

SELTZER MANAGEMENT GROUP, INC.

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August 14, 2003

Bill Metler
Florida Housing Finance Corporation
227 Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: Hunter's Run 2001 MF - 013 (Features and Amenities Substitution, LURA amendment)

Dear Mr. Metler:

At your request, Seltzer Management Group ("SMG" or "Seltzer") has reviewed the developer's request to provide double pane windows in lieu of single pane windows with an energy coefficient of .67 or better at the Hunter's Run apartment community. In addition, the developer has requested that the Land Use Restriction Agreement ("LURA") be amended to reflect the unit mix actually constructed versus the original until mix reviewed during the underwriting process. SMG has reviewed the scoring issues, potential benefits to residents, and the impact of the proposed changes on Seltzer's previously submitted underwriting report for both the amenity substitution and the LURA amendment.

From a scoring perspective, the developer has proposed to provide double pane windows (three points) in lieu of single pane windows (three points). It appears that the substitution would not present a scoring issue. The unit mix LURA amendment has no scoring issues.


SMG has consulted with a construction inspection firm regarding the relative energy efficiencies of each window design detailed above. It is generally believed that the double pane windows are marginally more energy efficient (but in no case less efficient).

As it relates to the LURA amendment, the subject was constructed with twelve less one-bedroom units and twelve more three-bedroom units than originally reviewed during the underwriting process. The developer did not submit a change order for this change. All incremental costs were absorbed within the original contract amount. This change has no negative impact on Seltzer's pro forma net operating income calculations, as it is likely that the incremental three bedroom units will generate more income (but in no case less) than the one-bedroom units.

Based on the findings outlined above, SMG concludes that the requested amenity substitution presents no scoring issues and will have no negative implications to the residents. In addition, the proposed amenity substitution and the requested LURA amendment have no material impact of Seltzer's previously submitted loan recommendation.

Please do not hesitate to contact me if I can be of further assistance in the matter.

Sincerely,
SELTZER MANAGEMENT GROUP, INC.

A handwritten signature in black ink, appearing to read "Benjamin S. Johnson". The signature is written in a cursive style with a large, stylized "B" and "J".

Benjamin S. Johnson
President