

**BEFORE THE FLORIDA HOUSING FINANCE CORPORATION**

**OWENS POINTE II, LLLP,  
2007-196BS,**

**Petitioner,**

**v.**

**FLORIDA HOUSING FINANCE  
CORPORATION,**

**Respondent.**

2007-034UC

CASE NO.:

FHFC Application No. 2007-196BS

Florida Housing Finance Corporation  
1111 North Bronough Street  
Tallahassee, Florida 32301-1329  
Phone: 904.438.2000  
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**PETITION FOR INFORMAL ADMINISTRATIVE PROCEEDINGS**

Pursuant to Sections 120.569 and 120.57(2), Fla. Stat., and Rules 28-106.201 and 67-48.005(1), Fla. Admin. Code, Petitioner OWENS POINTE II, LLLP, hereby requests an informal administrative proceeding on Florida Housing Finance Corporation's proposed determination that Owens Pointe II's application for a Multi-family Mortgage Revenue Bonds ("MMRB") and State Apartment Incentive Loan ("SAIL"), Application No. 2007-196BS, in the Year 2007 Universal Application cycle does not meet threshold requirements for site control. In support of this petition, Owens Pointe states as follows:

**Parties**

1. The agency affected is the Florida Housing Finance Corporation ("FHFC"), 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329. FHFC has assigned Application No. 2007-196BS to this matter.
2. The Petitioner is Owens Pointe II, LLLP, ("Owens Pointe") whose address is 329 N. Park Avenue, Suite 300, Winter Park, Florida 32789. For purposes of this proceeding, Owens

Pointe's address is that of its undersigned attorney, Kerey Carpenter, 329 N. Park Avenue, Suite 300, Winter Park, Florida 32789, Telephone: (407) 691-5606, Facsimile: (407) 551-2353, email [kcarpenter@ahg-group.com](mailto:kcarpenter@ahg-group.com), and Jay Brock, 329 N. Park Avenue, Suite 300, Winter Park, Florida 32789.

**Substantial Interests Affected**

3. Owens Pointe has proposed the construction of a 47-unit multi-family housing development in Duval County, Florida to be known as Owens Pointe Apartments, Phase II. Owens Pointe has proposed to target elderly residents to be tenants, and has proposed to set aside 60% of the units for residents making 60% or less of Area Median Income ("AMI"), and to set aside an additional 10% of the units (or 5 units) for Extremely Low Income ("ELI") tenants whose household income is 30% or less of AMI. Owens Pointe has projected its total development costs to be slightly over \$12 million. Owens Pointe proposes to finance a portion of these development costs with MMRB revenues of \$6.02 million; a SAIL loan of \$3.29 million; and a Supplemental Loan of \$425,000 (attributable to the ELI units), all awarded by FHFC through a competitive process. MMRB, SAIL, and Supplemental Loans are essential to developers of affordable housing because they have more liberal repayment provisions and lower interest rates than conventional financing, and thus the developers can offer the units for rent at substantially lower than market rental rates and still service the debt on the development.

4. As explained more fully in this Petition, Owens Pointe's substantial interests are affected by FHFC's scoring of its application in this competitive application process, including the determination of threshold failure. Currently, Owens Pointe's application has a score of 57

points out of a possible 66 points, and has been deemed to fail threshold. If Owens Pointe does not receive its MMRB, SAIL and Supplemental Loan, it would have to substitute other, more expensive financing for that portion of the construction and permanent financing and would either not construct the proposed development, or would construct the development but would not operate it as affordable rental housing. Owens Pointe believes that a determination that its application meets threshold would position the Owens Pointe application to be eligible for the requested FHFC funding.

### **Background**

5. FHFC allocates several forms of financing for affordable housing, including federal low income housing tax credits (“Housing Credits”), State Apartment Incentive Loans (“SAIL”), and Multi-Family Mortgage Revenue Bonds (“MMRB”). In the 2007 Universal Cycle, FHFC also included Supplemental Loans available to applicants whose development will include ELI units. Applicants compete for the award of these forms of financing, which provide more favorable financing terms than would be available through conventional financing sources. In exchange for the receipt of such financing from FHFC, applicants enter into long-term agreements to set aside all or a portion of the residential units within such developments to low income residents, and, depending on the requirements of the particular program, may also be required to limit the rents charged to such residents.

6. All four of the above-named forms of financing (Housing Credits, SAIL loans, MMRB, and Supplemental Loans) were combined into a single “Universal Application Cycle” for 2007. Financing for any of these programs is sought through the use of a joint Universal

Application form. SAIL, Housing Credit, and Supplemental Loan applicants are subject to FHFC Rule Chapter 67-48, Fla. Admin. Code, while MMRB applicants are subject to FHFC Rule Chapter 67-21, Fla. Admin. Code. The Universal Application form is incorporated by reference into FHFC's rules, as are exhibit forms to be used with the applications, and a 108-page document entitled Universal Application Instructions, designated UA1016 (revised 3-07).

7. Applicants in the Universal Application Cycle are scored on the various components of their applications, such as development features and amenities, greater numbers of units set aside for low income residents, resident programs, and local government support. The maximum score that can be assigned to a Universal Application is 66 points. Applicants must meet certain threshold requirements in order to be even potentially eligible to receive FHFC financing. FHFC has also established a series of "tie-breakers" to be utilized in choosing among applications meeting threshold which have equal scores. Further, FHFC has established other mechanisms to distribute funds geographically, through Set Aside Unit Limitations (SAULs) established for each county, as well as certain goals for funding housing for various demographic groups and geographic areas.

8. As part of the Application, FHFC requires applicants to demonstrate that a number of threshold criteria have been satisfied. One of these threshold requirements is that applicants must demonstrate that they have control over the proposed site of the development, either through a deed, contract for purchase and sale, or long term lease.

### **Nature of the Controversy**

9. Owens Pointe timely submitted its 2007 MMRB/SAIL/Supplement Loan application to FHFC on April 10, 2007. The Owens Pointe application as originally submitted did not contain documentation of site control, and did not contain documentation of satisfying several other threshold responsiveness issues. However, FHFC rules allow applicants to “cure” their applications at a later point in the application process, except that certain aspects of the proposed development, such as the project location, funding sought, and other items cannot be changed or revised through the cure process.

10. FHFC preliminarily reviewed and scored the 2007 Universal Application Cycle applications, including Owens Pointe’s. On or about May 9, 2007, FHFC notified all applicants of the preliminary threshold responsiveness, scoring, and tie-breaker score determinations on their applications. FHFC informed Owens Pointe that its application did not meet certain required “threshold” responsiveness requirements, including site control. FHFC also informed Owens Pointe, by way of a document labeled Universal Scoring Summary, dated “05/09/2007,” that its score, if it met threshold, would be 48 points. A copy of that “preliminary” Scoring Summary is attached hereto as Exhibit “A”.

11. The absence of site control documentation was noted in FHFC’s 5/9/2007 preliminary scoring of Owens Pointe’s application, as grounds for determining that the application did not meet threshold requirements. See, Item 2T on page 2 of Exhibit “A”. The Preliminary Scoring Summary also noted several other threshold, scoring, and tie-breaker point deficiencies with the Owens Pointe application.

12. Pursuant to Rule 67-48.004(6), Fla. Admin. Code, Owens Pointe took the opportunity to “cure” its application by providing additional documentation to FHFC to address the threshold failures, scoring, and the tie-breaker point issues. The documentation submitted by Owens Pointe as a cure on the site control issue, to address in substance threshold Item 2T, is attached hereto as Exhibit “B”.

13. On or about July 12, 2007, FHFC released “final” Universal Scoring Summaries for all applicants. (Although designated “final,” the scoring summaries are accompanied by points of entry to request formal or informal administrative hearings.) FHFC’s final Universal Scoring Summary for Owens Pointe, which was received by Owens Pointe via overnight delivery on July 13, 2007, bearing the date “07/10/2007,” is attached hereto as Exhibit “C”.

14. The final scoring summary rescinded all of the originally noted threshold failure items. The summary specifically rescinded threshold failure Item 2T, regarding absence of any documentation of site control, but added a new threshold failure Item 13T, concerning an alleged substantive deficiency in the site control documentation submitted by Owens Pointe as its cure. The scoring summary also revised the score and tie-breaker points for the Owens Pointe application, and disclosed a final score of 57 points and a tie-breaker score of 3.75 points.

15. In the final scoring summary, FHFC addressed the documentation submitted by Owens Pointe as a cure on the site control issue as follows:

As a cure for Item 2T, the Applicant submitted a Simple Form Purchase Agreement, dated June 5, 2007, between Southern Investment Group, L.L.L.P. (Seller) and Owens Pointe II, L.L.L.P. (Purchaser), along with an underlying Standard Contract for Sale and Purchase, dated April 27, 2007, and an Amendment thereto, dated May 15, 2007, between Duval/Owens Signature LLP and Second Time Signature, LLP (Sellers) and Southern Investment

Group, L.L.L.P. (Purchaser). While the June 5, 2007 Agreement meets the requirements of a Qualified Contract, the provisions stated in paragraph 7.(c)(ii) of the underlying April 27, 2007 Contract are inconsistent with the Development proposed in this Application; i.e., the Applicant's commitment to set aside 70 percent of the total units for residents at or below 60 percent of the Area Median Income and the fact that the proposed Development will be subject to Housing Credit rent restrictions.

16. The "offending" paragraph 7.(c)(ii) of the intermediate April 27, 2007 Standard Contract for Sale and Purchase reads as follows:

(c) The apartment complex comprising Purchaser's Intended Use shall... (ii) be leased at then prevailing market rates (i.e., no subsidies shall be required),...

For reasons discussed more fully in this Petition, *infra*, this clause of the intermediate Purchase and Sale Contract does not apply to Owens Pointe, and even if it did apply, the clause is unenforceable as being in violation of Florida law and public policy. As a result, it presents no impediment to Owens Point II purchasing the site, developing its affordable rental housing as proposed to FHFC in its Application, renting the apartments at less than prevailing market rates, and accepting full or partial payment of rent from qualified residents in the form of Section 8 vouchers or other subsidies.

### **Notice**

17. Owens Pointe received notice via Federal Express delivery on Friday, July 13, 2007, of FHFC's scoring of Owens Pointe's MMRB/SAIL application. This Petition is being accompanied by a completed Election of Rights form, electing informal administrative proceedings and stating Owens Pointe's available dates for the informal hearing. A copy of the

Election of Rights form is attached hereto as Exhibit "D". Pursuant to Rule 67-48.005(1), Fla. Admin. Code, this Petition is being filed within twenty-one days of Owens Pointe's receipt of the memorandum forwarding its score.

**Site Control**

18. To demonstrate site control, Owens Pointe submitted a Simple Form Purchase Agreement dated June 5, 2007, between Southern Investment Group, L.L.L.P. (Seller) and Owens Pointe II, L.L.L.P. (Purchaser) ("Agreement"). Florida Housing found that this Agreement fully meets the requirements of a Qualified Contract. (Rule Excerpt attached as Exhibit "E"; See also Exhibit "C"). Specifically, the Agreement: (i) has a term that does not expire before the last expected closing date of October 31, 2007; (ii) specifically states that the buyer's remedy for default on the part of the seller is specific performance; and (iii) shows that the buyer is the Applicant. (Agreement attached as Exhibit "F").

The Application Instructions further provide that:

If the owner of the property is not a party to the qualified contract, all documents evidencing intermediate contracts, agreements, assignments, options, or conveyances of any kind between or among the owner, the Applicant, or other parties, must contain every exhibit and attachment referenced therein, and must contain every exhibit and attachment referenced therein, and must contain the following elements of a qualified contract: (i) have a term that does not expire before the last expected closing date of October 31, 2007 ... ; and (ii) specifically state that the buyer's remedy for default on the part of the seller includes or is specific performance.

19. In full compliance with the above Application Instruction, Owens Pointe submitted the intermediate Standard Contract for Sale and Purchase, dated April 27, 2007, and an Amendment thereto, dated May 15, 2007, between Duval/Owens Signature LLP and Second



Time Signature, LLP (Sellers) and Southern Investment Group, L.L.L.P. (Purchaser). The intermediate contract contains the following two elements of a Qualified Contract: (i) a term that does not expire before October 31, 2007; and (ii) a clause stating that the buyer's remedy for default includes specific performance. ("Intermediate Contract" attached as Exhibit "G"). The intermediate contract does not need to have any other elements to satisfy the requirements of the FHFC Rule. In fact, FHFC made no finding that the intermediate contract failed to contain the required elements. Rather, FHFC found that "the provisions stated in paragraph 7.(c)(ii) of the underlying April 27, 2007 Contract are inconsistent with the Development proposed in this Application" FHFC's determination that Owens Pointe failed to demonstrate site control is incorrect for several reasons.

20. First, Owens Pointe fully complied with the express requirements set forth in the Application Instructions and FHFC Rules. In the Application Instructions, FHFC identified the documents that must be submitted to demonstrate site control and specifically itemized the elements that those documents must contain. There is no dispute that Owens Pointe submitted documents that fully satisfied the elements for a Qualified Contract and submitted the required intermediate contract that also fully contained the elements required by the FHFC Rule. FHFC is attempting to append an additional requirement for demonstrating site control, a requirement that is wholly absent from the Application Instructions. If FHFC desired to impose a requirement that all provisions in intermediate contracts be entirely consistent with the proposed development, then it was incumbent on FHFC to include such a requirement in the Application Instructions.

21. In prior funding cycles, the FHFC Rule required that if the buyer in a Qualified Contract was not the applicant, then the applicant was required to submit a fully executed assignment of the qualified contract which assigns all of buyer's rights, title and interests in the qualified contract to the Applicant. (See, e.g., 2003 Universal Application Instructions for Evidence of Site Control attached as Exhibit H). FHFC no longer requires an assignment of all buyer's rights, title and interest in the qualified contract when the applicant is not the buyer. Instead, FHFC accepts subsequent contracts with different terms than the intermediate contract as long as the intermediate contract contains the two elements set forth in the rule. Since FHFC no longer insists upon the terms being identical, it cannot now seek to impose this requirement on Owens Pointe. Similarly, in the 2001 funding cycle, FHFC required additional evidence of site control, such as a title insurance policy showing marketable title in the applicant's name. (See 2001 Combined Rental Cycle Form 7 attached as Exhibit I). FHFC eliminated those requirements and cannot now try to resurrect the prior rules to apply them to Owens Pointe. Owens Pointe fully complied with the current rule requirements.

22. In addition, FHFC incorrectly believed that the 7(c)(ii) language contained in the intermediate contract was binding on Owens Pointe. The unambiguous language of the intermediate contract provides that the "Purchaser" warrants and represents to the "Seller" that the apartment complex comprising "Purchaser's Intended Use" shall be leased at then prevailing market rates (i.e. no subsidies shall be required). The "Purchaser's Intended Use" is defined in paragraph 2.(a) of the intermediate contract as "Purchaser's proposed two hundred forty (240) unit residential community." The Purchaser is representing only that its proposed 240 unit

apartment complex (if constructed) would be leased at market rates. The Purchaser did not warrant that future purchasers would be bound by this restriction or that any use other than the Purchaser's Intended Use would be subject to this restriction.

23. It is important to note that the intermediate contract does not contain any provision requiring the Purchaser's warranties or representations to be included in a restrictive covenant that will run with the land. Once the purchase and sale transaction is complete, the Purchaser may sell the property without any such restriction. Indeed, the Purchaser has already expressed its intent to do just that by entering into an Agreement to sell the property to Owens Pointe without any such restriction. (Exhibit "F"). When Owens Pointe purchases the land from Southern Investment Group, Inc, Owens Pointe is free to develop its proposed 47- unit affordable apartment community to serve elderly residents consistent with the Application that Owens Pointe submitted to FHFC.

24. Also noteworthy is Paragraph 19 of the intermediate contract which provides that the Purchaser's warranties and representations are binding on the Purchaser's heirs, successors and assigns. Absent from the list is subsequent purchasers. Owens Pointe is not an heir, successor or assign of the Purchaser—it is a subsequent purchaser. Likewise, the "Survival of Representations and Warranties" clause of the intermediate contract does not contain any language making it applicable to non-parties or subsequent purchasers of the property.

25. Finally, even if the offending provision were somehow applicable to Owens Pointe, the restriction violates Florida law and public policy rendering the clause unenforceable and severable from the contract.

26. The Florida Fair Housing Act (“FFHA”) expressly prohibits discrimination based upon the “source of financing” of a development. Specifically, the FFHA provides:

It is unlawful to discriminate in land use decisions or in the permitting of development based on race, color, national origin, sex, disability, familial status, religion, or, except as otherwise provided by law, the source of financing of a development or proposed development.

Section 760.26, Fla. Stat. attached as Exhibit “J”).

27. Since the offending clause of the intermediate contract, on its face, discriminates against an apartment complex that uses subsidies as a source of financing, the clause is in direct violation of the Florida Fair Housing Act and is unenforceable as an unreasonable restraint on the alienation and use of property. Harris v. Sunset Islands Property Owners, Inc., 116 So.2d 622 (Fla. 1959). In Harris, the court refused to enforce a restrictive covenant against the purchaser of property because the covenants were restraints on the constitutionally guaranteed right to acquire, use, occupy and dispose of property and enforcing the covenant would have violated the rights of the purchaser of the property. 116 So2d 622 at 624, citing Shelley v. Kraemer, 334 U.S. 1, 68 S.Ct. 836, 92 L.Ed. 1161 (1948). Similarly, in Steuer v. Glevis, 243 So.2d 453 (Fla. 4<sup>th</sup> DCA 1971), the plaintiffs sought a refund of their deposit money on a purchase agreement for real property because of a discriminatory restriction that was revealed in the title insurance abstract. The court found that the discriminatory clause was void and then enforced the remainder of the contract. In Dornbach v. Holley, 854 So.2d 211 (Fla. 2<sup>nd</sup> DCA 2002), the court held that a subdivision’s restrictive covenant that purported to prevent a group home for developmentally disabled adults violated the Florida Fair Housing Act and was unenforceable. As in those cases,

the offending language in the intermediate contract violates section 760.26 of the Florida Fair Housing Act and is unenforceable.

28. If FHFC rejects Owens Pointe's Application because of the unlawful discriminatory clause in the intermediate contract, then FHFC's actions would have the same effect as enforcing the discriminatory clause on behalf of the intermediate contract sellers. FHFC's role is to promote the well-established public policy of encouraging the development of affordable housing and combating all forms of discrimination against such developments rather than assisting with the enforcement of such discrimination. State v. Division of Bond Finance, 530 So.2d 289 (Fla. 1988) (promoting affordable housing is a valid public purpose). In Iglehart v. Phillips, 383 So.2d 610 (Fla. 1980), the court refused to allow the offending party to rescind the contract because allowing rescission would have had the same effect as enforcing the unlawful restraint.

29. Owens Pointe has satisfied the requirements of the FHFC rule for demonstrating site control and is prepared to honor its commitment to develop affordable housing on the site in complete consistency with its Application. Owens Pointe is confident that if the intermediate contract seller makes any attempt to enjoin the development, that effort would be denied as a violation of law and public policy. New Products Corp. v. City of North Miami, 241 So.2d 451 (Fla. 3<sup>rd</sup> DCA 1970) (illegal portion of contract severed and purchaser allowed to require specific performance of remaining valid portions of the contract); Points v. Barnes, 301 So.2d 102 (Fla. 4<sup>th</sup> DCA 1974) (court invalidated illegal portion of real estate agreement and enforced remaining

valid portions); Title & Trust Co. of Florida v. Parker, 468 So.2d 520 (Fla. 1<sup>st</sup> DCA 1985) (court gave effect to legal portions of contract and ignored the illegal terms).

**Disputed Issues**

30. Owens Pointe has initially identified the following disputed issues, which it reserves the right to supplement as additional matters become known to it.

- (a) Whether Owens Pointe provided documentation required by the Application Instructions to demonstrate site control for its proposed site. Owens Pointe contends that it has.
- (b) Whether the provision of the intermediate contract requiring that the apartment complex described in the Purchaser's Intended Use "be leased at then prevailing market rates (i.e., no subsidies shall be required)" applies to Owens Pointe, as subsequent purchaser of the property. Owens Pointe contends that it does not.
- (c) Whether the provision of the intermediate contract requiring that the apartment complex described in the Purchaser's Intended Use "be leased at then prevailing market rates (i.e., no subsidies shall be required)" violates the Florida Fair Housing Act and is contrary to public policy. Owens Pointe contends that it is.

**Concise Statement of Ultimate Facts**

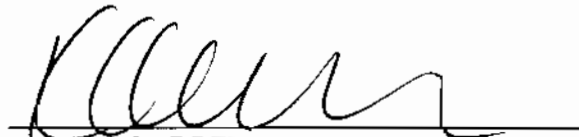
31. Owens Pointe alleges as ultimate facts that its Application, as cured, established control over the site, and that such site is not encumbered by any enforceable restriction that

would prevent its use as affordable rental housing as proposed by Owens Pointe. Owens Pointe has thus met all threshold requirements and should be awarded a total score of 57 points.

**Relief Sought and Law Entitling Applicant to Relief**

32. Owens Pointe seeks entry of Recommended and Final Orders determining that its application meets all threshold requirements and should be awarded 57 points. Owens Pointe is entitled to this formulation of FHFC's action by Chapter 120, Fla. Stat., including but not limited to Sections 120.569 and 120.57(2); and Rule Chapters 28-106 and 67-48, Fla. Admin. Code.

**FILED and SERVED** this 3<sup>rd</sup> day of August, 2007.



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**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that the original of the foregoing has been filed via Hand Delivery upon the Corporation Clerk, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, this 3<sup>rd</sup> day of August, 2007.



KEREY CARPENTER

## 2007 MMRB, SAIL & HC Scoring Summary

As of: 05/09/2007

File # 2007-196BS

Development Name: Owens Pointe - Phase II

As Of:	Total Points	Met Threshold?	Proximity Tie-Breaker Points
05 - 09 - 2007	48	N	0
Preliminary	48	N	0
NOPSE	0	N	0
Final	0	N	0
Final-Ranking	0	N	0

**Scores:**

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
<b>Optional Features &amp; Amenities</b>									
1S	III	B	2.a.	New Construction	9	9	0	0	0
1S	III	B	2.b.	Rehabilitation/Substantial Rehabilitation	9	0	0	0	0
2S	III	B	2.c.	All Developments Except SRO	12	12	0	0	0
2S	III	B	2.d.	SRO Developments	12	0	0	0	0
3S	III	B	2.e.	Energy Conservation Features	9	9	0	0	0
<b>Ability To Proceed</b>									
4S	III	C	1.	Site Plan/Plat Approval	2	0	0	0	0
5S	III	C	4.	Evidence of Zoning	3	0	0	0	0
<b>Set-Aside Commitments</b>									
6S	III	E	1.b.(2)(b)	Total Set-Aside Commitment	3	3	0	0	0
7S	III	E	3.	Affordability Period	5	0	0	0	0
<b>Resident Programs</b>									
8S	III	F	1.	Programs for Non-Elderly & Non-Homeless	6	0	0	0	0
8S	III	F	2.	Programs for Homeless (SRO & Non-SRO)	6	0	0	0	0
8S	III	F	3.	Programs for Elderly	6	2	0	0	0
9S	III	F	4.	Programs for All Applicants	8	8	0	0	0





## 2007 MMRB, SAIL & HC Scoring Summary

As of: 05/09/2007

File # 2007-196BS Development Name: Owens Pointe - Phase II

**Scores:**

Item #	Part Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
10S	IV	A.	Local Government Support Contributions	5	5	0	0	0
11S	IV	B.	Incentives	4	0	0	0	0

**Reason(s) Scores Not Maxed:**

Item #	Reason(s)	Created As Result	Rescinded as Result
4S	The Applicant failed to provide the Local Government Verification of Status of Site Plan Approval for Multifamily Developments form and is therefore not eligible for points for site plan approval.	Preliminary	
5S	The Applicant failed to provide the required Local Government Verification That Development is Consistent With Zoning And Land Use Regulations form and is therefore not eligible for points for evidence of appropriate zoning.	Preliminary	
7S	The Applicant failed to specify the number of years committed to set aside units in the proposed development. Therefore, the Application received no points for Affordability Period.	Preliminary	
8S	The Applicant failed to select enough Resident Programs for Elderly Developments to achieve maximum points.	Preliminary	
11S	The Applicant did not submit any of the Local Government Verification of Affordable Housing Incentives forms. Therefore, zero points were awarded.	Preliminary	

**Threshold(s) Failed:**

Item #	Part Section	Subsection	Description	Reason(s)	Created As Result of	Rescinded as Result of
1T	A	2	Applicant	The Applicant failed to provide a Certificate of Good Standing in the Applicant's name from the Florida Secretary of State.	Preliminary	
2T	C	2	Site Control	The Applicant failed to provide any of the required documentation to demonstrate site control.	Preliminary	
3T	C	3.a.	Availability of Electricity	The Applicant failed to provide the required evidence of availability of electricity.	Preliminary	
4T	C	3.b.	Availability of Water	The Applicant failed to provide the required evidence of availability of water.	Preliminary	
5T	C	3.c.	Availability of Sewer	The Applicant failed to provide the required evidence of availability of sewer.	Preliminary	
6T	C	3.d.	Availability of Roads	The Applicant failed to provide the required evidence of availability of roads.	Preliminary	
7T	C	5	Environmental Safety	The Applicant failed to provide the required Verification of Environmental Safety - Phase I Environmental Site Assessment form and, if applicable, the Verification of Environmental Safety - Phase II Environmental Site Assessment form.	Preliminary	

## 2007 MMRB, SAIL & HC Scoring Summary

As of: 05/08/2007

File # 2007-196BS Development Name: Owens Pointe - Phase II

**Proximity Tie-Breaker Points:**

Item #	Part	Section	Subsection	Description	Available	Preliminary	NOPSE	Final	Final Ranking
1P	III	A	10.a.(2)(a)	Grocery Store	1.25	0	0	0	0
2P	III	A	10.a.(2)(b)	Public School	1.25	0	0	0	0
3P	III	A	10.a.(2)(c)	Medical Facility	1.25	0	0	0	0
4P	III	A	10.a.(2)(d)	Pharmacy	1.25	0	0	0	0
5P	III	A	10.a.(2)(e)	Public Bus Stop or Metro-Rail Stop	1.25	0	0	0	0
6P	III	A	10.b.	Proximity to Development on FHFC Development Proximity List	3.75	0	0	0	0

**Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:**

Item #	Reason(s)	Created As Result of	Rescinded as Result of
1P	The Applicant did not provide the required sketches.	Preliminary	
1P	The Applicant did not provide the required Surveyor Certification form.	Preliminary	
3P	The Applicant did not provide the required sketches.	Preliminary	
3P	The Applicant did not provide the required Surveyor Certification form.	Preliminary	
5P	The Applicant did not provide the required Surveyor Certification form.	Preliminary	
6P	The Applicant did not provide the required Surveyor Certification form.	Preliminary	

## **SITE CONTROL EXPLANATION**

**Southern Investment Group, L.L.P. ("Southern") has a contract (the "Underlying Contract") to purchase certain property (the "Master Parcel") from the owner thereof.**

**Southern has entered into a contract (the "Qualified Contract") to sell the Proposed Development Site, which is a portion of the Master Parcel, to the Applicant.**

**The Underlying Contract, the amendment thereto, and the Qualified Contract are enclosed.**



## SIMPLE FORM PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "Agreement") made by and between Southern Investment Group, L.L.P., a Florida limited liability limited partnership ("Seller") and Owens Pointe II, L.L.P., a Florida limited liability limited partnership ("Purchaser").

### WITNESSETH:

1. **Premises.** 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 Seller and Purchaser, Seller shall convey to Purchaser and Purchaser shall purchase from Seller a sufficient portion (the "Premises") of that certain 15.86 acre parcel (with a margin of error of .01 acres (the "Master Parcel")) which is described on Exhibit A, attached hereto, to construct ninety six (96) residential apartment units together with amenities and improvements related thereto (collectively "Purchaser's Intended Use"). The exact legal description for the Premises shall be determined by the final survey of the property contained within the final approved site plan (the "Site Plan") for Purchaser's Intended Use. Seller shall complete the Site Plan using Purchaser's architectural plans and obtain the final approval thereof prior to Closing.

SEE EXHIBIT A ATTACHED HERETO

2. **Purchase Price.** The sum of NINE HUNDRED FORTY THOUSAND AND NO/100 DOLLARS (\$940,000.00), subject to adjustments, credits, and prorations as set forth herein (the "Purchase Price"), shall be paid by Purchaser to Seller in cash at Closing.

3. **Title Insurance and Survey.** Seller shall provide to Purchaser a title commitment (the "Title Commitment") for an ALTA Form B, Marketability Policy (the "Title Policy") issued by an agent of First American Title Insurance Company (the "Title Insurance Company") covering title to the Premises. Purchaser may obtain a survey (the "Survey").

4. **Unpermitted Exceptions and Survey Defects.** If the Survey, the Title Commitment, or Purchaser's inspection of the Premises or the improvements thereon discloses any exceptions, requirements, necessary repairs, encroachments, or other issues which are not acceptable to Purchaser, in Purchaser's sole discretion, Purchaser shall have the right to either (a) terminate this Agreement upon written notice to Seller with neither party having any further obligation hereunder, or (b) waive such objection and proceed to Closing with no requirement that Seller make any changes or repairs.

5. **Seller's Documents.** Seller shall execute and deliver to Purchaser at Closing, the following:

- A deed executed by Seller conveying to Purchaser fee simple title to the Premises;
- 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 the Title Commitment.

6. **Expense Provisions.** Any and all costs related to the Closing 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 Purchaser on or before Closing.

7. **Broker's Commission.** Upon the Closing for the sale pursuant to this Agreement (and only in the event of Closing), Purchaser shall pay to Global Realty Company, L.L.P., representing Purchaser a commission equal to ten (10) percent of the Purchase Price.
8. **Closing.** Subject to the terms and conditions hereof, the Closing of this transaction shall be completed, on or before October 31, 2007 (the "Closing Date"), with the agent of the Title Insurance Company acting as the Escrow Agent. At Purchaser's option, the Closing may be held sooner so long as Purchaser gives Seller notice of the revised Closing Date. Seller shall deliver possession of the Premises to Purchaser on the Closing Date.
9. **Taxes and Expenses.** Real estate taxes shall be prorated as of the day of Closing. Purchaser shall be responsible for all taxes or other expenses which are due on or after closing.
10. **Contract Construction.** This Agreement shall not be interpreted against either party solely because such party drafted the Agreement.
11. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
12. **No Representations or Warranties.** Seller makes no representations or warranties to Purchaser and it is agreed by Seller and Purchaser that the Premises is sold in as "as is" and "where is" condition with no reliance on any representations made by Seller. Purchaser agrees that it will use its own due diligence on or before October 15, 2007 to determine whether or not the Premises and any improvements thereon are fit for Purchaser's intended purposes.
13. **Amendments.** Except as otherwise provided herein, this Agreement may be amended or modified by, and only by, a written instrument executed by Seller and Purchaser.
14. **Law.** This Agreement shall be governed by and construed in accordance with Florida law.
15. **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.
16. **Merger of Prior Agreements.** This Agreement supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.
17. **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.
18. **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.
19. **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 copies shall be deemed originals until original signatures are obtained.

20. **Default.** In the event of a default by Seller, Purchaser shall be entitled to demand and receive specific performance of this Agreement.

WITNESS, the due execution hereof this 5<sup>th</sup> day, June 2007.

Witness:  
*[Signature]*  
*[Signature]*

**"SELLER"**  
SOUTHERN INVESTMENT GROUP,  
L.L.L.P., a FL limited liability limited  
partnership  
By: Southern Investment Group  
Managers, L.L.C., a FL limited  
liability company, its general partner

By: *[Signature]*  
Dean C. Price II, Manager

Witness:  
*[Signature]*  
*[Signature]*

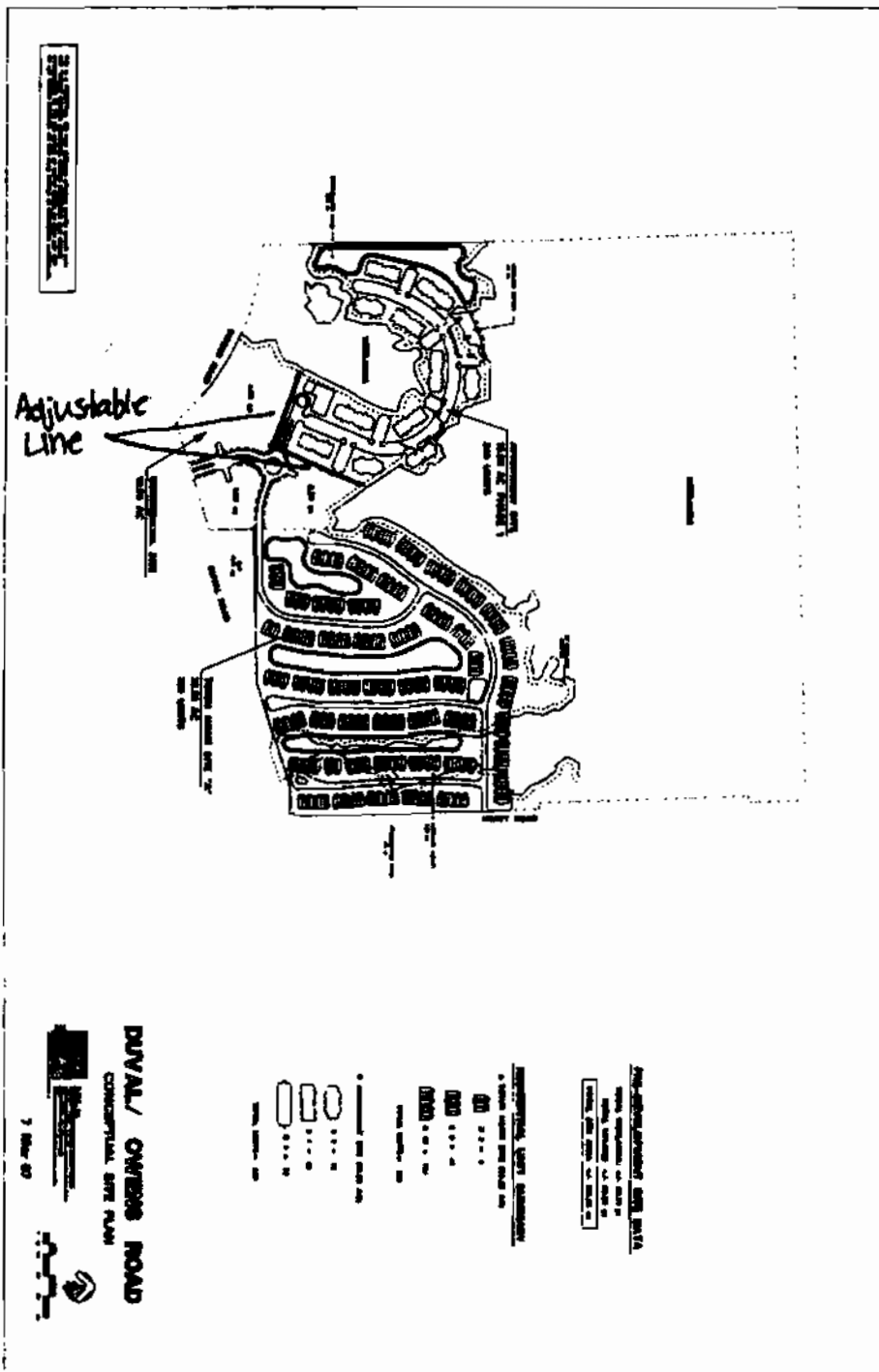
**"PURCHASER"**  
OWENS POINTE II, L.L.L.P., a  
FL limited liability limited partnership  
By: Owens Pointe II Managers, L.L.C.,  
a FL limited liability company,  
its general partner

By: *[Signature]*  
Jay F. Brock, Manager

# EXHIBIT A

## DESCRIPTION OF MASTER PARCEL

The westerly most exactly 15.86 (with a margin of error of .01 or less) Upland Acres of that certain 60 ± acres of real property located on Duval Road and Owen Road, Jacksonville, Duval County, Florida which is approximately depicted below, the legal description of which shall be determined by the Survey (the "Survey Legal Description"). To achieve exactly 15 acres (with a margin of error of .01 or less), the surveyor shall adjust the "Adjustable Line" identified below. Upon receipt and approval of the Survey by the Purchaser, the Survey Legal Description shall be automatically substituted for this Exhibit "A" without the necessity of amending this Agreement.



## STANDARD CONTRACT FOR SALE AND PURCHASE

THIS CONTRACT FOR SALE AND PURCHASE (the "Agreement") is made and entered into by and between DUVAL/OWENS SIGNATURE LLP, a Florida limited liability partnership, and SECOND TIME SIGNATURE, L.L.P., a Florida limited liability partnership (hereinafter referred to collectively, as "Seller"), and SOUTHERN INVESTMENT GROUP, L.L.P. or its designee or assigns (hereinafter referred to as "Purchaser").

### WITNESSETH:

1. **Premises.** Subject to the terms and conditions set forth below, Seller shall convey to Purchaser and Purchaser shall purchase from Seller the westerly most exactly 15.86 (with a margin of error of .01 acres or less) upland acres ("Upland Acres") of that certain 60 ± acres of real property located on Duval Road and Owen Road, Jacksonville, Duval County, Florida which is more particularly described on Exhibit "A" attached hereto and made a part hereof, together with any and all easement, right-of-way, privileges, benefits, contract rights, development rights, permits, licenses or approvals, improvements, or appurtenances arising from, pertaining to or associated with said real estate (collectively, the "Premises"). For purposes of this Agreement, Upland Acres shall exclude all areas which may be claimed as wetlands by a local, state and federal regulating entity or authority and shall also exclude any upland area which is surrounded by wetlands. The Premises currently are subject to that certain Planned Unit Development approved by the City of Jacksonville, under Ordinance 2005-827-E (the "PUD").

2. **Purchase Price.** The sum of THREE MILLION SIX HUNDRED FIFTEEN THOUSAND AND NO/100 DOLLARS (\$3,615,000) subject to adjustments, credits, and proration as set forth herein below (the "Purchase Price"), to be paid as follows:

(a) **Deposit / Inspection Period.** Within five (5) business days of the Effective Date hereof, Purchaser shall deposit with Broad and Cassel ("Escrow Agent"), the sum of FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00) as a good faith deposit (the "Initial Deposit"). Purchaser will have until May 31, 2007 (the "Inspection Period") to conduct tests, studies, inspections, evaluations, investigations and appraisals of the Premises. If Purchaser determines, in Purchaser's sole discretion, that the Premises are not suitable, acceptable, or desirable in any respect for development of Purchaser's proposed two hundred forty (240) unit residential community ("Purchaser's Intended Use"), Purchaser shall have the right to terminate this Agreement by written notice to Seller, given by Purchaser on or before the end of the Inspection Period. In that event, the Deposit shall be returned to Purchaser by the Escrow Agent, and the parties shall have no further duties or obligations. After the Inspection Period, Purchaser shall deposit in escrow with the Escrow Agent the additional sum of ONE HUNDRED THIRTY FIVE THOUSAND SIX HUNDRED TWENTY FIVE AND NO/100 DOLLARS (\$135,625.00) (the "Additional Deposit") and the Initial Deposit and the Additional Deposit (collectively the "Deposit") shall become non-refundable, unless the terms and conditions of this Agreement are not met prior to Closing. The Deposit shall be applicable to and credited against the Purchase Price at Closing. The Deposit shall be placed, by the Escrow Agent, in an interest bearing money market account, with any and all interest accruing thereon to be the property of the Purchaser.

(b) **Purchase Price.** The entire Purchase Price shall be paid by Purchaser to Seller in cash at Closing.

3. **Title Insurance / Survey.** Within twenty (20) days from the date of Seller's execution of this Agreement, Seller shall provide to Purchaser, for Purchaser's review and comment, a title commitment ("Title Commitment") for the Premises. Prior to the expiration of the Inspection Period, Purchaser shall have the opportunity to obtain and review a survey ("Survey") of the Premises. Should either the Title Commitment or Survey show title issues which are not acceptable to Purchaser, Purchaser shall notify Seller of such items by the expiration of the Inspection Period and, within 10 days of receipt of such notice, Seller shall respond to Purchaser in writing as to whether or not Seller will cure such defects. If Seller will not cure such defects, Purchaser shall have the right to terminate this Agreement and receive a full refund of the Deposit. Notwithstanding the foregoing, any mortgages or other monetary liens against the Premises, in amounts less than the Purchase Price, shall be removed from title at Closing using the closing proceeds.

4. **Seller's Documents.** Seller shall execute and deliver to Purchaser at Closing, the following:

(a) A Special Warranty Deed executed by Seller conveying to Purchaser fee simple title to the Premises, subject only to the Permitted Exemptions, in form satisfactory to the Purchaser and the Title Insurance Company;

(b) A Seller's affidavit sufficient in form and content to permit deletion of all the standard ALTA general exceptions from the Title Commitment and the Title Policy;

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

(d) Originals or copies, depending on what may be in the possession of Seller at the time of Closing, of all development



rights, permits, licenses, benefits, consents, or approvals, surveys, soil tests, water, sewer, or other utility capacity verification or reservation, development plans, engineering plans or specifications, tests, reports, studies, appraisals, analyses and similar documents or information in the possession of Seller pertaining to the Premises, together with an assignment of all of Seller's right, title and interest with regard thereto;

(c) Closing Statement:

(f) Such other Closing documents as reasonably may be required to consummate the transaction contemplated by the Agreement, or which may be required by the Title Insurance Company in order to issue the Title Policy as required by the Title Commitment.

5. **Expense Provisions.** State documentary stamps required on the deed, the cost and expenses of any corrective instruments or actions, the title insurance premium and title search charges and state transfer/sales taxes shall be paid by Seller on or before Closing. The cost of recording the deed and the cost of the Survey shall be paid by the Purchaser on or before Closing (and if the sale does not close, Purchaser shall pay any title insurance cancellation fees). Each party shall bear and pay their own attorneys' fees and expenses.

6. **Representations, Warranties and Covenants of Seller.** The Seller hereby represents, warrants and covenants to and with the Purchaser as follows:

(a) The person executing this Agreement on behalf of the Seller is fully and duly authorized to do so by Seller, and any and all actions required to make this Agreement and the performance thereof legally binding obligations of Seller, have been duly and legally taken. No further consent, authorization or approval of any person or entity is required for Seller to enter into or perform this transaction:

(b) Except for the liens, encumbrances or charges against the Premises specifically disclosed in this Agreement, there are no other liens, encumbrances, unpaid bills to vendors, outstanding obligations or charges (contingent or absolute) in existence against such Seller or any business conducted thereon, or any existing undisclosed or unrecorded liens, encumbrances or charges, which could adversely affect title to the Premises, or in any way substantially adversely affect title to the Premises;

(c) From and after the Effective date, Seller will not cause, permit, suffer, or allow any change, modification, or alteration to be made to the Premises, or any part or portion thereof, or its physical condition without the prior written consent of Purchaser:

(d) No notice from a governmental body has been served upon Seller claiming any violation of any law, ordinance, code or regulations as the Premises, and Sellers have no knowledge that any such violation exists with regard to the Premises;

(e) There are no leases of the Premises, or any portion thereof, other than those disclosed herein:

(f) Seller is not aware that any portion of the Premises has ever been used for the dumping, disposal, manufacture, handling, transportation, storage, or usage of any toxic or hazardous wastes or materials, and no such toxic or hazardous waste or materials are present on, in, or under the Premises. As used herein "hazardous or toxic wastes or materials" shall mean and refer to any substance or matter giving rise to liability or regulation under any federal, state, or local law, statute, regulation, rule or ordinance. Seller is not aware of any petroleum storage tanks located on or under the Premises;

(g) Seller has not received any notice, and has no knowledge, that the Premises, or any portion thereof, is or will be subject to or affected by (i) any special assessments, whether or not presently a lien thereon, or (ii) any condemnation, eminent domain, change in grade of public streets, or similar proceeding:

(h) There are no actions, suits or proceedings of any kind or nature whatsoever, legal or equitable, to which Seller is a party, affecting the Premises, or any portion thereof, or relating to or arising out of the ownership of the Premises, in any court or before or by any Federal, state, county, or municipal department, commission, board, bureau, or agency or other governmental instrumentality;

(i) The Premises has legal access to publicly dedicated road right-of-way:

7. **Representations and Warranties of the Purchaser.** Purchaser hereby represents and warrants to seller as follows:

(a) No consent to the transaction contemplated by this Agreement by any person or entity other than Purchaser is required:

(b) No representation, warranty or covenant in this Agreement, nor any document, certificate or exhibit given or delivered to Seller pursuant to this Agreement, when read singularly or together as a whole, contains any untrue statement of material fact, or omits a material fact necessary to make the statements contained therein true in light of circumstances under which they were made.

(c) The apartment complex comprising Purchaser's Intended Use shall (i) be upscale, (ii) be leased at then prevailing market rates (i.e., no subsidies shall be required), (iii) have amenities for residents, which shall include a club house, pool and playground, (iv) be subject to the approval by the City of Jacksonville, and (v) subject to the approval of Seller, which shall not be unreasonably withheld. The Purchaser has provided elevations for the project to Seller, which are acceptable to Seller. Any revisions to such elevations shall be subject to the approval of Seller, which shall not be unreasonably withheld.

8. Continuing Representation and Warranties. The representations and warranties of the parties contained herein shall be continuing up to and including the Closing Date and at all times between the effective Date hereof and the Closing Date, with the same force and effect as though such representations and warranties had been made as of Closing.

9. Access to the Premises. Seller agrees that from the date hereof until Closing or earlier termination of this Agreement, it will allow Purchaser, and its authorized representatives and agents, entry upon the Premises for the purpose of satisfying itself with respect to the representations, warranties and covenants of the Seller contained herein, and to take soil tests, borings, make ALTA surveys or layouts for the improvements, or such other tests, evaluations, or investigations as Purchaser may perform. Purchaser hereby agrees that Purchaser shall allow no liens resulting from Purchaser's aforementioned actions on the Premises to attach to the Premises and to indemnify and hold Seller harmless from and against any loss, damage, injury, claim, cost or expense arising from Purchaser's exercise of its rights granted by this Paragraph. Purchaser further agrees that Purchaser shall return the Premises to its original condition. Purchaser hereby agrees to indemnify and hold Seller harmless from and against all claims, losses, expenses, demands and liabilities, including, but not limited to, reasonable attorney's fees, for nonpayment for services rendered to Purchaser (including, without limitation, any construction liens resulting therefrom) or for damage to persons or property arising out of Purchaser's obligations set forth in this Section 9 shall survive Closing or any termination of this Agreement.

10. General Conditions to Obligations of the Purchaser. The obligations of Purchaser are, at the option of Purchaser, contingent upon these conditions:

(a) The representations and warranties made by Seller herein shall be correct statements of fact as said facts exist as of the Closing Date, and at all times between the effective Date and the Closing Date;

(b) All terms, covenants, agreements and provisions of this Agreement to be complied with and performed by the Seller on or before the Closing Date shall have been duly complied with or performed;

(c) No moratorium or change in ordinance adversely affecting the development of the Premises shall exist which would prevent or unreasonably delay Purchaser's development and construction of Purchaser's Intended Use on the Premises. Seller shall transfer any rights that it may have respecting concurrency for the Intended Use of the Premises; however, any concurrency or fair share required in excess of such rights shall be the sole responsibility of Purchaser, and shall not affect, positively or negatively, the Closing.

(d) Easement. Seller shall grant Purchaser, at Closing, an easement in the approximate size and location as depicted on that certain Conceptual Site Plan dated March 7, 2007, prepared by BHR, Inc. and provided by Seller to Purchaser, for ingress, egress, utilities and signage (herein collectively the "Easement") for Purchaser's Intended Use, the legal description of which easement shall be determined by the surveyor during the Inspection Period and shall be shown on the Survey, which shall be subject to the approval of the City of Jacksonville. Purchaser shall have obtained the right to construct signage in the Easement (in such a manner as approved by the City of Jacksonville, and subject to the restrictions contained within the PUD), and to construct (at Purchaser's cost) an access road (the "Access Road") over and across such Easement area from Duval Road to the Premises, in accordance with the regulations and ordinances of, and as approved by, the City of Jacksonville; both of the signage and the access road are subject to the approval of Seller, which shall not be unreasonably withheld. Purchaser shall also have the right to construct underground utilities in the Easement. The Easement shall be non-exclusive and the adjoining properties shall have the right to utilize the Access Road and to tap any utilities placed in the Access Easement, subject to the approval of Seller, which shall not be unreasonably withheld. From the time of issuance of a building permit on such adjoining parcel, such parcel shall share in the cost of maintenance, repair, and replacement of the Access Road based on the estimated daily trips of the use placed on each such parcel divided by the total estimated daily trips of all parcels which utilize the Access Road. If the adjoining properties do not connect to the Access Road, any such tract which does not connect shall have no obligation to pay a share of the costs. If the Easement is not granted in a form acceptable to Purchaser, at Purchaser's option, notwithstanding anything contained herein to the contrary, the Deposit and any other moneys paid

pursuant to the terms hereof shall be returned to Purchaser upon Purchaser's notice of termination of this Agreement given prior to Closing.

11. **Approvals.** Seller hereby authorizes Purchaser to make any applications, petitions or submissions as may be required to obtain any and all permits, licenses, consents or approvals which may be required to allow the development of Purchaser's Intended Use. To the extent required, Seller agrees to execute or join in any such applications, petitions or submissions, or similar documentation. Notwithstanding the foregoing, however, in the event that Closing shall not occur for any reason other than a misrepresentation on the part of Seller, Purchaser shall be solely responsible for the cost of rescinding or undoing any action affecting the Premises, so as to place the Premises back in the position it enjoyed prior to any such action taken by or on behalf of Purchaser.

12. **Real Estate Commission.** Upon the Closing for the sale pursuant to this Agreement (and only in the event of Closing), Purchaser shall pay to Marketplace Advisors, Inc., representing Purchaser, a commission equal to three (3) percent of the Purchase Price; and Seller shall pay to Collier Dickinson, representing Seller, a commission equal to two (2) percent of the Purchase Price (such two brokers are referred to herein collectively as "Broker").

Purchaser hereby represents and warrants to Seller that Purchaser has not engaged or dealt with any agent, broker or finder, other than Broker, with regard to this Agreement or to the Sale and Purchase of the Premises contemplated hereby. Purchaser hereby indemnifies Seller and agrees to hold Seller free and harmless from and against any and all liability, loss, cost, damage and expense, which Seller shall ever suffer or incur because of any claim by any agent, broker or finder, other than Broker, who was engaged by Purchaser, for any fee, commission or other compensation with respect to this Agreement or to the Sale and Purchase of the Premises contemplated hereby.

Seller hereby represents and warrants to Purchaser that Seller has not engaged or dealt with any agent, broker or finder, other than Broker, with regard to this Agreement or to the Sale and Purchase of the Premises contemplated hereby. Seller hereby indemnifies Purchaser and agrees to hold Purchaser free and harmless from and against any and all liability, loss, cost, damage and expense, which Purchaser shall ever suffer or incur because of any claim by any agent, broker or finder, other than Broker, who was engaged by Seller, for any fee, commission or other compensation with respect to this Agreement or to the Sale and Purchase of the Premises contemplated hereby.

13. **Closing.** Subject to the terms and conditions hereof, the Closing of this transaction shall be on Monday, December 3, 2007, at the offices of Seller's counsel, Stutsman Thorne & Markey, P.A., as listed in Section 19 hereof. Seller shall deliver possession of the Premises to Purchaser on the Closing Date.

14. **Prorations.** Real estate taxes for the year of Closing shall be prorated on an accrual basis as of the Closing Date, based upon the most recent ascertainable taxes. The parties agree to a re-proration and adjustment of the real estate taxes when the actual tax bill for the year of Closing is received. If at any time before Closing the Premises, or any part thereof, shall be the subject of any assessment or assessments which are payable in annual installments, other than ad valorem real estate taxes, then for the purposes of this Agreement all of the unpaid installments of any such assessment including those which are to become due and payable after Closing, shall be deemed to be due and payable and shall be paid and discharged by Seller on or before Closing.

15. **Costs of Document Preparation and Attorney's Fees.** With regard to Closing, each party shall pay the fees of its attorney and the costs of preparing all documents which this Agreement requires such party to furnish.

16. **Default.** If the sale contemplated by this Agreement is not consummated through default of Purchaser, Seller's sole and exclusive remedy shall be to retain the Deposits, as full liquidated damages for such default by Purchaser, and the parties shall have no further rights or liabilities under this Agreement. If the sale contemplated by this Agreement is not consummated through default of Seller, Purchaser may elect to (i) terminate this Agreement and demand and receive a refund of all Deposits hereunder; or (ii) demand and receive specific performance of this Agreement.

17. **Condemnation.** If, prior to Closing, the Premises or any portion thereof, is condemned or taken under power of eminent domain, or if Seller receives any notice of knowledge that any such taking is threatened or contemplated by any governmental agency or entity or any other entity having the power of eminent domain, then, in any such event, Seller shall promptly give notice thereof to Purchaser in writing. Purchaser shall then have the options of either (a) terminating this Agreement and receiving a refund of any and all Deposits paid hereunder, with neither party thereafter having any further obligations to the other hereunder, or (b) waiving such matters and proceeding to close this transaction without reduction in the Purchase Price, but with the right to receive any and all awards or monies payable as a result of any such taking. Purchaser shall make such election by giving written notice there to Seller at any time prior to Closing.

18. **Contract Construction.** Purchaser and Seller acknowledge that this Contract was prepared after substantial negotiations

between the parties. This Contract shall not be interpreted against either party solely because such party or its counsel drafted the Contract.

19. Miscellaneous.

(a) Notices. Any notice required or permitted to be given under this Contract shall be in writing, and shall be deemed to have been given when delivered, if delivered by hand delivery, or when transmitted by telecopier, or deposited with any nationally or regionally established overnight courier service, deposited in the United States Post Office, registered or certified mail, postage prepaid, return receipt requested, if mailed. Notices shall be addressed as follows:

If to Seller: **DUVAL/OWENS SIGNATURE LLP and  
SECOND TIME SIGNATURE, LLP**  
Attn: Steve Leggett, Partner  
13916 Woodland Drive  
Jacksonville, Florida 32218

With copies to: **Collers Dickinson  
Attn: Douglas Blair  
One Independence Dr., 24th Floor  
Jacksonville, Florida 32202  
Telephone: (904) 358-1206**

**Bruce E. Stutzman, Esq.  
Stutzman Thomas & Markey, P.A.  
50 North Laura Street, Suite 1600  
Jacksonville, Florida 32202  
Telephone: (904) 358-4000  
Fax: (904) 358-4001**

If to Purchaser: **SOUTHERN INVESTMENT GROUP, L.L.P.**

Attn: Dean C. Price II, Esq.  
329 North Park Ave., Suite 300  
Winter Park, FL 32789  
Telephone: (407) 741-8540  
Fax: (407) 643-2580

With a copy to: **BROAD AND CASSEL  
Attn: James E. Slater, P.A.  
390 N. Orange Ave., Ste. 1400  
Orlando, FL 32801  
Telephone: (407) 839-4200  
Fax: (407) 650-0941**

or such other address either party from time to time specify in writing to the other. If Purchaser should fail to timely terminate this Agreement or make the additional Deposit, make any Extension payment, give any other notice described in this Agreement, or make any other payments allowed or required by this Agreement, Seller shall give Purchaser written notice of such failure and Purchaser shall have three (3) business days following Purchaser's receipt of such notice to either terminate and receive a refund of the Deposit, or make the Additional Deposit.

(b) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

(c) Amendments and Termination. Except as otherwise provided herein, this Agreement 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.

(d) Survival of Representations and Warranties. The respective representations, warranties, covenants and Agreements of Seller and Purchaser contained in this Agreement shall survive the Closing of this transaction and remain in effect.

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

(f) Counterparts. For the convenience of the parties, this Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Telefacsimile or email transmissions of any executed original and/or retransmission of any executed telefacsimile or email transmission shall be deemed to be the same as the delivery of an executed original. At the request of any party hereto, the other parties hereto shall confirm telefacsimile or email transmissions by executing duplicate original documents and delivering the same to the requesting party or parties.

(g) Facsimile as Writing. The Purchaser and Seller expressly acknowledge and agree that, notwithstanding any statutory or decisional law to the contrary, the printed product of a facsimile transmittal shall be deemed to be "written" and a "writing" and may be treated as the original document, for all purposes under this Agreement.

(h) **Merger of Prior Agreements.** This Agreement supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.

(i) **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.

(j) **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 be automatically extended through the next ensuing business day.

(k) **JURISDICTION, SERVICE OF PROCESS.**

(a) ANY SUIT, ACTION OR PROCEEDING AGAINST ANY PARTY HERETO WITH RESPECT TO THIS AGREEMENT, SHALL BE BROUGHT IN THE COURTS OF DUVAL COUNTY, FLORIDA, OR IN THE U.S. DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA, AND THE PARTIES HERETO HEREBY ACCEPT THE EXCLUSIVE JURISDICTION OF THOSE COURTS FOR THE PURPOSE OF ANY SUIT, ACTION OR PROCEEDING. SERVICE OF PROCESS IN ANY SUCH CASE MAY BE HAD AGAINST ANY PARTY HERETO BY DELIVERY IN ACCORDANCE WITH THE NOTICE PROVISIONS HEREIN OR AS OTHERWISE PERMITTED BY LAW, AND THE PARTIES HERETO AGREE THAT SUCH SERVICE SHALL BE VALID IN ALL RESPECTS FOR ESTABLISHING PERSONAL JURISDICTION OVER IT.

(b) THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY JUDGMENT ENTERED BY ANY COURT IN RESPECT THEREOF BROUGHT IN DUVAL COUNTY, FLORIDA OR THE U.S. DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA, AND HEREBY FURTHER IRREVOCABLY WAIVE ANY CLAIM THAT ANY SUIT, ACTION OR PROCEEDINGS BROUGHT IN DUVAL COUNTY, FLORIDA OR IN SUCH DISTRICT COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

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WITNESSES:

Jimmy  
JAYC

WITNESSES:  
[Signature]

[Signature]

WITNESSES:

[Signature]  
[Signature]

"PURCHASER"

SOUTHERN INVESTMENT GROUP, L.L.L.P.  
By: Southern Investment Group Managers, L.L.C.

By: Dean C. Price II  
Dean C. Price II, Manager

Date: April 24 2007

"SELLER"

DUVAL/OWENS SIGNATURE, L.L.C.

By: [Signature]  
Stephen M. Leggett, Partner

SECOND TIME SIGNATURE, L.L.C.

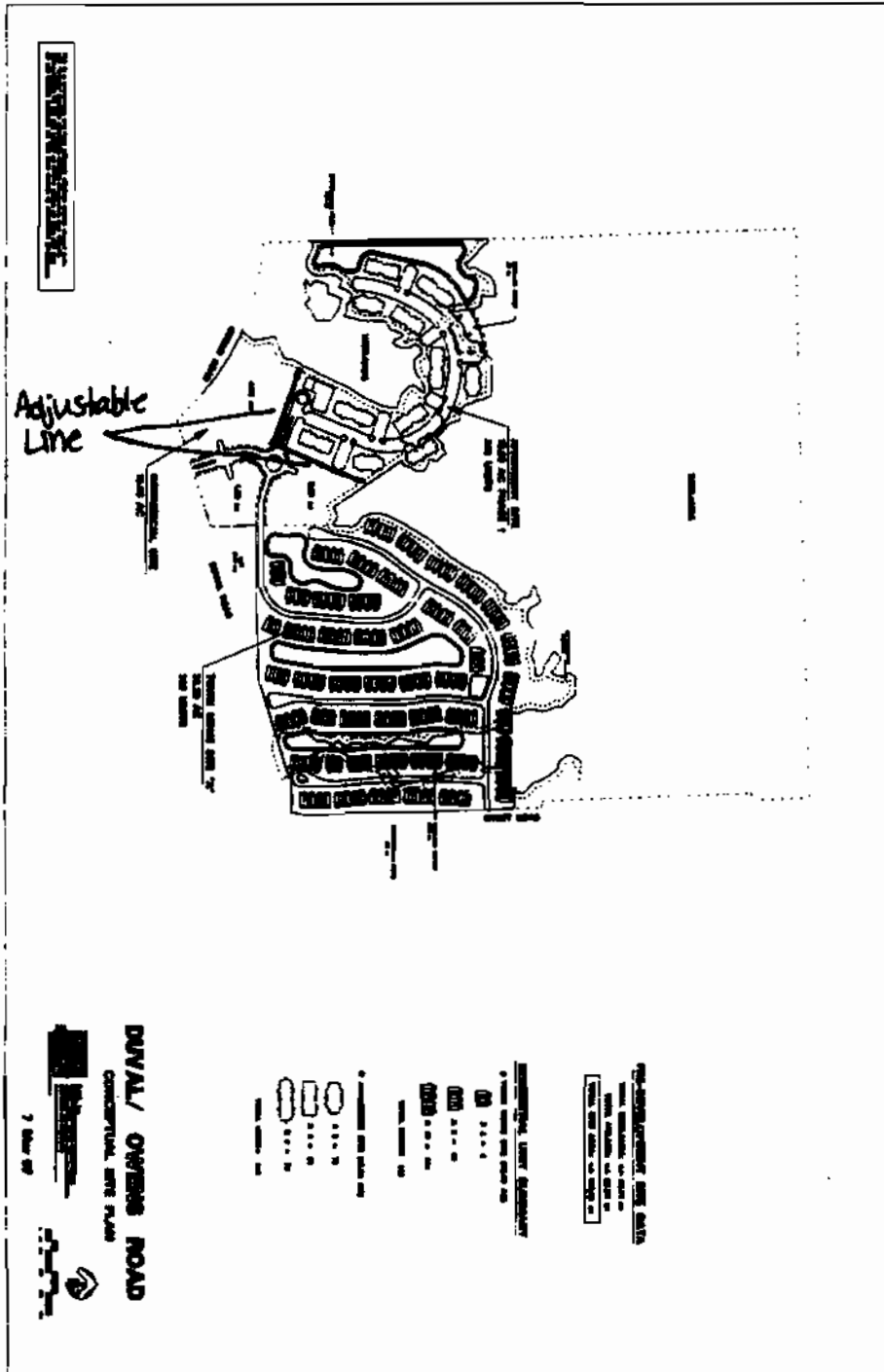
By: [Signature]  
Stephen M. Leggett, Partner

Date: April 27 2007

EXHIBIT "A"

**Legal Description**

The westerly most exactly 15.86 (with a margin of error of .01 or less) Upland Acres of that certain 60 ± acres of real property located on Duval Road and Owen Road, Jacksonville, Duval County, Florida which is approximately depicted below, the description of which shall be determined by the Survey (the "Survey Legal Description"). To achieve exactly 15 acres (with a margin of error of .01 or less), the surveyor shall adjust the "Adjustable Line" identified below. Upon receipt and approval of the Survey by the Purchaser, the Survey Legal Description shall be automatically substituted for this Exhibit "A" without the necessity of amending this Agreement.



**AMENDMENT TO STANDARD CONTRACT FOR SALE AND PURCHASE**

THIS AMENDMENT TO STANDARD CONTRACT FOR SALE AND PURCHASE ("Amendment") between DUVAL OWENS SIGNATURE, LLP and SECOND TIME SIGNATURE, LLP ("Seller") and SOUTHERN INVESTMENT GROUP, L.L.P. ("Purchaser") shall amend that certain STANDARD CONTRACT FOR SALE AND PURCHASE ("Contract") which was entered into on April 27, 2007.

**RECITALS:**

WHEREAS, Purchaser and Seller are desirous of amending certain terms and conditions of the Contract;

NOW, THEREFORE, in consideration thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller agree that the Contract is hereby amended as follows:

The Inspection Period is hereby extended to June 30, 2007.

All provisions of the Contract which are not herein amended shall remain in full force and effect.

All terms which are not herein defined shall have the same meaning as defined in the Contract.

The foregoing amended terms to the Contract are approved this 6<sup>th</sup> day of May, 2007.

PURCHASER:


SELLER:

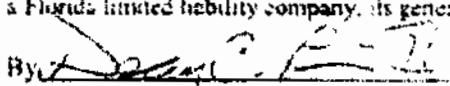
**SOUTHERN INVESTMENT GROUP, L.L.P.**

**DUVAL OWENS SIGNATURE, LLP**

A Florida limited liability limited partnership  
By: Southern Investment Group Managers, L.L.C.,  
a Florida limited liability company, its general partner

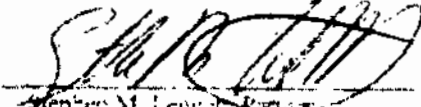
By:

  
Stephen M. Leggett, Partner

By:   
Dean C. Price II, Manager

**SECOND TIME SIGNATURE, LLP**

By:

  
Stephen M. Leggett, Partner



## 2007 MMRB, SAIL & HC Scoring Summary

As of: 07/18/2007

File # 2007-196BS Development Name: Owens Pointe - Phase II

As Of:	Total Points	Met Threshold?	Proximity Tie-Breaker Points
07 - 19 - 2007	57	N	3.75
Preliminary	48	N	0
NOPSE	48	N	0
Final	57	N	3.75
Final-Ranking	0	N	0

**Scores:**

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
<b>Optional Features &amp; Amenities</b>									
1S	III	B	2.a.	New Construction	9	9	9	9	0
1S	III	B	2.b.	Rehabilitation/Substantial Rehabilitation	9	0	0	0	0
2S	III	B	2.c.	All Developments Except SRO	12	12	12	12	0
2S	III	B	2.d.	SRO Developments	12	0	0	0	0
3S	III	B	2.e.	Energy Conservation Features	9	9	9	9	0
<b>Ability To Proceed</b>									
4S	III	C	1.	Site Plan/Plat Approval	2	0	0	2	0
5S	III	C	4.	Evidence of Zoning	3	0	0	3	0
<b>Set-Aside Commitments</b>									
6S	III	E	1.b.(2)(b)	Total Set-Aside Commitment	3	3	3	3	0
7S	III	E	3.	Affordability Period	5	0	0	0	0
<b>Resident Programs</b>									
8S	III	F	1.	Programs for Non-Elderly & Non-Homeless	6	0	0	0	0
8S	III	F	2.	Programs for Homeless (SRO & Non-SRO)	6	0	0	0	0
8S	III	F	3.	Programs for Elderly	6	2	2	2	0
9S	III	F	4.	Programs for All Applicants	8	8	8	8	0



## 2007 MMRB, SAIL & HC Scoring Summary

As of: 07/19/2007

File # 2007-196BS Development Name: Owens Pointe - Phase II

**Scores:**

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
10S	IV	A.		Local Government Support Contributions	5	5	5	5	0
11S	IV	B.		Incentives	4	0	0	4	0

**Reason(s) Scores Not Maxed:**

Item #	Reason(s)	Created As Result	Rescinded as Result
4S	The Applicant failed to provide the Local Government Verification of Status of Site Plan Approval for Multifamily Developments form and is therefore not eligible for points for site plan approval.	Preliminary	Final
5S	The Applicant failed to provide the required Local Government Verification That Development Is Consistent With Zoning And Land Use Regulations form and is therefore not eligible for points for evidence of appropriate zoning.	Preliminary	Final
7S	The Applicant failed to specify the number of years committed to set aside units in the proposed Development. Therefore, the Application received no points for Affordability Period.	Preliminary	
9S	The Applicant failed to select enough Resident Programs for Elderly Developments to achieve maximum points.	Preliminary	
11S	The Applicant did not submit any of the Local Government Verification of Affordable Housing Incentives forms. Therefore, zero points were awarded.	Preliminary	Final

**Threshold(s) Failed:**

Item #	Part	Section	Subsection	Description	Reason(s)	Created As Result of	Rescinded as Result of
1T	II	A	2	Applicant	The Applicant failed to provide a Certificate of Good Standing in the Applicant's name from the Florida Secretary of State.	Preliminary	Final
2T	III	C	2	Site Control	The Applicant failed to provide any of the required documentation to demonstrate site control.	Preliminary	Final
3T	III	C	3.a.	Availability of Electricity	The Applicant failed to provide the required evidence of availability of electricity.	Preliminary	Final
4T	III	C	3.b.	Availability of Water	The Applicant failed to provide the required evidence of availability of water.	Preliminary	Final
5T	III	C	3.c.	Availability of Sewer	The Applicant failed to provide the required evidence of availability of sewer.	Preliminary	Final
6T	III	C	3.d.	Availability of Roads	The Applicant failed to provide the required evidence of availability of roads.	Preliminary	Final
7T	III	C	5	Environmental Safety	The Applicant failed to provide the required Verification of Environmental Safety - Phase I Environmental Site Assessment form and, if applicable, the Verification of Environmental Safety - Phase II Environmental Site Assessment form.	Preliminary	Final
8T	II	B	1.a.	Developer Entity	The Applicant states at Part II.B.1.a. of the Application that the Developer is Atlantic Housing Partners, L.L.L.P. However, NOPSEs filed with Florida Housing against Application Nos. 2007-174C and 2007-133C have provided evidence that this entity	NOPSE	Final

## 2007 MMRB, SAIL & HC Scoring Summary

As of: 07/19/2007

File # 2007-1988S

Development Name: Owens Pointe - Phase II

**Threshold(s) Failed:**

Item #	Part	Section	Subsection	Description	Reason(s)	Created As Result of	Rescinded as Result of
9T	II	A	3	Developer	<p>The Applicant states at Exhibit 9 that the Developer Entity is Atlantic Housing Partners, L.L.P. However, NOPSEs filed with Florida Housing against Application Nos. 2007-174C and 2007-133C have provided evidence that the Developer Entity, Atlantic Housing Partners, L.L.P., was dissolved with the Florida Secretary of State on April 24, 2007. Per page 7 of the 2007 Universal Application Instructions, "The identity of the Developer(s) listed in this Application may not change until the construction or Rehabilitation/Substantial Rehabilitation of the Development is complete, unless approved by the Board as provided in Rule 67-48.004, F.A.C." Because the Developer Entity listed at Exhibit 9 no longer exists, the Applicant has failed to provide a complete list of General and Limited Partners, Officers, Directors and Shareholders for the Developer.</p>	NOPSE	Final
10T	II	B	1.b.	Developer Certification	<p>The Developer listed on the Developer or Principal of Developer Certification form at Exhibit 11 is Atlantic Housing Partners, L.L.P. However, NOPSEs filed with Florida Housing against Application Nos. 2007-174C and 2007-133C have provided evidence that this entity was dissolved with the Florida Secretary of State on April 24, 2007. Per page 7 of the 2007 Universal Application Instructions, "The identity of the Developer(s) listed in this Application may not change until the construction or Rehabilitation/Substantial Rehabilitation of the Development is complete, unless approved by the Board as provided in Rule 67-48.004, F.A.C." Because the Developer Entity no longer exists the form cannot be accepted.</p>	NOPSE	Final
11T	V	B		Deferred Developer Fee	<p>The Applicant provided a Commitment to Defer Developer Fee form which lists Atlantic Housing Partners, L.L.P. as the Developer. However, NOPSEs filed with Florida Housing against Application Nos. 2007-174C and 2007-133C have provided evidence that this entity was dissolved with the Florida Secretary of State on April 24, 2007. Because the Developer Entity no longer exists, the deferred Developer fee cannot be used as a source of financing.</p>	NOPSE	Final
12T	V	B		Construction Financing Shortfall	<p>The Applicant has a construction financing shortfall of \$208,752.</p>	NOPSE	Final
13T	III	C	2	Site Control	<p>As a cure for Item 2T, the Applicant submitted a Simple Form Purchase Agreement, dated June 5, 2007, between Southern Investment Group, L.L.P. (Seller) and Owens Pointe II, L.L.P. (Purchaser), along with an underlying Standard Contract for</p>	Final	

## 2007 MMRB, SAIL & HC Scoring Summary

As of: 07/19/2007

File # 2007-196BS Development Name: Owens Pointe - Phase II

**Threshold(s) Failed:**

Item #	Part Section	Subsection	Description	Reason(s)	Created As Result of	Rescinded as Result of
				Sale and Purchase, dated April 27, 2007, and an Amendment thereto, dated May 15, 2007, between Duval/Owens Signature LLP and Second Time Signature, LLP (Sellers) and Southern Investment Group, L.L.L.P. (Purchaser). While the June 5, 2007 Agreement meets the requirements of a Qualified Contract, the provisions stated in paragraph 7.(c)(ii) of the underlying April 27, 2007 Contract are inconsistent with the Development proposed in this Application, i.e., the Applicant's commitment to set aside 70 percent of the total units for residents at or below 60 percent of the Area Median Income and the fact that the proposed Development will be subject to Housing Credit rent restrictions.		

**Proximity Tie-Breaker Points:**

Item #	Part Section	Subsection	Description	Available	Preliminary	NOPSE	Final	Final Ranking
1P	III	A	10.a.(2)(a) Grocery Store	1.25	0	0	0	0
2P	III	A	10.a.(2)(b) Public School	1.25	0	0	0	0
3P	III	A	10.a.(2)(c) Medical Facility	1.25	0	0	0	0
4P	III	A	10.a.(2)(d) Pharmacy	1.25	0	0	0	0
5P	III	A	10.a.(2)(e) Public Bus Stop or Metro-Rail Stop	1.25	0	0	0	0
6P	III	A	10.b. Proximity to Development on FHFC Development Proximity List	3.75	0	0	3.75	0

**Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:**

Item #	Reason(s)	Created As Result of	Rescinded as Result of
1P	The Applicant did not provide the required sketches.	Preliminary	
1P	The Applicant did not provide the required Surveyor Certification form.	Preliminary	Final
1P	As a cure for Item 1P, the Applicant provided a Surveyor Certification form. Although the Applicant indicated at Part III.A.10.b of the Application that it was seeking points for Grocery Store, the information for this service was not provided on the form. Therefore, zero points were awarded for this service.	Final	
3P	The Applicant did not provide the required sketches.	Preliminary	
3P	The Applicant did not provide the required Surveyor Certification form.	Preliminary	Final
3P	As a cure for Item 3P, the Applicant provided a Surveyor Certification form. Although the Applicant indicated at Part III.A.10.b of the Application that it was seeking points for Medical Facility, the information for this service was not provided on the form. Therefore, zero points were awarded for this service.	Final	
5P	The Applicant did not provide the required Surveyor Certification form.	Preliminary	Final

## 2007 MMRB, SAIL & HC Scoring Summary

As of: 07/19/2007

File # 2007-1968S Development Name: Owens Pointe - Phase II

**Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:**

Item #	Reason(s)	Created As Result of	Rescinded as Result of
5P	As a cure for Item 5P, the Applicant provided a Surveyor Certification form. Although the Applicant indicated at Part III.A.10.b of the Application that it was seeking points for Bus Stop, the information for this service was not provided on the form. Therefore, zero points were awarded for this service.	Final	
8P	The Applicant did not provide the required Surveyor Certification form.	Preliminary	Final

**ELECTION OF RIGHTS**

Application Number: 2007-196BS Development Name: Owens Pointe II LLP

- 1.  I do not desire a proceeding.
- 2.  I elect an informal proceeding to be conducted in accordance with Sections 120.569 and 120.57(2), Florida Statutes. In this regard I desire to (Choose one):

submit a written statement and documentary evidence; or

attend an informal hearing to be held in Tallahassee.

Note: Rule 28-106.301, Florida Administrative Code, requires Applicant to submit a petition in a prescribed format. (attached)

- 3.  I elect a formal proceeding at the Division of Administrative Hearings. This option is available only if there are disputed issues of material fact.

Note: Applicant must submit an appropriate petition in accordance with Rule 28-106.201, Florida Administrative Code. (attached)

Following are my top five preferences, in order from 1-5 (with 1 being my first choice, etc.) for scheduling my informal hearing. All formal hearings will be scheduled by the Division of Administrative Hearings.

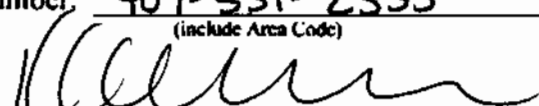
Hearing Dates:	A.M.	P.M.
August 21, 2007		5
August 22, 2007		4
August 23, 2007		3

Hearing Dates:	A.M.	P.M.
August 24, 2007		1
August 27, 2007		2

Matters heard after these dates will likely not be funded in the current Application Cycle.

Please fax a Hearing Schedule to me at this number: 407-551-2353  
(include Area Code)

DATE: 8/3/07

  
Signature of Petitioner

Name: Therey Carpenter

Address: 329 N. Park Ave. Ste 300  
Winter Park, FL 32789

Phone: 407-691-5606  
(include Area Code)

**TO PRESERVE YOUR RIGHT TO A PROCEEDING, YOU MUST RETURN THIS FORM WITHIN TWENTY-ONE (21) CALENDAR DAYS OF RECEIPT OF THIS NOTICE. THE FORM MUST BE RETURNED TO THE FLORIDA HOUSING FINANCE CORPORATION AT THE ADDRESS INDICATED IN THE NOTICE OF RIGHTS. TO FACILITATE THE SCHEDULING OF HEARINGS, THIS FORM MAY BE SUBMITTED PRIOR TO FILING A PETITION.**



- (2) If the preliminary or conceptual plat has been approved, the verification form reflecting an approval date must be provided behind a tab labeled **“Exhibit 26”**.
- (3) If the Development is rehabilitation without any new construction and does not require additional plat approval, the verification form reflecting this must be provided behind a tab labeled **“Exhibit 26”**.

2. Evidence of Site Control (Threshold)

Applicant must demonstrate site control by providing the documentation required in Section a., b. or c., as indicated below. The required documentation, including any attachments or exhibits referenced in any document, must be attached to that document regardless of whether that attachment or exhibit has been provided as an attachment or exhibit to another document or whether the information is provided elsewhere in the Application or has been previously provided. Such documentation, including any attachments or exhibits, must be provided behind a tab labeled **“Exhibit 27”**. Site control must be demonstrated for all sites if the proposed Development consists of Scattered Sites. A legal description of the Development site must be provided behind a tab labeled **“Exhibit 27”**.

- a. Provide a Qualified Contract - For purposes of the Universal Application, a qualified contract is one that has a term that does not expire before the last expected closing date of October 31, 2007 or that contains extension options exercisable by the purchaser and conditioned solely upon payment of additional monies which, if exercised, would extend the term to a date not earlier than October 31, 2007; specifically states that the buyer’s remedy for default on the part of the seller includes or is specific performance; and the buyer **MUST** be the Applicant unless a fully executed assignment of the qualified contract which assigns all of the buyer’s rights, title and interests in the qualified contract to the Applicant, is provided. If the owner of the subject property is not a party to the qualified contract, all documents evidencing intermediate contracts, agreements, assignments, options, or conveyances of any kind between or among the owner, the Applicant, or other parties, must contain every exhibit and attachment referenced therein, and must contain the following elements of a qualified contract: (i) have a term that does not expire before the last expected closing date of October 31, 2007 or contain extension options exercisable by the purchaser and conditioned solely upon payment of additional monies which, if exercised, would extend the term to a date not earlier than October 31, 2007, and (ii) specifically state that the buyer’s remedy for default on the part of the seller includes or is specific performance.

OR



- b. Provide a Deed or Certificate of Title – The deed or certificate of title (in the event the property was acquired through foreclosure) must be recorded in the county in which the property is located and show the Applicant as the sole Grantee.

OR

- c. Provide a Lease - The lease must have an unexpired term of at least 50 years from the Application Deadline and the lessee must be the Applicant. The lease may be contingent only upon receipt of MMRB, SAIL, HOME and/or HC funding.

3. Evidence of Infrastructure Availability (Threshold)

Verification of the availability of each type of infrastructure on or before the Application Deadline must be provided. Infrastructure is considered available if there are no impediments to obtaining service other than the conditions expressed in the Verification of Availability of Infrastructure forms as provided in this Application Package. Should any variance or local hearing be required, or if there is a moratorium pertaining to any of the utilities or roads for this Development, the infrastructure is not available. Evidence of availability of each type of infrastructure must be provided for all sites if the proposed Development consists of Scattered Sites.

Applicant may submit the properly completed and executed Verification of Availability of Infrastructure forms included within the Application Package or submit a letter from the entity providing the service (electricity, water, and wastewater) or Local Government (roads) verifying availability of the infrastructure for the proposed Development. Regardless of whether provided by the Application Deadline or by the date that signifies the end of the cure period outlined in Rules 67-21.003 and 67-48.004, F.A.C., each Verification of Availability of Infrastructure form or letter confirming infrastructure availability must demonstrate availability on or before the Application Deadline. Letters must be Development-specific and dated within 12 months of the Application Deadline. The verifications may not be signed by the Applicant, by any related parties of the Applicant, or by any Principals or Financial Beneficiaries of the Applicant.

Evidence of availability of electricity must be provided behind a tab labeled **“Exhibit 28”**. Evidence of availability of water must be provided behind a tab labeled **“Exhibit 29”**. Evidence of availability of sewer, package treatment or septic tank must be provided behind a tab labeled **“Exhibit 30”**. Evidence of availability of roads must be provided behind a tab labeled **“Exhibit 31”**.



## SIMPLE FORM PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "Agreement") made by and between Southern Investment Group, L.L.P., a Florida limited liability limited partnership ("Seller") and Owens Pointe II, L.L.P., a Florida limited liability limited partnership ("Purchaser").

### WITNESSETH:

1. **Premises.** 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 Seller and Purchaser, Seller shall convey to Purchaser and Purchaser shall purchase from Seller a sufficient portion (the "Premises") of that certain 15.86 acre parcel (with a margin of error of .01 acres (the "Master Parcel")) which is described on Exhibit A, attached hereto, to construct ninety six (96) residential apartment units together with amenities and improvements related thereto (collectively "Purchaser's Intended Use"). The exact legal description for the Premises shall be determined by the final survey of the property contained within the final approved site plan (the "Site Plan") for Purchaser's Intended Use. Seller shall complete the Site Plan using Purchaser's architectural plans and obtain the final approval thereof prior to Closing.

### SEE EXHIBIT A ATTACHED HERETO

2. **Purchase Price.** The sum of NINE HUNDRED FORTY THOUSAND AND NO/100 DOLLARS (\$940,000.00), subject to adjustments, credits, and prorations as set forth herein (the "Purchase Price"), shall be paid by Purchaser to Seller in cash at Closing.

3. **Title Insurance and Survey.** Seller shall provide to Purchaser a title commitment (the "Title Commitment") for an ALTA Form B, Marketability Policy (the "Title Policy") issued by an agent of First American Title Insurance Company (the "Title Insurance Company") covering title to the Premises. Purchaser may obtain a survey (the "Survey").

4. **Unpermitted Exceptions and Survey Defects.** If the Survey, the Title Commitment, or Purchaser's inspection of the Premises or the improvements thereon discloses any exceptions, requirements, necessary repairs, encroachments, or other issues which are not acceptable to Purchaser, in Purchaser's sole discretion, Purchaser shall have the right to either (a) terminate this Agreement upon written notice to Seller with neither party having any further obligation hereunder, or (b) waive such objection and proceed to Closing with no requirement that Seller make any changes or repairs.

5. **Seller's Documents.** Seller shall execute and deliver to Purchaser at Closing, the following:

- A deed executed by Seller conveying to Purchaser fee simple title to the Premises;
- 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 the Title Commitment.

6. **Expense Provisions.** Any and all costs related to the Closing 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 Purchaser on or before Closing.



7. **Broker's Commission.** Upon the Closing for the sale pursuant to this Agreement (and only in the event of Closing), Purchaser shall pay to Global Realty Company, L.L.P., representing Purchaser a commission equal to ten (10) percent of the Purchase Price.
8. **Closing.** Subject to the terms and conditions hereof, the Closing of this transaction shall be completed, on or before October 31, 2007 (the "Closing Date"), with the agent of the Title Insurance Company acting as the Escrow Agent. At Purchaser's option, the Closing may be held sooner so long as Purchaser gives Seller notice of the revised Closing Date. Seller shall deliver possession of the Premises to Purchaser on the Closing Date.
9. **Taxes and Expenses.** Real estate taxes shall be prorated as of the day of Closing. Purchaser shall be responsible for all taxes or other expenses which are due on or after closing.
10. **Contract Construction.** This Agreement shall not be interpreted against either party solely because such party drafted the Agreement.
11. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
12. **No Representations or Warranties.** Seller makes no representations or warranties to Purchaser and it is agreed by Seller and Purchaser that the Premises is sold in as "as is" and "where is" condition with no reliance on any representations made by Seller. Purchaser agrees that it will use its own due diligence on or before October 15, 2007 to determine whether or not the Premises and any improvements thereon are fit for Purchaser's intended purposes.
13. **Amendments.** Except as otherwise provided herein, this Agreement may be amended or modified by, and only by, a written instrument executed by Seller and Purchaser.
14. **Law.** This Agreement shall be governed by and construed in accordance with Florida law.
15. **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.
16. **Merger of Prior Agreements.** This Agreement supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.
17. **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.
18. **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.
19. **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 copies shall be deemed originals until original signatures are obtained.

20. **Default.** In the event of a default by Seller, Purchaser shall be entitled to demand and receive specific performance of this Agreement.

WITNESS, the due execution hereof this 5<sup>th</sup> day, June 2007.

Witnesses:  
*[Signature]*  
*[Signature]*

**"SELLER"**  
SOUTHERN INVESTMENT GROUP,  
L.L.L.P., a FL limited liability limited  
partnership  
By: Southern Investment Group  
Managers, L.L.C., a FL limited  
liability company, its general partner

By: *[Signature]*  
Dean C. Price II, Manager

Witnesses:  
*[Signature]*  
*[Signature]*

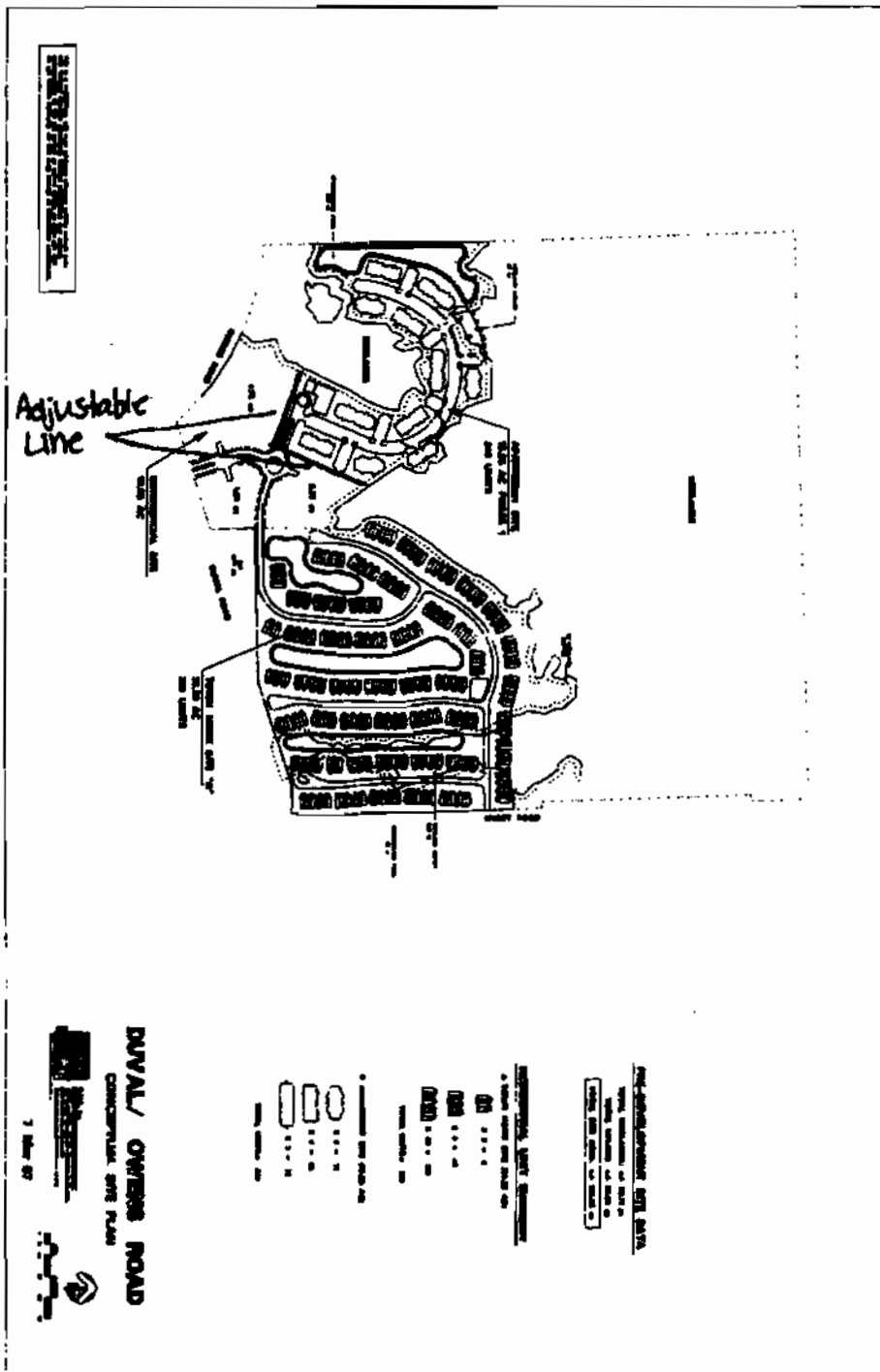
**"PURCHASER"**  
OWENS POINTE II, L.L.L.P., a  
FL limited liability limited partnership  
By: Owens Pointe II Managers, L.L.C.,  
a FL limited liability company,  
its general partner

By: *[Signature]*  
Jay F. Brock, Manager

# EXHIBIT A

## DESCRIPTION OF MASTER PARCEL

The westerly most exactly 15.86 (with a margin of error of .01 or less) Upland Acres of that certain 60 ± acres of real property located on Duval Road and Owen Road, Jacksonville, Duval County, Florida which is approximately depicted below, the legal description of which shall be determined by the Survey (the "Survey Legal Description"). To achieve exactly 15 acres (with a margin of error of .01 or less), the surveyor shall adjust the "Adjustable Line" identified below. Upon receipt and approval of the Survey by the Purchaser, the Survey Legal Description shall be automatically substituted for this Exhibit "A" without the necessity of amending this Agreement.



## STANDARD CONTRACT FOR SALE AND PURCHASE

THIS CONTRACT FOR SALE AND PURCHASE (the "Agreement") is made and entered into by and between DUVALOWENS SIGNATURE LLP, a Florida limited liability partnership, and SECOND TIME SIGNATURE, LLP, a Florida limited liability partnership (hereinafter referred to collectively, as "Seller"), and SOUTHERN INVESTMENT GROUP, L.L.P. or its designee or assigns (hereinafter referred to as "Purchaser").

### WITNESSETH:

1. **Premises.** Subject to the terms and conditions set forth below, Seller shall convey to Purchaser and Purchaser shall purchase from Seller the westerly most exactly 15.86 (with a margin of error of .01 acres or less) upland acres ("Upland Acres") of that certain 60 ± acres of real property located on Duval Road and Owen Road, Jacksonville, Duval County, Florida which is more particularly described on Exhibit "A" attached hereto and made a part hereof, together with any and all easement, right-of-way, privileges, benefits, contract rights, development rights, permits, licenses or approvals, improvements, or appurtenances arising from, pertaining to or associated with said real estate (collectively, the "Premises"). For purposes of this Agreement, Upland Acres shall exclude all areas which may be claimed as wetlands by a local, state and federal regulating entity or authority and shall also exclude any upland area which is surrounded by wetlands. The Premises currently are subject to that certain Planned Unit Development approved by the City of Jacksonville, under Ordinance 2005-827-E (the "PUD").
2. **Purchase Price.** The sum of THREE MILLION SIX HUNDRED FIFTEEN THOUSAND AND NO/100 DOLLARS (\$3,615,000) subject to adjustments, credits, and prorations as set forth herein below (the "Purchase Price"), to be paid as follows:
  - (a) **Deposit / Inspection Period.** Within five (5) business days of the Effective Date hereof, Purchaser shall deposit with Broad and Cassel ("Escrow Agent"), the sum of FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00) as a good faith deposit (the "Initial Deposit"). Purchaser will have until May 31, 2007 (the "Inspection Period") to conduct tests, studies, inspections, evaluations, investigations and appraisals of the Premises. If Purchaser determines, in Purchaser's sole discretion, that the Premises are not suitable, acceptable, or desirable in any respect for development of Purchaser's proposed two hundred forty (240) unit residential community ("Purchaser's Intended Use"), Purchaser shall have the right to terminate this Agreement by written notice to Seller, given by Purchaser on or before the end of the Inspection Period. In that event, the Deposit shall be returned to Purchaser by the Escrow Agent, and the parties shall have no further duties or obligations. After the Inspection Period, Purchaser shall deposit in escrow with the Escrow Agent the additional sum of ONE HUNDRED THIRTY FIVE THOUSAND SIX HUNDRED TWENTY FIVE AND NO/100 DOLLARS (\$135,625.00) (the "Additional Deposit") and the Initial Deposit and the Additional Deposit (collectively the "Deposit") shall become non-refundable, unless the terms and conditions of this Agreement are not met prior to Closing. The Deposit shall be applicable to and credited against the Purchase Price at Closing. The Deposit shall be placed, by the Escrow Agent, in an interest bearing money market account, with any and all interest accruing thereon to be the property of the Purchaser.
  - (b) **Purchase Price.** The entire Purchase Price shall be paid by Purchaser to Seller in cash at Closing.
3. **Title Insurance / Survey.** Within twenty (20) days from the date of Seller's execution of this Agreement, Seller shall provide to Purchaser, for Purchaser's review and comment, a title commitment ("Title Commitment") for the Premises. Prior to the expiration of the Inspection Period, Purchaser shall have the opportunity to obtain and review a survey ("Survey") of the Premises. Should either the Title Commitment or Survey show title issues which are not acceptable to Purchaser, Purchaser shall notify Seller of such items by the expiration of the Inspection Period and, within 10 days of receipt of such notice, Seller shall respond to Purchaser in writing as to whether or not Seller will cure such defects. If Seller will not cure such defects, Purchaser shall have the right to terminate this Agreement and receive a full refund of the Deposit. Notwithstanding the foregoing, any mortgages or other monetary liens against the Premises, in amounts less than the Purchase Price, shall be removed from title at Closing using the closing proceeds.
4. **Seller's Documents.** Seller shall execute and deliver to Purchaser at Closing, the following:
  - (a) A Special Warranty Deed executed by Seller conveying to Purchaser fee simple title to the Premises, subject only to the Permitted Exemptions, in form satisfactory to the Purchaser and the Title Insurance Company;
  - (b) A Seller's affidavit sufficient in form and content to permit deletion of all the standard ALTA general exceptions from the Title Commitment and the Title Policy;
  - (c) A non-foreign certificate in compliance with Section 1445 of the Internal Revenue Code;
  - (d) Originals or copies, depending on what may be in the possession of Seller at the time of Closing, of all development



rights, permits, licenses, benefits, consents, or approvals, surveys, soil tests, water, sewer, or other utility capacity verification or reservation, development plans, engineering plans or specifications, tests, reports, studies, appraisals, analyses and similar documents or information in the possession of Seller pertaining to the Premises, together with an assignment of all of Seller's right, title and interest with regard thereto;

(c) Closing Statement:

(f) Such other Closing documents as reasonably may be required to consummate the transaction contemplated by the Agreement, or which may be required by the Title Insurance Company in order to issue the Title Policy as required by the Title Commitment.

5. **Expense Provisions.** State documentary stamps required on the deed, the cost and expenses of any corrective instruments or actions, the title insurance premium and title search charges and state transfer/sales taxes shall be paid by Seller on or before Closing. The cost of recording the deed and the cost of the Survey shall be paid by the Purchaser on or before Closing (and if the sale does not close, Purchaser shall pay any title insurance cancellation fees). Each party shall bear and pay their own attorneys' fees and expenses.

6. **Representations, Warranties and Covenants of Seller.** The Seller hereby represents, warrants and covenants to and with the Purchaser as follows:

(a) The person executing this Agreement on behalf of the Seller is fully and duly authorized to do so by Seller, and any and all actions required to make this Agreement and the performance thereof legally binding obligations of Seller, have been duly and legally taken. No further consent, authorization or approval of any person or entity is required for Seller to enter into or perform this transaction:

(b) Except for the liens, encumbrances or charges against the Premises specifically disclosed in this Agreement, there are no other liens, encumbrances, unpaid bills to vendors, outstanding obligations or charges (contingent or absolute) in existence against such Seller or any business conducted thereon, or any existing undisclosed or unrecorded liens, encumbrances or charges, which could adversely affect title to the Premises, or in any way substantially adversely affect title to the Premises;

(c) From and after the Effective date, Seller will not cause, permit, suffer, or allow any change, modification, or alteration to be made to the Premises, or any part or portion thereof, or its physical condition without the prior written consent of Purchaser;

(d) No notice from a governmental body has been served upon Seller claiming any violation of any law, ordinance, code or regulations as the Premises, and Sellers have no knowledge that any such violation exists with regard to the Premises;

(e) There are no leases of the Premises, or any portion thereof, other than those disclosed herein;

(f) Seller is not aware that any portion of the Premises has ever been used for the dumping, disposal, manufacture, handling, transportation, storage, or usage of any toxic or hazardous wastes or materials, and no such toxic or hazardous waste or materials are present on, in, or under the Premises. As used herein "hazardous or toxic wastes or materials" shall mean and refer to any substance or matter giving rise to liability or regulation under any federal, state, or local law, statute, regulation, rule or ordinance. Seller is not aware of any petroleum storage tanks located on or under the Premises;

(g) Seller has not received any notice, and has no knowledge, that the Premises, or any portion thereof, is or will be subject to or affected by (i) any special assessments, whether or not presently a lien thereon, or (ii) any condemnation, eminent domain, change in grade of public streets, or similar proceeding;

(h) There are no actions, suits or proceedings of any kind or nature whatsoever, legal or equitable, to which Seller is a party, affecting the Premises, or any portion thereof, or relating to or arising out of the ownership of the Premises, in any court or before or by any Federal, state, county, or municipal department, commission, board, bureau, or agency or other governmental instrumentality;

(i) The Premises has legal access to publicly dedicated road right-of-way;

7. **Representations and Warranties of the Purchaser.** Purchaser hereby represents and warrants to seller as follows:

(a) No consent to the transaction contemplated by this Agreement by any person or entity other than Purchaser is required;

(b) No representation, warranty or covenant in this Agreement, nor any document, certificate or exhibit given or delivered to Seller pursuant to this Agreement, when read singularly or together as a whole, contains any untrue statement of material fact, or omits a material fact necessary to make the statements contained therein true in light of circumstances under which they were made.

(c) The apartment complex comprising Purchaser's Intended Use shall (i) be upscale, (ii) be leased at then prevailing market rates (i.e., no subsidies shall be required), (iii) have amenities for residents, which shall include a club house, pool and playground, (iv) be subject to the approval by the City of Jacksonville, and (v) subject to the approval of Seller, which shall not be unreasonably withheld. The Purchaser has provided elevations for the project to Seller, which are acceptable to Seller. Any revisions to such elevations shall be subject to the approval of Seller, which shall not be unreasonably withheld.

8. **Continuing Representation and Warranties.** The representations and warranties of the parties contained herein shall be continuing up to and including the Closing Date and at all times between the effective Date hereof and the Closing Date, with the same force and effect as though such representations and warranties had been made as of Closing.

9. **Access to the Premises.** Seller agrees that from the date hereof until Closing or earlier termination of this Agreement, it will allow Purchaser, and its authorized representatives and agents, entry upon the Premises for the purpose of satisfying itself with respect to the representations, warranties and covenants of the Seller contained herein, and to take soil tests, borings, make ALTA surveys or layouts for the improvements, or such other tests, evaluations, or investigations as Purchaser may perform. Purchaser hereby agrees that Purchaser shall allow no liens resulting from Purchaser's aforementioned actions on the Premises to attach to the Premises and to indemnify and hold Seller harmless from and against any loss, damage, injury, claim, cost or expense arising from Purchaser's exercise of its rights granted by this Paragraph. Purchaser further agrees that Purchaser shall return the Premises to its original condition. Purchaser hereby agrees to indemnify and hold Seller harmless from and against all claims, losses, expenses, demands and liabilities, including, but not limited to, reasonable attorney's fees, for nonpayment for services rendered to Purchaser (including, without limitation, any construction liens resulting therefrom) or for damage to persons or property arising out of Purchaser's obligations set forth in this Section 9 shall survive Closing or any termination of this Agreement.

10. **General Conditions to Obligations of the Purchaser.** The obligations of Purchaser are, at the option of Purchaser, contingent upon these conditions:

(a) The representations and warranties made by Seller herein shall be correct statements of fact as said facts exist as of the Closing Date, and at all times between the effective Date and the Closing Date;

(b) All terms, covenants, agreements and provisions of this Agreement to be complied with and performed by the Seller on or before the Closing Date shall have been duly complied with or performed;

(c) No moratorium or change in ordinance adversely affecting the development of the Premises shall exist which would prevent or unreasonably delay Purchaser's development and construction of Purchaser's Intended Use on the Premises. Seller shall transfer any rights that it may have respecting concurrency for the Intended Use of the Premises; however, any concurrency or fair share required in excess of such rights shall be the sole responsibility of Purchaser, and shall not affect, positively or negatively, the Closing.

(d) **Easement.** Seller shall grant Purchaser, at Closing, an easement in the approximate size and location as depicted on that certain Conceptual Site Plan dated March 7, 2007, prepared by BHR, Inc. and provided by Seller to Purchaser, for ingress, egress, utilities and signage (herein collectively the "Easement") for Purchaser's Intended Use, the legal description of which easement shall be determined by the surveyor during the Inspection Period and shall be shown on the Survey, which shall be subject to the approval of the City of Jacksonville. Purchaser shall have obtained the right to construct signage in the Easement (in such a manner as approved by the City of Jacksonville, and subject to the restrictions contained with the PUD), and to construct (at Purchaser's cost) an access road (the "Access Road") over and across such Easement area from Duval Road to the Premises, in accordance with the regulations and ordinances of, and as approved by, the City of Jacksonville; both of the signage and the access road are subject to the approval of Seller, which shall not be unreasonably withheld. Purchaser shall also have the right to construct underground utilities in the Easement. The Easement shall be non-exclusive and the adjoining properties shall have the right to utilize the Access Road and to tap any utilities placed in the Access Easement, subject to the approval of Seller, which shall not be unreasonably withheld. From the time of issuance of a building permit on such adjoining parcel, such parcel shall share in the cost of maintenance, repair, and replacement of the Access Road based on the estimated daily trips of the use placed on each such parcel divided by the total estimated daily trips of all parcels which utilize the Access Road. If the adjoining properties do not connect to the Access Road, any such tract which does not connect shall have no obligation to pay a share of the costs. If the Easement is not granted in a form acceptable to Purchaser, at Purchase's option, notwithstanding anything contained herein to the contrary, the Deposit and any other moneys paid

pursuant to the terms hereof shall be returned to Purchaser upon Purchaser's notice of termination of this Agreement given prior to Closing.

11. **Approvals.** Seller hereby authorizes Purchaser to make any applications, petitions or submissions as may be required to obtain any and all permits, licenses, consents or approvals which may be required to allow the development of Purchaser's Intended Use. To the extent required, Seller agrees to execute or join in any such applications, petitions or submissions, or similar documentation. Notwithstanding the foregoing, however, in the event that Closing shall not occur for any reason other than a misrepresentation on the part of Seller, Purchaser shall be solely responsible for the cost of rescinding or undoing any action affecting the Premises, so as to place the Premises back in the position it enjoyed prior to any such action taken by or on behalf of Purchaser.

12. **Real Estate Commission.** Upon the Closing for the sale pursuant to this Agreement (and only in the event of Closing), Purchaser shall pay to Marketplace Advisors, Inc., representing Purchaser, a commission equal to three (3) percent of the Purchase Price; and Seller shall pay to Collier Dickinson, representing Seller, a commission equal to two (2) percent of the Purchase Price (such two brokers are referred to herein collectively as "Broker").

Purchaser hereby represents and warrants to Seller that Purchaser has not engaged or dealt with any agent, broker or finder, other than Broker, with regard to this Agreement or to the Sale and Purchase of the Premises contemplated hereby. Purchaser hereby indemnifies Seller and agrees to hold Seller free and harmless from and against any and all liability, loss, cost, damage and expense, which Seller shall ever suffer or incur because of any claim by any agent, broker or finder, other than Broker, who was engaged by Purchaser, for any fee, commission or other compensation with respect to this Agreement or to the Sale and Purchase of the Premises contemplated hereby.

Seller hereby represents and warrants to Purchaser that Seller has not engaged or dealt with any agent, broker or finder, other than Broker, with regard to this Agreement or to the Sale and Purchase of the Premises contemplated hereby. Seller hereby indemnifies Purchaser and agrees to hold Purchaser free and harmless from and against any and all liability, loss, cost, damage and expense, which Purchaser shall ever suffer or incur because of any claim by any agent, broker or finder, other than Broker, who was engaged by Seller, for any fee, commission or other compensation with respect to this Agreement or to the Sale and Purchase of the Premises contemplated hereby.

13. **Closing.** Subject to the terms and conditions hereof, the Closing of this transaction shall be on Monday, December 3, 2007, at the offices of Seller's counsel, Stutsman Thunes & Markey, P.A., as listed in Section 19 hereof. Seller shall deliver possession of the Premises to Purchaser on the Closing Date.

14. **Prorations.** Real estate taxes for the year of Closing shall be prorated on an accrual basis as of the Closing Date, based upon the most recent ascertainable taxes. The parties agree to a re-proration and adjustment of the real estate taxes when the actual tax bill for the year of Closing is received. If at any time before Closing the Premises, or any part thereof, shall be the subject of any assessment or assessments which are payable in annual installments, other than ad valorem real estate taxes, then for the purposes of this Agreement all of the unpaid installments of any such assessment including those which are to become due and payable after Closing, shall be deemed to be due and payable and shall be paid and discharged by Seller on or before Closing.

15. **Costs of Document Preparation and Attorney's Fees.** With regard to Closing, each party shall pay the fees of its attorney and the costs of preparing all documents which this Agreement requires such party to furnish.

16. **Default.** If the sale contemplated by this Agreement is not consummated through default of Purchaser, Seller's sole and exclusive remedy shall be to retain the Deposits, as full liquidated damages for such default by Purchaser, and the parties shall have no further rights or liabilities under this Agreement. If the sale contemplated by this Agreement is not consummated through default of Seller, Purchaser may elect to (i) terminate this Agreement and demand and receive a refund of all Deposits hereunder; or (ii) demand and receive specific performance of this Agreement.

17. **Condemnation.** If, prior to Closing, the Premises or any portion thereof, is condemned or taken under power of eminent domain, or if Seller receives any notice of knowledge that any such taking is threatened or contemplated by any governmental agency or entity or any other entity having the power of eminent domain, then, in any such event, Seller shall promptly give notice thereof to Purchaser in writing. Purchaser shall then have the options of either (a) terminating this Agreement and receiving a refund of any and all Deposits paid hereunder, with neither party thereafter having any further obligations to the other hereunder, or (b) waiving such matters and proceeding to close this transaction without reduction in the Purchase Price, but with the right to receive any and all awards or monies payable as a result of any such taking. Purchaser shall make such election by giving written notice there to Seller at any time prior to Closing.

18. **Contract Construction.** Purchaser and Seller acknowledge that this Contract was prepared after substantial negotiations



between the parties. This Contract shall not be interpreted against either party solely because such party or its counsel drafted the Contract.

19. Miscellaneous.

(a) Notices. Any notice required or permitted to be given under this Contract shall be in writing, and shall be deemed to have been given when delivered, if delivered by hand delivery, or when transmitted by telecopier, or deposited with any nationally or regionally established overnight courier service, deposited in the United States Post Office, registered or certified mail, postage prepaid, return receipt requested, if mailed. Notices shall be addressed as follows:

If to Seller: **DUVAL/OWENS SIGNATURE LLP and  
SECOND TIME SIGNATURE, LLP**  
Attn: Steve Leggett, Partner  
13916 Woodland Drive  
Jacksonville, Florida 32218

With copies to: **Colliers Dickason  
Attn: Douglas Blair  
One Independence Dr., 24th Floor  
Jacksonville, Florida 32202  
Telephone: (904) 358-1206**

**Bruce E. Stutsman, Esq.  
Stutsman Thomas & Markey, P.A.  
50 North Laura Street, Suite 1600  
Jacksonville, Florida 32202  
Telephone: (904) 358-4000  
Fax: (904) 358-4001**

If to Purchaser: **SOUTHERN INVESTMENT GROUP, L.L.P.**

Attn: Dean C. Price II, Esq.  
329 North Park Ave., Suite 300  
Winter Park, FL 32789  
Telephone: (407) 741-8540  
Fax: (407) 643-2580

With a copy to: **BROAD AND CASSEL  
Attn: James E. Slater, P.A.  
390 N. Orange Ave., Ste. 1400  
Orlando, FL 32801  
Telephone: (407) 839-4200  
Fax: (407) 650-0941**

or such other address either party from time to time specify in writing to the other. If Purchaser should fail to timely terminate this Agreement or make the additional Deposit, make any Extension payment, give any other notice described in this Agreement, or make any other payment allowed or required by this Agreement, Seller shall give Purchaser written notice of such failure and Purchaser shall have three (3) business days following Purchaser's receipt of such notice to either terminate and receive a refund of the Deposit, or make the Additional Deposit.

(b) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

(c) Amendments and Termination. Except as otherwise provided herein, this Agreement 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.

(d) Survival of Representations and Warranties. The respective representations, warranties, covenants and Agreements of Seller and Purchaser contained in this Agreement shall survive the Closing of this transaction and remain in effect.

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

(f) Counterparts. For the convenience of the parties, this Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Telefacsimile or email transmissions of any executed original and/or retransmission of any executed telefacsimile or email transmission shall be deemed to be the same as the delivery of an executed original. At the request of any party hereto, the other parties hereto shall confirm telefacsimile or email transmissions by executing duplicate original documents and delivering the same to the requesting party or parties.

(g) Facsimile as Writing. The Purchaser and Seller expressly acknowledge and agree that, notwithstanding any statutory or decisional law to the contrary, the printed product of a facsimile transmittal shall be deemed to be "written" and a "writing" and may be treated as the original document, for all purposes under this Agreement.

(h) **Merger of Prior Agreements.** This Agreement supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.

(i) **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.

(j) **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 be automatically extended through the next ensuing business day.

(k) **JURISDICTION, SERVICE OF PROCESS.**

(a) ANY SUIT, ACTION OR PROCEEDING AGAINST ANY PARTY HERETO WITH RESPECT TO THIS AGREEMENT, SHALL BE BROUGHT IN THE COURTS OF DUVAL COUNTY, FLORIDA, OR IN THE U.S. DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA, AND THE PARTIES HERETO HEREBY ACCEPT THE EXCLUSIVE JURISDICTION OF THOSE COURTS FOR THE PURPOSE OF ANY SUIT, ACTION OR PROCEEDING. SERVICE OF PROCESS IN ANY SUCH CASE MAY BE HAD AGAINST ANY PARTY HERETO BY DELIVERY IN ACCORDANCE WITH THE NOTICE PROVISIONS HEREIN OR AS OTHERWISE PERMITTED BY LAW, AND THE PARTIES HERETO AGREE THAT SUCH SERVICE SHALL BE VALID IN ALL RESPECTS FOR ESTABLISHING PERSONAL JURISDICTION OVER IT.

(b) THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY JUDGMENT ENTERED BY ANY COURT IN RESPECT THEREOF BROUGHT IN DUVAL COUNTY, FLORIDA OR THE U.S. DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA, AND HEREBY FURTHER IRREVOCABLY WAIVE ANY CLAIM THAT ANY SUIT, ACTION OR PROCEEDINGS BROUGHT IN DUVAL COUNTY, FLORIDA OR IN SUCH DISTRICT COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

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WITNESSES:

JAYCO  
JAYCO

WITNESSES:  
[Signature]  
[Signature]

WITNESSES:  
[Signature]  
[Signature]

"PURCHASER"

SOUTHERN INVESTMENT GROUP, L.L.P.  
By: Southern Investment Group Managers, L.L.C.

By: [Signature]  
Dean C. Price II, Manager

Date: April 24, 2007

"SELLER"

DUVAL/OWENS SIGNATURE L.L.C.  
By: [Signature]  
Stephen M. Leggett, Partner

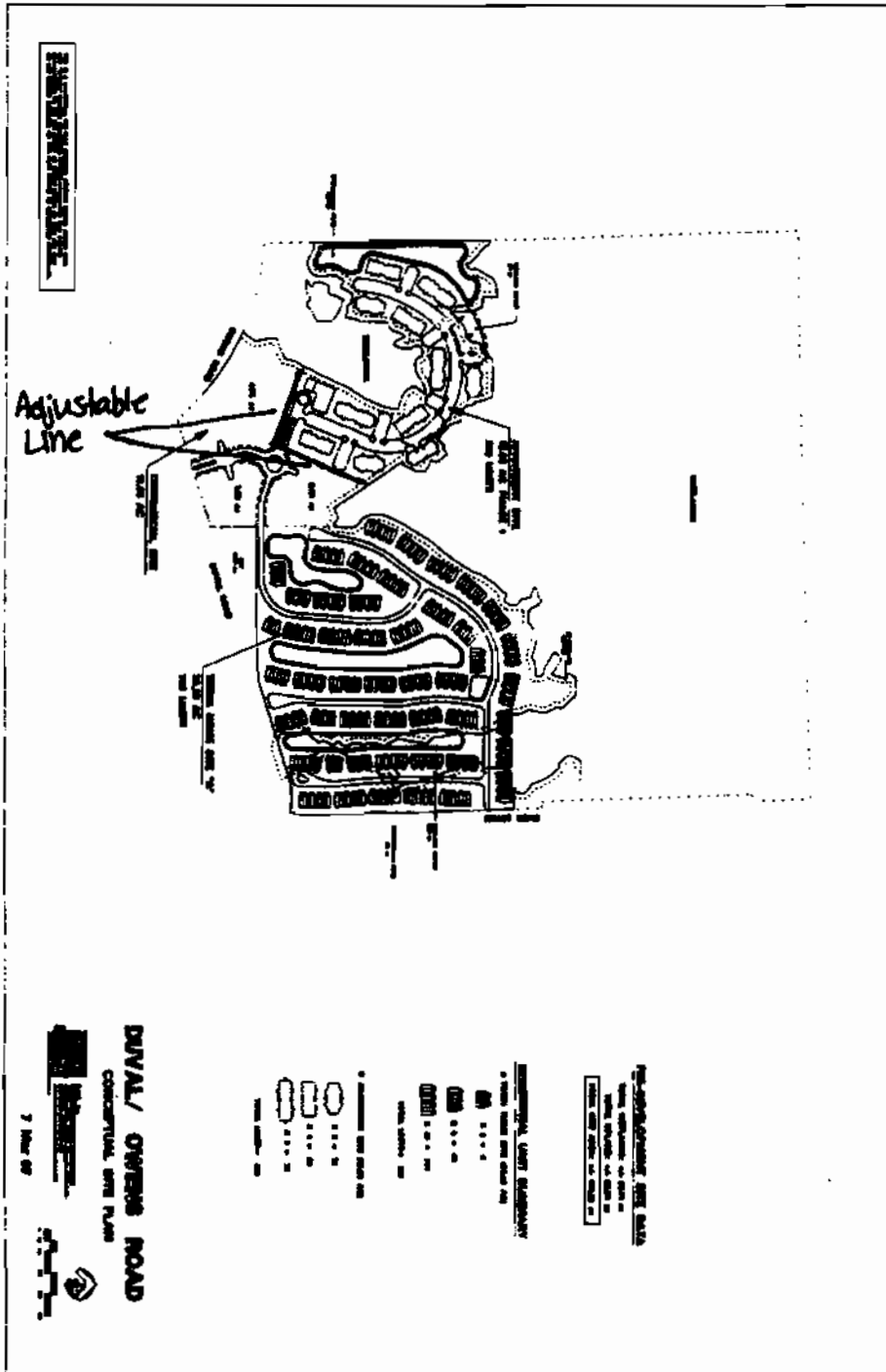
SECOND TIME SIGNATURE L.L.C.  
By: [Signature]  
Stephen M. Leggett, Partner

Date: April 27, 2007

EXHIBIT "A"

Legal Description

The westerly most exactly 15.86 (with a margin of error of .01 or less) Upland Acres of that certain 60 ± acres of real property located on Duval Road and Owen Road, Jacksonville, Duval County, Florida which is approximately depicted below, the description of which shall be determined by the Survey (the "Survey Legal Description"). To achieve exactly 15 acres (with a margin of error of .01 or less), the surveyor shall adjust the "Adjustable Line" identified below. Upon receipt and approval of the Survey by the Purchaser, the Survey Legal Description shall be automatically substituted for this Exhibit "A" without the necessity of amending this Agreement.



**AMENDMENT TO STANDARD CONTRACT FOR SALE AND PURCHASE**

THIS AMENDMENT TO STANDARD CONTRACT FOR SALE AND PURCHASE ("Amendment") between DUVAL OWENS SIGNATURE, LLP and SECOND TIME SIGNATURE, LLP ("Seller") and SOUTHERN INVESTMENT GROUP, L.L.P. ("Purchaser") shall amend that certain STANDARD CONTRACT FOR SALE AND PURCHASE ("Contract") which was entered into on April 27, 2007.

**RECITALS:**

WHEREAS, Purchaser and Seller are desirous of amending certain terms and conditions of the Contract;

NOW, THEREFORE, in consideration hereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller agree that the Contract is hereby amended as follows:

The Inspection Period is hereby extended to June 30, 2007.

All provisions of the Contract which are not herein amended shall remain in full force and effect.

All terms which are not herein defined shall have the same meaning as defined in the Contract.

The foregoing amended terms to the Contract are approved this 2<sup>nd</sup> day of May, 2007.

PURCHASER:

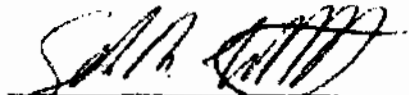
SELLER:

SOUTHERN INVESTMENT GROUP, L.L.P.

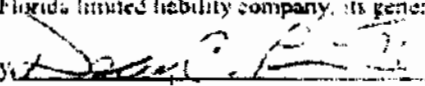
DUVAL OWENS SIGNATURE, LLP

A Florida limited liability limited partnership  
By: Southern Investment Group Managers, L.L.C.,  
a Florida limited liability company, its general partner

By:

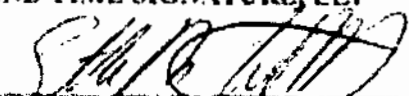
  
Stephen M. Leggett, Partner

By:

  
Dean C. Price II, Manager

SECOND TIME SIGNATURE, LLP

By:

  
Stephen M. Leggett, Partner

a. Site Plan Approval for Multifamily Developments

- (1) If the final site plan has been approved, the verification form reflecting an approval date must be provided behind a tab labeled **“Exhibit 26”**.
- (2) If the preliminary or conceptual site plan has been approved, the verification form reflecting an approval date must be provided behind a tab labeled **“Exhibit 26”**.
- (3) If the jurisdiction does not provide preliminary or conceptual site plan approval or other similar process prior to issuing final site plan approval, the verification form reflecting a review date must be provided behind a tab labeled **“Exhibit 26”**.

b. Plat Approval for Single-Family Developments

- (1) If the final plat has been approved, the verification form reflecting an approval date must be provided behind a tab labeled **“Exhibit 26”**.
- (2) If the preliminary or conceptual plat has been approved, the verification form reflecting an approval date must be provided behind a tab labeled **“Exhibit 26”**.

2. Evidence of Site Control (Threshold)

Applicant must demonstrate site control by providing the documentation required in Section a., b. or c., as indicated below. The required documentation, including any attachments or exhibits, must be provided behind a tab labeled **“Exhibit 27”**. Site control must be demonstrated for all sites if the proposed Development consists of Scattered Sites. A legal description of the Development site must be provided behind a tab labeled **“Exhibit 27”**.

- a. Provide a Qualified Contract - A qualified contract is one that has a term that does not expire before the last expected closing date of December 31, 2003 or that contains extension options exercisable by the purchaser and conditioned solely upon payment of additional monies which, if exercised, would extend the term to a date not earlier than December 31, 2003; provides that the buyer’s remedy for default on the part of the seller includes or is specific performance; and the buyer **MUST** be the Applicant unless a fully executed assignment of the qualified contract which assigns all of the buyer’s rights, title and interests in the qualified contract to the Applicant, is provided.

OR



- b. Provide a Deed or Certificate of Title – The deed or certificate of title (in the event the property was acquired through foreclosure) must be recorded in the county in which the property is located and show the Applicant as the sole Grantee.

OR

- c. Provide a Lease - The lease must have an unexpired term of at least 50 years from the Application Deadline and the lessee must be the Applicant. The lease may be contingent only upon receipt of MMRB, SAIL, HOME and/or HC funding.

3. Evidence of Infrastructure Availability (Threshold)

Verification of the availability of each type of infrastructure on or before the Application Deadline must be provided. Infrastructure is considered available if there are no impediments to obtaining service other than the conditions expressed in the Local Government verification forms as provided in this Application Package. Should any variance or local hearing be required, or if there is a moratorium pertaining to any of the utilities or roads for this Development, the infrastructure is not available.

Applicant may use the Verification of Availability of Infrastructure Forms provided within the Application Package or submit a letter from the entity providing the service (electricity, water, and wastewater) or Local Government (roads) verifying availability of the infrastructure for the proposed Development. Each Verification of Availability of Infrastructure Form or letter confirming infrastructure availability must demonstrate availability on or before the Application Deadline. Letters must be Development-specific and dated within 12 months of the Application Deadline. The verifications may not be signed by the Applicant, by any related parties of the Applicant, or by any Principals or Financial Beneficiaries of the Applicant.

Evidence of availability of electricity must be provided behind a tab labeled “**Exhibit 28**”. Evidence of availability of water must be provided behind a tab labeled “**Exhibit 29**”. Evidence of availability of sewer, package treatment or septic tank must be provided behind a tab labeled “**Exhibit 30**”. Evidence of availability of roads must be provided behind a tab labeled “**Exhibit 31**”.

4. Evidence of Appropriate Zoning (Threshold)

To demonstrate that the proposed Development site is appropriately zoned and consistent with local land use regulations regarding density and intended use or that the proposed Development site is legally non-conforming, the Applicant must provide the appropriate verification form behind a tab labeled “**Exhibit 32**”.

**IMPORTANT! CHECKING ITEMS IN SECTIONS A, B, AND C OF QUALITY OF DESIGN COMMITS THE APPLICANT TO PROVIDE THEM. ALL CHECKED ITEMS WILL BE INCLUDED IN THE EXTENDED USE AGREEMENT AND/OR THE LAND USE RESTRICTION AGREEMENT AS APPLICABLE, WITH THE EXCEPTION OF THE CHILD CARE OR ADULT DAY CARE FACILITY AND PUBLIC TRANSPORTATION. HOWEVER, IF THE CHILD CARE OR ADULT DAY CARE FACILITY AND/OR PUBLIC TRANSPORTATION IS/ARE SELECTED AND CANNOT BE VERIFIED IN CREDIT UNDERWRITING, THEN AN ALTERNATE ITEM OR ITEMS FROM THE APPROPRIATE LIST MUST BE PROVIDED.**

**II. SITE CONTROL--THIS IS A THRESHOLD ITEM. SEE THRESHOLD REQUIREMENTS PAGE.  
(Points Awarded = 0):**

To achieve threshold, Site Control must be demonstrated by the APPLICANT.

Site Control Requirements for ALL Developments:

- Recorded Deed or Recorded Certificate of Title AND Title Insurance Policy or Commitment for Title Insurance Policy Showing Marketable Title in Applicant's Name: NOTE: Deed and Certificate of Title must be recorded in the county in which the property is located.
- Qualified Contract for Purchase & Sale AND Commitment for Title Insurance Policy Showing Marketable Title in the Name of the Seller of the subject property: A "Qualified Contract" is one that has a term which does not expire before December 31, 2001 or which contains extensions exercisable by the purchaser and conditioned solely upon payment of additional monies which, if exercised, would extend the term to December 31, 2001; provides that the remedy for default on the part of the seller must include or be specific performance; and the buyer MUST be the Applicant. NOTE: If the Buyer is NOT the Applicant, a fully executed assignment of the Qualified Contract must be provided which assigns all of the Buyer's right, title and interest in the Qualified Contract to the Applicant.
- Qualified Long-Term Lease AND Leasehold Policy of Title Insurance Showing Marketable Title in the name of the lessor and proposed lessee of the subject property: If site control is demonstrated by a long-term lease, a copy of the executed lease must be provided. The lease must have an unexpired term of 50 years from the date of this Application and the Lessee MUST be the Applicant. The lease may be contingent only upon the receipt of SAIL or HOME and/or HC.

**FOR PURPOSES OF THRESHOLD AND THIS FORM, THERE ARE NO OTHER OPTIONS FOR ACHIEVING SITE CONTROL. NOTE: Scattered Site Developments must have site control for ALL sites in order to achieve threshold.**

Evidence of Site Control, including an assignment, a commitment for a title insurance policy, a title insurance policy, or a leasehold policy of title insurance can be found directly behind tab labeled "Form 7, Exhibit \_\_\_\_\_".

**III. ZONING AND LAND USE REGULATIONS (0 Points)--THIS IS A THRESHOLD ITEM. SEE THRESHOLD REQUIREMENTS PAGE. IMPORTANT: In order to meet threshold, Zoning and Land Use verification forms (Zoning and Land Use Verification form or Verification that Permits Are Not Required form) must have an ORIGINAL signature from one of the designated signatories indicated on the appropriate verification form. Threshold WILL NOT BE MET and the Application will be REJECTED if Applicant uses the incorrect form or if the form is not signed by one of the designated signatories. The ORIGINAL Application must contain a verification form with an ORIGINAL signature or the Application will be REJECTED. Verification forms with corrected information or 'white-out' will fail to meet threshold and WILL BE REJECTED.**





Select Year: 2007

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## The 2007 Florida Statutes

Title XLIV

Chapter 760

[View Entire](#)

CIVIL  
RIGHTS

DISCRIMINATION IN THE TREATMENT OF PERSONS;  
MINORITY REPRESENTATION

[Chapter](#)

**760.26 Prohibited discrimination in land use decisions and in permitting of development.**--It is unlawful to discriminate in land use decisions or in the permitting of development based on race, color, national origin, sex, disability, familial status, religion, or, except as otherwise provided by law, the source of financing of a development or proposed development.

**History.**--s. 16, ch. 2000-353.

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