree as follows:

1. REAL ESTATE, PROPERTY. Subject to the terms and conditions set forth below, Seller shall sell and convey to Purchaser and Purchaser shall purchase from Seller the Real Estate, together with any and all easements, rights-of-way, privileges, benefits, contract rights, development rights, permits, licenses or approvals, improvements, or appurtenances arising from, pertaining to or associated with said real property (collectively, the "Property").

2. PRICE AND PAYMENT. The purchase price of the Real Estate shall be in the amount of One Million Six Hundred Thousand Dollars (\$1,600,000.00):

a. Upon exercise of the Agreement, the Purchaser shall pay an earnest money deposit of Ten Thousand Dollars (\$10,000.00) by cash or check within five business days of the Effective Date of this Agreement (the "Deposit") to the Escrow Agent, which term shall hereafter include all additional sums paid by Purchaser as additional Deposits under this Agreement. The Deposit shall be held by the Escrow Agent, and shall be refundable for any reason until the End of Due Diligence. At the end of Due Diligence Period if Purchaser is satisfied with moving forward Purchaser shall deposit an additional Twenty Five Thousand Dollars (\$25,000) which shall be non-refundable. On February 1, 2014 Purchaser shall deposit an additional Twenty Five Thousand Dollars (\$25,000) non-refundable. All deposits are applicable

to Purchase Price.

c. The Purchaser shall pay the balance of the purchase price in cash, less any Deposits, by wire transfer of funds at the time of the Closing as provided in Paragraph 5.

The Deposits paid pursuant to this Agreement shall be deposited with Sandy Alan Levitt, as agent ("Escrow Agent") and released to the Seller as provided herein, which shall be applied to the Purchase Price at closing. The Escrow Agent upon termination of Agreement in accordance with terms hereof shall not require Seller's or Purchaser's signature in order to release the escrowed funds. Purchaser shall be entitled to any interest earned on the escrowed funds. The Escrow Agent shall serve without compensation for its services, and shall exercise its duties in accordance with the terms of this Agreement and in good faith, but under no circumstances shall it be held liable to Seller or Purchaser except for acts constituting gross neglect of duty or dishonesty. Upon delivery of the escrowed funds in accordance with the terms of this Agreement, its duties as Escrow Agent shall terminate.

3. **TITLE CONVEYANCE AND SURVEY.** Seller shall convey title to the Real Estate by general warranty deed at closing. Said deed shall convey marketable title in fee simple absolute, with release of dower, subject only to real estate taxes not then delinquent and easements and restrictions of record that do not unreasonably interfere with Purchaser's proposed development. As of the date hereof, Purchaser has not examined the title to the Real Estate. At least thirty (30) days prior to closing, Purchaser shall obtain an ALTA Owner's Title Insurance Commitment (the "Commitment") and a UCC-11 search, which will commit to insure title to the Real Estate in accordance with the previous sentence and shall furnish a copy to Seller. If such Commitment discloses any title defects or other matter which, in Purchaser's sole judgment, interferes with Purchaser's intended use of the Real Estate, or which renders the title unmarketable, then, prior to closing, Purchaser shall provide written notice of objection thereto to Seller. In such event, if Seller is unable to or does not elect to remedy any such title defects or other such matter of title at Seller's sole cost and expense on or prior to the closing date, then Purchaser at its election, may either acquire the Real Estate subject to the effect of the same or terminate this Agreement without further liability to either party, and the deposit shall be returned by the Escrow Agent to Purchaser. Purchaser shall, at the closing, pay for the cost of issuance of an ALTA Title Insurance Policy to Purchaser in the amount of the purchase price. Possession of the Real Estate shall be delivered to Purchaser at closing. If there are any buildings or other structures on the Real Estate, upon request by Purchaser, Seller shall have such buildings and/or other structures removed from the Real Estate prior to closing. During the term of this Agreement, Seller shall not convey any interest in the Real Estate without the prior written approval of Purchaser.

Within 10 days from the Effective Date of this Agreement, Seller shall, at its expense, provide a copy of an existing survey of the Real Estate to the Purchaser, prepared by a registered surveyor. The survey shall be updated by the Purchaser, at the expense of Purchaser, prior to closing. The legal description prepared from this survey shall be used in the Seller's deed, provided that the description is approved as current, by all appropriate governmental authorities.

4. **REAL ESTATE TAXES AND ASSESSMENTS.** Real estate taxes shall be prorated as of the date of the closing, based upon the amount of the most recent available real estate tax bills. Seller shall be responsible for any real estate taxes that are recouped or recaptured as the result of Purchaser's proposed development of the Real Estate. Seller shall also be responsible for all assessments against the Real Estate (whether recorded or in the process of being certified) as of the date of the closing including any deferred sewer or water tap-in fees. All delinquent real estate and personal property taxes and any amounts owing on the lien of any general or special assessments shall be paid by Seller at the time of Closing. If the amount of the real estate taxes prorated at the closing differs from the amount of the actual real estate taxes for the tax period in question by more than ten percent (10%), the Parties will re-prorate based on the actual tax bill and credit the appropriate party within thirty (30) days after receipt of such tax bill. Seller shall be responsible for all conveyance fees and other "taxes" associated with the conveyance of the Real Estate.

5. **CONTINGENCIES, DUE DILIGENCE, EXTENSIONS & CLOSING.** Purchaser intends to construct certain improvements on the Real Estate. By reason thereof, it is necessary for Purchaser to make certain determinations as to the suitability of the Real Estate for Purchaser's proposed development. Therefore, the consummation of this transaction is conditioned upon:

a. **Feasibility Study.** Purchaser shall determine whether there is adequate access to the Real Estate, whether utilities are existing or will be existing to serve the Real Estate, and whether soil and subsoil conditions, as well as other economic factors, will permit the efficient and economical construction of Purchaser's proposed improvements. Purchaser, in its sole discretion, shall determine the feasibility of the its intended use of the Real Estate, based upon but not limited to following: access to the Real Estate, availability of utilities adequate to serve the proposed improvements, soil and subsoil conditions, environmental conditions, water and drainage conditions, the existence of wetlands, and any other factors affecting the efficient and economic construction of the Purchaser's proposed improvements and intended use of the Real Estate.

b. **Development Plan Approval.** Purchaser shall have obtained, at its expense, from all appropriate governmental authorities and public utilities, all necessary zoning approvals, subdivision approvals and other site plan approvals for its proposed development.

c. **Title and Survey Defects.** If, in the Purchaser's sole discretion, the Commitment, the lien search, or the survey reveal any defects affecting title to the Real Estate, the Purchaser shall provide the Seller notice of such defects as soon as practicable. The Purchaser may either waive the defects or request that the Seller correct the defects solely at the Seller's cost. If the Seller refuses to correct the defects, the Purchaser may terminate the agreement and, notwithstanding any provisions herein to the contrary, receive a full refund of any Earnest Money Deposit, any Additional Deposit and any Extension Fees.

d. **Utilities.** All utilities, including but not limited to, storm sewer, sanitary sewer, water, gas, electric and cable, will be available to the property line of the Real Estate. To Seller's knowledge, there is no fact or condition which would impair Purchaser's ability to tap-in and use said utilities for the development of the Real Estate. Purchaser shall have obtained, at its

expense, any necessary utility easements from adjoining property owners on terms and conditions acceptable to Purchaser.

e. **Financing.** Purchaser shall have obtained financing, on terms and conditions acceptable to Purchaser, for the acquisition and development of the Real Estate.

f. **Due Diligence Period:** Purchaser shall have 120 Days (“Due Diligence Period”) to satisfy or waive the conditions set forth in paragraphs 5(a) through 5(e) above. Purchaser in its sole discretion shall determine whether or not a contingency has been satisfied. Upon the failure of any of the above contingencies to be satisfied within such time period, Purchaser may elect either to waive such contingencies or to terminate this Agreement. Upon notice of such termination, any deposit made by Purchaser shall be returned by the Escrow Agent in full and the Parties shall have no further obligation hereunder. If Purchaser fails to deliver notice to Seller that Purchaser is satisfied with or is waiving all of the contingencies set forth in this Paragraph 5 within the time frame set forth above, this Agreement shall automatically terminate, any deposit made by Purchaser shall be returned by the Escrow Agent in full and the Parties shall have no further obligation hereunder. Seller shall cooperate with Purchaser in obtaining the approvals required pursuant to this paragraph 5, such cooperation to include, but not be limited to, the execution by Seller of any and all documents needed by Purchaser to obtain ~~permits and approvals. Seller hereby grants to Purchaser authority to apply for site plan approval, development plan approval, and clearing and building permits prior to the Closing, and Seller shall execute any and all documents as may be required by the appropriate governmental agency to evidence such authority.~~

g. **Extension Period:** Purchaser shall have the right to extend the closing for the payment of Fifty Thousand Dollars (\$50,000.00) per 30 day “(Extension Period)” for three (3) Extension Periods. The extension fee(s) shall be released to Seller by the Escrow Agent immediately upon notice from Purchaser to Seller to extend the contract. All extension fee(s) released to Seller through Escrow Agent shall be non-refundable, and shall be deemed to be liquidated damages in the event this transaction does not close and is earned as such by Seller.

g. **Closing :** Closing to occur upon site plan approval and all building permits issued to the proposed multifamily project, but no later than April 1, 2013, unless both parties agree to extend the closing date.

(1.) Seller shall execute and/or deliver to Purchaser at Closing the following:

(a) A General Warranty Deed executed by Seller conveying fee simple title of the Property to Purchaser, subject only to the Permitted Exceptions.

(b) A non-foreign certificate in compliance with Section 1445 of the Internal Revenue Code;

(c) An assignment or assignments of all of Seller’s right, title and interest with regard to all development rights, permits, licenses, consents, approvals, benefits soil tests, development plans, engineering plans or specification, tests, reports, studies, appraisals, analysis, or transportation capacity reservations or certificates, and similar documents or information which Seller may have in its possession and pertaining exclusively to the Property

(the "Development Rights"), thereto, in form and content satisfactory and to the appropriate governmental agency or entity having jurisdiction thereof.

(d) Closing Statement; and

(e) Such other customary documents as reasonably may be reasonably required to consummate the transaction contemplated by this Contract, or which may be required by the Title Company in order to issue the Title Policy as required by the Title Commitment.

(2.) Purchaser shall execute and/or deliver to Seller at Closing:

(a) Closing Statement;

(b) The Purchase Price, subject to credits and prorations as provided herein; and

(c) All documents required hereunder in order to consummate this Contract, and such other customary documents as reasonably may be required to consummate the transaction contemplated by this Agreement, or which may be required by the Title Company in order to issue the title policies in this Contract.

h. **Closing Expenses.** The cost of documentary stamps on the Deed and of any corrective instruments or actions shall be paid by Purchaser on or before Closing. The cost of recording the Deed, the Survey, the title insurance premium and any title search charges or other charges pertaining to the Title Commitment and the owners' title insurance policy shall be paid by the Purchaser on or before Closing. Each party shall bear and pay its own attorneys' fees and expenses.

6. **SITE INVESTIGATION AND CONDITION OF REAL ESTATE.** Seller hereby grants to Purchaser a temporary license to enter onto the Real Estate to conduct such engineering and soil testing as it deems appropriate. Purchaser shall conduct such site investigation in such a manner so as to minimize any damage to the Real Estate and, to the extent practicable, Purchaser shall promptly restore any damaged areas of the Real Estate to its condition prior to Purchaser's entry on the Real Estate. Purchaser agrees to indemnify Seller from and against any loss or damage incurred or suffered by Seller relating to any activities of Purchaser, its employees or independent contractors, on or about the Real Estate prior to the date of closing hereunder. Prior to the closing, Seller shall not make any material alterations to the Real Estate without the prior written consent of Purchaser.

Within thirty (30) days after the date of this Agreement, Seller shall deliver to Purchaser copies of all engineering reports, environmental (plant and animal) reports or environmental site assessments, topographical maps, soil tests, feasibility studies, easement agreements, subdivision approvals, title insurance policies and surveys in Seller's possession pertaining to the Real Estate.

Seller represents and warrants to Purchaser that as of the closing, the Real Estate shall be free from any and all city, county, state and federal orders affecting the Real Estate. Seller further represents and warrants to Purchaser that Seller has not received notice of any violation of any applicable federal, state or local statute, law, ordinance, order, rule or regulation or of any covenant, condition, restriction or easement affecting the Real Estate. Seller further represents and warrants to Purchaser that, to the best of Seller's knowledge, the Real Estate is free from any and all hazardous substances and wastes, asbestos, underground storage tanks, PCB's and wet lands. Within sixty (60) days following confirmation of financing, Purchaser, at its expense, shall perform an environmental audit and wet lands assessment on the Real Estate. In the event such audit discloses the presence of hazardous substances, wastes, asbestos, underground storage tanks or PCB's, then, unless Seller agrees, within ten (10) days after Seller's receipt of notice of the results of such audit, to remove and clean up any such hazardous substances, wastes, asbestos or underground storage tanks and to pay the costs of such removal and clean up prior to the closing date, Purchaser, at its election, may either acquire the Real Estate without requiring the removal of such hazardous substances, wastes, asbestos, underground storage tanks or PCB's, or may terminate this Agreement by written notice thereof to Seller, in which case any deposit made by Purchaser shall be returned by the Escrow Agent in full and neither party shall be under any further obligation hereunder.

~~7. ADDITIONAL OBLIGATIONS OF SELLER Not Applicable:~~

8. COOPERATION AGREEMENT. Purchaser may need a variety of exclusive and non-exclusive public and private, permanent and temporary utility, drainage, right of way, grading, access, ingress/egress and roadway easement(s) to facilitate its re-development of subject property. Seller hereby agrees to fully cooperate with Purchaser in granting and signing said easements, as needed, and/or assisting Purchaser in obtaining same from required third Parties. The cost of design, designation, and recording of those easements shall be borne by Purchaser.

9. SELLER'S REPRESENTATIONS AND WARRANTIES. Seller represents, warrants, and covenants to Purchaser as to the following matters, and shall be deemed to remake all of the following representations, warranties, and covenants as of the date of Closing.

a. No Consents Necessary. Seller has the legal right, power, capacity and authority to enter into and perform its obligations under this Agreement, and no approval or consent of any other person or entity is necessary to authorize the execution of this Agreement by Seller or the consummation by Seller of the transactions contemplated hereby. The execution and delivery of this Agreement and every other document delivered pursuant to this Agreement by Seller, and the consummation of the transactions contemplated by this Agreement have been duly authorized and validly executed and delivered by Seller.

b. No Violations. Seller has not received any written notice (i) of any violations by Seller or the Real Estate or any part thereof, of any law, rule, regulation, order or ordinance or (ii) from any insurance company of the existence of any material and adverse condition which requires work to be done to cure such condition with respect to the Real Estate, and Seller has no knowledge that any such notices are forthcoming or that any such conditions or violations exist.

c. **No Pending Proceedings.** The Seller represents that there is no pending or threatened, condemnation action, litigation, arbitration, administrative action or examination, claim, demand, attachment, execution or similar proceeding whatsoever, relating to the Real Estate or Seller which would adversely affect the Real Estate. Seller shall immediately notify Purchaser of any such claim or proceeding which is made, filed, threatened or instituted by or against Seller or the Real Estate after the date of this Agreement.

d. **No Third Party Rights.** The Seller represents that no tenant or other third party has any agreement, option, or other right of first refusal, to purchase the Real Estate or any part thereof nor does any party have any occupancy rights with respect to the Real Estate.

e. **Zoning.** Seller represents that the current zoning of the Real Estate is a R4.

f. **Access.** Seller has no knowledge of any fact or condition which would result in the termination or impairment of access to the Real Estate from adjoining public or private streets or ways or which could result in discontinuation of necessary sewer, water, electric, gas, telephone, or other utilities or services. To Seller's knowledge, all sewage, sanitation, plumbing, water retention, refuse disposal, and similar facilities servicing the Real Estate are in full compliance with governmental authorities' laws, rules and regulations.

g. **Utilities.** All utilities, except sanitary sewer, but including water, gas, electric and cable, are available to the Real Estate. To Seller's knowledge, there is no fact or condition which would impair Purchaser's ability to tap-in and use said utilities for the development of the Real Estate.

h. **Assessments.** There are no public improvements which have been ordered to be made and/or which have not heretofore been assessed, and there are no special, general, or other assessments pending, or to Seller's knowledge, threatened against or affecting the Real Estate.

i. **Third Parties.** Seller has not entered into, nor is aware of, any contract, lease, lien, encumbrance, agreement or right of possession, which cannot be canceled/terminated by Purchaser within a 30-day notice or less. Nor does any Third Party have any right(s) of occupancy, unrecorded or prescriptive easement(s) or usage with respect to the subject property, at law or in equity.

j. **Survival of Warranties.** Each of the foregoing representations and warranties shall survive the Closing and any independent investigation by Purchaser.

10. **EMINENT DOMAIN.** If, prior to the closing, any proceeding shall be threatened, commenced or consummated for the taking of any part of the Real Estate for public or quasi-public use pursuant to the power of eminent domain, then Seller shall forthwith give notice thereof (the "Condemnation Notice") to Purchaser. The Condemnation Notice shall, if possible, be accompanied by a sketch of the portion of the Real Estate which will be affected by such taking, and a metes and bounds description delineating the area to be affected. If any such

taking, contemplated taking or threatened taking, shall occur or be commenced, then Purchaser shall have the option to terminate this Agreement upon written notice to Seller given not later than ten (10) days after receipt of the Condemnation Notice or go forward and take an assignment of Seller's condemnation award. In the event Purchaser elects to terminate this Agreement, any deposit made by Purchaser shall be returned by the Escrow Agent in full, and neither party shall be under any further obligation hereunder.

11. DEFAULT.

i. BY PURCHASER. IF THE CLOSE OF ESCROW FAILS TO OCCUR DUE TO A DEFAULT OR BREACH BY PURCHASER OF ANY MATERIAL OBLIGATION HEREUNDER, SELLER SHALL BE ENTITLED TO RECEIVE AND RETAIN THE EARNEST MONEY DEPOSIT AS WELL AS ADDITIONAL FEES PAID TO SELLER AS FULL AND COMPLETE LIQUIDATED DAMAGES AND NEITHER PARTY SHALL BE UNDER ANY FURTHER OBLIGATION HEREUNDER. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE DAMAGES TO SELLER IN THE EVENT OF PURCHASER'S DEFAULT OR BREACH WOULD BE IMPOSSIBLE TO ACCURATELY DETERMINE, THAT PROOF OF THE AMOUNT OF SUCH DAMAGES WOULD BE COSTLY AND INCONVENIENT AND THAT SAID SUM IS FAIR AND REASONABLE IN LIGHT OF ALL OF THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, INCLUDING THE PARTIES' ESTIMATION OF THE POSSIBLE RANGE OF DAMAGES TO SELLER IN THE EVENT OF SUCH A DEFAULT OR BREACH BY PURCHASER. SUCH LIQUIDATED DAMAGES SHALL BE SELLER'S SOLE AND EXCLUSIVE REMEDY FOR PURCHASER'S DEFAULT OR BREACH. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER. SELLER AND PURCHASER EACH CONFIRM THEIR AGREEMENT TO THE FOREGOING BY INITIALING IN THE SPACE PROVIDED BELOW.

ii. BY SELLER. IN THE EVENT THE SELLER SHALL DEFAULT IN THE CONSUMMATION OF THIS AGREEMENT, THE SELLER AGREES THAT THE PURCHASER SHALL HAVE ALL REMEDIES AVAILABLE AT LAW OR IN EQUITY, INCLUDING, BUT NOT LIMITED TO, SPECIFIC PERFORMANCE.

Seller's Initials AB JMB

Purchaser's Initials J

12. ASSIGNMENT. This Agreement may be assigned by Purchaser without the consent of Seller, provided that in the event of an assignment of this Agreement by Purchaser, Purchaser shall not be released from any of its obligations under this Agreement.

13. NOTICES. Any notices to be given hereunder shall be given by placing the notice in the United States Mail, certified or registered, properly stamped and addressed to the address shown below or such other addresses as the respective party may direct in writing to the other, by personal delivery to such address, or by facsimile transmission (with receipt of transmission) and such notice shall be deemed effective upon such placing in the mails, on the

next business day following delivery to a nationally recognized overnight delivery service, upon such personal delivery, or on the date sent via facsimile (with receipt of transmission):

To Seller: **Name:** Acme Development Corporation & Mr. Clyde A Biston
 Address: PO Box 1299 Crystal Springs, FL 33524
 Attn: Clyde A Biston
 Phone: (813) 783-1688
 Fax:
 Email: cab@crossenv.com & kevin@rymanconstruction.com

To Buyer: **Name:** BENEFICIAL DEVELOPMENT 12, LLC, a Florida
 limited liability company
 Address: 2206 Jo-An Drive,
 City\State: Sarasota, Fl. 34231
 Attn: Don Paxton
 Phone: (941) 929-1270
 Fax: (941) 929-1271
 Email: dpaxton@beneficialcom.com

With copy to: **Name:**
 Address:
 City\State:
 Attn:
 Phone:
 Fax:
 Email:

14. **INVALID PROVISIONS.** In the event that any one or more of the provisions contained in this Agreement are held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

15. **BROKER.** The Parties do mutually represent to each other that no brokerage commission shall be due upon the execution of this Agreement or the transfer of all or any portion of the Real Estate other than a broker's commission to be paid by Seller to Matt Hulbert Realty, Inc. at the closing. The Parties agree to hold each other harmless and indemnify each other as a result of a claim for a real estate commission asserted by any other broker as a result of any dealings with either party hereto.

16. **FORCE MAJEURE.** Neither party shall be liable for nonperformance or delay in performance due to any act of God; regulation or law of any government; riot; civil commotion; destruction of the subject Real Estate by fire, earthquake or storm; strike; labor disturbances; or the failure of any public utilities or common carriers.

17. **MISCELLANEOUS PROVISIONS.**

(a) **Successors and Assigns.** This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(b) **Amendments and Termination.** Except as otherwise provided herein, this Contract may be amended or modified by, and only by, a written instrument executed by Seller and Purchaser, acting by their respective duly authorized agents or representatives.

(c) **Governing Law.** This Contract shall be governed by and construed in accordance with the laws of the State of Florida.

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

(e) **Counterparts.** This Contract 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.

(f) **Entire Understanding; Merger of Prior Agreements.** The foregoing Agreement contains the entire understanding between Seller and Purchaser relative to the subject matter hereof and no oral representations heretofore made by either party to the other shall be binding upon either of them. This Contract supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.

(g) **Time.** Time is of the essence of this Contract. When any time period specified herein falls or ends upon a Saturday, Sunday or legal holiday, the time period shall be automatically extended to 5:00 P.M. on the next ensuing business day.

(h) **Site Development.** Purchaser will consult with One Evergreen in connection with civil engineering for site consistency for the proposed development. Purchaser will also construct a master retention pond to accommodate the entire remaining site on behalf of Seller. Purchaser and Seller agree to create language agreeable to both parties during the due diligence period to establish the access/easement for storm water master retention for the Seller's remaining property as well as any cross ingress/egress.

IN WITNESS WHEREOF, the Parties have hereunto set their hands on the day and year below indicated.

SELLER:

Acme Development Corporation

By: Clyde A. Biston
Name: Clyde A. Biston
Its: President

Date: 8/28/13

SELLER:

Mr. Clyde A Biston & Mrs. Judith M Biston

By: Clyde A. Biston Judith M. Biston
Name: Clyde A. Biston / Judith M. Biston
Its: _____

Date: 8/28/13

PURCHASER:

Beneficial Development 12, LLC,
a Florida limited liability company

By: [Signature]
Name: Donald Patton
Its: Manager

Date: 8/28/13

ESCROW ACKNOWLEDGMENT

The undersigned acknowledges receipt of the Ten Thousand Dollar
(\$ 10,000.00) earnest money deposit this 3rd day of September, 2013 and
agrees to hold such funds in accordance with the terms of this Agreement.

ESCROW AGENT:

SANDY ALAN LEVITT, P.A.

By: 

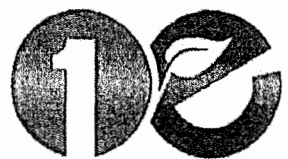
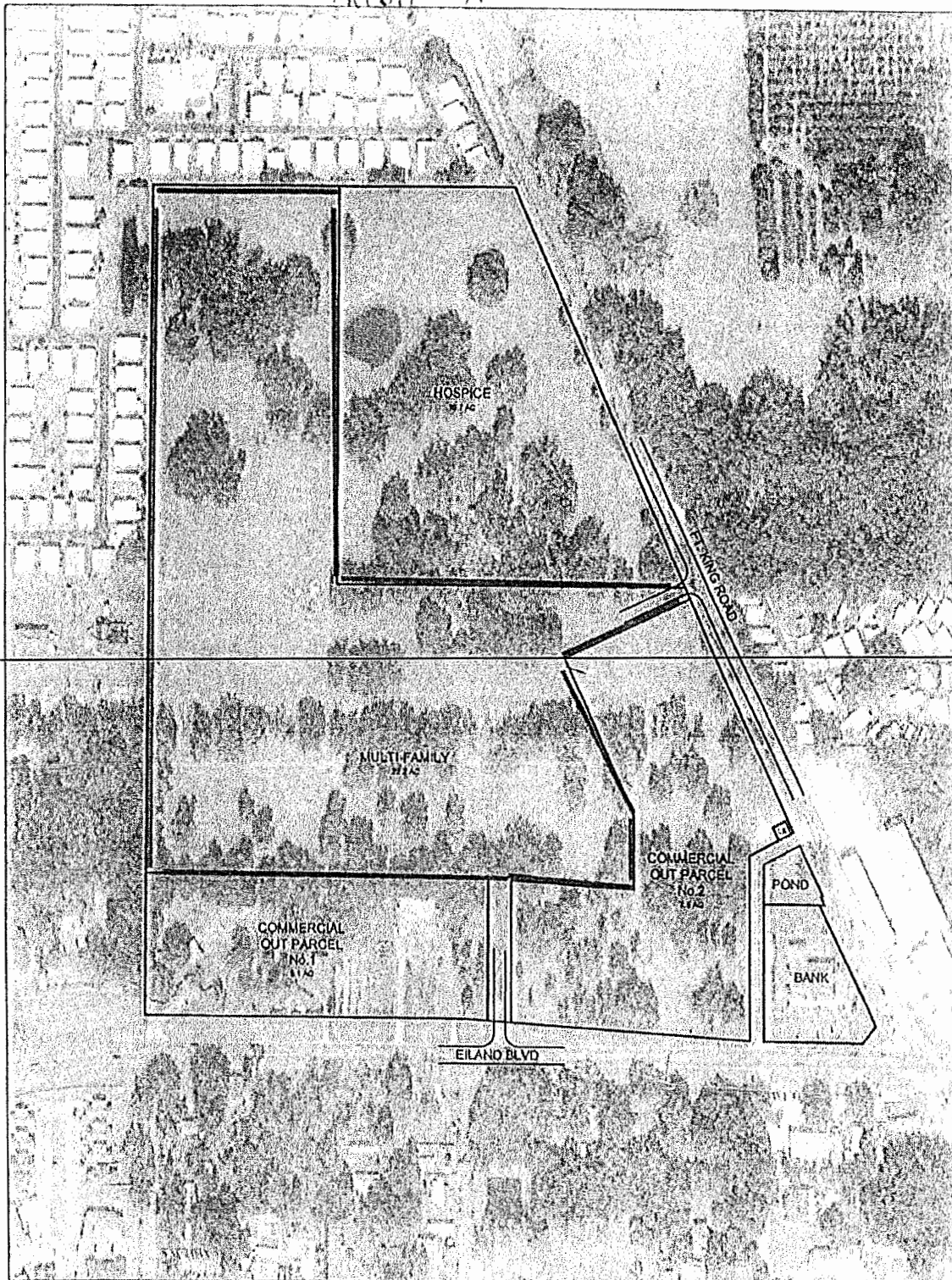
SANDY LEVITT, President

RE: 22 1/2 Acres - Pasco County

Acme Develop + Boston / Bernab. Dev 12

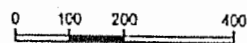
Exhibit "A"
Property Description
Attached

Exhibit "A"



one evergreen, inc
 planning | engineering | development

EILAND BLVD MULTI-FAMILY
 SITE SKETCH



4125 GALL BOULEVARD
 ZEPHYRHILLS, FLORIDA 33542
 PH 813.788.6000 FAX 813.715.1331
 WWW.ONEEVERGREEN.NET
 COPYRIGHT © 2013 ONEEVERGREEN, INC.

THIS DOCUMENT, TOGETHER WITH THE CONCEPTS AND DESIGNS PRESENTED HEREIN AS AN INSTRUMENT OF SERVICE, IS INTENDED ONLY FOR THE SPECIFIC PURPOSE AND CLIENT FOR WHICH IT WAS PREPARED. REUSE OF AND IMPROPER RELIANCE ON THIS DOCUMENT WITHOUT WRITTEN AUTHORIZATION AND ADAPTATION BY ONE EVERGREEN, INC. SHALL BE WITHOUT LIABILITY TO ONE EVERGREEN, INC.

Attachment

9

Attachment 9

As evidence of the Local Government Contribution, the Applicant must provide the properly completed and executed Local Government Verification of Contribution Form(s) as **Attachment 9** to Exhibit A. The forms are set out in Exhibit B of the RFA.

2013 LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION – GRANT FORM

Name of Development: Summerset Apartments
Development Location: West side of Fort King Rd approximately 1100 feet North of the intersection of Fort King Rd and Elland Blvd, Zephyrhills, FL
(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site where the Development Location Point is located.)

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

\$50,000.00 as a grant to the Applicant for its use solely for assisting the proposed Development referenced above. The City/County does not expect to be repaid or reimbursed by the Applicant, or any other entity, provided the funds are expended solely for the Development referenced above. No consideration or promise of consideration has been given with respect to the grant. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. This grant is effective as of the Application Deadline referenced above, and is provided specifically with respect to the proposed Development.

The source of the grant is: SHIP
(e.g., SHIP, HOME, CDBG)

CERTIFICATION



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

[Signature]
Signature

Theodore J. Schrader
Print or Type Name

Chairman
Print or Type Title

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

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

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

ATTEST:
BY: Paula S. O'Neil
PAULA S. O'NEIL, PH.D.
CLERK & COMPTROLLER

APPROVED
IN SESSION
OCT 08 2013
PASCO COUNTY
BOC

Attachment

10

Attachment 10

QCT – If the proposed Development is not located in a DDA (as indicated by the Applicant at question 9.a.(1)(a) of Exhibit A), in order to be classified as a Development located in a QCT for purposes of this RFA the proposed Development must be located in one of the QCTs based on the current census, as determined by HUD as of the Application Deadline, and the Applicant must provide a copy of a letter from the local planning office or census bureau verifying the Development’s location in the referenced QCT as **Attachment 10** to Exhibit A.

If the proposed Development is located in a HUD-designated DDA and/or QCT, per Item (a)(i) and/or (a)(ii) above, and it is an additional phase of a multi-phase Development where a phase was funded in the 2011 Universal Application Cycle and the funding was not returned, the Applicant should select question 9.a.(2)(b) of Exhibit A and provide the following information for the phase(s) funded in the 2011 Universal Application Cycle as **Attachment 10** to Exhibit A

If the proposed Development is not located in a HUD-designated DDA and/or QCT, per Item (a)(i) and/or (a)(ii) above, but it is an additional phase of a multi-phase Development where a phase was funded in the 2011 Universal Application Cycle and the funding was not returned, and this proposed Development is funded, then the HUD HCA status of the Development funded in the 2011 Universal Application Cycle will apply for the additional phase proposed in this Application. The Applicant should select question 9.a.(2)(c) of Exhibit A and provide the following information for the phase(s) funded in the 2011 Universal Application Cycle as **Attachment 10** to Exhibit A.

N/A

Attachment

11

Attachment 11

If using USDA RD 514/516, 515 funds: (ii) Provide a letter from RD, dated within six (6) months of the Application Deadline, as Attachment 11 to Exhibit A, confirming the funding source as outlined below:

For proposed Developments with the Development Category of Rehabilitation or Redevelopment (with or without Acquisition) at question 4.c. of Exhibit A, the RD letter must include the following information:

If using USDA RD 538 funds Provide the Section 538 Selection letter sent to the Applicant by RD as Attachment 11 to Exhibit A

Provide the letter sent to the Applicant by an RD 538 approved lender certifying that the lender is prepared to make a loan consistent with the program requirements through the Section 538 Guaranteed Rural Rental Housing ("538") Loan Program as Attachment 11 to Exhibit A.

These items are **NOT APPLICABLE** as the project does not utilize RD.

Attachment

12

Attachment 12

In order for funding to be counted as a source on the Construction/Rehab and/or Permanent Analysis, the Applicant must provide documentation of all financing proposals from both the construction and the permanent lender(s), equity proposals from the syndicator, and other sources of funding. The financing proposals must state whether they are for construction financing, permanent financing, or both, and all attachments and/or exhibits referenced in the proposal must be included. Insert documentation for each source as **Attachment 12** to Exhibit A and continuing with sequentially numbered attachments for each additional funding source. Evidence for each funding source must be behind its own sequentially numbered attachment.



October 16, 2013

Summerset Apartments Limited Partnership
C/o Donald Paxton
Beneficial Communities, LLC
2206 Jo An Drive
Sarasota FL 34231

**Re: Summerset Apartments
96-Unit Rental Apartment Project
W. side of Fort King Road; approx.
1,100 Ft N. of the intersection of Ft. King Road and Eiland Blvd.
Zephyrhills, Pasco County, FL 33542**

Dear Mr. Paxton:

Thank you for considering JPMorgan Chase Bank, N.A. (“JPMorgan Chase” or “Lender”) as a potential construction and permanent lender for the development of affordable rental housing at Summerset Apartments, Zephyrhills, FL. We understand the plan is to construct a 96-unit project, for families with 100% of the residential units to have rents affordable to households earning up to 60% of or less of the area median income, of which 10 units will serve for residents earning 40% or less of the AMI. We have completed a preliminary review of the materials you have submitted, and the following is a brief outline of the terms that we propose to underwrite for credit approval. Of course, this letter is for discussion purposes only and does not represent a commitment by JPMorgan Chase to provide financing for the project nor an offer to commit, but is rather intended to serve as a basis for further discussion and negotiation should you wish to pursue the proposed transaction. Our interest and preliminary terms are subject to change as our due diligence and discussions with you continue. Such a commitment can only be made after due diligence materials are received, reviewed and approved and credit approval has been obtained.

Construction Loan

Borrower: Summerset Apartments Limited Partnership.
Developer: Beneficial Development 13 LLC
Project: Summerset Apartments will consist of a 96-unit property located along the W. side of Fort King Road; approx. 1,100 Ft N. of the intersection of Ft. King Road and Eiland Blvd. Zephyrhills, Pasco County, FL 33542.
Amount: Approximately \$13,840,850; subject to final budget, sources and uses of funds, and LIHTC equity pay-in schedule.
Initial Term: 24 months.

Interest Rate: Libor +300 bps (3.18% as of October 2, 2013).
Interest rate protection in the form of a cap or swap may be available.

Commitment Fee: 1% of the loan amount.

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

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

Collateral: First mortgage; other typical pledges and assignments.

Guarantee: Full payment and completion guarantees and environmental indemnity by guarantors/indemnitor(s) satisfactory to JPMorgan Chase.

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

Tax Credit Equity: Approximately \$14,110,406, of which at least 15% must be paid in at closing. The identity of the equity investor and pay-in schedule for this transaction must be disclosed and acceptable to the Lender in its sole discretion.

Subordinate Liens: Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and Impact.

Repayment: Construction Loan will be repaid with principal reductions from equity funded at or subsequent to construction completion and the Permanent Loan.

Loan to Value: Up to 80% including the value of the real estate and tax credits.

Contract Bonding: 100% Payment and Performance Bonds from "A" rated surety.

Permanent Loan

Amount: \$1,346,991 subject to final underwriting. Permanent Loan to be sold to Impact CIL, LLC ("Impact") in accordance with, and subject to satisfaction of, Impact's requirements.

Forward Commitment: 24 months plus one six-month option.

Fees: Application Fee: \$5,000, payable at Construction Loan closing.
Loan Fee: greater of \$15,000 or 1% of perm loan.
Conversion Fee: \$10,000, payable at Permanent Loan closing.

Interest Rate: The applicable interest rate for the Permanent Loan shall be locked at Construction Loan closing. Current indicative rate is 6.75%. The underwriting rate equals the indicative rate plus 25 bps.

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

Rate Lock: Forward rate lock must be secured by a second lien subordinate note. The subordinate note is equal to the greater of 1% of the Permanent Loan amount or Yield Maintenance Amount. At stabilization/conversion closing, the secured subordinate lien will be released. Security forfeited if loan does not convert.

Term: 18 years.

Amortization: 30 years.

Collateral: First mortgage; other typical pledges and assignments.

Guarantee: After conversion, the Permanent Loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

Loan to Value: Up to 85% of the stabilized rent-restricted value.

Conversion Requirements:

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

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

Escrows/Reserves: Escrows required for property taxes, insurance, and replacement reserves. Minimum replacement reserve of \$250/unit/year or as required by Equity. Debt service reserve (if required) shall be funded with a minimum contribution of six months of debt service expense.

We appreciate the opportunity to discuss the possibility of providing construction and permanent financing for the proposed project with you. This letter of interest is for your tax credit and subsidy allocating agencies' information and use only, and is not to be shown to or relied upon by other parties. Please note that JPMorgan Chase and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transaction described herein or otherwise. JPMorgan

Chase and its affiliates may share information about you in connection with the potential transaction or other possible transactions with you.

This letter, which expires January 13, 2014, serves as an outline of the principal terms of the proposed facility, and is subject to receipt and satisfactory review of all due diligence materials by Lender and to change as described above. Please note, JPMorgan Chase cannot extend any legally binding lending commitment until formal credit approval has been obtained and a commitment letter has been issued.

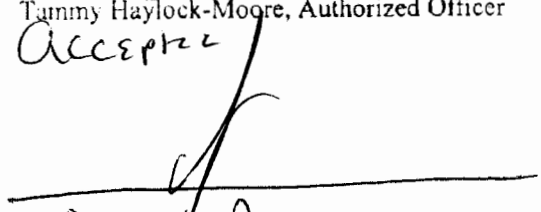
Sincerely,

JPMORGAN CHASE BANK, N.A.

By: 

Tammy Haylock-Moore, Authorized Officer

Accepted


Donald Paxon
Manager of Grand Pointe

Attachment

13

Attachment 13

In order for funding to be counted as a source on the Construction/Rehab and/or Permanent Analysis, the Applicant must provide documentation of all financing proposals from both the construction and the permanent lender(s), equity proposals from the syndicator, and other sources of funding. The financing proposals must state whether they are for construction financing, permanent financing, or both, and all attachments and/or exhibits referenced in the proposal must be included. Insert documentation for each source as **Attachment 12** to Exhibit A and continuing with **sequentially numbered attachments** for each additional funding source. Evidence for each funding source must be behind its own sequentially numbered attachment.

Equity letter from tax credit syndicator attached.



RBC Capital Markets®

RBC Capital Markets Corporation
Tax Credit Equity Group
4720 Piedmont Row Drive, Suite 240
Charlotte, NC 28210
Telephone: 980-233-6500

October 10, 2013

Summerset Apartments Limited Partnership
2206 Jo An Drive
Sarasota, FL 34231
Attn: Don Paxton

**Re: *Summerset Apartments
Zephyrhills, Florida***

Dear: Mr Paxton,

Thank you for providing us the opportunity to submit a letter of intent on Summerset Apartments (the "Project"). This letter of intent outlines the business terms regarding the potential acquisition of an ownership interest in Summerset Apartments Limited Partnership. (the "Partnership"). RBC Tax Credit Equity, LLC, its successors and assigns ("RBC") will acquire a 98.99% interest as well as a 1% interest (collectively, the "Interest") in the Partnership.

1. **Project and Parties Involved.**

- (a) The Project is located at the West Side of Fort King Road approximately 1,100 feet north of the intersection of Fort King Road and Eiland Blvd., Zephyrhills, Florida and will consist of 96 newly constructed units for rent to low income tenants. One hundred percent of the units within the project will be occupied in compliance with the low-income housing tax credit ("LIHTC") requirements of Section 42 of the Internal Revenue Code.
- (b) The parties involved with the Project are as follows:
 - (i) **General Partner.** The General Partner is Summerset GP LLC.
 - (ii) **Developer.** The Developer is Beneficial Development 13 LLC.
 - (iii) **Guarantors.** Subject to RBC's review and approval of financial statements, the Guarantor is the Managing General Partner.

2. **Purchase Price.** The Interest in the Partnership will be acquired for a total capital contribution of \$14,110,406 in Equity, with the Partnership as the beneficiary of the equity proceeds. This capital contribution is based on the Project receiving the tax credits described in Paragraph 3 and represents a price per Federal tax credit dollar of \$.94. The anticipated dollar amount of LIHTC to be purchased by RBC is \$15,011,068 (rounded down to the nearest dollar). This pricing assumes the Developers and General Partners use cash basis accounting for tax purposes. The pricing assumes 100% of residential depreciation being taken over 27.5 years, 100% of depreciation on site improvements being taken over 15 years, 100% of depreciation on personal property being taken over 5 years with the building placed in service in 2015. The capital contribution, subject to adjustments set forth in Paragraph 5 below, will be payable to the Partnership in installments as set forth on **Exhibit A.**

3. **LIHTC.** The Project has submitted an application for reservations of 2013 LIHTC in the amount of \$1,501,257 annually.

4. **Debt Sources.** Upon receipt the General Partners will deliver the following loan term sheets to RBC. All loan terms are subject to RBC consent.

- Construction Loan up to \$13,840,850
- Permanent Loan up to \$1,346,991;

5. **Adjustments.**

- (a) **Downward Capital Adjustment.** The amount of LIHTC to be allocated to RBC during the credit period ("Certified LIHTC") will be determined promptly following receipt of cost certification from the accountant and Form 8609. If the Certified LIHTC is less than Projected LIHTC, RBC's capital contributions will be reduced by an amount equal to the product of (i) \$.94 multiplied by (ii) the difference between Projected LIHTC and Certified LIHTC.
- (b) **Late Delivery Adjustment.** The amount of LIHTC allocated to RBC will be projected prior to Partnership Closing. If the amount of the LIHTC allocated to RBC is less than projected RBC's capital contribution shall be reduced by an amount (the "Late Delivery Adjustment") equal to the difference between the projected amount and the amount of the LIHTC actually allocated to RBC less the present value (using a 12% discount rate) of the additional LIHTC projected to be received in later years.
- (c) **Payment by General Partners.** If the Downward Capital Adjustment and the Late Delivery Adjustment exceed the total of all unfunded capital contributions, then the General Partners will make a payment to the Partnership equal to the amount of such excess, and the Partnership will immediately distribute such amount to RBC as a return of its capital contribution. Except to the extent otherwise stated herein, this payment will not give rise to any right as a loan or capital contribution or result in any increase in the General Partners' capital account.

6. **General Partners and Guarantor Obligations.** In addition to Paragraph 5(c) above, the General Partners are responsible for items 6(a) through 6(f) below. Any amounts advanced by the General Partners will not be considered as loans or capital contributions reimbursable or repayable by the Partnership unless otherwise stated herein.

- (a) **Construction Completion.** The General Partners will guarantee construction completion in accordance with approved plans and specifications and will pay for any construction costs, costs to achieve permanent loan closing, repayment of all construction financing and costs necessary to fund reserves required to be funded at or before permanent loan closing.
- (b) **Operating Deficits.**
- (i) **Pre-Stabilization.** The General Partners will guarantee funding of operating deficits until the date (the "Stabilization Date") which is the first day of the month following a 3-month period (such 3-month period to commence after the permanent loan closing and payoff of construction financing) which the Project has maintained an average 90% occupancy 1.15 income to expense ratio; and
- (ii) **Post-Stabilization.** Commencing with the Stabilization Date and continuing until the Release Date (defined below), the General Partners will guarantee funding of operating deficits of up to an amount equal to \$300,000.

The "Release Date" is the later of:

- (A) the fifth anniversary of the Stabilization Date,
 - (B) the date the Project has achieved an average income to expense ratio of 1.15 for the 12-month period immediately prior to the Release Date, and
 - (C) the date the Project has achieved a 1.15 income to expense ratio for each of the 3 months immediately prior to the Release Date.
- (c) LIHTC Shortfall or Recapture Event. To the extent not already addressed by the Downward Capital Adjustment or the Late Delivery Adjustment, if the actual amount of LIHTC for any year is less than Projected LIHTC, the General Partners will guarantee payment to RBC of an amount equal to the shortfall or recapture amount, plus related costs and expenses incurred by RBC.
- (d) Repurchase. The General Partners will repurchase RBC's interest upon the occurrence of certain events described in the Project Entity Agreement.
- (e) Environmental Indemnity. The General Partners will indemnify RBC against any losses due to environmental condition at the Project.
- (f) Developer Fee. The General Partners will guarantee payment of any developer fee remaining unpaid at the end of the LIHTC compliance period.
- (g) Guarantors. The Guarantors will guarantee all of the General Partners' obligations.
7. Reserves.
- (a) Operating Reserves. An operating reserve of not less than 6 months of expenses and 6 months of any must pay debt service will be established at RBC's final capital contribution. The operating reserve will be maintained from cash flow for the life of the partnership.
 - (b) Replacement Reserves. The Partnership will maintain a replacement reserve, and make contributions on an annual basis equal no less than \$300 per unit. The amount of the contribution will increase annually by 3%. Annual contributions will commence upon construction completion.
8. Fees and Compensation. The following fees will be paid by the Partnership for services rendered in organizing, developing and managing the Partnership and the Project.
- (a) Developer Fee. The Developers will earn a developer fee of \$2,091,415. If the proceeds from the Project budget are not sufficient to pay the developer fee, the fee will be deferred with interest at 8% per annum and payable from net cash flow. Payment of the deferred fee will be subordinate to all other Partnership debt as well as operating expense and reserve requirements.
 - (b) Incentive Management Fee. An incentive management fee will be payable to the General Partners on an annual basis in an amount equal to 90% of net cash flow as set forth on Paragraph 9(b) below.

- (c) Asset Management Fee. The Partnership will pay RBC Manager an annual asset management fee of \$7,500 which will increase by 3% annually. The asset management fee will be paid, commencing at C/O, from available cash flow as reflected in section 9 (b).

9. **Tax Benefits and Distributions.**

- (a) Net Cash Flow Distributions. Distributions of net cash flow (cash receipts less cash expenditures, payment of debt service, property management fee and asset management fee), will be made as follows:
- (i) to RBC in satisfaction of any unpaid amounts due under Paragraphs 5 and 6 above and for any other amounts due and owing to RBC;
 - (ii) to RBC Manager for any unpaid asset management fees;
 - (iii) to the operating reserve to maintain the balance required in Paragraph 7(a);
 - (iv) to the payment of any unpaid developer fee;
 - (v) to the payment of any debts owed to the General Partners or its affiliates;
 - (vi) 90% of the remaining cash flow to the General Partners as an incentive management fee; and
 - (vii) the balance to the General Partners, RBC and RBC Manager in accordance with their percentage interests described in Paragraph 9(a).
- (c) Distributions upon Sale, Liquidation or Refinance. Net proceeds resulting from any sale, liquidation or refinance will be distributed as follows:
- (i) to payment in full of any Partnership debts except those due to RBC, RBC Manager or the General Partners and/or their affiliates;
 - (ii) to the setting up of any required reserves for contingent liabilities or obligations of the Partnership;
 - (iii) to RBC, in satisfaction of any unpaid amounts due under Paragraphs 5 and 6 above and for any other amounts due and owing to RBC;
 - (iv) to RBC Manager for any unpaid asset management fees;
 - (v) to RBC for any excess or additional capital contributions made by it;
 - (vi) to the payment of any debts owed to the General Partners or its affiliates including any unpaid developer fee;
 - (vii) to RBC in an amount equal to any projected federal income tax incurred as a result of the transaction giving rise to such proceeds; and
 - (viii) the balance, 90% to the General Partners, 9.999% to RBC and .001% to RBC Manager.

10. **Construction.** The General Partners will arrange for a fixed or guaranteed maximum price construction contract secured by a letter of credit in an amount not less than 15% of the amount of the construction contract from

a bank acceptable to RBC or payment and performance bonds in an amount not less than the amount of the construction contract from a surety provider acceptable to RBC. The Project will establish a construction contingency acceptable to RBC following its review of construction documents. RBC, may, in its sole discretion, engage a construction consultant (i) to review plans and specifications and (ii) evaluate the construction progress by providing monthly reports to the Partnership.

11. **Due Diligence, Opinions and Projections.**

- (a) **Due Diligence:** The General Partners will provide RBC with all due diligence items set forth on its due diligence checklist, including but not limited to, a reservation of 2013 Federal LIHTC, financial statements for the Guarantors, schedule of real estate owned and contingent liabilities, plans and specifications, a current appraisal, a current (less than 6 months old) market study, a current (less than 6 months old) Phase I environmental report prepared to 1527-05 standards, rent and expense data from comparable properties, site/market visit and title and survey. The General Partners agree to reasonably cooperate with RBC (including signing such consents as may be necessary) in obtaining background reports on the Developers, Guarantors and other Project entities as determined by RBC.
- (b) **Legal Opinions.** The General Partners' counsel will deliver to RBC a local law opinion satisfactory to RBC. RBC's counsel will prepare a tax opinion and the General Partners agree to cooperate to provide all necessary documentation requested by RBC's counsel.
- (c) **Projections.** The projections to be attached to the Project Entity Agreement and that support the Tax Opinion will be prepared by RBC based on projections provided by the General Partners. RBC's projections will include development sources and uses, calculation of eligible basis, operating and construction period cash flow analysis, 15-year operating projection, 30-year debt analysis and 15-year capital account analysis.

12. **Closing Contingencies.** RBC's obligation to close on the purchase of the Interest will be contingent upon RBC's receipt, review and approval of all due diligence including the items set forth on its due diligence checklist as well as the following:

- (a) **Project Entity Documents.** Preparation, negotiation and execution of RBC's standard Project Entity Agreement and other fee agreements containing representations and warranties, covenants, consent rights, and indemnities, each on terms and conditions satisfactory to RBC.
- (b) **Information, Market Conditions and Laws.** No adverse change in the information you have provided to us, no adverse change in current investor market conditions and no adverse change in existing law.

13. **Confidentiality.**

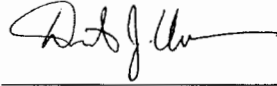
(a) The General Partners agree to keep the terms and conditions contained in this letter confidential and not to disclose the terms to any third party (other than attorneys and accountants of the Partnership) without the express prior written approval of RBC.

(b) Confidentiality. Notwithstanding the foregoing confidentiality provisions, the parties confirm that there are no limitations on the disclosure of the tax treatment or tax structure of the Project.

(Remainder of page intentionally left blank)

If the foregoing is in accordance with your understanding of the terms and conditions, please indicate your acceptance on the enclosed copy and return it to the undersigned.

Very truly yours,



By: David J. Urban
Director

The undersigned approves and accepts the terms of this Letter of Intent.

GENERAL PARTNER:

By:  _____

Its: Manager of GP _____

Date: 10/10/13 _____

**EXHIBIT A
CAPITAL CONTRIBUTIONS**

<u>Conditions</u>	<u>Amount</u>	
i) 16.00% upon: (a) paid prior to or simultaneous with the closing of construction financing.	\$2,257,665	
ii) 65% upon: (a) paid prior to Construction Completion	\$9,171,764	
iv) 15% upon: (a) Conversion	\$2,116,561	
v) 4% upon: (a) upon receipt of 8609	\$564,416	
Total:	\$14,110,406	