

SELTZER MANAGEMENT GROUP, INC.

7500 MCELVEY ROAD
PANAMA CITY BEACH, FL 32408
TEL : (850) 233-3616
Fax : (850) 233-1429

August 14, 2003

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

RE: Mallards Landing 2001 MF - 015 (Features and Amenities Substitution)

Dear Mr. Metler:

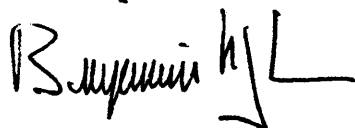
At your request, Seltzer Management Group ("SMG" or "Seltzer") has reviewed the developer's request to substitute air conditioning units with a SEER of 12 in lieu of heats pumps with a HSPF of 7.4 at the Mallard Landing apartment community. SMG has reviewed the scoring issues, potential benefits to residents, and the impact of the proposed change on Seltzer's previously submitted underwriting report.

From a scoring perspective, the developer has proposed to substitute air conditioning units with a SEER of 12 (four points) in lieu of heat pumps (four points). It appears that the substitution would not present a scoring issue.

It should be noted that each unit has a heat pump; however, the heat pumps in the 84 one-bed room units only have a HSPF rating of 7.0 (all others 7.4). The incremental energy efficiency amenity will have a positive benefit to the residents.

Based on the findings outlined above, SMG concludes that the requested amenity substitution presents no scoring issues and will be beneficial to the residents. Further, this proposed amenity substitution has no material impact of Seltzer's previously submitted loan recommendation.

Sincerely,
SELTZER MANAGEMENT GROUP, INC.



Benjamin S. Johnson
President