

COPY

**BEFORE THE STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

APD HOUSING PARTNERS 20, LP,

Petitioner,

FHFC No. 2009-0670C

vs.

Application No. 2009-214C

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

_____ /

PETITION FOR REVIEW

Pursuant to Section 120.569 and .57, Florida Statutes (F.S.) and Rule 67-48.005, Florida Administrative Code (F.A.C.), Petitioner, APD HOUSING PARTNERS 20, LP ("APD 20") requests an administrative hearing to challenge FLORIDA HOUSING FINANCE CORPORATION's ("Florida Housing") scoring actions concerning Universal Cycle Application No. 2009-214C. In support of this Petition, APD 20 provides as follows:

1. APD 20 is a Florida for-profit corporation with its address at 1700 Seventh Avenue, Suite 2075, Seattle, Washington 98101-1397. APD 20 is in the business of providing affordable rental housing units.

2. Florida Housing is the state agency delegated the authority and responsibility for administering and awarding funds pursuant to Chapter 420, F.S., and Rules 67-21 and 67-48, F.A.C.

Nature of the Controversy

3. On August 20, 2009, APD 20 applied to Florida Housing for funding pursuant to the Low Income Housing Tax Credit Program (LIHTC). The purpose of the requested funds was to supplement the construction of a 151-unit affordable housing apartment complex in Miami, Florida, named TM Alexander.

4. Pursuant to section 420.5099, Florida Statutes, Florida Housing is the designated "housing credit agency" for the State of Florida and administers Florida's low-income housing tax credit program. Through this program, Florida Housing allocates Florida's annual fixed pool of federal tax credits to developers of affordable housing.

5. The tax credits allocated annually to each state are awarded by state "housing credit agencies" to single-purpose applicant entities created by real estate developers to develop specific multi-family housing projects. An applicant entity will then sell this ten-year stream of tax credits, typically to a "syndicator," with the sale proceeds generating much of the funding necessary for development and construction of the project. The equity produced by this sale of tax credits in turn reduces the amount of long-term debt required for the project, making it possible to operate the project at rents that are affordable to low-income and very-low-income tenants.

6. The United States Congress has created a program, governed by Section 42 of the Internal Revenue Code ("IRC"), by which federal income tax credits are allotted annually to each state on a per capita basis to encourage private developers to build and operate affordable low-income housing for families. These tax credits entitle the holder to a

dollar-for-dollar reduction in the holder's federal tax liability, which can be taken for up to ten years if the project continues to satisfy all IRC requirements.

7. Because Florida Housing's available pool of federal tax credits each year is limited, qualified projects must compete for this funding. To assess the relative merits of proposed projects, Florida Housing has established a competitive application process pursuant to Chapter 67-48, F.A.C. Specifically, Florida Housing's application process for 2009, as set forth in Rules 67-48.002-.005, F.A.C., involves the following:

- (a) The publication and adoption by rule of an application package;
- (b) The completion and submission of applications by developers;
- (c) Florida Housing's preliminary scoring of applications;
- (d) An initial round of administrative challenges in which an applicant may take issue with Florida Housing's scoring of another application by filing a Notice of Possible Scoring Error ("NOPSE");
- (e) Florida Housing's consideration of the NOPSEs submitted, with notice to applicants of any resulting change in their preliminary scores;
- (f) An opportunity for the applicant to submit additional materials to Florida Housing to "cure" any items for which the applicant received less than the maximum score;
- (g) A second round of administrative challenges whereby an applicant may raise scoring issues arising from another applicant's cure materials by filing a Notice of Alleged Deficiency ("NOAD");
- (h) Florida Housing's consideration of the NOADs submitted, with notice to applicants of any resulting change in their scores;

- (i) An opportunity for applicants to challenge, via informal or formal administrative proceedings, Florida Housing's evaluation of any item for which the applicant received less than the maximum score; and
- (j) Final scores, ranking, and allocation of tax credit funding to applicants through the adoption of final orders.

8. At the completion of this process a Final Score is assigned to each Application. Based on these Final Scores, and a series of Tie Breakers, Applications are then ranked. Funds are awarded to applicants starting with applicable preferences and set asides and the highest scoring applicants, until the available funds are exhausted. Applicants compete for funds, in large part, against other applicants in the same county size group, and against other applicants seeking to provide housing to the same demographic group. APD 20 is an applicant for Developments in the Large County Geographic Set-Aside.

9. Based on a review of Florida Housing's Final Scoring Summary dated December 2, 2009, APD 20 received a final score of 70 out of a possible 70 points for its application. Additionally, APD 20 received 6.0 out of 6.0 ability to proceed and 7.5 tie-breaker proximity points. This score would likely allow APD 20 to receive a full award of its funding request. However, Florida Housing has concluded that APD 20 failed to meet threshold. Florida Housing's scoring actions concern whether APD 20 provided adequate site control information and had a construction financing shortfall. As will be

explained more fully below, Florida Housing's scoring action in the instant case is erroneous.

Substantial Interests Affected

10. As an applicant for funds allocated by Florida Housing, APD 20's substantial interests are adversely affected by the scoring decisions here. The final scoring actions of Florida Housing resulted in APD 20's application being rejected from the funding range. Since the purpose of the loan program in general is to provide funding to developers of apartment projects for low income residents, then APD 20's interests are adversely and substantially affected by the loss of funding. Indeed, without the requested funding, APD 20's ability to provide much needed affordable housing units will be severely jeopardized.

Scoring of APD 20's Application Site Control

11. The Universal Application at Part III asks an applicant to provide information concerning the proposed development. At Part III.C., the applicant is required to provide information concerning its ability to proceed with its proposed development. Specifically, at Part III.C(2), the Universal Application requires the applicant to provide information regarding evidence of site control. One of the ways to demonstrate site control is for an applicant to include a fully executed qualified contract for purchase and sale.

12. In its original application, APD 20 provided a Purchase and Sale Agreement dated August 17, 2009. As called for by the Universal Cycle process

application scoring process, Florida Housing preliminarily reviewed APD 20's initial Application and NOPSEs filed against the Application.

13. After conducting its preliminary review of the Application and all NOPSEs, Florida Housing found as to site control the following:

The August 17, 2009, Purchase and Sale Agreement does not reflect the Applicant as the buyer and no assignment was provided.

(See Attachment A.)

14. In response to Florida Housing's preliminary scoring decision, APD 20 provided cure documents, including a First Amendment to and Assignment and Assumption of Contract for Purchase and Sale of Real Property ("Assignment") (see Attachment B). The cure explanation explains what the cure was meant to address.

15. In response to the cure documents and a review of all applicable NOADs, Florida Housing on December 2, 2009, found that APD 20 had addressed most scoring issues raised in preliminary scoring and by NOPSEs. However, Florida Housing concluded that APD 20 failed to cure the site control issue. Specifically, Florida Housing in its Final Scoring Summary concluded as follows:

In an attempt to cure Item 1T, the Applicant provided a First Amendment to and Assignment and Assumption of Contract for Purchase and Sale of Real Property; however the cure was deficient because the Amendment was signed on behalf of Mederos-Civic Acquisitions, LLC and not the Seller (Mederos-T.M. Alexander Acquisitions, LLC).

In an attempt to cure Item 1T, the Applicant provided a First Amendment to and Assignment and Assumption of Contract for

Purchase and Sale of Real Property; however the cure was deficient because the Amendment was signed on behalf of APD Housing Partners 19, LP and not the Applicant (APD Housing Partners 20, LP).

(See Attachment C.)

Financing

16. At Part V, the Universal Application requests information regarding the financing of the proposed project. Specifically at Part V(D), an applicant is required to provide information identifying any non-corporation funding commitments. In response to this requirement, APD 20 in its initial application provided a letter from Alliant which reflected an equity commitment in the project as a source of funding.

17. After conducting its preliminary review and all NOPSEs, Florida Housing found as follows:

Per page 74 Instructions, the percentage of credits being purchased must be equal to or less than the percentage of ownership interest held by the limited partner or member. The Applicant stated at Exhibit 9 of the Application that the limited partner's interest in the Applicant entity is 99.98%. However, the equity commitment at Exhibit 55A states 99.99% of the HC allocation is being purchased. Because of this inconsistency, the HC equity cannot be considered a source of financing.

18. In response, APD 20 as a cure submitted a revised letter from Alliant which corrected the scoring issue and updated some of the numbers. The revised letter did not change the actual payment structure in any way from the letter submitted with the initial Application (see Attachment D).

19. In response to the cures and a NOAD, Florida Housing concluded as follows:

The Applicant attempted to cure item 6T by providing a revised Construction and permanent Analysis that shows \$7,920,133 of HC equity as a source of financing during the construction period. The revised equity commitment letter from Alliant Capital, Ltd., indicates that only \$7,009,773 will be paid during the construction period. Therefore, the Applicant will have a construction financing shortfall of \$910,360 (see item 17T).

20. Florida Housing scoring decisions as to the site control and financing issues are erroneous. In addressing the site control issue first, Florida Housing raises an issue concerning who actually signed the Assignment submitted as a cure. The confusion is apparently caused by the signature lines when compared to the actual parties listed in the opening paragraph of the Assignment. The parties listed in the first paragraph of the Assignment include Mederos-T.M. Alexander Acquisitions, Inc. and APD Housing Partners 20, LP, while the signature lines include the names Mederos-Civic Acquisitions, LLC and APD Housing Partners 19, LP.

21. While Florida Housing was apparently confused regarding the signature lines, it does not allege that the actual parties who intended to sign the document are incorrect. The individuals intending to sign the Assignment are the correct, authorized individuals to sign on behalf of the parties defined in the introduction paragraph.

22. Indeed, Jorge C. Mederos whose signature block is included on the Assignment is the Manager and only member of Mederos-T.M. Alexander Acquisitions, LLC, as well as the Manager and only member of Mederos Civic Acquisitions, LLC.

Similarly, the American Opportunity Foundation, Inc. is the General Partner of APD Housing Partners 20, LP, as well as APD Housing Partners 19, LP. (See Attachment E.)

23. The relationship between these parties and the transactions involving the T.M. Alexander and the Civic Tower projects is referenced at Paragraph 2(b), the Amendment section of the Assignment, which tells Florida Housing that the Civic Towers' project and the T.M. Alexander project are "affiliated" projects to be closed on the same day by the same parties. The original Contract for Purchase and Sale has also been included (see Attachment F). There is no confusion that the proper parties have appropriately signed the Assignment and the error in the signature lines does not change this fact. Indeed, those parties remain bound by the terms of the Assignment (see Attachment G).

24. In next addressing the financing issue raised by Florida Housing, the issue in essence concerns the funding mechanism of whether certain funds will be paid during the construction period as reflected at page 5, paragraph B(3) of the Alliant commitment letter. Apparently, Florida Housing now has issues with the listed conditions. The revised Alliant commitment letter, however, does not change this funding mechanism from the original commitment letter as it relates to paragraph B(3) (see Attachment H). In other words, those same conditions were included in the amendment letter and were not questioned by Florida Housing in the preliminary scoring. To the extent Florida Housing had a problem with the payment structure and conditions, the issue should have been

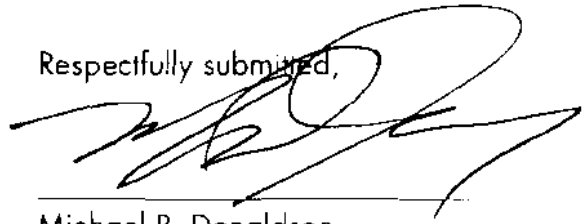
raised in preliminary scoring which would have allowed APD 20 an opportunity to cure the scoring issue. The issue cannot be raised for the first time here.

25. Even if consideration of the scoring issue is appropriate here, Florida Housing's conclusion is incorrect. Florida Housing opines that the Tax Credit Installment at page 5 of the Alliant letter in the amount of \$910,360 is not available as a source of financing during the construction period and therefore constitutes a construction period financing shortfall. While the \$910,360 installment is conditioned on the completion of construction and evidence of permissible occupancy, it is nonetheless scheduled to pay for costs incurred during the construction period. The installment has always been scheduled to pay for costs incurred during construction and therefore is construction financing.

26. The fact that this portion of the construction financing is conditioned on certain items related to completion is a typical structuring feature to ensure performance of the construction team and developer by the investor. Accordingly, the letter should be accepted as a firm commitment.

WHEREFORE, APD 20 requests that it be granted an administrative proceeding to contest Florida Housing's erroneous scoring decisions. To the extent there are disputed issues of fact, this matter should be forwarded to the Division of Administrative Hearings. Ultimately, APD 20 requests the entry of a Recommended and Final Order which finds that it has met threshold and awards APD 20 all applicable points.

Respectfully submitted,

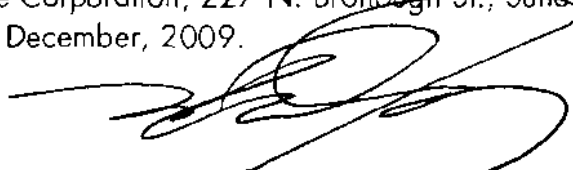


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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original of the foregoing has been filed by Hand Delivery with the Agency Clerk, Florida Housing Finance Corporation, 227 N. Bronough Street, Suite 5000, Tallahassee, FL 32301; and a copy furnished to Wellington H. Meffert, II, Esq., Florida Housing Finance Corporation, 227 N. Bronough St., Suite 5000, Tallahassee, FL 32301, this 28th day of December, 2009.



MICHAEL P. DONALDSON

Scoring Summary Report

File #: 2009-214C Development Name: TM Alexander

As Of:	Total Points	Met Threshold?	Ability to Proceed Tie-Breaker Points	Proximity Tie-Breaker Points
10/22/2009	57.00	N	6.00	7.50
Preliminary	57.00	N	6.00	7.50
NOPSE	57.00	N	6.00	7.50
Final				
Final-Ranking				

Scores:

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
Construction Features & Amenities									
1S	III	B	2.a	New Construction	9.00	0.00	0.00		
1S	III	B	2.b	Rehabilitation/Substantial Rehabilitation	9.00	9.00	9.00		
2S	III	B	2.c	All Developments Except SRO	12.00	12.00	12.00		
2S	III	B	2.d	SRO Developments	12.00	0.00	0.00		
3S	III	B	2.e	Energy Conservation Features	9.00	9.00	9.00		
4S	III	B	3	Green Building	5.00	5.00	5.00		
Set-Aside Commitment									
5S	III	E	1.b.(2)	Special Needs Households	4.00	0.00	0.00		
6S	III	E	1.b.(3)	Total Set-Aside Commitment	3.00	3.00	3.00		
7S	III	E	3	Affordability Period	5.00	0.00	0.00		
Resident Programs									
8S	III	F	1	Programs for Non-Elderly & Non-Homeless	6.00	0.00	0.00		
8S	III	F	2	Programs for Homeless (SRO & Non-SRO)	6.00	0.00	0.00		
8S	III	F	3	Programs for Elderly	6.00	6.00	6.00		
9S	III	F	4	Programs for All Applicants	8.00	8.00	8.00		
Local Government Contributions									
10S	IV	A		Contributions	5.00	5.00	5.00		
Local Government Incentives									
11S	IV	B		Incentives	4.00	0.00	0.00		

ATTACHMENT A

Reason(s) Scores Not Maxed:

Item #	Reason(s)	Created As Result	Rescinded As Result
5S	All of the participating Special Needs Household Referral Agencies for the county are not listed on the Applicant Notification to Special Needs Household Referral Agency form. Because the form is incomplete, the Applicant is not eligible for Special Needs points.	Preliminary	
7S	The Applicant failed to commit to an affordability period sufficient to achieve any points.	Preliminary	
11S	The Applicant did not submit any of the Local Government Verification of Affordable Housing Incentives forms (Exhibits 47, 48,49,50). 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	III	C	2	Site Control	The August 17, 2009 Purchase and Sale Agreement does not reflect the Applicant as the buyer and no assignment was provided.	Preliminary	
2T	V	D	2	HC Equity	The Applicant submitted an equity commitment from RBC Capital Markets. However, the sum of the equity installment payments does not equal the total amount of equity reflected in the commitment. As a result, the commitment is not considered a source of financing.	Preliminary	NOPSE
3T	V	D	2	HC Equity	Per page 74 of the 2009 Universal Application Instructions, the percentage of credits being purchased must be equal to or less than the percentage of ownership interest held by the limited partner or member. The Applicant stated at Exhibit 9 of the Application that the limited partner's interest in the Applicant entity is 99.98%. However, the equity commitment at Exhibit 55A states the 99.99% of the HC allocation is being purchased. Because of this inconsistency, the HC equity cannot be considered a source of financing.	Preliminary	
4T	V	D	1	Non-Corporation Funding	Although the Applicant listed first mortgage financing of \$4,038,000, no commitment for this loan has been provided. Therefore, the loan amount cannot be counted as a source of financing.	Preliminary	
5T	V	D	1	Non-Corporation Funding	Although the Applicant listed second mortgage financing of \$3,900,000, no commitment for this loan has been provided. Therefore, the loan amount cannot be counted as a source of financing.	Preliminary	
6T	V	B		Construction/Rehab. Analysis	The Applicant has a construction financing shortfall of \$17,082,722.	Preliminary	
7T	V	B		Permanent Analysis	The Applicant has a permanent financing shortfall of \$17,144,189.	Preliminary	
8T	V	D	1	Non-Corporation Funding	The Applicant reflected capitalized interest paid in the amount of \$664,997 in the construction and permanent analysis. However, no documentation was provided for this source. As a result, it was not considered a source of financing.	Preliminary	
9T	II	B	3	General Contractor	The Development name on the General Contractor or Qualifying Agent Certification form (TM Alexander Plaza) is inconsistent with the Development name listed at Part III A.1. of the Application (TM Alexander)	Preliminary	

Item #	Part	Section	Subsection	Description	Reason(s)	Created as Result of	Rescinded as Result of
10T	II	B	3	General Contractor	The name of the General Contractor or qualifying agent is not included on the Prior Experience Chart.	Preliminary	
11T	V	D	1	Non-Corporation Funding	The Applicant provided a loan commitment from PNC Multifamily Capital. The commitment states the name of the Development is Civic Tower Apartments on page one. The Applicant stated at Part III.A.1., the Development name is TM Alexander. Due to the inconsistency, the loan commitment was not considered a source of financing.	Preliminary	
12T	III	C	5	Environmental Site Assessment	The Development name on the Verification of Environmental Safety - Phase I Environmental Site Assessment form (TM Alexander Tower) is inconsistent with the Development name listed at Part III.A.1. of the Application (TM Alexander).	NOPSE	
13T	II	A	2.e	Non-Profit Applicant	The description of the role of the Non-profit entity provided at Exhibit 6 refers to the Development as Civic Tower Apartments. The Applicant stated at Part III.A.1. the Development name is TM Alexander.	NOPSE	
14T	V	D	2	HC Equity	The Applicant submitted an equity commitment from Alliant Capital, Ltd. However, the sum of the equity installment payments does not equal the total amount of equity reflected in the commitment. As a result, the commitment is not considered a source of financing.	NOPSE	

Ability To Proceed Tie-Breaker Points:

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
1A	III	C	1	Site Plan/Plat Approval	1.00	1.00	1.00		
2A	III	C	3.a	Availability of Electricity	1.00	1.00	1.00		
3A	III	C	3.b	Availability of Water	1.00	1.00	1.00		
4A	III	C	3.c	Availability of Sewer	1.00	1.00	1.00		
5A	III	C	3.d	Availability of Roads	1.00	1.00	1.00		
6A	III	C	4	Appropriately Zoned	1.00	1.00	1.00		

Proximity Tie-Breaker Points:

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
1P	III	A	10.b.(2) (a)	Grocery Store	1.25	1.25	1.25		
2P	III	A	10.b.(2) (b)	Public School	1.25	0.00	0.00		
3P	III	A	10.b.(2) (c)	Medical Facility	1.25	1.25	1.25		
4P	III	A	10.b.(2) (d)	Pharmacy	1.25	0.00	0.00		
5P	III	A	10.b.(2) (e)	Public Bus Stop or Metro-Rail Stop	1.25	1.25	1.25		
6P	III	A	10.c	Proximity to Development on FHFC Development Proximity List	3.75	3.75	3.75		
7P	III	A	10.a	Involvement of a PHA	7.50	0.00	0.00		

Additional Application Comments:

Item #	Part	Section	Subsection	Description	Comment(s)	Created as Result of	Rescinded as Result of
1C	I	B	2	Priority I Application	The Applicant stated that it is a Joint Venture Non-Profit Applicant. In order to qualify as a Joint Venture Non-Profit Applicant, the Non-Profit must receive at least 25 percent of the total Developer fee as provided in subsection 67-48.002(73), F.A.C. However, the Applicant stated at Part II.A.e.(2).(d) of the Application that the percentage of Developer's fee that will go to the Non-Profit entity is only 20 percent. As a result, the Applicant does not meet the definition of Joint Venture Non-Profit Applicant and, therefore, the Application does not qualify as a Priority I Application. In its present form, the Application is deemed to be a Priority II Application.	Preliminary	
2C	V	B		Developer Fee	On the Construction Analysis, the Applicant listed a Deferred Developer fee of \$478,532 for construction financing. Because the Developer only committed to defer \$270,000 on the Commitment to Defer Developer Fee form, only \$270,000 could be used as a source of construction financing.	Preliminary	
3C	III	A	10	Proximity	The Applicant qualified for 3.75 automatic proximity points at 6P	Preliminary	
4C	V	B		Development Cost Pro Forma	The Applicant listed "reserve totaling six months worth of operating and debt service expenses" totaling \$863,106. However, No. 5 on the Development Cost Pro Forma Notes states "For purposes of the Development Cost calculation in this Application, the only reserves allowed are contingency reserves for rehabilitation and construction" Therefore, the Development Cost was reduced by \$863,106.	Preliminary	
5C	V	B		Developer Fee	On the Permanent Analysis, the Applicant listed a Deferred Developer fee of \$478,532 for permanent financing. Because the Developer only committed to defer \$208,533 on the Commitment to Defer Developer Fee form, only \$208,533 could be used as a source of permanent financing.	Preliminary	
6C	V	D	2	HC Equity	Threshold failure Item 2T was assessed during the Preliminary scoring stage but contained incorrect information. Therefore, this threshold failure was rescinded during the NOPSE scoring stage and a new threshold failure containing the correct information has been assessed at Item 14T.	NOPSE	

**Brief Statement of Explanation regarding Cure for Application
No. 2009-214C**

Provide a separate brief statement for each Cure

**Item #17
Site Control**

**Assignment of the August 17, 2009 Purchase and Sale
Agreement to the Applicant is attached.**

**FIRST AMENDMENT TO AND ASSIGNMENT AND ASSUMPTION OF
CONTRACT FOR PURCHASE AND SALE OF REAL PROPERTY**

This FIRST AMENDMENT TO AND ASSIGNMENT AND ASSUMPTION OF CONTRACT FOR PURCHASE AND SALE OF REAL PROPERTY (this "**First Amendment**") is entered into to be effective as of August 19, 2009, by and between (i) MEDEROS-T.M. ALEXANDER ACQUISITIONS, LLC, a Florida limited liability company ("**Seller**"); (ii) THE AMERICAN OPPORTUNITY FOUNDATION, INC., a Georgia non-profit corporation, and ALLIED PACIFIC DEVELOPMENT, LLC, a Delaware limited liability company (collectively "**Original Buyer**"); and (iii) APD HOUSING PARTNERS 20, LP, a Florida limited partnership (herein "**New Buyer**"); Original Buyer, New Buyer and Seller are collectively referred to as the "**Parties**").

A. Seller and Original Buyer entered into that certain Contract for Purchase and Sale of Real Property dated as of August 17, 2009 for the purchase and sale of certain real property in Dade County, Florida known as the T.M. Alexander Apartments (the "**Contract**").

B. Original Buyer desires to assign and New Buyer (an affiliate of Original Buyer) desires to assume all obligations of Original Buyer under the Contract.

C. The Parties desire to amend the Contract.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree that the following covenants, terms and conditions shall be part of and shall assign Original Buyer's interest in the Contract, and amend the Contract, and that in the event of any inconsistency or conflict between the covenants, term and/or conditions of the Contract and this First Amendment, the following covenants, terms and conditions shall control and prevail over any such inconsistent covenant, term and/or condition contained in the Contract:

1. **Assignment and Assumption.** Original Buyer hereby sells, assigns and transfers to New Buyer all of Original Buyer's right, title and interest in and to the Contract, and New Buyer hereby assumes and agrees to pay and perform the obligations of purchaser under the Contract. Original Buyer represents to New Buyer that (i) Original Buyer is the sole owner of the rights of purchaser under the Contract, (ii) the Contract has not been amended or modified except as set forth above and (iii) the Contract is in full force and effect. Notwithstanding that Seller's approval of the aforesaid assignment and assumption are not required under Section 23 of the Contract (as New Buyer is an affiliate of Original Buyer), Seller hereby consents to and acknowledges the foregoing assignment and assumption of the purchaser's interest in the Contract.

2. **Amendment.** The Contract is hereby amended as follows:

(a) The date by which Buyer shall submit its application with HUD as set forth in Section 4.2 of the Contract is hereby extended from September 15, 2009 to September 30, 2009, and Buyer shall deliver to Seller a copy of Buyer's (or its attorney's) enclosure letter to HUD indicating the contents of its application no later than October 1, 2009 (which application shall include a certification regarding Buyer's acceptance of the existing HAP contract). Seller acknowledges that the

actual submittal of the proposed assignment of the HAP contract shall not occur until immediately prior to Closing.

(b) The first sentence of Section 14.5 of the Contract is hereby deleted and replaced with the following new sentence:

Except as set forth in this paragraph, Buyer, or an affiliate of Buyer, shall have the right to close on the acquisition of the Civic Towers project located at 1855 N.W. 15th Avenue, Miami, Florida (herein the "Affiliated Project") prior to or concurrently with Buyer's acquisition of the Property, but not the obligation to close prior to or concurrently with the acquisition of the Property; the Deposit provisions of the Affiliated Project Contract (as defined herein) are in full force and effect.

3. **Binding Effect.** This First Amendment is binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, administrators, personal representatives, successors and assigns

4. **Headings.** The subject headings contained in this First Amendment are for reference purposes only and do not affect in any way the meaning or interpretation hereof.

5. **Counterparts.** This First Amendment may be executed in one or more counterparts, each of which is an original and all of which together constitute one and the same agreement. Electronically transmitted counterparts shall be deemed originals.

6. **Further Amendment.** This First Amendment may only be amended by written instrument signed by the Parties.

7. **Applicable Law.** This First Amendment is governed and construed in accordance with the laws of the State of Florida.

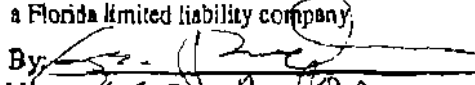
8. **Contract.** All references in the Contract to the term "Contract" shall mean the Contract as amended by this First Amendment. All capitalized terms used in this First Amendment not otherwise defined in this First Amendment shall have the meanings afforded to them in the Contract. Any prior amendments to the Contract executed by and between the parties are hereby revoked and of no further force or effect.

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK)

IN WITNESS WHEREOF, the parties hereto have set their hands and seals hereunder and have caused this First Amendment to be executed by their officers duly authorized hereunto, the day and year first above written.

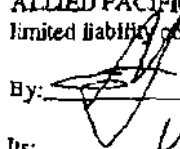
SELLER:

MEDEROS-CIVIC ACQUISITIONS, LLC,
a Florida limited liability company,

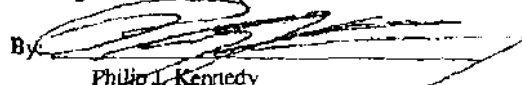
By: 
Name: Gary Mederos
Title: Owner

ORIGINAL BUYER:

ALLIED PACIFIC DEVELOPMENT, LLC, a Delaware
limited liability company

By: 
Its: Vice President

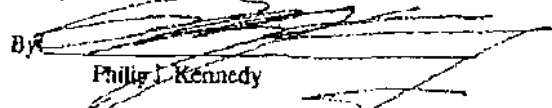
THE AMERICAN OPPORTUNITY FOUNDATION, INC.,
a Georgia non-profit corporation

By: 
Its: President

NEW BUYER:

APD HOUSING PARTNERS 19, LP, a Florida limited
partnership

By: The American Opportunity Foundation, Inc. a Georgia
non profit corporation, its General Partner

By: 
Its: President

Scoring Summary Report

File #: 2009-214C Development Name: TM Alexander

As Of:	Total Points	Met Threshold?	Ability to Proceed Tie-Breaker Points	Proximity Tie-Breaker Points
12/02/2009	70.00	N	6.00	7.50
Preliminary	57.00	N	6.00	7.50
NOPSE	57.00	N	6.00	7.50
Final	70.00	N	6.00	7.50
Final-Ranking				

Scores:

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
Construction Features & Amenities									
1S	III	B	2 a	New Construction	9.00	0.00	0.00	0.00	
1S	III	B	2.b	Rehabilitation/Substantial Rehabilitation	9.00	9.00	9.00	9.00	
2S	III	B	2 c	All Developments Except SRO	12.00	12.00	12.00	12.00	
2S	III	B	2.d	SRO Developments	12.00	0.00	0.00	0.00	
3S	III	B	2 e	Energy Conservation Features	9.00	9.00	9.00	9.00	
4S	III	B	3	Green Building	5.00	5.00	5.00	5.00	
Set-Aside Commitment									
5S	III	E	1.b.(2)	Special Needs Households	4.00	0.00	0.00	4.00	
6S	III	E	1 b.(3)	Total Set-Aside Commitment	3.00	3.00	3.00	3.00	
7S	III	E	3	Affordability Period	5.00	0.00	0.00	5.00	
Resident Programs									
8S	III	F	1	Programs for Non-Elderly & Non-Homeless	6.00	0.00	0.00	0.00	
8S	III	F	2	Programs for Homeless (SRO & Non-SRO)	6.00	0.00	0.00	0.00	
8S	III	F	3	Programs for Elderly	6.00	6.00	6.00	6.00	
9S	III	F	4	Programs for All Applicants	8.00	8.00	8.00	8.00	
Local Government Contributions									
10S	IV	A		Contributions	5.00	5.00	5.00	5.00	
Local Government Incentives									
11S	IV	B		Incentives	4.00	0.00	0.00	4.00	

ATTACHMENT C

Reason(s) Scores Not Maxed:

Item #	Reason(s)	Created As Result	Rescinded As Result
5S	All of the participating Special Needs Household Referral Agencies for the county are not listed on the Applicant Notification to Special Needs Household Referral Agency form. Because the form is incomplete, the Applicant is not eligible for Special Needs points.	Preliminary	Final
7S	The Applicant failed to commit to an affordability period sufficient to achieve any points.	Preliminary	Final
11S	The Applicant did not submit any of the Local Government Verification of Affordable Housing Incentives forms (Exhibits 47, 48,49,50) 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	III	C	2	Site Control	The August 17, 2009 Purchase and Sale Agreement does not reflect the Applicant as the buyer and no assignment was provided.	Preliminary	Final
2T	V	D	2	HC Equity	The Applicant submitted an equity commitment from RBC Capital Markets. However, the sum of the equity installment payments does not equal the total amount of equity reflected in the commitment. As a result, the commitment is not considered a source of financing.	Preliminary	NOPSE
3T	V	D	2	HC Equity	Per page 74 of the 2009 Universal Application Instructions, the percentage of credits being purchased must be equal to or less than the percentage of ownership interest held by the limited partner or member. The Applicant stated at Exhibit 9 of the Application that the limited partner's interest in the Applicant entity is 99.98%. However, the equity commitment at Exhibit 55A states the 99.99% of the HC allocation is being purchased. Because of this inconsistency, the HC equity cannot be considered a source of financing.	Preliminary	Final
4T	V	D	1	Non-Corporation Funding	Although the Applicant listed first mortgage financing of \$4,038,000, no commitment for this loan has been provided. Therefore, the loan amount cannot be counted as a source of financing.	Preliminary	Final
5T	V	D	1	Non-Corporation Funding	Although the Applicant listed second mortgage financing of \$3,900,000, no commitment for this loan has been provided. Therefore, the loan amount cannot be counted as a source of financing.	Preliminary	Final
6T	V	B		Construction/Rehab. Analysis	The Applicant has a construction financing shortfall of \$17,082,722.	Preliminary	Final
7T	V	B		Permanent Analysis	The Applicant has a permanent financing shortfall of \$17,144,189.	Preliminary	Final
8T	V	D	1	Non-Corporation Funding	The Applicant reflected capitalized interest paid in the amount of \$664,997 in the construction and permanent analysis. However, no documentation was provided for this source. As a result, it was not considered a source of financing.	Preliminary	Final
9T	II	B	3	General Contractor	The Development name on the General Contractor or Qualifying Agent Certification form (TM Alexander Plaza) is inconsistent with the Development name listed at Part III.A.1. of the Application (TM Alexander).	Preliminary	Final

Item #	Part	Section	Subsection	Description	Reason(s)	Created as Result of	Rescinded as Result of
10T	II	B	3	General Contractor	The name of the General Contractor or qualifying agent is not included on the Prior Experience Chart.	Preliminary	Final
11T	V	D	1	Non-Corporation Funding	The Applicant provided a loan commitment from PNC Multifamily Capital. The commitment states the name of the Development is Civic Tower Apartments on page one. The Applicant stated at Part III.A.1., the Development name is TM Alexander. Due to the inconsistency, the loan commitment was not considered a source of financing.	Preliminary	Final
12T	III	C	5	Environmental Site Assessment	The Development name on the Verification of Environmental Safety - Phase I Environmental Site Assessment form (TM Alexander Tower) is inconsistent with the Development name listed at Part III.A.1 of the Application (TM Alexander).	NOPSE	Final
13T	II	A	2.e	Non-Profit Applicant	The description of the role of the Non-profit entity provided at Exhibit 6 refers to the Development as Civic Tower Apartments. The Applicant stated at Part III.A.1. the Development name is TM Alexander.	NOPSE	Final
14T	V	D	2	HC Equity	The Applicant submitted an equity commitment from Alliant Capital, Ltd. However, the sum of the equity installment payments does not equal the total amount of equity reflected in the commitment. As a result, the commitment is not considered a source of financing.	NOPSE	Final
15T	III	C	2	Site Control	In an attempt to cure Item 1T, the Applicant provided a First Amendment to and Assignment and Assumption of Contract for Purchase and Sale of Real Property; however the cure was deficient because the Amendment was signed on behalf of Mederos-Civic Acquisitions, LLC and not the Seller (Mederos-T.M. Alexander Acquisitions, LLC).	Final	
16T	III	C	2	Site Control	In an attempt to cure Item 1T, the Applicant provided a First Amendment to and Assignment and Assumption of Contract for Purchase and Sale of Real Property; however the cure was deficient because the Amendment was signed on behalf of APD Housing Partners 19, LP and not the Applicant (APD Housing Partners 20, LP).	Final	
17T	V	B		Construction/Rehab Analysis	The Applicant has a construction financing shortfall of \$910,360.	Final	

Ability To Proceed Tie-Breaker Points:

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
1A	III	C	1	Site Plan/Plat Approval	1.00	1.00	1.00	1.00	
2A	III	C	3.a	Availability of Electricity	1.00	1.00	1.00	1.00	
3A	III	C	3.b	Availability of Water	1.00	1.00	1.00	1.00	
4A	III	C	3.c	Availability of Sewer	1.00	1.00	1.00	1.00	
5A	III	C	3.d	Availability of Roads	1.00	1.00	1.00	1.00	
6A	III	C	4	Appropriately Zoned	1.00	1.00	1.00	1.00	

Proximity Tie-Breaker Points:

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
1P	III	A	10.b.(2) (a)	Grocery Store	1.25	1.25	1.25	1.25	
2P	III	A	10.b.(2) (b)	Public School	1.25	0.00	0.00	0.00	
3P	III	A	10.b.(2) (c)	Medical Facility	1.25	1.25	1.25	1.25	
4P	III	A	10.b.(2) (d)	Pharmacy	1.25	0.00	0.00	0.00	
5P	III	A	10.b.(2) (e)	Public Bus Stop or Metro-Rail Stop	1.25	1.25	1.25	1.25	
6P	III	A	10.c	Proximity to Development on FHFC Development Proximity List	3.75	3.75	3.75	3.75	
7P	III	A	10.a	Involvement of a PHA	7.50	0.00	0.00	0.00	

Additional Application Comments:

Item #	Part	Section	Subsection	Description	Comment(s)	Created as Result of	Rescinded as Result of
1C	I	B	2	Priority I Application	The Applicant stated that it is a Joint Venture Non-Profit Applicant. In order to qualify as a Joint Venture Non-Profit Applicant, the Non-Profit must receive at least 25 percent of the total Developer fee as provided in subsection 67-48.002(73), F.A.C. However, the Applicant stated at Part II.A.e.(2).(d). of the Application that the percentage of Developer's fee that will go to the Non-Profit entity is only 20 percent. As a result, the Applicant does not meet the definition of Joint Venture Non-Profit Applicant and, therefore, the Application does not qualify as a Priority I Application. In its present form, the Application is deemed to be a Priority II Application.	Preliminary	Final
2C	V	B		Developer Fee	On the Construction Analysis, the Applicant listed a Deferred Developer fee of \$478,532 for construction financing. Because the Developer only committed to defer \$270,000 on the Commitment to Defer Developer Fee form, only \$270,000 could be used as a source of construction financing.	Preliminary	Final
3C	III	A	10	Proximity	The Applicant qualified for 3.75 automatic proximity points at 6P.	Preliminary	
4C	V	B		Development Cost Pro Forma	The Applicant listed "reserve totaling six months worth of operating and debt service expenses" totaling \$863,106. However, No. 5 on the Development Cost Pro Forma Notes states "For purposes of the Development Cost calculation in this Application, the only reserves allowed are contingency reserves for rehabilitation and construction" Therefore, the Development Cost was reduced by \$863,106.	Preliminary	Final
5C	V	B		Developer Fee	On the Permanent Analysis, the Applicant listed a Deferred Developer fee of \$478,532 for permanent financing. Because the Developer only committed to defer \$208,533 on the Commitment to Defer Developer Fee form, only \$208,533 could be used as a source of permanent financing.	Preliminary	Final
6C	V	D	2	HC Equity	Threshold failure Item 2T was assessed during the Preliminary scoring stage but contained incorrect information. Therefore, this threshold failure was rescinded during the NOPSE scoring stage and a new threshold failure containing the correct information has been assessed at Item 14T.	NOPSE	

Item #	Part	Section	Subsection	Description	Comment(s)	Created as Result of	Rescinded as Result of
7C	V	B		Construction/Rehab. Analysis	The Applicant attempted to cure item 6T by providing a revised Construction and Permanent Analysis that shows \$7,920,133 of HC equity as a source of financing during the construction period. The revised equity commitment letter from Alliant Capital, Ltd indicates that only \$7,009,773 will be paid during the construction period. Therefore, the Applicant will have a construction financing shortfall of \$910,360 (see item 17T).	Final	

**Brief Statement of Explanation regarding Cure for Application
No. 2009-214C**

Provide a separate brief statement for each Cure

**Item #3T Part V Section D Subsection 2
HC Equity**

The limited partner's interest in the Applicant entity has been revised to 99.98% in the equity commitment.



August 17, 2009

Greg Dunfield
Allied Pacific Development, LLC
1700 Seventh Avenue, Suite 2075
Seattle, WA 98101-1397:

Re: TM Alexander, a 151-unit affordable housing development for seniors to be located in Miami, Dade County, Florida and developed, rehabilitated, owned and operated by APD Housing Partners 20, LP, a Florida limited partnership (the "Partnership"), in compliance with Section 42 of the *Internal Revenue Code of 1986* ("IRC" or "Code")

Dear Greg:

Alliant Capital, Ltd. ("Alliant") is an investment partnership that invests in real estate projects that will qualify for and be allocated IRC Section 42 low-income housing tax credits ("LIHTCs"). This letter agreement summarizes the principal business terms subject to execution of an acceptable Limited Partnership Agreement under which Alliant or its assignees (including one or more investment partnerships affiliated with Alliant) would purchase a 99.98% limited partnership interest in the Partnership.

I. Property Information and Assumptions

Our willingness to acquire an interest in the Partnership is based upon the following information, which you have provided to us. We may update and adjust our proposal to reflect changes in these assumptions and other information which becomes available during our due diligence and underwriting review.

- A. TM Alexander will consist of 151 rehabilitated multifamily apartment units for seniors in one building located in Miami, Dade County, Florida (hereinafter referred to as the "Property" or the "Project").
- B. The Project has applied for 2009 LIHTCs in the amount of \$1,400,694 per annum and the Project will qualify as a "qualified census tract" for purposes of IRC Section 42.
- C. 151 units will be occupied in compliance with LIHTC requirements. 90% of the units will be rented to households whose income does not exceed 60% of the area

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Attention: Greg Dunfield
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median income, with the remaining 10% being rented to households whose income does not exceed 33% of the area median income.

D. The following debt financing is expected to be available to finance the construction of the Project:

1. Construction and permanent financing provided by a HUD under the 221d4 program in the principal amount of \$4,380,000, with an interest rate acceptable to the Investor, a term of 480 months and repayable interest only prior to completion of the Project.
2. Construction and permanent financing provided by a HUD under the 221d4 program in the principal amount of \$3,900,000, with an interest rate acceptable to the Investor, a term of 240 months and repayable interest only prior to completion of the Project.
3. Additional construction and permanent nonrecourse financing provided by FHFC from Exchange Section 1602 funds in the principal amount of \$6,150,000.

Performance of all construction loan obligations required by any lender will be jointly and severally guaranteed by the General Partner and by entities and/or individuals specified by the applicable lender.

All of the permanent debt financing for the Project will be nonrecourse to the Partnership and its General Partner and will be secured by a mortgage on the Property, in the order of priority acceptable to the Investor. None of the permanent debt financing is expected to convert from construction financing prior to the completion of the Project. No financing secured in whole or in part by the Property may be cross-collateralized or cross-defaulted with any other financing. No limited partner shall be required to grant any security interest in its partnership interest in the Partnership or its LIHTCs to secure any financing.

If the Partnership is the beneficiary of any grant, the receipt of such grant shall be structured such that there shall be no income to the Partnership, or such income shall be specially allocated to the General Partner.

E. Specific events are projected to occur as follows:

1. Closing of the construction financing and admission of Alliant to the Partnership: May 2010
2. Start of construction of the Property: May 2010

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3. *Substantial completion of construction*: March 2011
 4. Closing of the permanent financing: December 2011
- F. The estimated annual LIHTCs to be generated by the Partnership (based upon projected \$1,400,694 of LIHTCs available to the Partnership) and allocated to the 99.98% Limited Partner are as follows:

\$1,400,694 for each of the years 2011 through 2020

- G. The Project will constitute "residential rental property" eligible for 27.5-year straight-line depreciation under the IRC.
- H. Within 10 days of the execution hereof, you will provide to Alliant's designated accountant complete financial projections for the Property, to the extent not already provided, including:
1. The sources and uses of the development funds.
 2. The rents and operating expenses for the Property projected through the *initial compliance period*.
 3. Financing assumptions.
 4. LIHTC delivery and eligible/qualified basis calculations.

If the materials supplied to date do not provide this information, this letter is subject to a review of such data once supplied.

- I. The General Partner and the Developer shall warrant that they have performed suitable and adequate due diligence as is customary in the industry and that no condition adverse to the development and operation of the Property, and the pro formas presented, have been discovered that has not been disclosed to Alliant.
- J. The Partnership and the Project will benefit from a new housing assistance contract for a term of at least 20 years, which shall provide project-based rental subsidies for 150 of the 151 units occupied in compliance with Low-Income Housing Tax Credit requirements pursuant to Section 8 of the United States Housing Act of 1937, as amended, under which tenants pay 30% of their incomes as rent with the balance paid by the U.S. Department of Housing and Urban Development ("HUD"). Such housing assistance contract shall provide project-based rental subsidies in a minimum aggregate amount, subject to annual renewal, consistent with your projections.

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forth herein. The equity will be paid in installments upon the achievement of certain benchmarks as set forth below for payment of each installment of equity capital. The Partnership Agreement will list additional conditions applicable to each installment, including, but not limited to, (a) satisfactory title to the Property (including, but not limited to, an ALTA title insurance policy with a "Fairway" endorsement and non-imputation endorsement), (b) no occurrence of bankruptcies of the General Partner, (c) the issuance of a tax opinion by the General Partner's counsel which shall comply with the requirements of US Treasury Circular 230, and shall include an opinion that the material tax benefits projected to be available to the Investor "should" be realized by the Investor, (d) compliance with LIHTC requirements, (e) maintenance of required insurance, and (f) receipt of other customary documents or information required or requested by the Administrative Limited Partner as set forth in the Limited Partnership Agreement; such conditions to be further negotiated between Alliant and the General Partner.

- B. Based on the terms of this letter agreement and the information, projections, and assumptions you have provided to us, equity contributions will be made to the Partnership by the Investor at the times and in the amounts set forth below:
1. \$1,820,720 (20%) will be funded prior to or simultaneously with the closing of the construction financing provided the following conditions are met: (a) the Limited Partner's admission into the Partnership, (b) closing and initial funding of all of the construction financing for the Project (as described in Section 1, paragraph D above), (c) receipt of the commitments for all of the permanent financing for the Project (as described in Section 1, paragraph E above), (d) receipt of the LIHTC reservation and (e) receipt of evidence satisfactory to the Investor that the HAP contract is in place meeting the assumptions described in Section 1, paragraph K above; such funds to be used solely for site acquisition, development and construction costs, as reasonably acceptable to the Administrative Limited Partner.
 2. \$5,189,053 (57%) will be funded upon the later to occur of: (a) 50% lien-free completion of construction, (b) November 10, 2010, and (b) satisfaction of all conditions precedent to the payment set forth in paragraph B.1 of this section; such funds to be used for required hard and soft costs, as reasonably acceptable to the Administrative Limited Partner.
 3. \$910,360 (10%) will be funded upon the latest to occur of: (a) lien-free completion of construction of all the improvements sufficient for all residential rental units to be "placed in service" pursuant to IRC Section 42, (b) the issuance of all required permanent certificates of occupancy

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II. Property Ownership

The Property is to be owned by the Partnership, *i.e.*, APD Housing Partners 20, LP, a limited partnership duly formed in the State of Florida.

The Property is to be developed by Allied Pacific Development, LLC, a Delaware limited liability company and American Opportunity Foundation, a Florida [non-profit] corporation (collectively the "Developer").

The general partner of the Partnership is American Opportunity Foundation, a Florida [non-profit] corporation (the "General Partner"). The special limited partner of the Partnership is Allied Pacific Development, LLC, a Delaware limited liability company (the "Special Limited Partner" and collectively with the General Partner the General Partner).

An investment partnership owned or controlled by Alliant will be the initial Investor Limited Partner (also hereinafter referred to as either the "Investor" or "Limited Partner"). Alliant will have the right to substitute a fund sponsored by Alliant or its assignees, which may include one or more investors other than Alliant. A portion of the Alliant interest will be owned by a separate entity to be designated by Alliant (the "Administrative Limited Partner"). The role and rights of the Administrative Limited Partner are set forth elsewhere in this document.

III. Equity Capital and Contribution Schedule

- A. This agreement is contingent upon Alliant obtaining an investor to purchase the tax credits. Subject to the terms of this letter agreement, the Limited Partner will contribute equity capital in the total amount equal to \$0.65 per dollar of LIHTC available to the Limited Partner over the full 10-year credit period. The total equity based upon annual LIHTCs of \$1,400,414 (99.98% of \$1,400,694) will be \$9,103,601. Notwithstanding the foregoing, the pricing of \$0.65 per dollar of LIHTC will only be binding on Alliant until 1/1/10. Thereafter, Alliant may modify the price per \$0.65 of LIHTC to reflect market conditions, in the exercise of its reasonable discretion. In the event that any transaction participant other than Alliant does not approve the schedule of equity contributions set forth below, the parties will negotiate in good faith an alternate schedule of equity contributions, provided that the General Partner, Developer and all Guarantors each acknowledge and agree that the equity amount paid per dollar of LIHTC as set forth in this Section III.A may be reduced as a result of any such alternate schedule of equity contributions. If additional tax credits are obtained, then the capital contribution shall be increased proportionately; provided, however, that the total equity taking into account any additional tax credits shall not exceed 105% of the total equity of \$9,103,601 as set

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permitting immediate occupancy of all 151 residential rental units, (c) receipt of the final cost certification by an independent firm of certified public accountants (acceptable to the Administrative Limited Partner), (d) March 10, 2011, and (e) satisfaction of all conditions precedent to the payments set forth in paragraphs B.1 and B.2 of this section; such funds to be used for required hard and soft costs, as reasonably acceptable to the Administrative Limited Partner.

4. **\$1,183,468 (13%) will be funded upon the latest to occur of: (a) Rental Achievement (as hereinafter defined) and 90% occupancy of the residential rental units by qualified tenants (i.e., tenants meeting the requirements of IRC Section 42), in each case for three consecutive months, (b) conversion of all construction financing to permanent financing; (c) December 10, 2011, and (d) the issuance of an IRS Form 8609 for each building in the Project; such funds to be used for unpaid development costs, to fund the initial operating deficit reserves, and finally to pay development fee, all as reasonably acceptable to the Administrative Limited Partner. Notwithstanding the foregoing requirements of this paragraph B.4., in the event that at the time the conditions precedent to the payment set forth in paragraph B.4. have been satisfied, the Partnership has not been issued its federal income tax return and K-1s for the first year of the credit period for all of the buildings of the Project, the Investor will fund \$1,113,468 of the fourth installment of the Investor's capital contribution and the balance, \$50,000, will be funded upon the receipt of the Partnership's federal income tax return and K-1s for such first year of the credit period, as reasonably acceptable to the Administrative Limited Partner.**

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IV. General Partner Obligations

- A. Guarantor. All of the representations, warranties and obligations of the General Partner shall be guaranteed, jointly and severally, by Steve Whyte, and the Developer, and by such other entities and/or individuals involved in the Project with a reasonable net worth as approved by the Administrative Limited Partner (collectively, the "Guarantor").
- B. Construction Completion. The General Partner, the Developer and the Guarantor shall guarantee commencement of construction within 30 days after Investor admission to the Partnership and the substantial completion of the Property in accordance with the approved plans and specifications therefore and its placement in service for purposes of IRC Section 42 by June 2011 (the "Construction Completion Guaranty").

The construction contract shall include 100% payment and performance bonds in favor of the Partnership or a letter of credit, in form and substance acceptable to the Administrative Limited Partner, in an amount equal to 15% of hard construction costs insuring completion in accordance with the approved construction budget. The General Partner shall provide a construction time line to the Administrative Limited Partner and provide a monthly construction update reporting on progress. In the event it appears that the completion date will not be met, the Administrative Limited Partner shall give notice of such to the Developer, and the Developer shall have 30 days to remedy the situation and bring the construction back on schedule to the reasonable satisfaction of the Administrative Limited Partner.

- C. Development Deficits. If at any time the total sources of debt and equity available to the Partnership for payment of all Development Costs (excluding the Development Fee) fall short of those costs, the shortfall (i.e., the "Development Deficits") will be contributed to the Partnership, without reimbursement, by the General Partner. The obligation to fund Development Deficits shall be guaranteed by the Developer and the Guarantor. As used herein, the term "Development Costs" means, without limitation, (a) all costs and expenses of acquiring, developing, constructing and equipping the Project, (b) all costs of obtaining construction and permanent financing for the Project, repaying or discharging any construction financing, and the funding of all required reserves, (c) any shortfall in the principal amount of permanent financing and (d) all operating expenses of the Partnership arising on or prior to Rental Achievement.
- D. Qualified Lease-Up; Occupancy. The General Partner and the Guarantor shall guarantee the lease-up of the residential rental units of the Property by qualified

tenants (i.e., tenants meeting the requirements of IRC Section 42) and achieve Occupancy by September 2011. As used herein, the term "Occupancy" means occupancy of at least 90% of the residential rental units of the Project by qualified tenants for a period of three consecutive months.

- E. Rental Achievement. The General Partner and the Guarantor shall guarantee Rental Achievement by December 2011. As used herein, the term "Rental Achievement" means a level of Occupancy sustained for a period of three consecutive months at rent levels which produce a Debt Service Coverage Ratio with respect to all must-pay permanent financing of 1.15:1.00 for each of such three consecutive months, and the term "Debt Service Coverage Ratio" means the ratio of net income remaining after the subtraction of all operating expenses and required reserve deposits on an annualized basis to the payment of required debt service for the same period.
- F. Operating Deficits. The General Partner and the Guarantor will guarantee and agree to advance to the Partnership sufficient funds, for a period of 60 months following the date Rental Achievement is attained (the "Operating Deficit Guaranty Period"), to fund Operating Deficits. As used herein, the term "Operating Deficits" means the excess of operating expenses, debt service payments and required reserve deposits over gross revenues of a recurring nature from normal operations actually collected. Any such advance will be in the form of an "operating loan" that will not bear interest and will be paid from Cash Flow and/or Sale or Refinancing Proceeds as set forth in the section entitled "Sharing of Tax and Cash Benefits" below. The maximum obligation of the Guarantor under this operating deficit guarantee shall be \$1,000,000 which shall be exhausted prior to the use of any funds from the operating deficit reserve.
- G. Voluntary Loans. During the Operating Deficit Guaranty Period, the Limited Partner will have the right, but not the obligation, to make loans to the Partnership to cover Operating Deficits if the General Partner does not do so. After the Operating Deficit Guaranty Period, to the extent borrowings are permitted, they may be made from the General Partner or the Limited Partner or their respective affiliates. To the extent any partner of the Partnership, or any affiliate of such partner, lends any monies to the Partnership, such loan shall be a voluntary, unsecured loan to the Partnership, which shall bear interest at prime plus 2% per annum and shall be repayable out of Cash Flow immediately following the adjuster payment to the Limited Partner as set forth in the section entitled "Sharing of Tax and Cash Benefits" below.
- H. Tax Benefits. The General Partner shall make representations as to the amount of LIHTCs to be available to the Investor. Therefore, an adjustment to the equity

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contribution of the Investor shall be made under any or all of the following circumstances:

1. If (a) the Project has not been placed in service as required, or if (b) upon the issuance of IRS Forms 8609 for any or all of the buildings comprising the Project, it is determined that the actual amount of tax credits is less than projected, the Limited Partner's capital contribution shall be reduced by an amount equal to 100% of the value of the shortfall based on the credit pricing indicated herein. If the actual amount of tax credits delivered during the first and second years and eleventh and twelfth years of the compliance period are less than projected, the Limited Partner's capital contribution shall be decreased by the difference in the net present values of the actual amount of tax credits delivered to the Limited Partner vs. the projected amount of tax credits shown in paragraph 1(g) above, delivered in the first and second years and eleventh and twelfth years, using a discount rate of 12% compounded quarterly. To the extent that the tax credit adjuster is greater than the then unpaid portion of the Limited Partner's capital contribution, the General Partner shall, from its own funds, pay to the Partnership and cause the Partnership to pay to the Limited Partner the amount of such adjustment payment owed to the Limited Partner; provided, however, that any unpaid adjustment payment shall be paid from first available Cash Flow and Sale or Refinancing Proceeds of the Partnership in any Partnership fiscal year (prior to any payments on account of any unpaid portion of the Development Fee, partner loans, or fees to the General Partner or its affiliates).
2. If the actual amount of tax credits for any year is less than projected for other reasons, including, but not limited to, the failure of the Partnership to operate the Project so as to have 100% of the residential rental units eligible for the tax credits (but not including a change in the Code or a transfer by the Limited Partner of its interest), or upon the recapture of tax credits not resulting from a change in the Code or a transfer by the Limited Partner of its interest, the Limited Partner's capital contribution shall be reduced by an amount equal to 100% of such shortfall or recapture. To the extent that the tax credit adjuster is greater than the then unpaid portion of the Limited Partner's contribution, the General Partner shall, from its own funds, pay to the Partnership and cause the Partnership to pay to the Limited Partner the amount of such adjustment payment owed to the Limited Partner.
3. Any amount owing to the Limited Partner under this Section H shall be guaranteed by the General Partner and the Guarantor and increased by an amount equal to any interest (including, without limitation, the recapture

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amount provided for in IRC Section 42(j)(2)(B)) or penalties resulting from any such recapture plus the greater of 12% or prime plus 2% per annum from the date as of which such amount is determined to have become due until the date such payment is made.

1. **Environmental Indemnity.** The General Partner shall represent and warrant that, to its best knowledge, (i) the Project is not in violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to the environmental conditions on, under or about the Project, and (ii) no Hazardous Substance has been used, generated, manufactured, stored or disposed of on, under or about the Property or transported to or from the Property. In connection with the acquisition of the Project, the Partnership and the General Partner shall undertake all appropriate inquiry into the previous ownership and uses of the Property and provide a Phase I Environmental Site Assessment consistent with the current ASTM Standard E1527-05, but also including radon, asbestos and lead-based paint assessments, and completed less than 90 days prior to closing. The General Partner and the Guarantor hereby agree to indemnify and hold harmless the Partnership, Limited Partner and the Administrative Limited Partner, and their respective partners, directors, officers, employees and agents from and against any and all liability directly or indirectly arising out of the use, generation, manufacture, storage or disposal of Hazardous Substance on, under or about the Project. The foregoing indemnification obligation of the General Partner and the Guarantor shall survive the termination of the compliance period.

The term "Hazardous Substance" means any substance defined as a hazardous substance, hazardous material, hazardous waste, toxic substance or toxic waste in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 *et seq.*; the Hazardous Materials Transportation Act, as amended, 39 U.S.C. Section 1801 *et seq.*; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 *et seq.*; or any similar applicable state or local law; or in any regulation adopted or publication promulgated pursuant to any said law.

- J. **General Partner Withdrawal.** If the General Partner voluntarily withdraws, its interest shall terminate and such General Partner shall have no further right to participate in the management or operation of the Partnership or to receive any future allocations, distributions or any other funds or assets of the Partnership, nor shall it be entitled to receive or to be paid by the Partnership any further payments of fees (including fees which have been earned but are unpaid) or to be repaid any outstanding advances or loans made by it to the Partnership. If the General Partner involuntarily withdraws, its interest shall revert to a limited partner interest, but it shall not be entitled to

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participate in the management of the Partnership's business or to participate in any allocations or distributions payable to the Limited Partner or the Administrative Limited Partner. A General Partner that involuntarily withdraws shall be entitled to share in the allocations and distributions at the same times and in the same manner as such withdrawing General Partner would have otherwise received as a General Partner, as reduced by the amount required to compensate any successor general partner for assuming the obligations of a general partner. The Partnership Agreement shall further detail the procedure for determining the timing and the value to be paid to a terminated or withdrawn General Partner by the Partnership.

- K. General Partner Defaults. In the event of a material default by the General Partner, the Partnership Agreement shall grant the right to cause the Administrative Limited Partner to remove the General Partner (which will result in a liquidation of all its interests) and be converted into a managing General Partner which will have exclusive authority to conduct the business of the Partnership. The defaulting General Partner will be removed as a General Partner at the election of the Administrative Limited Partner. The defaulting General Partner will remain liable for its pre-termination obligations. A "material default" shall include any event in which the General Partner (a) materially violates its fiduciary responsibilities as a general partner of the Partnership; (b) materially breaches any provision of any project document, including the Partnership Agreement and any loan documents, and such breach is not cured within a reasonable period of time; (c) willfully violates any law, regulation or order applicable to the Partnership which has or is likely to have a material adverse effect on the Partnership or the Project; or (d) becomes bankrupt.
- L. Repurchase. The General Partner and the Guarantor shall be obligated to repurchase the partnership interests of the Investor and the Administrative Limited Partner in the Partnership if certain requisite thresholds are not met, including, without limitation, (a) the failure to complete the construction of the Project by the earlier to occur of September 2011 or the date required under the IRC or by the tax credit allocating agency to preserve the LIHTCs, (b) the failure to achieve qualified lease-up of the Property and Occupancy by December 2011, as required herein, (c) the failure to attain Rental Achievement by March 2012, as required herein, (d) any acceleration of the construction or permanent financing of the Project or the commencement of any action to foreclose any mortgage covering the Project or the exercise by any lender of any power of sale or similar remedy affecting the Project prior to the end of the Operating Deficit Guaranty Period, (e) the failure to achieve conversion of the construction financing to permanent financing for the Project within the time frame provided for in the financing commitments and documents therefor, or the termination of any commitment for permanent financing prior to closing and full funding thereunder, (f) the failure to submit the final cost certification, together with

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all required ancillary documentation, to the tax credit allocating agency in a timely manner, or to receive an IRS Form 8609 for each building in the Project by the date required under the IRC or by the tax credit allocating agency to preserve the LIHTCs, (g) a casualty shall have occurred and the insurance proceeds shall be insufficient to restore the Project or the Project shall not be restored within 24 months following such casualty, or (b) the Project shall have become ineligible for 20% or more of the projected amount of LIHTCs.

The repurchase price for the partnership interests of the Investor and the Administrative Limited Partner shall be the amount contributed to the Partnership together with interest thereon at the rate equal to the greater of prime plus 2% per annum or 12% per annum.

V. Contingency; Reserves

The construction budget shall include a hard cost contingency of not less than 5% of construction costs.

The Partnership shall establish a replacement reserve for capital improvements (which may be held with the permanent lender if required by such permanent lender) and make contributions of the greater of (i) that amount required by the permanent lender, and (ii) \$250 per unit per year to be adjusted based on the CPI every five years.

In addition, the General Partner shall establish an initial operating deficit reserve in an amount to be determined but at least \$900,000 shall be funded from the funds in Section III, paragraph B.4 and shall be maintained throughout tax credit compliance period. Withdrawals from and release of the Operating Reserve shall not require the consent of any lender.

VI. Compensation

- A. Property Management Fees. The management agent will be entitled to a Property Management Fee not exceeding 5% of gross revenues. If the management agent is affiliated with the General Partner, the Developer, or any Guarantor, the management agent will be required to defer and accrue, without interest, its management fee in the event that the Project is not generating sufficient revenue to pay all of the Project's expenses.
- B. Asset Management Fee. The Partnership will pay, subject to the availability of cash flow, an annual Asset Management Fee ("AMF") to Alliant or its designated affiliate or agent in the amount of \$10,000, payable \$5,000 on April 1st and the balance on October 1st of each year, commencing in the year completion is attained. The AMF

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will be adjusted annually based on the annual increase in the CPI. Payment of the AMF is not covered by the Operating Deficit Loan Guaranty and shall accrue without interest until there is sufficient cash available to pay accrued AMF as set forth in the section entitled "Sharing of Tax and Cash Benefits" below.

- C. Development Fee. The General Partner shall be paid a Development Fee in the amount of \$2,990,625 (but not to exceed the maximum amount allowed by the LIHTC allocating agency), to be paid under a development agreement (acceptable to the Administrative Limited Partner) from the funds in Paragraph B of Section III. Based upon the information you have provided, \$2,990,625 the Development Fee is projected to be available to be payable from sources and uses. Any portion of the Development Fee which has not been paid by the tenth anniversary of the completion of the Property shall be paid from the proceeds of an advance from the General Partner to the Partnership in an amount equal to the unpaid portion of the Development Fee, payment of which advance shall be guaranteed by the Guarantor.

VII. Sharing of Tax and Cash Benefits

- A. During Property Operations. All tax profits, losses, and credits from operations will be allocated 99.98% to the Investor and 0.01% to the General Partner.

Cash Flow from operations ("Cash Flow" is defined as all operating revenues remaining after the payment of operating expenses, required debt service, and funding of all required reserves, will be distributed as follows:

1. To the Limited Partner, to make any tax credit adjuster payment not previously made.
2. To replenish funds expended from the operating deficit reserve.
3. To the payment of any debts, excluding any unpaid Development Fee and operating loans, owed to the Partners and/or their affiliates, until all such debts have been paid in full.
4. To the payment of the AMF plus all accrued AMF unpaid from prior years.
5. 80% to the payment of any unpaid Development Fee, until such fee has been paid in full and 20% to the Limited Partner.
6. To the payment of any operating loans made by the General Partner or its affiliates to cover Operating Deficits during the Operating Deficit Guaranty Period.
7. 70% to the General Partner as an Incentive Management Fee and the balance, 30%, to the Partners in accordance with their ownership percentages.

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- B. From Sale or Refinancing. Taxable profits and/or losses from a sale of the Property will be allocated among the Partners of the Partnership to adjust capital accounts as required by the IRC and in accordance with sale proceeds distributions.

Proceeds of a Sale or Refinancing ("Sale or Refinancing Proceeds") will be distributed as follows:

1. To the payment in full of all Partnership debts except those due to Partners and/or their affiliates.
2. To the Limited Partner, to make any tax credit adjuster payment not previously made.
3. To the payment of the AMF plus all accrued AMF unpaid from prior years.
4. To the payment of any debts owed to Partners and/or their affiliates until all such debts have been paid in full.
5. The balance, 65% to the General Partner and 35% to the Limited Partner.

VIII. Other Matters

- A. Partnership Accountants. The Administrative Limited Partner shall have the right to designate the Partnership Accountants through the end of the fiscal year in which the IRS Forms 8609 have been issued, Rental Achievement has been achieved, and the tax returns for the first year of the credit period have been finalized. Thereafter, the identity of the Partnership Accountants shall be subject to Investor approval, which approval shall not be unreasonably withheld. The Accountants initially will be [tbd] (subject to the approval of the Administrative Limited Partner). Cost certification shall be prepared by the Partnership Accountants (or such other accountants as determined by the Administrative Limited Partner) as a development expense of the Partnership.
- B. Management Agent. The identity of the Property Management Agent shall be subject to Investor approval. The initial Management Agent will be HIS, Inc. (subject to the approval of the Administrative Limited Partner); provided, however, that the Administrative Limited Partner shall have the right to designate the *Management Agent after the end of the Operating Deficit Guaranty Period. The term of the management agreement shall not exceed one year without Investor's consent. At the request of the Administrative Limited Partner, the General Partner shall replace the Management Agent (a) if there exists any building code violation (which is not timely cured within 7 days), or (b) if the Management Agent fails to comply with any applicable IRC Section 42 LIHTC compliance rule and/or reporting requirement (which is not timely cured within 30 days), or (c) if any LIHTC unit is occupied by tenants who do not meet the requirements of IRC Section 42, or (d) on*

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account of the Management Agent's willful misconduct or gross negligence, or (c) if, after the expiration of the Operating Deficit Guaranty Period, there occurs an Operating Deficit for any six-month consecutive period. If the Management Agent is affiliated with the General Partner, the Developer, or any Guarantor, the Management Agent shall be subject to termination upon any removal of the General Partner.

- C. Reporting Requirements. The General Partner and the Management Agent shall cause to be furnished to the Limited Partner monthly balance sheets, income statements and rent rolls for the Partnership. In addition, the Partnership's audit and Federal and State tax returns shall be delivered within 45 days after year-end. Because the parties hereto acknowledge that actual damages would be impossible to determine, the General Partner shall pay liquidated damages of \$100.00 per day.
- D. Indemnification. The Partnership shall indemnify the General Partner and the Limited Partners against claims by and loss to third parties arising from the performance of their duties carried out in good faith and without gross negligence or willful misconduct. In turn, the General Partner shall indemnify the Partnership and the Limited Partners for loss arising from acts or omissions of the General Partner or its affiliates which do not comply with foregoing standards or which arise from any material misrepresentations, breach of representations, warranties or covenants, breach of fiduciary obligations to the Limited Partners, or failure to disclose information prior to admission of the Limited Partners.
- E. Rights of the Administrative Limited Partner. Subject to other specific references to the rights of the Investor or Administrative Limited Partner, the rights of the Administrative Limited Partner shall include, without limitation, the right to remove a General Partner, and the right to approve a sale of any material Partnership assets, expansion, refinancing or material modification of Partnership debt; the identity of the Management Agent and of the Partnership Accountants; material changes in the design or construction of the Property; appointment of a managing General Partner; withdrawal of a General Partner; admission of any additional Limited Partner; amendment of the Partnership Agreement; and other rights to be specifically negotiated in the Partnership Agreement. In addition, the General Partner shall grant to the Administrative Limited Partner its special Power of Attorney for purposes of negotiating any and all sales opportunities of Partnership assets as long as such sales are on an arm's-length basis and at market rates.
- F. Sale of Property. At the end of the initial compliance period, the Administrative Limited Partner shall have the right to compel the General Partner to market the Property for sale. After receipt of such instruction, the General Partner shall have a

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period of one year to sell the Property. In the event the Property is not sold within one year, the Administrative Limited Partner and General Partner shall agree on the value of the Property and determine the amount of dollars that would result to each Partner from a hypothetical sale at the agreed upon purchase price. The General Partner shall then have a period of 30 days to purchase the interests of the Limited Partners for the greater of (a) the amount each would receive from the hypothetical sale or (b) the amount of federal, state and local tax liability that the Limited Partners would incur as a result of such sale.

In the event that the General Partner and the Administrative Limited Partner cannot agree on a value of the Property, each will appoint an appraiser and each appraiser will appoint a third. The average of the three appraisals shall be the agreed upon value.

If the General Partner does not complete such purchase, then the Administrative Limited Partner shall have the right to market the Property for sale and, in the event that the Administrative Limited Partner obtains a buyer, the General Partner shall cause the Partnership to sell the property to such buyer. Alternatively, the Administrative Limited Partner may purchase the General Partner's interest for its hypothetical net proceeds.

- G. Insurance Requirements. Insureree meeting the requirements of the Investor shall be in effect at the time of the admission of the Investor to the Partnership. Such insurance shall be maintained by, and at the expense of, the Partnership with the Investor named as an additional insured in all cases (other than with respect to title insurance). Such insurance shall include, without limitation, physical hazard insurance, business interruption/loss of rents, public liability, property insurance, title insurance, and insurance relating to losses due to flooding and earth movement.
- H. Confidentiality. All persons and entities related in any manner to the General Partner, the Developer, the Partnership or the Project shall maintain all information and materials with respect to the Project or Partnership received by or disclosed to such person or entity in confidence.
- I. Sole-Purpose Entity. The Partnership's sole purpose shall be the development and operation of the Project.
- J. General Tax Credit Requirements. The Partnership documents will require the general partners of the Partnership to take any and all actions required to ensure the Project will qualify and will continue to qualify for the Tax Credits, and not take any action which would disqualify the Project for the Tax Credits, during the entire 15-

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year compliance period under IRC Section 42. Legal counsel to the General Partner shall provide such legal opinions, including, without limitation, legal opinions pertaining to the Partnership, the Project, state law, federal taxation and LIHTC matters, as may be required by the Investor and its legal counsel. Ultimately, the transaction structure is subject to the approval of the Investor's tax counsel.

K. This Commitment does not expire prior to December 31, 2009.

IX. Syndication

Alliant shall have the right to substitute a fund sponsored by Alliant or its assignees, which may include one or more investors other than Alliant, as the Investor in the Partnership. In connection therewith, the General Partner, Developer and all Guarantors shall cooperate fully with Alliant and consent unconditionally, to effectuate any such syndication, including, without limitation, the execution and delivery of an assignment agreement in connection with the substitution of such fund and the delivery by their respective legal counsel, and at their expense, of a legal opinion pertaining to, among other things, the enforceability of such assignment and the limited liability afforded to the assignees by virtue of such assignment.

X. Closing Process

Our agreement to make the investment described in this letter agreement is subject to the accuracy of the information you have provided and will provide to us to allow the satisfactory completion of our due diligence review of the Property and the transaction and our mutual agreement on the terms of the closing documents.

Upon our receipt of your executed copy of this letter agreement and the LIHTC award (consistent with the assumptions set forth herein) issued by the tax credit allocating agency, Alliant will promptly begin its due diligence process by commencing a market review and architectural/ engineering review and such other reviews as are consistent with our standard due diligence process. Such an undertaking shall not impose any liability upon Alliant or its agents for the content, results, or conclusions of such reviews, nor to consummate the transaction contemplated herein. A list of our due diligence and closing requirements will be forwarded to you under separate transmittal within seven days of receipt of your executed copy of this letter and such LIHTC award issued by the tax credit allocating agency. Each of the closing requirements must be met and must be approved by us unless waived by us.

Upon our receipt of your executed copy of this letter agreement and such LIHTC award issued by the tax credit allocating agency, Alliant will commence preparation of the Partnership Agreement, form opinion letters and other related documents incorporating the terms of this letter agreement for your review. Upon the closing, the Partnership shall be

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required to pay \$40,000 to the Investor on account of the costs associated with the preparation of such documents and with the due diligence, underwriting and closing process. The General Partner, Developer and all Guarantors shall be responsible for payment of such amount in the event that the transaction does not close for any reason, including but not limited to the determination by any party other than Alliant not to proceed with the closing contemplated hereunder, or the determination by Alliant that the due diligence and closing requirements are not or cannot be met, or a transaction participant other than Alliant modifies the terms and conditions of the transaction contemplated hereunder. The General Partner, Developer and all Guarantors acknowledge and agree that such \$40,000 is fair and reasonable compensation to Alliant for the costs and expenses incurred by Alliant in connection with the due diligence, underwriting and closing process for the transaction contemplated hereunder.

In recognition of the time and expense to be spent by Alliant in evaluating this transaction prior to closing, all partners of the Partnership and their respective principals, and the principals of the developer, will deal exclusively with Alliant with respect to the transactions noted in this letter agreement until this letter agreement is terminated by mutual consent. You hereby confirm that no other party presently has any right to acquire an interest in the Property or the Partnership.

Concurrently herewith, the General Partner shall deliver to Alliant copies of any and all equity proposals that have been executed by the Partnership, the General Partner or any affiliate thereof, to be able to review such proposals for termination provisions. Should any enforceable proposals exist, the General Partner, the Guarantor and their respective owners shall fully indemnify, defend, protect and hold harmless the Partnership, Alliant and Alliant's affiliates from and against any loss, cost, damage, liability, action, cause of action, suit or expense, including, without limitation, attorneys fees and court costs that may result from the breach or termination of such proposals.

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Please execute and promptly return to us a copy of this letter agreement. The terms herein shall expire 15 business days after the date of this letter if your signed copy has not been received by us.

Very truly yours,

Alliant Capital, Ltd.

By: Alliant, Inc., its general partner

By: 

Scott L. Kotick
Executive Vice President

The foregoing is hereby agreed to and confirmed:

APD Housing Partners 20, LP

By: _____, its General Partner

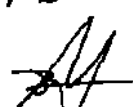
By: _____
Name: _____

Date: _____, 2009

Title: _____

American Opportunity Foundation

By: *APD LLC, its Special Limited Partner*
Date: *Aug 17*, 2009

Name: 
Gregory Dunfield
Title: *Vice President*



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Florida Limited Partnership

APD HOUSING PARTNERS 19, LP

Filing Information

Document Number A09000000590
FEI/EIN Number NONE
Date Filed 08/17/2009
State FL
Status ACTIVE

Principal Address

1700 SEVENTH AVENUE
 SUITE 2075
 SEATTLE WA 98101 US

Mailing Address

1700 SEVENTH AVENUE
 SUITE 2075
 SEATTLE WA 98101 US

Registered Agent Name & Address

NRAJ SERVICES, INC.
 2731 EXECUTIVE PARK DRIVE
 SUITE 4
 WESTON FL 33331 US

General Partner Detail

Name & Address

Document Number F96000003600
 THE AMERICAN OPPORTUNITY FOUNDATION, INC.
 600 GALLERIA PARKWAY, SUITE 1660
 ATLANTA GA 30339

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No Annual Reports Filed

Document Images

08/17/2009 - Domestic LP

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Florida Limited Partnership

APD HOUSING PARTNERS 20, LP

Filing Information

Document Number A09000000591
FEI/EIN Number NONE
Date Filed 08/17/2009
State FL
Status ACTIVE

Principal Address

1700 SEVENTH AVENUE
SUITE 2075
SEATTLE WA 98101

Mailing Address

1700 SEVENTH AVENUE
SUITE 2075
SEATTLE WA 98101

Registered Agent Name & Address

NRAI SERVICES, INC.
2731 EXECUTIVE PARK DRIVE
SUITE 4
WESTON FL 33331 US

General Partner Detail

Name & Address

Document Number F96000003600
THE AMERICAN OPPORTUNITY FOUNDATION, INC.
600 GALLERIA PARKWAY, SUITE 1660
ATLANTA GA 30339

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No Annual Reports Filed

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Detail by Entity Name

Florida Limited Liability Company

MEDEROS-CIVIC ACQUISITIONS, LLC

Filing Information

Document Number	L06000046258
FE/EIN Number	204827818
Date Filed	05/03/2006
State	FL
Status	ACTIVE
Last Event	LC AMENDMENT
Event Date Filed	03/14/2008
Event Effective Date	NONE

Principal Address

5835 BLUE LAGOON DRIVE
SUITE 302
MIAMI FL 33126

Changed 08/07/2009

Mailing Address

5835 BLUE LAGOON DRIVE
SUITE 302
MIAMI FL 33126

Changed 08/07/2009

Registered Agent Name & Address

BALOYRA, JOSE L ESQ.
5835 BLUE LAGOON DRIVE
SUITE 302
MIAMI FL 33126 US

Address Changed: 08/07/2009

Manager/Member Detail

Name & Address

Title MGR

MEDEROS, JORGE C
5835 BLUE LAGOON DRIVE, SUITE 302
MIAMI FL 33126 US

Annual Reports

Report Year	Filed Date
2007	02/27/2007

2008 01/25/2008
2009 08/07/2009

Document Images

08/07/2009 -- ANNUAL REPORT	View image in PDF format
03/14/2006 -- LC Amendment	View image in PDF format
01/25/2008 -- ANNUAL REPORT	View image in PDF format
02/27/2007 -- ANNUAL REPORT	View image in PDF format
10/11/2006 -- LC Amendment and Name Change	View image in PDF format
05/03/2006 -- Florida Limited Liability	View image in PDF format

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Florida Limited Liability Company

MEDEROS-T.M. ALEXANDER ACQUISITIONS, LLC

Filing Information

Document Number L06000059022
FEI/EIN Number 205015426
Date Filed 06/08/2006
State FL
Status ACTIVE
Last Event LC AMENDMENT
Event Date Filed 01/26/2007
Event Effective Date NONE

Principal Address

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Mailing Address

5835 BLUE LAGOON DRIVE, STE. 302
MIAMI FL 33126

Registered Agent Name & Address

BALOYRA, JOSE L ESQ.
STE. 300, 2950 SW 27TH AVENUE
MIAMI FL 33133 US

Manager/Member Detail

Name & Address

Title MGR
NAME MEDEROS, JORGE C
ADDRESS 5835 BLUE LAGOON DRIVE, STE. 302
 MIAMI FL 33126

Annual Reports

Report Year Filed Date
 2007 02/27/2007
 2008 01/25/2008
 2009 07/02/2009

Document Images

07/02/2009 -- ANNUAL REPORT

01/25/2008 -- ANNUAL REPORT

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02/27/2007 -- ANNUAL REPORT

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10/11/2006 -- LC Name Change

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Exhibit 27

CONTRACT FOR PURCHASE AND SALE OF REAL PROPERTY

This Contract (the "Contract") is made and entered into as of the 17th day of August, 2009, by and between Mederos-T.M. Alexander Acquisitions, LLC a Florida limited liability company (the "Seller") and The American Opportunity Foundation, Inc., a Georgia non-profit corporation and Allied Pacific Development, LLC, a Delaware limited liability company, and/or their assigns (the "Buyer").

In consideration of the mutual agreements herein set forth, the parties hereto agree as follows:

1. Definitions. The following terms when used in this Contract for Purchase and Sale shall have the following meanings:

1.1. Intentionally Omitted.

1.2. Attorneys' Fees. All reasonable fees and expenses charged by an attorney for his services and the services of any paralegals, legal assistants or law clerks, including (but not limited to) fees and expenses charged for services rendered in connection with representation at the trial level, in all appeals, and in any bankruptcy proceeding.

1.3. Broker. The following broker, Marcus & Millichap, whose mailing address is 5900 North Andrews Avenue, Suite 100, Ft. Lauderdale, FL 33309; Telephone: (954) 463-2400; Telecopy: (954) 764-3384; and Mederos & Associates Real Estate Inc., whose mailing address is: 5835 Blue Lagoon Drive, Suite 302, Miami, Florida 33126 (collectively, the "Seller's Broker").

1.4. Building. That 151 unit multi-family rental apartment complex known as the T.M. Alexander Apartments, located at 1400 NW 19th Street, Miami, Florida.

1.5. Business Day. Any day that national banks in Miami-Dade County are open for business, excluding Saturdays and Sundays.

1.6. Buyer. The American Opportunity Foundation, Inc. and Allied Pacific Development, LLC. Buyer's mailing address is 600 Galleria Parkway, Suite 1660, Atlanta, Georgia 30339; Telephone: 770 937 0377; Telecopy: (770) 953 8070. Buyer's taxpayer identification number is: 58-1533966.

1.7. Buyer's Attorney. Schreeder, Wheeler & Flint, LLP. Attention: Clifford A. Barshay, Esq;. Buyer's Attorney's mailing address is 1100 Peachtree Street, Suite 800, Atlanta, Georgia 30309; Telephone: (404) 681-3450; Telecopy: (404) 681-1046; e-mail cbarshay@swflp.com.

1.8. Buyer's Costs. Buyer's documented out-of-pocket costs with respect to the purchase of the Property, including but not limited to charges for surveys, lien searches, title examinations, soil tests, feasibility studies, appraisals, environmental audits, engineering and architectural work, and Attorneys' Fees incurred in the negotiation and preparation of this Contract.

1.9. Cash to Close. The Purchase Price plus all of Buyer's closing costs specified herein, subject to the adjustments set forth herein, less the full amount of the Deposit.

1.10. Closing. The delivery of Deed to Buyer concurrently with the delivery of the Purchase Price to Seller.

1.11. Closing Date. The date of the Closing, which shall be on or before March 30, 2010. However, Buyer shall have the unilateral right to extend the Closing Date for three (3) additional periods of thirty (30) days each by delivering written notice to Seller and Escrow Agent of Buyer's election to extend the Closing Date at least five (5) days prior to the initial Closing Date or the then extended Closing Date, as the case may be, AND instructing the Escrow Agent to release the \$12,500 of the then remaining Deposit to Seller, upon which the Closing Date shall be automatically extended by such thirty (30) day period. Upon each such extension request by Buyer, the Escrow Agent is instructed to release \$12,500.00 of the then remaining Deposit to Seller for each extension, which portions of the Deposit shall then be held by Seller and be non-refundable to Buyer; any such released Deposit shall continue to be applicable to the Purchase Price at Closing.

1.12. Contract. This Contract for Purchase and Sale of Real Property.

1.13. Deed. The Special Warranty Deed which conveys the Land from Seller to Buyer, the form of which is attached hereto as Exhibit "F".

1.14. Deposit. The sum of One Hundred Twenty Five Thousand Dollars (\$125,000.00), together with all interest earned on said sum while it is held in escrow by Escrow Agent in accordance with this Contract. Upon full execution of this Agreement and delivery of the full Deposit to the Escrow Agent, the Escrow Agent shall release \$50,000 of the Deposit to Seller, which amount shall be held by Seller and be non-refundable to Buyer; any such released Deposit shall continue to be applicable to the Purchase Price at Closing.

1.15. Effective Date. The date of the Contract is August __, 2009.

1.16. Escrow Agent. Chicago Title Insurance Company, Nancy Lee, Escrow Agent's mailing address is 4170 Ashford Dunwoody Road, Suite 460, Atlanta, GA 30319; Telephone: 404-419-3229; Telecopy: 404-303-8484; e-mail address: Nancy.Lee@cct.com

1.17. Financing Approval Period. The period of time beginning on the Effective Date and ending at 5:00 P.M., Eastern Time in effect on March 1, 2010.

1.18. FHFC. Florida Housing Finance Corporation.

1.19. Governmental Authority. Any federal, state, county, municipal or other governmental department, entity, authority, commission, board, bureau, court, agency or any instrumentality of any of them.

1.20. Governmental Requirement. Any law, enactment, statute, code, ordinance, rule, regulation, judgment, decree, writ, injunction, franchise, permit, certificate, license, authorization, agreement, or other direction or requirement of any Governmental Authority now existing or hereafter enacted, adopted, promulgated, entered, or issued applicable to Seller or to the Property.

1.21. Hazardous Material. Any flammable or explosive materials, petroleum or petroleum products, oil, crude oil, natural gas or synthetic gas usable for fuel, radioactive materials, asbestos, hazardous wastes or substances or toxic waste or substances, including, without limitation, any substances now or hereafter defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "toxic materials" or "toxic substances" under any Governmental Requirement.

1.22. HFA. The Housing Finance Authority of Dade County (Florida), its successors and/or assigns.

1.23. HUD. The United States Department of Housing and Urban Development, its successors and/or assigns.

1.24. FHFC Credit Underwriting Approval. Such approvals as required in order to evidence approval by FHFC of Buyer's credit applications with FHFC without any conditions unacceptable to Buyer.

1.25. Improvements. The Building together with all improvements or other structures owned by Seller and located on the Land.

1.26. Intentionally Omitted.

1.27. Intentionally Omitted.

1.28. Land. That certain real property located in Miami-Dade County, Florida, and more particularly described in Exhibit "A" attached hereto.

1.29. Leases. A lease of space in the Improvements or any other portion of the Property. A Rent Roll describing the Leases in effect and the security deposits held by or on behalf of Seller is attached hereto as Exhibit "C".

1.30. Permitted Exceptions. The title exceptions set forth on Exhibit "B" attached hereto.

1.31. Personal Property. Any items of personal property owned by Seller and located in the Improvements.

1.32. Property. Collectively, the Land, the Improvements, and the Personal Property.

1.33. Property Records. Originals or copies of the following documents relating to the Property (if in the possession of Seller): licenses, permits, certificates of occupancy, real and personal property tax bills, utility bills, architectural and engineering plans, property inspection reports, surveys, environmental reports and studies, leases, service contracts, financial records of the Property, any HUD Regulatory Agreements, and each of the items described in Exhibit "K" attached hereto.

1.34. Purchase Price. Subject to adjustment as set forth in Section 15.1.10 hereinbelow, the sum of Twelve Million Five Hundred Twenty Seven Thousand Three Hundred Twenty Three Dollars and 05/XX (\$12,527,323.05).

1.35. Regulatory Agreement. The Amended and Restated Regulatory Agreement as to Tax Exemption, dated as of November 1, 1996, by and between the HFA, First Union National Bank of Florida, and Seller, recorded in Official Records Book 17454, at Page 643 of the Public Records of Miami-Dade County, Florida.

1.36. Rent. All base rent; minimum rent, additional rent, percentage rent, common area maintenance charges, taxes, insurance, operating expenses, laundry fees, parking fees, late fees and any other payments for miscellaneous services performed by Seller under any Lease.

1.37. Rent Roll. The Rent Roll for the Property attached hereto as Exhibit "C", as updated at Closing.

1.38. Seller. Mederos-T.M. Alexander Acquisitions, LLC, a Florida limited liability company. Seller's mailing address is 5835 Blue Lagoon Drive, Suite 302, Miami, Florida 33126; Attention: Jorge C. Mederos. Telephone: (305) 271-9250, Telecopy: (305) 271-9260.

1.39. Seller's Attorney. Jose L. Baloyra, P.A., Attention: Jose L. Baloyra, Esq. Seller's Attorney's mailing address is: 5835 Blue Lagoon Drive, Suite 302, Miami, Florida 33133. Telephone: (305) 442-4142; Telecopy: (305) 442-4377, email address: mail to: jbaloyra@baloyralaw.com.

1.40. Intentionally Deleted.

1.41. Service Contracts. All service contracts and maintenance agreements entered into by Seller or on behalf of Seller relating to the operation or maintenance of the Property which will affect the Property after Closing. A schedule of Service Contracts, if any, is attached hereto as Exhibit "D".

1.42. Title Commitment. An ALTA Title Insurance Commitment issued by Buyer's Attorney as agent for the Title Company, agreeing to issue the Title Policy to Buyer upon satisfaction of the Buyer's obligations pursuant to this Contract and the Title Commitment.

1.43. Title Policy. An ALTA Form (2006 revision) owner's title insurance policy in the amount of the Purchase Price, issued by Buyer's Attorney as agent for the Title Company, insuring Buyer's title to the Land, subject only to the Permitted Exceptions and as otherwise expressly provided for herein.

1.44. Title Company. Chicago Title Insurance Company or such other nationally recognized title insurance company licensed to write title insurance in the State of Florida.

2. Purchase and Sale. Seller agrees to sell and convey the Property to Buyer and Buyer agrees to purchase and acquire the Property from Seller on the terms and conditions hereinafter set forth.

3. Purchase Price. The Purchase Price shall be paid as follows:

3.1. Deposit. Within three business day following the Effective Date, Buyer shall deliver the Deposit to Escrow Agent. The Deposit shall be placed by Escrow Agent in escrow account with a national bank doing business in the metropolitan Atlanta, Georgia area and released in accordance with this Contract.

3.2. Intentionally Omitted.

3.3. Cash to Close. Buyer shall pay the Cash to Close in accordance with the closing procedure hereinafter set forth.

4. Financing and HUD Contingencies.

4.1 Seller acknowledges that Buyer intends to seek credit approval from FHFC or such alternative financing sources acceptable to Buyer upon terms and conditions acceptable to Buyer in its sole and absolute discretion. Seller shall fully cooperate with Buyer in connection with all applications related to such FHFC financing or any other alternative financing but shall not in any case be obligated to incur any expense, cost or obligation. Nothing herein shall obligate Buyer to pursue a particular course or timing on its application process. In the event that Buyer does not obtain such approvals, commitments and/or validations as may be required in connection with the financing of its acquisition of the Property upon terms and conditions

satisfactory to Buyer on or before the expiration of the Financing Approval Period (or in the event Buyer determines in its sole discretion that it will not be able to obtain such approvals, commitments or validation prior to the expiration of the Financing Approval Period), Buyer shall have the right to terminate this Contract; in such event, this transaction and this Contract shall be terminated, the remaining portion of the Deposit held by the Escrow Agent (i.e. \$75,000.00) shall be refunded to Buyer by the Escrow Agent, Seller shall retain the portion of the Deposit previously released to Seller (i.e. \$50,000.00) and the parties shall be relieved of all obligations hereunder (except with respect to any indemnities intended to survive the termination of this Contract). Should Buyer fail to terminate this Contract as set forth in the preceding sentence, (i) Buyer shall be deemed to have waived or satisfied the contingencies set forth in this Section 4.1, and (ii) an additional \$37,500.00 of the Deposit shall be released by the Escrow Agent to Seller, which amount shall be held by Seller and be non-refundable to Buyer (provided any such released Deposit shall continue to be applicable to the Purchase Price at Closing). Buyer shall endeavor to provide Seller with evidence of its loan applications as well as any other reasonable documentation evidencing that Buyer is proceeding with the financing, provided nothing herein shall obligate Buyer to pursue a particular course or timing on its application process. Upon Seller's request, Buyer will provide Seller with copies of all third party reports obtained in the course of application for the financing.

4.2 Seller and Buyer acknowledge and agree that rental assistance is provided to the units comprising the Improvements pursuant to Section 8 Housing Assistance Payment(s) Contracts (the "HAP Contracts"). The HUD Appropriations Bill provides for certain notices to HUD, residents and local government officials upon the continuation or termination of the HAP Contracts. At the direction of Buyer, Seller shall timely provide such notices in conformance with HUD regulations and policies regarding the HAP Contracts contemporaneous with the Closing. If Buyer elects to continue to receive the rental assistance provided by the HAP Contracts, Seller shall cooperate in Buyer's efforts to seek HUD approval of the assignment of the HAP Contracts to Buyer and obtain the prior written consent of HUD and HFA (including, without limitation, HUD's consent to any application by Buyer for a transfer of physical assets ("TPA")), which consent will be held in escrow and shall not become effective until Closing. If HUD imposes any condition(s) upon Buyer with respect to the assignment of the HAP Contracts or approval of Buyer's TPA, such condition(s) shall not become effective unless both parties agree to such condition(s). Buyer agrees to provide HUD and the HFA with such information as HUD or the HFA may reasonably request in connection with the approval of the assignment of the HAP Contracts. If any of the HAP Contracts will expire prior to the Closing, Seller will seek to extend the expiring HAP Contracts. Buyer will submit its application with HUD for approval of the assignment of the HAP Contracts no later than September 15, 2009. In the event that Buyer does not obtain HUD approval of the assignment of the HAP Contracts and the TPA on or before the expiration of the Financing Approval Period, Buyer shall have the right to terminate this Contract by delivering notice to Seller prior to expiration of the Financing Approval Period; in such event, this transaction and this Contract shall be terminated, the remaining portion of the Deposit held by the Escrow Agent (i.e. \$75,000.00) shall be refunded to Buyer by the Escrow Agent, Seller shall retain the portion of the Deposit previously released to Seller (i.e. \$50,000.00)

and the parties shall be relieved of all obligations hereunder (except with respect to any indemnities intended to survive the termination of this Contract).

5. Investigations.

5.1. Buyer's Inspection of the Property. Prior to the Closing Date, Buyer shall have the right to review and inspect all of the Property Records and to enter upon the Land and the Improvements to make all inspections and investigations of the condition of the Property which Buyer may deem necessary, including, but not limited to, soil borings; percolation tests; engineering, environmental and topographical studies; roof and termite inspections; and investigations of zoning and utilities, all of which inspections and investigations shall be undertaken at Buyer's sole cost and expense. After completing its inspection of the Property, Buyer shall, at its sole cost and expense, reasonably repair any damage it has caused to the Property. All inspections shall be conducted during normal business hours with prior notice to Seller, and Buyer shall coordinate any on-site inspections of the Property with Seller. All inspections of the Property shall be conducted in such a manner as to reasonably avoid any interference with any business operations on the Property. Seller shall not in any way be liable to Buyer as a result of any restriction of Buyer's right of access to the Property granted pursuant to this Section, resulting from the provisions of any Lease. All information obtained by Buyer shall be kept confidential except for disclosures to such professionals and mortgage lenders as may be required in connection with Buyer's investigation and acquisition of the Property or as otherwise required by law. If Buyer elects to terminate this Contract as expressly permitted in this Contract, then it shall deliver to Seller copies of all inspection reports generated by third parties pertaining to the Property which are not confidential or proprietary in nature. Notwithstanding anything herein to the contrary, Buyer hereby acknowledges that as a material inducement to the Seller in entering into the Contract, Buyer expressly waives any contingency for property inspection and hereby accepts the Property and the Personal Property in its "as-is" condition and shall not have the right to cancel this transaction by virtue of any inspection or investigation.

5.2. Property Records. Prior to the Closing Date, Buyer may elect to examine the Property Records, at the office of the Seller or such other place as Seller and Buyer shall mutually agree. Seller shall make the Property Records available to Buyer for examination at such location during normal business hours after reasonable notice to Seller. Buyer may, at its sole cost and expense, make copies of the Property Records. Buyer acknowledges and agrees that the Property Records are being provided to Buyer without warranty or representation, and that Buyer will make its own independent evaluation of the Property and the matters set forth in the Property Records. If this Contract is terminated prior to Closing, Buyer will return all copies of the Property Records to Seller.

5.3. Environmental Assessment. Prior to the Closing Date, Buyer may obtain an environmental assessment of the Property. Buyer shall pay the cost of such environmental assessment.

5.4. Indemnification. Buyer hereby agrees to indemnify Seller and hold Seller harmless against all claims, demands and liability, including Attorneys' Fees, for nonpayment for services rendered to Buyer, for mechanics' liens, or for damage to persons or property arising out of Buyer's investigation of the Property. Notwithstanding anything to the contrary set forth in this Contract, the indemnification and agreement to hold harmless set forth in this Section shall survive the Closing or the earlier termination of this Contract.

5.5. Liability Insurance. Buyer's right to enter the Land and Improvements shall be subject to Buyer's prior delivery to Seller of an insurance binder (from Buyer's insurer or from the insurer(s) of Buyer's contractors or parties engaged by Buyer to perform such physical inspections and tests) evidencing liability insurance coverage in a form and amount reasonably satisfactory to both parties.

5.6. Intentionally Omitted.

6. Evidence of Title.

6.1. Marketable Title. Seller shall convey to Buyer fee simple, marketable and insurable title to the Land, subject only to the Permitted Exceptions. Marketable and insurable title shall be determined according to the Uniform Title Standards adopted by The Florida Bar.

6.2. Delivery of Title Evidence. Intentionally omitted.

6.3. Buyer to Notify Seller of Additional Exceptions. Buyer shall, on or before the expiration of the Financing Approval Period, examine the Owner's Policy and obtain a Title Commitment together with copies of all documents and other items referred to in the Title Commitment as exceptions. If the Title Commitment reflects that title to the Land is subject to any exception (the "Additional Exceptions") other than the Permitted Exceptions, or if at any time after delivery of the Title Commitment and prior to Closing, Buyer receives notice of or otherwise discovers that title to the Land is subject to any Additional Exceptions, Buyer shall notify Seller in writing of the Additional Exceptions to which Buyer objects, prior to the expiration of the Inspection Period or within five (5) days of Buyer's receipt of any update endorsement obtained prior to Closing. If Buyer fails to deliver timely notice to Seller of any Additional Exceptions, Buyer shall be deemed to have waived its right to object to same, and Buyer shall proceed to Closing as hereinafter provided. Buyer shall similarly have the right to object to any Permitted Exception, in which event such Permitted Exception shall be treated as an Additional Exception for the purposes of this Contract.

6.4. Additional Exceptions. If Buyer has timely notified Seller of any Additional Exceptions to which Buyer objects, Seller shall have the following options:

6.4.1. Mandatory Additional Exceptions. If the Additional Exceptions are mortgages, liquidated claims, municipal violations, judgments, taxes (other than taxes which are subject to adjustment pursuant to this Contract), or are otherwise

curable by the payment of money, without resort to litigation, then Seller shall be required to remove such Additional Exceptions (the "Mandatory Additional Exceptions") from the Land by taking the actions necessary to have the Mandatory Additional Exceptions deleted or insured over by the Title Company, or transferred to bond so that the Mandatory Additional Exceptions are removed from the Title Commitment.

6.4.2. Optional Additional Exceptions. With regard to all Additional Exceptions which are not Mandatory Additional Exceptions (the "Optional Additional Exceptions"), Seller shall have the obligation to use its best efforts to take the actions necessary to have the Optional Additional Exceptions deleted or insured over by the Title Company, or transferred to bond so that the Optional Additional Exceptions are removed from the Title Commitment. However, in no event shall Seller be obligated to undertake extraordinary efforts or to spend more than \$10,000.00 in clearing an Optional Additional Exception. In the event Seller is unable to have the Optional Additional Exceptions deleted or insured over by the Title Company within thirty (30) days after delivery of written notice of such exceptions by Buyer, Buyer shall have the option, to be exercised within fifteen (15) days thereafter, to either proceed to Closing and accept title in its existing condition without adjustment to the Purchase Price, or to receive back the Deposit. In the event Buyer elects to receive back the Deposit, this Contract shall be deemed terminated and thereafter neither Buyer nor Seller shall have any further rights or obligations hereunder, except as otherwise expressly provided herein.

6.5. Additional Exceptions Caused by Buyer. Buyer shall not have the right to object to title or to terminate this Contract by reason of any Additional Exception which is caused by Buyer or by any party claiming by, through or under Buyer.

7. Survey.

7.1. Delivery of Survey. On or before the expiration of the Financing Approval Period, Buyer may obtain a survey (the "Survey") of the Land and all Improvements thereon prepared by a land surveyor or engineer registered and licensed in the State of Florida.

7.2. Survey Defects. If the Survey shows any matter which would affect the marketability or insurability of title to the Land (except for the Permitted Exceptions and other title matters otherwise permitted hereunder), Buyer shall notify Seller in writing of the specific defect prior to the expiration of the Financing Approval Period. Survey Defects shall be treated in the same manner as title defects are treated under this Contract. Buyer's failure to deliver timely notice of Survey defects shall be deemed a waiver of Buyer's right to object to Survey matters as provided in this Section.

8. Seller's Representations and Warranties.

8.1. Representations and Warranties. Seller represents and warrants to Buyer, which shall be true and correct as of the Closing Date and which shall survive Closing, as follows:

8.1.1. Seller's Existence. Seller is a Florida limited liability company in good standing vested with title to the Property and has full power and authority to own and sell the Property and to comply with the terms of this Contract and to consummate the transactions contemplated hereunder. The execution, delivery and performance of this Contract by Seller has been duly authorized by all of Seller's partners and no consent of any other person or entity to such execution, delivery and performance is necessary to render this Contract a valid and binding instrument enforceable against Seller in accordance with its terms. Neither the execution of this Contract nor the consummation of the transaction contemplated thereby will: (i) result in a breach of or default under any agreement to which Seller is a party or by which it is bound, or (ii) violate any existing law, order, regulation, decree writ, injunction or restriction to which Seller or the Property is subject.

8.1.2. Authority. The execution and delivery of this Contract by Seller and the consummation by Seller of the transaction contemplated by this Contract are within Seller's capacity and all requisite action has been taken to make this Contract valid and binding on Seller in accordance with its terms.

8.1.3. Litigation. There are no actions, suits, proceedings or investigations pending or, to the knowledge of Seller, threatened against Seller or the Property affecting any portion of the Property. Notwithstanding the as is provisions of this Contract the Seller will endeavor to settle all pending claims prior to closing. In the event that Seller is unable to resolve the pending claims prior to closing Seller agrees to continue to do everything necessary to defend all pending claims and will indemnify and hold harmless the Buyer against all such claims.

8.1.4. Parties in Possession. There are no parties other than Seller and tenants under the Leases in possession of any portion of the Land or the Improvements.

8.1.5. HAP Compliance. The Property currently complies and shall comply at Closing with the regulatory restrictions related to the HAP Contract, which restrictions expire on _____. Additionally, Seller hereby covenants, warrants, represents and agrees that it shall continue to manage and operate the Property through the Closing Date in full compliance with the Regulatory Agreement.

8.1.6. Accuracy of Property Records. To the best of Seller's knowledge, all Property Records are true and correct in all material respects as of their date.

8.1.7. Employee Issues. There are no employee disputes regarding benefits, wages, other compensation, or other employee issues. It is acknowledged that Buyer has no liabilities pertaining to any employee issue arising before the Closing Date. This provision shall survive Closing.

8.1.8. Bankruptcy. No petition in bankruptcy or other insolvency, or reorganization proceeding or appointment of a receiver or trustee, has been filed by or against Seller nor has Seller made an assignment for the benefit of creditors, or filed a petition for an arrangement or entered into an arrangement with creditors or admitted in writing its inability to pay debts as they become due.

8.1.9. Taking. Seller has received no written notice from any governmental or quasi-governmental body or agency or from any person or entity with respect to and does not know of, any actual or, to the best of its knowledge, threatened taking of the Property or any portion thereof for any public or quasi-public purpose by the exercise of the right of condemnation or eminent domain.

8.1.10. Taxes. Seller has paid all taxes, impositions and assessments applicable to the ownership and or operation of the Property that are now due.

8.1.11 Leases. Except as set forth in the Rent Roll (a) all commissions, other compensation, and fees payable in connection with any lease made prior to Closing shall be fully paid prior to Closing; (b) there are no Leases affecting all or any part of the Property other than those identified on the Rent Roll attached hereto, and those executed by Seller or its property manager after the Effective Date in accordance with the requirements of this Contract, and to Seller's knowledge, there are no other written or oral promises, understandings, agreements, or commitments between Seller or, its property manager and any other party for the use, occupancy, or possession of any apartment in the Property; (c) no Tenant has prepaid rent for more than thirty (30) days, except as disclosed to Buyer; (d) none of the Leases extend for a period of more than one (1) year from its commencement date, except as disclosed to Buyer; (e) as of the Effective Date, there are no monetary defaults by Tenant, except as set forth in the Rent Roll, which is available on-site for review by Buyer and as of the Closing Date, there are no monetary defaults by Tenants excepts as set forth in the Rent Roll delivered at the Closing Date. Buyer acknowledges that in the ordinary course of the operation of an apartment project, there may be Tenants who are delinquent in the payment of rent, from time to time. Upon Buyer's reasonable written request, Seller shall deliver to Buyer, copies of reports detailing Tenants who are delinquent or in default. After the Effective Date, Seller shall have the right to enter into any new Lease, or extend the term of any existing Lease, so long as the

effective rental (after taking into consideration any tenant concessions) is not less than Seller's present market rates and the terms of such new Leases or extensions are Seller's usual and customary terms consistent with the parameters for Leases set forth in this paragraph. Seller shall continue to operate the Property in a manner which is consistent with prior practices and shall remain current in the payment of all payables related to the operation of the Property.

8.1.12 Title. The Property sold to Buyer hereunder shall be conveyed to Buyer at Closing free and clear of any lien, claim or encumbrances, except for the Permitted Title Exceptions.

8.1.13 Service Contracts. The Service Contracts affecting the Property are each listed in Exhibit "D". Each Service Contract affecting the Property is in full force and effect assignable with no fee unless otherwise noted therein and has not been assigned, pledged, hypothecated, mortgaged, or otherwise transferred, in whole or in part, by Seller, nor is the consent of any person required for the valid and effective assignment to Buyer of such Service Contract, unless such consent is required by the terms of any particular Service Contract. To Seller's knowledge, there exist no actual, claimed, or threatened defaults which will constitute a default under any such Service Contract with respect to the performance of any of the material terms, covenants, or conditions to be performed by either party thereunder.

8.1.14 Government Actions. Seller has received no written notice of, nor does it have any actual knowledge of, any pending or threatened action or governmental proceeding relating to the Property of any kind or nature, including with respect to zoning matters or rent control. Seller has received no written notice from any governmental authority of a violation of any Federal, state or local law, regulation or ordinance affecting any portion of the Property, other than that certain enforcement action taken by Miami Dade County Department of Environmental Resources Management ("DERM") which has been disclosed to Buyer and pursuant to which DERM has issued a "No Further Actions Letter" in resolution thereof. There are no pending notices of violation of any municipal, county, state or Federal code or regulation and there are no open or pending building permits for construction on the Property.

8.1.15 Environmental. Seller has not received written notice from any governmental authority that the Property or the use or operation thereof are in violation of any Environmental Laws, and no such written notice has been issued, other than that certain enforcement action taken Miami Dade County Department of Environmental Resources Management ("DERM") which has been disclosed to Buyer and pursuant to which DERM has issued a "No Further Actions Letter" in resolution thereof and, to Seller's actual knowledge, no violation of any Environmental Laws has occurred. To the best of Seller's knowledge, no part of the Property has ever been used by any person or entity to refine, produce, use, store, handle, transfer, process, transport or dispose of any

Hazardous Substances. The term "Environmental Laws" means all Federal, state and local laws, statutes, ordinances, codes, rules, regulations and other requirements respecting the environment, including but not limited to those respecting: the generation, use, handling, processing, storage, treatment, transportation, or disposal of any solid or hazardous wastes, or any hazardous or toxic substances or materials; pollution or contamination of land, improvements, air (including indoor air), or water (including groundwater); emissions, spills, releases, or discharges of any substance onto or into the land, improvements, air (including indoor air), or water (including groundwater), or any sewer or septic system; protection of wetlands; aboveground or underground storage tanks; air quality (including indoor air quality) or water quality (including groundwater quality); and protection of endangered species. The term "Hazardous Substance(s)" means any substance, material or waste defined as a pollutant or contaminant, or as a hazardous, toxic or dangerous substance, material or waste, under any Environmental Law.

8.1.16 Operations. None of the equipment, fixtures or appliances owned by Seller and located within the Property have been or, from and after the date of this Contract, will be removed from the Property by or on behalf of Seller except in connection with replacements or repairs being performed, or caused to be performed, by Seller in the ordinary course of business. From and after the date of this Contract, and until Closing or the earlier termination of this Contract, Seller will in good faith continue to operate and manage the Property in accordance with Seller's existing management practices and will maintain the Property in at least as good condition and repair as exists as of the date of this Contract, normal wear and tear and casualty and condemnation laws accepted.

8.1.17 Insurance. Seller shall maintain Seller's current hazard, fire and extended insurance coverages, comprehensive general liability insurance coverages and other insurance coverages, if any, covering the Property from and after the date of this Contract and until the Closing or earlier termination of this Contract.

Each of the foregoing representation and warranties of Seller shall expressly survive Closing and the recording of the Special Warranty Deed for a period of six (6) months from the date of Closing.

8.2. No Other Representations and Warranties. Except as expressly set forth herein, Seller has not made any warranties or representations concerning the Property or any component thereof, including, without limitation, the operation of or the costs or results of the operation thereof, the condition of the Improvements; the existence, location, quality or condition of any personal property; the concurrency status of the Property; the zoning or other land use restrictions affecting the Property; the enforceability of any contract or other agreement or right assigned hereunder; the compliance of the Property or any part thereof with any Governmental Requirement; the use or existence or prior use or existence of Hazardous Material on the Property; or the accuracy or completeness of any statement or other matter previously

disclosed to Buyer. Except as expressly set forth herein, Buyer represents that it is purchasing the Property in its present condition and subject to the Leases, the Buyer having made (or having the opportunity to make) its own inspection and examination of the Property and all components thereof. EXCEPT AS SPECIFICALLY PROVIDED FOR HEREIN, THERE ARE NO EXPRESSED OR IMPLIED WARRANTIES GIVEN TO BUYER IN CONNECTION WITH THE SALE OF THE PROPERTY. SELLER DOES HEREBY DISCLAIM ANY AND ALL WARRANTIES OF MERCHANTABILITY, HABITABILITY AND FITNESS THAT MAY BE DUE FROM SELLER TO BUYER. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH HEREIN, THIS SECTION 7.2 SHALL SURVIVE THE CLOSING.

9. Buyer's Representations and Warranties. Buyer represents and warrants to Seller, as follows:

9.1. Buyer's Existence. Buyer is duly organized, existing, in good standing and qualified to do business under the laws of the State of Georgia and Buyer has full power and authority to purchase the Property and to comply with the terms of this Contract; and

9.2. Authority. The execution and delivery of this Contract by Buyer and the consummation by Buyer of the transaction hereby contemplated are within Buyer's capacity and all requisite action has been taken to make this Contract valid and binding on Buyer in accordance with its terms.

9.3. HUD Approval of Assumption. Intentionally Omitted.

9.4. HFA Approval. Buyer shall, within the Financing Approval Period, endeavor to obtain HFA approval of the sale of the Property and assumption of all of Seller's right, title, obligations and interest in the Regulatory Agreement. Seller agrees that, within five (5) days following the Effective Date, Seller shall deliver to Buyer the contact information for the parties with whom Buyer shall apply for approval of the sale and assumption required hereunder. Buyer agrees to submit all application documents for such sale and assumption and to provide Seller with copies of all correspondence sent to or received from the HFA and otherwise keep Seller reasonably informed of all progress or lack thereof, towards that end. Buyer acknowledges that until such time as the Regulatory Agreement expires, the Property cannot be converted to the condominium form of ownership.

9.5. Compliance through Closing. Buyer hereby covenants, warrants, represents and agrees that it shall continue to manage and operate the Property from the Closing Date until the expiration date of the Regulatory Agreement, in full compliance with the Regulatory Agreement.

9.6. Survival. The provisions of this Section 9 shall survive (continue to be in effect after) the Closing.

10. Affirmative Covenants of Seller.

10.1. Leasing Activities. Seller shall not, from and after the date of this Contract, enter into any new Leases, or any modifications, renewals or terminations of any existing Leases, without the written consent or approval of Buyer, which consent or approval shall not be unreasonably withheld or delayed. If Buyer does not notify Seller in writing of its consent, approval, or disapproval within five (5) days after notice thereof from Seller, it will be presumed that Buyer has consented or approved such requested action. If Buyer disapproves such request, then Buyer's notice shall specify the reasons for such disapproval. Lease terms for leases executed after the Effective Date shall be for no greater than twelve (12) months.

10.2. Seller Rent Certification. At Closing, Seller shall deliver to Buyer an affidavit from Seller, with respect to tenants under Leases and certifying the information contained in the updated Rent Roll. Seller shall defend, indemnify and hold harmless Buyer from and against any loss or damage arising from any material misrepresentation in said affidavit. Such indemnification and hold harmless shall expire one (1) year after the Closing Date (as to all tenants).

10.3. Service Contracts Affecting the Property. Seller shall not, from and after the date of this Contract, enter into any new Service Contracts, but may modify, renew or terminate any existing Service Contracts that would affect the Property after Closing. Any new Service Contracts must provide that they are terminable by the Property owner, without penalty of any sorts, with thirty (30) days prior written notice.

10.4. Care and Maintenance of Property. Prior to Closing, Seller shall, unless otherwise expressly provided herein, maintain the Property in substantially the same condition, repair and appearance existing on the Effective Date, reasonable wear, tear and casualty excepted. Additionally, Seller acknowledges and agrees that any rental units within the Property which are currently not in rent ready condition or are vacated more than five (5) days prior to the Closing Date will be placed into rent ready condition by Seller prior to Closing, and Seller will be obligated to convey such rental units in rent ready condition. For purposes of this paragraph, the term "rent ready condition" shall mean an apartment unit within the Property having clean carpets, freshly painted walls, working kitchen appliances (including water heaters and HVAC to the extent they service only the individual vacant units), and no material damage to the doors, walls, ceilings, floors or windows of such units.

11. Closing. Subject to all of the provisions of this Contract, Buyer and Seller shall close this transaction on the Closing Date commencing at 10:00 a.m. or at such other time on the Closing Date as mutually agreed to by Seller and Buyer as the same may be extended as set forth in Section 1.11 hereinabove. The Closing shall take place at the office of Purchaser's lender or bond counsel and may be conducted as a mail-away escrow closing.

12. Seller's Closing Documents. At Closing, Seller shall execute and deliver certain documents (the "Seller's Closing Documents"), as follows:

12.1. Deed. The Deed, in the form attached hereto as Exhibit "F", which shall be duly executed and acknowledged by Seller so as to convey to Buyer marketable fee simple title to the Land free and clear of all liens, encumbrances and other conditions of title other than the Permitted Exceptions and such other matters permitted herein. Seller shall also deliver all documents required to record the Deed in the Public Records of the county in which the Land is located. Buyer hereby acknowledges that Seller shall warrant title to the Land against all parties claiming by, through or under Seller and against none other. Additionally, to the extent Buyer's Survey shall provide for a legal description which varies from the legal description of the Land attached to this Contract as Exhibit "A", Seller shall deliver a quit claim deed based on the legal description derived from Buyer's Survey.

12.2. Bill of Sale. The bill of sale (the "Bill of Sale"), in the form attached hereto as Exhibit "G", which shall be duly executed and acknowledged by Seller so as to transfer and deliver to Buyer, all of Seller's right, title and interest in and to the Personal Property.

12.3. Seller's No Lien, Gap and FIRPTA Affidavit. An affidavit from Seller attesting that: (a) no individual or entity has any claim against the Land under the applicable contractor's lien law, (b) except for Seller and tenants under the Leases, no individual or entity is either in possession of the Property or has a possessory interest or claim in the Property, and (c) no improvements to the Property have been made by Seller for which payment has not been made within the immediately preceding one hundred (100) days. The affidavit shall include language sufficient to enable the Title Company to insure the "gap", i.e., delete as an exception to the Title Commitment any matters appearing between the effective date of the Title Commitment and the effective date of the Title Policy. The affidavit shall also include the certification of non-foreign status required under Section 1445 of the Internal Revenue Code to avoid the withholding of income tax by the Buyer.

12.4. Assignment of Leases. The Assignment of Leases and Assumption Agreement (the "Assignment of Leases"), in the form attached hereto as Exhibit "H", assigning to Buyer all of the Seller's interest under all Leases and tenancies affecting the Property and all refundable escrow and security deposits made by tenants thereunder, provided, however, that Buyer shall assume all of Seller's liabilities and responsibilities under the Leases arising on the Closing Date and thereafter. The Assignment of Leases shall contain an indemnity from Buyer in favor of Seller against any action relating to the Leases, Rents, security deposits and prepaid Rents occurring after the Closing Date and an indemnity from Seller in favor of Buyer against any action relating to the Leases, Rents, security deposits and prepaid Rents occurring prior to the Closing Date.

12.5. General Assignment. The General Assignment (the "General Assignment") in the form attached hereto as Exhibit "I", assigning to Buyer all of the Seller's interest under all Service Contracts which are in the possession of Seller, together with all of Seller's interest in any licenses, warranties, trade or assumed names, developer's rights or agreements, certificates of use (if any) as-built plans and specifications, permits and certificates

of occupancy, assigning to Buyer all of Seller's right, title and interest in and to the foregoing to the extent such rights exist and are assignable. Buyer shall assume all of the obligations of Seller as described in the General Assignment as of the Closing Date and thereafter.

12.6. Closing Statement. A Closing Statement setting forth the Purchase Price, Deposit and all credits, adjustments and prorations between Buyer and Seller, and the net Cash to Close due Seller.

12.7. Form 1099-B. Such federal income tax reports respecting the sale of the Property as are required by the Internal Revenue Code of 1986. It shall be the responsibility of the Buyer's Attorney to file a Form 1099-B with the Internal Revenue Service if such filing is required by law.

12.8. Authorizing Resolutions. Such documents as Buyer or the Title Company may reasonably request evidencing Seller's existence, power, and authority of Seller to enter into and execute this Contract and to consummate the transaction herein contemplated, and to allow the Title Company to issue the Title Policy.

12.9. Service Contracts. The originals of all Service Contracts in the possession of Seller or copies thereof certified by Seller as being true, correct and complete.

12.10. Leases. The originals of all Leases and all modifications, amendments, extensions and assignments thereof which are in the possession of Seller or copies thereof certified by Seller as being true, correct and complete.

12.11. Notice of Change of Ownership. Copies of a letter signed by Seller to be delivered by Buyer to the tenants and service providers of the Property, giving notice of the change of ownership of the Property.

12.12. Certified Rent Roll A certified updated Rent Roll.

12.13. Assignment of HAP Contract and Regulatory Agreement. An agreement acknowledging the assignment by Seller of all obligations currently encumbering the Property pursuant to the HAP Contract and Regulatory Agreement, whereby Seller shall indemnify, defend and hold Buyer, its partners and their officers harmless from any claims or damages together with all costs and expenses, including attorneys' fees and costs incurred by Buyer, resulting or arising from the Seller's failure to comply with all Regulatory Agreement requirements, HAP Contract requirements or any other restrictions encumbering the Property, prior to the Closing. Buyer shall indemnify, defend and hold Seller, its partners and their officers harmless from any claims or damages together with all costs and expenses, including attorneys' fees and costs incurred by Seller, resulting or arising from the Buyer's or Buyer's assignee's failure to comply with all Regulatory Agreement requirements or HAP Contract requirements from and after Closing. This provision shall survive Closing.

13. Buyer's Closing Documents. At Closing, Buyer shall execute and deliver certain documents (the "Buyer's Closing Documents"), as follows:

13.1. Authorizing Resolution. A certified resolution of Buyer authorizing the entering into and execution of this Contract and the consummation of the transaction herein contemplated.

13.2. Hazardous Materials Release. The Hazardous Materials Release, properly executed by the Buyer, in the form attached hereto as Exhibit "J".

13.3. Assumption of HAP Contract. An agreement acknowledging the assumption by Buyer of all HAP restrictions currently encumbering the Property pursuant to the HAP Contract.

14. Closing Procedure. The Closing shall proceed in the following manner:

14.1. Pre-Closing Delivery of Documents. Buyer's Attorney and Seller's Attorney shall each deliver to the other copies of the proposed Buyer's Closing Documents and Seller's Closing Documents not less than two (2) days prior to the Closing Date.

14.2. Transfer of Funds. Buyer shall pay the Cash to Close to the Escrow Agent by wire transfer to a depository designated by Escrow Agent.

14.3. Delivery of Documents. Buyer shall deliver to the Escrow Agent the Buyer's Closing Documents and Seller shall deliver to the Escrow Agent the Seller's Closing Documents.

14.4. Disbursement of Funds and Documents. Once the Title Company has "insured the gap," i.e., endorsed the Title Commitment to delete the exception for matters appearing between the effective date of the Title Commitment and the effective date of the Title Policy, then, and provided all other obligations to close have been performed, Escrow Agent shall deliver the Deposit, the Cash to Close, and the Buyer's Closing Documents to Seller, and the Seller's Closing Documents to Buyer.

14.5. Simultaneous Closing of Civic Towers. Except as set forth in this paragraph, Buyer, or an affiliate of Buyer, shall close on the acquisition of the Civic Towers project located at 1855 N.W. 15th Avenue, Miami, Florida (herein the "Affiliated Project") prior to or concurrently with Buyer's acquisition of the Property. Buyer and the owner of the Affiliated Project are currently under contract with respect to the sale and acquisition of the Affiliated Project (the "Affiliated Project Contract"). Notwithstanding anything contained herein to the contrary, the Buyer shall be entitled to terminate this Contract in the event of any failure of a condition precedent to Buyer's performance under the Affiliated Project or upon a termination of the Affiliated Project Contract by either Seller or Buyer pursuant to the terms of such Affiliated Project Contract; upon any such termination by Buyer hereunder, Escrow Agent shall

return to Buyer the Deposit, less any portion thereof previously disbursed to the Buyer, and thereafter this Contract shall be terminated and except as specifically set forth herein, neither Buyer nor Seller shall have any further rights or obligations hereunder. Any default by the selling party under the Affiliated Project Contract shall constitute a default by Seller under this Contract. In the event Buyer is required to bring an action for specific performance against the owner of the Affiliated Project pursuant to the Affiliated Project Contract, notwithstanding anything to the contrary contained in this Contract, the Closing Date under this Contract shall be automatically tolled on a day to day basis such that the Closing shall not occur until such time as the Closing under the Affiliated Project Contract.

15. Prorations and Closing Costs.

15.1. Prorations. Except as otherwise provided herein, certain items shall be prorated and adjusted between Seller and Buyer as of the midnight preceding the Closing, as herewith set forth.

15.1.1. Taxes. Real estate and personal property taxes, if any, shall be prorated based on amounts for the current year with maximum discount taken, except that if tax amounts for the current year are not available, prorations shall be made as of the Closing Date based upon the taxes for the preceding year, with maximum discount taken.

15.1.2. Pending and Certified Liens. Subject to the limitations set forth in Section 5.4.1 hereof, certified liens levied by any Governmental Authority for which the work has been substantially completed and which are currently due and payable either immediately or in installments shall be paid in full by the Seller, and Seller may use all or any portion of the Cash to Close to pay off or satisfy such liens concurrently with Closing.

15.1.3. License and Permit Fees. Prepaid license and permit fees under assigned licenses and permits which are transferable and transferred to Buyer.

15.1.4 Rent. Seller shall be entitled to all Rents for the period prior to Closing. Buyer shall be entitled to all Rents accruing on the day of and after Closing. Collected Rents shall be prorated as of the Closing Date. All other Rents due and owing as of the Closing Date shall belong to Seller, and Buyer shall, upon receipt of said Rents, receive the same in trust for Seller and shall promptly remit them to Seller within ten (10) days after Buyer's receipt of same subject to the limitations hereinafter set forth. All Rents received by Buyer shall be applied first against any delinquent Rents due and owing by said tenant to Buyer, then to current Rent due Buyer, and then to any previous delinquent Rents. Buyer shall exercise good faith and due diligence in collecting any delinquent Rent; provided, however, Buyer shall not be obligated to institute any legal proceedings to collect such delinquent Rents. If at the time of Closing any tenants owe Seller any money (the "Past Due Amounts"), Seller shall have the right,

at Seller's sole expense, subsequent to the Closing, to collect the Past Due Amounts and any damages relating thereto directly from the tenants, including bringing lawsuits against the tenants for such collection if expressly consented to by Buyer in writing prior to the initiation of any such lawsuit; provided, however, Seller agrees that any such legal action or collection shall not include any disturbance of the possession, use or occupancy of the tenants or any right to evict the tenants, whether pursuant to the Lease provisions or otherwise, and Buyer shall not be obligated to join in any lawsuit or have any responsibility regarding collection of Past Due Amounts or disputes between Seller and such tenants pertaining to same, but shall cooperate with Seller in its collection attempts. Buyer hereby waives its right to any damages relating to the Past Due Amounts and expressly acknowledges and agrees that any post-Closing negotiations between Buyer and tenants under Leases shall not impair, diminish or otherwise affect Seller's right to the Past Due Amounts and any damages relating thereto. Notwithstanding anything to the contrary set forth herein, the provisions of this Subsection shall expressly survive the Closing.

15.1.5 Security Deposits and Prepaid Rents. Buyer shall be given a credit against the Purchase Price for all cash security deposits, other deposits, and prepaid Rents under Leases shown on the Rent Roll, or at Buyer's option, these items shall be paid to Buyer by separate check at Closing.

15.1.6. Utility Deposits. Buyer shall be responsible for posting its own utility deposits and shall coordinate the posting of its utility deposits with Seller to enable Seller to arrange for final readings of the utility meters prior to or as of the Closing Date, and for Seller to receive a refund of its deposits.

15.1.7. Capital Improvement Reserve Fund/ T.M. Alexander McKinney Escrow Account. Solely in the event (i) Buyer is able to take legal possession and an assignment of all funds in the "T.M. Alexander Project Capital Improvement Escrow Fund" currently held by U.S. Bank, as Trustee, in the approximate balance of \$258,852.66, and the "T.M. Alexander McKinney Escrow Account" currently held by U.S. Bank., as Trustee, in the approximate balance of \$64,622.07, (ii) Buyer has verified to its reasonable satisfaction, prior to Closing, that such funds shall be available to Buyer for Buyer's use in connection with the operations of the Property after the date of Closing, and (iii) HUD continues to require such funds to be on deposit in connection with the operations of the Property and allows such funds to continue to satisfy Buyer's deposit requirements, then at Closing, Seller shall assign its interest in such funds to Buyer and Seller shall be given a credit on the Closing Statement for the current balances held in both accounts. In the event any of the foregoing conditions has not been satisfied, Seller shall retain its interest in such funds and shall not receive any corresponding credit on the Closing Statement.

15.1.8 Payments for Periods After Closing. If Seller has entered into any agreement relating to the Property pursuant to which Seller has received payment for a term which extends beyond the Closing Date, including, but not limited to any contract relating

to laundry, cable television or satellite television, such payment shall be prorated as of the Closing Date and Buyer shall receive a credit for the amount of the payment attributable to the portion of the term falling after the Closing Date.

15.1.9. Other Items. All other items required by any other provision of this Contract to be prorated or adjusted or, absent express reference thereto in this Contract, items normally prorated in the county where the Land is located, shall be prorated in accordance with the standards prevailing in the county in which the Land is located.

15.1.10. Adjustment to Purchase Price Based Upon Mark Up To Market Rent Increase. Intentionally Omitted.

15.2. Prorations. At the Closing, the above-referenced items shall be prorated and adjusted as indicated. In connection with such closing costs, expenses, and/or prorations, Seller and Buyer understand and agree that some such figures may be based on good faith estimates and that if the actual costs, expenses, and/or prorations are greater than or less than the estimate, Seller and Buyer, as applicable, will either be refunded or shall pay, as appropriate, the difference between the estimate and the actual costs and expenses. All prorations must be finalized within sixty (60) days from the Closing Date, other than any prorations related to taxes which shall be prorated no later one year from the Closing Date.

15.3. Seller's Closing Costs. Seller shall pay for certain items prior to or at the time of Closing (the "Seller's Closing Costs"), as follows:

- Documentary Stamps and Miami-Dade County Surtax to be affixed to the Deed
- Recording of any corrective title instruments
- Seller's Attorneys' fees and costs
- Commissions as set forth in Section 20 hereof

15.4. Buyer's Closing Costs. Buyer shall pay for certain items prior to or at the time of Closing (the "Buyer's Closing Costs"), as follows:

- Preparation of Title Commitment
- Title Policy Premium
- Recording of Seller's Closing Documents
- All costs of Buyer's acquisition financing
- All investigatory reports, services or surveys
- Buyer's Attorneys' fees and costs
- All costs of assumption of the HAP Contract

16. Possession. Buyer shall be granted full possession of the Property at Closing, subject to any tenants in possession under Leases.

17. Condemnation. If at any time prior to the Closing Date, any proceedings shall be commenced for the taking of all of the Property or any material portion thereof, for public or quasi-public use pursuant to the power of eminent domain, Seller shall furnish Buyer with written notice of any proposed condemnation within five (5) days after Seller's receipt of such notification, but in no event later than the Closing. In such event, and provided that Buyer is not otherwise in default under this Contract, Buyer shall have the option to terminate this Contract within fifteen (15) days after Buyer's receipt of the notice from Seller, by sending written notice to Seller and Escrow Agent. Should Buyer terminate this Contract, the Deposit shall immediately be returned to Buyer, and thereafter neither Buyer nor Seller shall have any further rights or obligations hereunder except as otherwise expressly provided herein. If Buyer does not elect to terminate the Contract within the required time, then (i) the Closing shall progress as herein provided without reduction of the Purchase Price; (ii) Buyer shall have the right to participate in the negotiation of any condemnation awards or other compensation for taking, and (iii) Seller shall assign to Buyer any and all awards and other compensation for such taking to which it would be otherwise entitled as owner of the Property and Seller shall convey the portion of the Property, if any, which remains after the taking.

18. Damage by Casualty. In the event that the Improvements or any portion thereof are damaged or destroyed by fire or other casualty prior to Closing, Seller shall have the option to repair and restore the Property to the same condition as before the fire or casualty and Closing shall be deferred for up to sixty (60) days to permit such repair and restoration. If Seller elects not to repair and restore or if Seller is not able to repair or restore within such sixty (60) day period, then Buyer shall have the option of either (a) cancelling this Contract and receiving a refund of the Deposit, whereupon both parties shall be released from all further obligations under this Contract, or (b) proceeding with Closing in which case Buyer shall be entitled to all insurance proceeds and to a credit equal to the insurance deductibles.

19. Default.

19.1. Buyer's Default. In the event that this transaction fails to close due to a default on the part of Buyer, upon notice to Buyer, and after expiration of a five (5) day cure period to remedy any noticed default, the Deposit made or agreed to be made by Buyer shall be paid to or retained by the Seller as agreed-upon liquidated damages and thereafter, except as otherwise specifically set forth in this Contract, neither Buyer nor Seller shall have any further rights or obligations under this Contract. Buyer and Seller acknowledge that if Buyer defaults, Seller will suffer damages in an amount which cannot be ascertained with reasonable certainty on the Effective Date, and that the Deposit to be paid to Seller most closely approximates the amount necessary to compensate Seller in the event of such default. Buyer and Seller agree that this is a bona fide liquidated damages provision and not a penalty or forfeiture provision. In no event shall Seller have a right to enforce specific performance against Buyer.

19.2. Seller's Default. In the event of a default by Seller under any term or provision of this Contract or any breach of any representation or warranty of Seller contained in

this Contract, Buyer may elect, upon notice to Seller, and after expiration of a five (5) day cure period to remedy any noticed default, in Buyer's sole discretion, either (i) to terminate this Contract, in which event the Deposit, less any sums previously disbursed to the Seller, shall be returned to Buyer by the Escrow Agent, and neither party shall have any further liability or obligation to the other, except for those provisions which expressly survive any such termination; (ii) to assert and seek judgment against Seller for specific performance of this Contract; or (iii) to the extent any such default by Seller is in the nature of being an intentional default by Seller (i.e. a voluntary bad faith act of Seller), pursue an action to recover Buyer's out-of-pocket expenses incurred by Buyer in connection with its pursuit of the acquisition of the Property, which amount the parties stipulate shall not exceed \$100,000.00.

20. Commissions. Seller represents and warrants to Buyer and Buyer represents and warrants to Seller that Broker is the only real estate broker engaged with respect to this transaction; and that no other broker or finder has been engaged by Buyer or Seller with respect to this transaction. Seller and Buyer agree to indemnify and hold each other harmless from any and all claims for any other brokerage fees or similar commissions asserted by brokers or finders claiming by, through or under the indemnifying party. Seller agrees to pay Broker its full commission in the amount of 1.0% of the Purchase Price upon Seller's receipt of the Purchase Price as a result of the consummation of the sale contemplated hereunder. In addition to the commission payable to Broker, Seller shall pay Mederos & Associates Real Estate, Inc. a brokerage commission in the sum of 1.5% of the Purchase Price and a mortgage brokerage fee in the sum of 1% of the Purchase Price to Trinity Partners/Phillip Guistolise. Notwithstanding anything to the contrary set forth in this Contract, the provisions of this Section shall survive the Closing or earlier termination of this Contract as expressly provided herein.

21. Notices. Any notice, request, demand, instruction or other communication to be given to either party hereunder, except where required to be delivered at the Closing, shall be in writing and shall either be (i) hand-delivered, (ii) sent by Federal Express or a comparable overnight mail service, or (iii) sent by telephone facsimile transmission provided that an original copy of the transmission shall be mailed by regular mail, to Buyer, Seller, Buyer's Attorney, Seller's Attorney, and Escrow Agent, at their respective addresses set forth in Section 1 of this Contract. Notice shall be deemed to have been given upon confirmed receipt or refusal of delivery of said notice. The addressees and addresses for the purpose of this paragraph may be changed by giving notice. Unless and until such written notice is received, the last addressee and address stated herein shall be deemed to continue in effect for all purposes hereunder.

22. Escrow Agent.

22.1. Duties and Authorization. The payment of the Deposit, Cash to Close and all other funds provided hereunder to the Escrow Agent is for the accommodation of the parties to this Contract. The duties of the Escrow Agent shall be determined solely by the express provisions of this Contract. In the event Escrow Agent receives a written demand from either Seller or Buyer for the Deposit (which demand shall include an explanation setting forth the

factual basis for such party's request for the Deposit), Escrow Agent shall give ten (10) days written notice to the other party of such demand and of Escrow Agent's intention to remit the Deposit to the party making the demand on the stated date. If Escrow Agent does not receive a written objection within ten (10) days after such notice, Escrow Agent is hereby authorized to so remit the Deposit. If, however, Escrow Agent receives written objection from the other party within ten (10) days such after notice, Escrow Agent shall continue to hold the Deposit until otherwise directed by joint written instructions from Seller and Buyer, or until a final judgment of an appropriate court is issued. Buyer and Seller authorize the Escrow Agent, without creating any obligation on the part of the Escrow Agent, in the event this Contract or the Deposit becomes involved in litigation, to deposit the Deposit with the clerk of the court in which the litigation is pending and thereupon the Escrow Agent shall be fully relieved and discharged of any further responsibility under this Contract. Buyer and Seller also authorize the Escrow Agent, if it is threatened with litigation, to interplead all interested parties in any court of competent jurisdiction and to deposit the Deposit with the clerk of the court and thereupon the Escrow Agent shall be fully relieved and discharged of any further responsibility hereunder.

22.2. Liability. The Escrow Agent shall not be liable for any mistake of fact or error of judgment or any acts or omissions of any kind unless caused by its own willful misconduct or gross negligence. The Escrow Agent shall be entitled to rely on any instrument or signature believed by it to be genuine and may assume that any person purporting to give any writing, notice or instruction in connection with this Contract is duly authorized to do so by the party on whose behalf such writing, notice, or instruction is given.

22.3. Hold Harmless. Buyer and Seller will, and hereby agree to, jointly and severally, indemnify the Escrow Agent for and hold it harmless against any loss, liability, or expense, including Attorneys' Fees, incurred on the part of the Escrow Agent arising out of or in connection with the acceptance of, or the performance of, its duties under this Contract, as well as the costs and expenses of defending against any claim or liability arising under this Contract. This provision shall survive the Closing or earlier termination of this Contract.

23. Assignment. This Contract shall not be assigned by Buyer, without the prior written consent of Seller, however, such consent shall not be necessary if the assignment is to an entity affiliated with the Buyer.

24. Miscellaneous.

24.1. Amendment. No modification or amendment of this Contract shall be of any force or effect unless in writing executed by both Seller and Buyer.

24.2. Attorneys' Fees. Each of the parties hereto shall bear its own costs and Attorneys' Fees in connection with the execution of this Contract and the consummation of the transaction contemplated hereby. In the event of any dispute hereunder, the prevailing party shall be entitled to recover all costs and expenses incurred by it in connection with the

enforcement of this Contract, including all Attorney's Fees in and all costs in connection therewith.

24.3. Computation of Time. Any reference herein to time periods of less than six (6) days shall exclude Saturdays, Sundays and legal holidays in the computation thereof. Any time period provided for in this Contract which ends on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. Eastern Time in effect on the next full Business Day.

24.4. Construction of Agreement. Should any provision of this Contract requiring interpretation in any judicial, administrative or other proceeding or circumstance, it is agreed that the court, administrative body, or other entity interpreting or construing the same shall not apply a presumption that the terms thereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who prepared the same, it being further agreed that both parties hereto have fully participated in the preparation of this Contract.

24.5. Counterparts. This Contract may be executed in any number of counterparts, any one and all of which shall constitute the contract of the parties and each of which shall be deemed an original.

24.6. Entire Agreement. This Contract sets forth the entire agreement between Seller and Buyer relating to the Property, all subject matter herein and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the parties and there are no agreements, understandings, warranties, representations among the parties except as otherwise indicated herein.

24.7. Gender. As used in this Contract, the masculine shall include the feminine and neuter, the singular shall include the plural and the plural shall include the singular as the context may require.

24.8. Governing Law. This Contract shall be interpreted in accordance with the internal laws of the State of Florida both substantive and remedial regardless of the domicile of any party, and will be deemed for such purposes to have been made, executed and performed in the State of Florida; provided, however, Seller and Buyer do not waive any defenses, rights, remedies, privileges or other matters available to it under federal law or otherwise. Venue shall be in Miami-Dade County, Florida

24.9. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

24.10. Recording. Neither this Contract nor any portion thereof nor memorandum relating hereto shall be placed of record by any party to this Contract.

24.11. Section and Paragraph Headings. The section and paragraph headings herein contained are for the purposes of identification only and shall not be considered in construing this Contract.

24.12. Severability. Should any clause or provision of this Contract is determined to be a illegal, invalid or unenforceable under any present or future law by final judgment of a court of competent jurisdiction, the remainder of this Contract will not be affected thereby. It is the intention of the parties that if any such provision is held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision that is similar in terms to such provision as is possible to be legal, valid and enforceable.

24.13. Successors and Assigns. This Contract shall inure to the benefit of and be binding upon the permitted successors and assigns of the parties hereto.

24.14. Survival. Except as otherwise expressly set forth in this Contract, all representations and warranties of Seller and obligations of Seller hereunder set forth in this Contract shall not survive the Closing, but shall merge into the Closing and the delivery of the Deed.

24.15. Time of the Essence. Time is of the essence in the performance of all obligations by Buyer and Seller under this Contract.

25. Waiver of Trial by Jury. SELLER AND BUYER HEREBY KNOWINGLY, IRREVOCABLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, PROCEEDING OR COUNTERCLAIM BASED ON THIS CONTRACT OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS CONTRACT OR ANY DOCUMENT OR INSTRUMENT EXECUTED IN CONNECTION WITH THIS CONTRACT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTION OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR SELLER AND BUYER ENTERING INTO THE SUBJECT TRANSACTION.

Signatures appear on the following page

IN WITNESS WHEREOF, Seller and Buyer have executed this Contract as of the dates indicated below.

SELLER:

MEDEROS-T.M. ALEXANDER
ACQUISITIONS., a Florida limited liability
company

By: Jorge Mederos
Name: JORGE C. MEDEROS
Title: MANAGER
Date: 8/17, 2009

BUYER:

The American Opportunity Foundation, Inc.

By: _____
Name: _____
Title: _____
Date: _____, 2009

Allied Pacific Development, LLC

By: _____
Name: _____
Title: _____
Date: _____, 2009

ESCROW AGENT: (as to only those sections
of the Contract pertaining to the Escrow
Agent's rights and responsibilities):

Chicago Title Insurance Company

By: _____
Title: _____

IN WITNESS WHEREOF, Seller and Buyer have executed this Contract as of the dates indicated below.

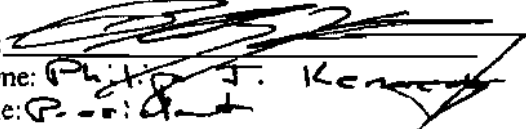
SELLER:

MEDEROS-T.M. ALEXANDER
ACQUISITIONS., a Florida limited liability
company

By: _____
Name: _____
Title: _____
Date: _____, 2009

BUYER:

The American Opportunity Foundation, Inc.

By: 
Name: Philip J. Kennedy
Title: President
Date: August 14, 2009

Allied Pacific Development, LLC

By: _____
Name: _____
Title: _____
Date: _____, 2009

ESCROW AGENT: (as to only those sections
of the Contract pertaining to the Escrow
Agent's rights and responsibilities):

Chicago Title Insurance Company

By: _____
Title: _____

IN WITNESS WHEREOF, Seller and Buyer have executed this Contract as of the dates indicated below.

SELLER:

MEDEROS-T.M. ALEXANDER
ACQUISITIONS., a Florida limited liability
company


By: _____
Name: _____
Title: _____
Date: _____, 2009

BUYER:

The American Opportunity Foundation, Inc.

By: _____
Name: _____
Title: _____
Date: _____, 2009

Allied Pacific Development, LLC

By: 
Name: Gregory Dunfield
Title: Director
Date: 8-13, 2009

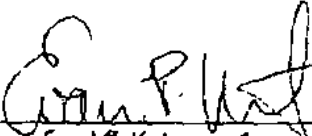
ESCROW AGENT: (as to only those sections
of the Contract pertaining to the Escrow
Agent's rights and responsibilities):

Chicago Title Insurance Company

By: _____
Title: _____

BROKERS: (as to Section 20 of the Contract
only)

MARCUS & MILLICHAP

By: 
EVAN P. KRISTEL, Senior Vice President, Investment

**MEDEROS & ASSOCIATES REAL
ESTATE, INC.**

By: _____

BROKERS: (as to Section 20 of the Contract only)

MARCUS & MILLICHAP

By: _____

MEDEROS & ASSOCIATES REAL ESTATE, INC

By: *Jorge Mederos*
JORGE C. MEDEROS

SCHEDULE OF EXHIBITS

Exhibit "A"	Legal Description of the Land
Exhibit "B"	Permitted Exceptions
Exhibit "C"	Rent Roll
Exhibit "D"	Schedule of Service Contracts
Exhibit "E"	Deleted
Exhibit "F"	Special Warranty Deed
Exhibit "G"	Bill of Sale
Exhibit "H"	Assignment of Leases
Exhibit "I"	General Assignment
Exhibit "J"	Hazardous Materials Release
Exhibit "K"	Due Diligence Items

EXHIBIT "A"

LEGAL DESCRIPTION

Tract A of T.M. ALEXANDER SUBDIVISION, according to the Plat thereof, as recorded in Plat Book 123, at Page 63 of the Public Records of MIAMI-DADE County, Florida

EXHIBIT "B"

PERMITTED EXCEPTIONS

1. Taxes and assessments for the year 2010 and subsequent years.
2. Zoning ordinances.
3. Conditions, covenants, easements, limitations, reservations, restrictions and agreements of record which are disclosed by Buyer's title commitment (but not objected to by Buyer), provided the same do not materially affect the current use of the Property.
4. Matters which would be disclosed by an accurate survey and inspection of the Land.
5. Rights of parties in possession under the Leases.
6. Covenant Running With the Land filed for record in Official Records Book 12851, at Page 495.
7. Restrictions, reservations, dedications, conditions, covenants, limitations, easements and rights of way contained on the plat of T.M. ALEXANDER SUBDIVISION, as filed for record in Plat Book 123, at Page 63.
8. Regulatory Agreement as to Tax Exemption filed for record in Official Records Book 12149, at Page 39; as assigned by Assignment, Allonge And Modification Agreement dated as of December 5, 1995 and filed for record December 9, 1996 in Official Records.

All of the foregoing references are to the Public Records of Miami Dade County, Florida.

EXHIBIT "C"

RENT ROLL

Rent Roll Monthly Register
 Community-TM Alexander (64)
 GL Report Date = 7/31/2009
 Month= Jul 2009

Appl Nbr	BR	Tenants (on last day of month)	Month Dets	Record Dets	Rent Class	Days Vacant In Mo	Gross Potential	Owner Overage	Billed Rent	Billed Subdty	Utility Allowance	Tenant Overage	Billed Vacancy	Total Billed	Variance Ep vs Tol
00 1802	1	VACANT			HUD Sec 8	2	984.00		346.00	639.00	81.00			984.00	0.00
00 0708	2	VACANT			HUD Sec 8		735.00		0.00	0.00	7.00		735.00	742.00	7.00
00 1802	3	Almad Rodriguez, Maria (6971)	01/15/08	01/01/10	HUD Sec 8		984.00		56.00	928.00	81.00			984.00	0.00
00 1405	4	Morales, Yolanda (8737)	12/01/08	12/01/09	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	0.00
00 1025	1	Alvarez, Susella (8001)	09/17/07	03/01/10	HUD Sec 8		984.00		191.00	793.00	81.00			984.00	0.00
00 1404	0	Kempner, Oona (8141)	11/12/08	11/01/08	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	0.00
00 0807	0	Arques, Yvonne (6418)	03/12/04	03/01/10	HUD Sec 8		984.00		184.00	800.00	48.00			984.00	0.00
00 1008	0	Alvarez, Arsen (8380)	11/01/03	11/01/09	HUD Sec 8		984.00		293.00	691.00	94.00			984.00	0.00
00 1807	1	Barral, Evelyn Barbara (8808)	04/04/01	04/01/10	HUD Sec 8		984.00		143.00	841.00	48.00			984.00	0.00
00 0402	1	Basson, Magdalena (8206)	11/02/02	11/01/09	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	0.00
00 1109	1	Baugh, Lisa (8959)	08/11/02	08/01/09	HUD Sec 8		984.00		215.00	769.00	81.00			984.00	0.00
00 1207	1	Ben, Carmen (8949)	12/01/08	12/01/09	HUD Sec 8		984.00		414.00	570.00	81.00			984.00	0.00
00 0409	1	Bernal, Luis (8984)	12/01/04	12/01/09	HUD Sec 8		984.00		159.00	825.00	81.00			984.00	0.00
00 1803	1	Bermejo, Diana (8405)	10/10/07	10/01/09	HUD Sec 8		984.00		128.00	856.00	81.00			984.00	0.00
00 1702	1	Berrio, Carmen (8837)	11/21/04	11/01/09	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	0.00
00 0404	1	Calderon, Juan (8604)	11/13/04	11/01/09	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	0.00
00 0809	0	Calderon, Abigail (114466)	04/28/08	04/01/10	HUD Sec 8		984.00		223.00	761.00	81.00			984.00	0.00
00 0803	0	Cabajas, Juan C (118302)	07/28/04	07/01/10	HUD Sec 8	35	913.00		50.00	863.00	48.00		828.00	913.00	85.00
00 0804	1	Calderon, Barbara (8887)	12/01/04	12/01/09	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	0.00
00 0701	1	Carroll, Olga (102823)	01/10/05	01/01/10	HUD Sec 8		984.00		234.00	750.00	81.00			984.00	0.00
00 0202	0	Carrasco, Juana (8994)	04/21/04	04/01/10	HUD Sec 8		984.00		143.00	841.00	48.00			984.00	0.00
00 0308	0	Castillo, Jesus (8482)	03/28/00	03/01/10	HUD Sec 8		984.00		64.00	920.00	81.00			984.00	0.00
00 0802	1	Castillo, Sergio (8966)	03/10/02	03/01/10	HUD Sec 8		984.00		58.00	926.00	81.00			984.00	0.00
00 0309	0	Castro, Oscar (8408)	10/28/08	10/01/09	HUD Sec 8		984.00		132.00	852.00	48.00			984.00	0.00
00 1501	1	Chong, Ana (8817)	08/10/08	08/01/09	HUD Sec 8		984.00		137.00	847.00	81.00			984.00	0.00
00 0709	0	Cidre, Adriana (8885)	08/10/04	08/01/10	HUD Sec 8		984.00		333.00	651.00	81.00			984.00	0.00
00 1102	1	Cidre, Horacida (8112)	05/10/05	05/01/10	HUD Sec 8		984.00		181.00	803.00	81.00			984.00	0.00
00 0808	1	Correa, Onelia (8487)	09/28/06	09/01/10	HUD Sec 8		984.00		169.00	815.00	81.00			984.00	0.00
00 1808	1	Cruz, Magaly (8943)	05/10/08	05/01/10	HUD Sec 8		984.00		180.00	804.00	81.00			984.00	0.00
00 1201	1	Cualter, Maria (8909)	04/18/08	04/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	0.00
00 0401	1	Da Leon, Maribel (8028)	10/13/05	10/01/09	HUD Sec 8		984.00		128.00	856.00	81.00			984.00	0.00
00 0708	1	Delrosario, Luis (8896)	03/18/04	03/01/10	HUD Sec 8		984.00		182.00	802.00	81.00			984.00	0.00
00 0803	1	Diaz, Mila (8177)	04/03/08	04/01/10	HUD Sec 8		984.00		418.00	566.00	81.00			984.00	0.00
00 1108	1	Dominguez, Maribel A (8614)	03/01/08	03/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	0.00
00 0208	1	Duque, Argula (8017)	04/28/08	04/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	0.00
00 1109	1	Enriquez, Dora (8843)	08/28/04	08/01/10	HUD Sec 8		984.00		137.00	847.00	81.00			984.00	0.00
00 1408	1	Fabian, Nivia (8007)	10/10/07	10/01/09	HUD Sec 8		984.00		128.00	856.00	81.00			984.00	0.00
00 1003	1	Fernandez, Dulce (8694)	05/03/04	05/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	0.00
00 1802	1	Fernandez, Ernesto (12829)	03/10/08	03/01/10	HUD Sec 8		984.00		137.00	847.00	81.00			984.00	0.00
00 0408	1	Fernandez, Maria (8823)	10/04/03	10/01/09	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	0.00
		Fernandez, Niles (8888)	02/12/01	02/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	0.00

Rent Roll Monthly Register

TM Alexander (84) continued...

Appt Nbr	BR	Tennant (on last day of month)	Month Date	Recall Date	Rent Class	Days Vacant In Mo	Gross Potential	Owner Overage	Billed Rent	Billed Subsidy	Utility Allowance	Tenant Overage	Billed Vacancy	Total Billed	Variance Cap vs Tot
00 1205	1	Fernandez, Nilo (8818)	06/28/03	06/28/03	HUD Sec 8		984.00		216.00	788.00	81.00			984.00	
00 1800	1	Franco, Francis (8818)	04/14/05	04/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	
00 1801	1	Fruelias, Magros (8806)	11/12/04	11/03/08	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	
00 1794	0	Furrows, Dale (8802)	06/17/03	06/03/10	HUD Sec 8		818.00		148.00	670.00	48.00			818.00	
00 1008	0	Garcia, Carlos (8876)	01/24/03	01/01/10	HUD Sec 8		818.00		131.00	687.00	61.00			818.00	
00 9028	0	Garcia, Domingo (8873)	01/15/04	01/01/10	HUD Sec 8		818.00		83.00	735.00	48.00			818.00	
00 1208	1	Garcia, Flora (8885)	12/14/08	12/01/09	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	
00 8794	0	Garcia, Jose (8815)	08/15/03	08/01/09	HUD Sec 8		818.00		148.00	670.00	48.00			818.00	
00 1104	0	Gelley, Ricardo (8818)	01/25/03	01/01/10	HUD Sec 8		818.00		87.00	731.00	48.00			818.00	
00 0806	0	Gomez, Lilibeth Josefa (11743)	02/08/09	02/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	
00 1804	0	Gonzalez, Ana (8806)	07/03/04	07/01/10	HUD Sec 8		818.00		148.00	670.00	48.00			818.00	
00 0808	1	Gonzalez, Olga (8843)	11/02/08	11/01/09	HUD Sec 8		984.00		84.00	900.00	81.00			984.00	
00 0204	0	Gordon, Paris (8809)	11/01/07	11/01/09	HUD Sec 8		818.00		343.00	475.00	48.00			818.00	
00 1202	1	Guerrero, Zulma (8883)	08/21/01	08/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	
00 1484	1	Hernandez, Jose L (8810)	11/16/07	11/01/09	HUD Sec 8		984.00		128.00	856.00	81.00			984.00	
00 1408	0	Hernandez, Nestor (8887)	01/10/02	01/01/10	HUD Sec 8		818.00		132.00	686.00	48.00			818.00	
00 1808	1	Herr, Francis (8878)	01/12/03	02/01/10	HUD Sec 8		984.00		181.00	803.00	81.00			984.00	
00 0807	1	Indran, Eugenio (8884)	02/14/03	02/01/10	HUD Sec 8		984.00		181.00	803.00	81.00			984.00	
00 0809	1	Ingram, Harold (8844)	11/01/05	11/01/09	HUD Sec 8		984.00		168.00	816.00	81.00			984.00	
00 1808	1	Lara, Caridad (8817)	08/20/00	08/01/09	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	
00 0403	1	Lopez, Caridad (8874)	03/01/03	01/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	
00 0308	1	Lopez, Daisy (8888)	02/01/02	02/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	
00 0302	0	Lopez, Dalia (8888)	06/01/01	06/01/10	HUD Sec 8		818.00		93.00	725.00	68.00			818.00	
00 0802	1	Lopez, Frederick (8812)	01/18/08	01/01/10	HUD Sec 8		984.00		85.00	899.00	81.00			984.00	
00 0808	1	Lopez, Magaly (8811)	06/15/03	06/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	
00 0707	1	Lorena, Adelin (8818)	08/05/01	08/01/10	HUD Sec 8		984.00		187.00	797.00	81.00			984.00	
00 1700	1	Lorenzo, Jose (8845)	10/10/08	10/01/09	HUD Sec 8		984.00		128.00	856.00	81.00			984.00	
00 0809	0	Lorenzo, Manuel (8821)	08/03/08	08/01/09	HUD Sec 8		818.00		148.00	670.00	48.00			818.00	
00 1107	1	Lopez, Olga (8840)	11/12/08	11/01/09	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	
00 1208	1	Lugo, Francisco (8808)	07/08/08	08/01/09	HUD Sec 8		984.00		72.00	912.00	81.00		348.00	984.00	
00 1706	1	Macedo, Marcos (8885)	01/12/08	01/01/10	HUD Sec 8		984.00		448.00	536.00	81.00			984.00	
00 1100	0	Martinez, Francisco (8885)	04/18/08	04/01/10	HUD Sec 8		818.00		143.00	675.00	48.00			818.00	
00 1808	1	Martino, Caridad (8877)	02/28/02	02/01/10	HUD Sec 8		984.00		187.00	797.00	81.00			984.00	
00 1707	1	Martino, Esther (8881)	08/01/02	08/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	
00 0802	1	Martino, Paul (8833)	03/28/02	03/01/10	HUD Sec 8		984.00		137.00	847.00	81.00			984.00	
00 1407	1	Martinez, Irma (8833)	12/01/05	12/01/09	HUD Sec 8		984.00		128.00	856.00	81.00			984.00	
00 0805	1	Martinez, Yvelise (8854)	10/04/07	10/01/09	HUD Sec 8		984.00		180.00	804.00	81.00			984.00	
00 0809	1	Martinez, Yvelise (8854)	10/28/07	10/01/09	HUD Sec 8		984.00		88.00	896.00	81.00			984.00	
00 1001	1	Mata, Arnela (11878)	02/01/05	02/01/10	HUD Sec 8		818.00		131.00	687.00	48.00			818.00	
00 1708	0	Molina, Estelita (8888)	12/01/05	12/01/09	HUD Sec 8		818.00		148.00	670.00	48.00			818.00	
00 0203	1	Molina, Yilda (8882)	06/01/05	06/01/10	HUD Sec 8		984.00		143.00	841.00	81.00			984.00	
00 1008	1	Molina, Blanca (8807)	06/23/05	06/01/10	HUD Sec 8		984.00		131.00	853.00	81.00			984.00	
00 0806	1	Molina, Guadalupe (8888)	05/12/05	05/01/10	HUD Sec 8		984.00		181.00	803.00	81.00			984.00	
00 0806	1	Morales, Teresita (8888)	04/18/09	04/01/10	HUD Sec 8		984.00		167.00	797.00	81.00			984.00	
00 0804	0	Molina Rivera, Aida (8816)	04/28/04	04/01/10	HUD Sec 8		818.00		143.00	675.00	48.00			818.00	
00 0801	0	Morales, Helga (8888)	02/01/07	02/01/10	HUD Sec 8		984.00		332.00	652.00	81.00			984.00	
00 0404	0	Morales, Aveliz (8888)	08/28/08	08/01/09	HUD Sec 8		818.00		143.00	675.00	48.00			818.00	
00 1802	1	Morales, Victor (8885)	07/01/07	07/01/10	HUD Sec 8		984.00		151.00	833.00	81.00			984.00	
00 0801	1	Moriz, Jose (8872)	01/10/07	01/01/10	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	
00 1101	1	Morales, Gladys (8820)	08/12/03	08/01/09	HUD Sec 8		984.00		120.00	864.00	81.00			984.00	

Rent Roll Monthly Register

TM Alexander (84) continued...

Appt No	BA	Tenant (on last day of month)	Month Date	Recd Date	Rent Class	Days Vacant In Mth	Gross Potential	Overtl Overage	Billed Rent	Billed Subsidy	URBY Allowance	Tenant Overage	Billed Vacancy	Total billed	Variance Cap vs Tot
00 0000	1	Tennant, Mercedes (5072)	02/21/07	02/21/07	HUD Sec 8		864.00		431.00	853.00	61.00			864.00	
00 0002	1	Vallas, Emerald (12120)	02/21/08	02/21/08	HUD Sec 8		864.00		131.00	433.00	61.00			864.00	
00 0003	0	Vega, Aramis (13731)	02/21/08	02/21/08	HUD Sec 8		813.00		743.00	670.00	43.00			813.00	
00 1000	1	Vega, Rafael (12812)	02/18/08	02/01/08	HUD Sec 8		894.00		131.00	853.00	61.00			894.00	
							141,000.00	0.00	21,979.00	117,000.00	9,713.00	0.00	2,021.00	149,004.00	0.00

Total for Community:

EXHIBIT "D"

SCHEDULE OF SERVICE CONTRACTS

EXHIBIT "D"
SCHEDULE OF SERVICE CONTRACTS
(T.M. ALEXANDER APARTMENTS)

PROVIDER:	DATED:
Green Earth Landscaping of Miami, Inc.	October 1, 2003
ART Pest Control Services, Inc.	December 10, 2004
Security & Fire Systems, Inc.	September 30, 2002

EXHIBIT "E"

DELETED

EXHIBIT "F"

This Instrument was prepared by:
Jose L. Baloyra, Esq.
3250 Mary Street, Suite 302
Miami, Florida 33133

Property Appraiser
Identification No.

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED made this ___ day of _____, 2009, between MEDEROS-T.M. ALEXANDER ACQUISITIONS, LLC, a Florida limited liability company (the "Grantor"), whose mailing address is _____, and _____, a Florida _____ (the "Grantee"), whose mailing address is _____.

W I T N E S S E T H

That Grantor, for and in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, to it in hand paid by Grantee, the receipt whereof is hereby acknowledged, does hereby grant, bargain, sell, alien, remise, release, convey and confirm unto Grantee the following property (the "Property") lying and being in Miami-Dade County, Florida, and more particularly described in Exhibit "A" attached hereto and made a part hereof.

SUBJECT TO:

(to conform to list of permitted title exceptions after title review period)

TOGETHER with all the tenements, hereditaments and appurtenances belonging or in any way appertaining to the Property.

TO HAVE AND TO HOLD the same in fee simple forever.

AND GRANTOR hereby covenants with Grantee that Grantor is lawfully seized of the Property in fee simple; that Grantor has good right and lawful authority to sell and convey the Property; and that Grantor does hereby fully warrant the title to the Property and will defend the same against the lawful claims of all persons claiming by, through or under Grantor, but against none other.

EXHIBIT "G"

BILL OF SALE

For Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, Mederos-T.M.Alexander Acquisitions, LLC, a Florida limited liability (the "Seller"), does hereby grant, bargain, sell, transfer, quitclaim and deliver to _____, a Florida _____ (the "Buyer"), all of Seller's right, title and interest, if any, in and to that certain personal property (the "Personal Property") located in, on, or used in connection with the operation of the real property located in Miami-Dade County, Florida.

Seller warrants that it has good title to the personal property and is authorized to transfer same to Buyer.

TO HAVE AND TO HOLD the Personal Property unto the Buyer, its successors and assigns, forever.

THE PERSONAL PROPERTY IS BEING CONVEYED "AS IS," "WHERE IS," AND "WITH ALL FAULTS" AS OF THE DATE OF THIS BILL OF SALE, WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER AS TO ITS CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. BUYER IS HEREBY ACQUIRING THE PERSONAL PROPERTY BASED SOLELY UPON BUYER'S OWN INDEPENDENT INVESTIGATIONS AND INSPECTIONS OF THAT PROPERTY AND NOT IN RELIANCE ON ANY INFORMATION PROVIDED BY SELLER OR SELLER'S AGENTS OR CONTRACTORS. SELLER HAS MADE NO AGREEMENT TO ALTER, REPAIR OR IMPROVE ANY OF THE PERSONAL PROPERTY. SELLER SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, EXPRESS OR IMPLIED, CONCERNING THE PERSONAL PROPERTY OR SELLER'S TITLE THERETO.

IN WITNESS WHERE, Seller has caused this Bill of Sale to be executed this ____ day of _____, 2009.

EXHIBIT "H"

ASSIGNMENT AND ASSUMPTION OF LEASES

THIS ASSIGNMENT is made and entered into this _____ day of _____, 2009, by and between Mederos-T.M. Acquisitions, LLC, a Florida limited liability company (the "Assignor") and _____, a Florida _____ (the "Assignee").

RECITALS

WHEREAS, on the date hereof, Assignor has sold and conveyed to Assignee the real property located in Miami-Dade County, Florida and more particularly described on Exhibit "A" attached hereto and by this reference made a part hereof (the "Property"); and

WHEREAS, Assignor desires to assign to Assignee, and Assignee desires to accept from Assignor, all of Assignor's rights and obligations under the leases affecting the Property.

AGREEMENT

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby transfer, assign, set over and quitclaim to Assignee, without recourse and without representation or warranty of any kind or nature whatsoever, expressed or implied, all of Assignor's right, title and interest in and to those certain leases set forth in Exhibit "B" attached hereto and by this reference made a part hereof (the "Leases") including all refundable tenant security deposits made under such Leases. Notwithstanding the foregoing, Assignor warrants and represents that the copies of the Leases made available by Assignor for review and copying are true and correct copies of such Leases.

Assignee hereby accepts the assignment of the Leases and assumes all of the Assignor's obligations thereunder and agrees to perform and keep all of the terms, conditions, covenants, agreements, liabilities and obligations to be performed thereunder from and after the date hereof, including the refund of all refundable security deposits held in respect thereto which have been delivered or credited to Assignee, and to indemnify and hold harmless Assignor from and against any and all claims, demands, causes of actions, judgments, and liabilities, including attorneys' fees and costs incident thereto, which may be asserted or recovered against Assignor arising out or relating or pertaining to the assigned Leases and security deposits accruing subsequent to the date hereof. Assignor agrees to indemnify and hold harmless Assignee from and against any and all claims, demands, causes of actions, judgments, and liabilities, including attorneys' fees and costs incident thereto, which may be asserted or recovered against Assignee arising out of or

relating or pertaining to the assigned Leases and security deposits accruing prior to the date hereof.

IN WITNESS WHEREOF, Assignor and Assignee have caused this instrument to be executed as of the day and year first above written.

Witnesses:

Witness Signature

Print Name of Witness

Witness Signature

Print Name of Witness

Witnesses:

Witness Signature

Print Name of Witness

Witness Signature

Print Name of Witness

ASSIGNOR:

MEDEROS-T.M. ALEXANDER
ACQUISTIONS, LLC, a Florida limited
liability company

By: _____
Name: _____
Title: _____

ASSIGNEE:

_____, a Florida _____

By: _____
Name: _____
Title: _____

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2009
by _____ as the _____ of Mederos-T.M. Alexander Acquisitions, a
Florida limited liability company, on behalf of the company. He/She is personally known to me
or presented a valid driver's license as identification.

Notary Public, State of _____
My Commission Expires: _____

STATE OF FLORIDA)
)SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2009 ,
by _____ as _____ of _____, a Florida
_____ on behalf of the Company. He/She is personally known to me or has
produced a Florida driver's license as identification.

Notary Public, State of Florida at Large
My Commission Expires:

EXHIBIT "I"

GENERAL ASSIGNMENT

THIS ASSIGNMENT is made and entered into this _____ day of _____, 2009, by and between Mederos-T.M. Alexander Acquisitions, LLC, a Florida limited liability company (the "Assignor") and _____, a Florida _____ (the "Assignee").

RECITALS

WHEREAS, on the date hereof Assignor has sold and conveyed to Assignee that certain real property located in Miami-Dade County, Florida, and more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof; and

WHEREAS, Assignor desires to assign and convey to Assignee all of Assignor's right, title and interest in and to certain personal property pertaining to the Property.

AGREEMENT

NOW, THEREFORE, for Ten Dollars (\$10.00) and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Assignment and Acceptance. Assignor hereby sells, assigns, conveys, grants and sets over unto Assignee all of Assignor's right, title and interest, if any, in and to the service contracts listed in Exhibit "B" attached hereto, the name "T.M. Alexander Apartments", all warranties, licenses and permits affecting the Property, and the as-built plans and specifications (if any) used in the operation of the Property, to the extent the foregoing are assignable by Assignor (sometimes collectively the "Personal Property").

2. Successors and Assigns. This Assignment shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

3. Applicable Law. This Assignment shall be governed by and construed under the laws of the State of Florida.

4. Assignor's Indemnification. Assignor agrees to indemnify and hold Assignee harmless from and against any and all claims, demands, causes of actions, judgments and liabilities, including attorneys' fees and costs incident thereto which may be asserted or recovered against Assignee arising out of or relating or pertaining to the Personal Property accruing prior to the date hereof.

ASSIGNEE'S ASSUMPTION AND INDEMNIFICATION

Assignee hereby accepts the Personal Property and agrees to perform and keep all terms, conditions, covenants, agreements, liabilities and obligations to be performed thereunder, and to indemnify and hold harmless Assignor from and against any and all claims, demands, causes of actions, judgments and liabilities, including attorneys' fees and costs incident thereto which may be asserted or recovered against Assignor arising out or relating or pertaining to the Personal Property accruing subsequent to the date hereof.

ASSIGNEE:

_____, a Florida
_____ company

Witness Signature

Print Name of Witness

Witness Signature

Print Name of Witness

By: _____
Name: _____
Title: _____

STATE OF FLORIDA)
)SS
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____, 2009, by _____ as _____ of _____, a Florida _____ on behalf of the Company. He/She is personally known to me or has produced a Florida driver's license as identification.

Notary Public, State of Florida at Large
My Commission Expires:

EXHIBIT "J"

HAZARDOUS MATERIAL RELEASE

THIS RELEASE, dated this ____ day of _____, 2009, made by _____, a Florida _____ (the "Releasor").

WITNESSETH:

WHEREAS, on the date hereof, Mederos-T.M.Alexander Acquisitions, LLC, a Florida limited liability company (the "Releasee"), has sold and conveyed to Releasor certain real property located in Miami-Dade County, Florida, and more particularly described in Exhibit "A" attached hereto and made a part hereof (the "Property"); and

WHEREAS, in connection with the acquisition of the Property from Releasee, Releasor has agreed to release Releasee from any liability arising out of or in connection with the existence of certain hazardous materials which may exist on the Property; and

WHEREAS, for the purposes of this Release, the phrase "Hazardous Material" shall include any flammable or explosive materials; petroleum or petroleum products; oil; crude oil; natural gas or synthetic gas usable for fuel; radioactive materials; hazardous waste or substances or toxic waste or substances, including, without limitation, any substances now or hereafter defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "toxic materials", or "toxic substances" under any applicable governmental enactments.

NOW, THEREFORE, in consideration of the conveyance of the Property to Releasor, and for other good and valuable consideration, the receipt of which is acknowledged by Releasor, the Releasor, on behalf of itself and its heirs, successors and assigns, hereby waives, releases, acquits and forever discharges Releasee, its officers, directors, partners, shareholders, employees, agents, attorneys, representatives and any other person acting on behalf of Releasee, and the successors and assigns of any of the preceding, of and from any and all claims, actions, causes of action, demands, rights, damages, costs, expenses or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, which Releasor or any of its heirs, successors or assigns now has or which may arise in the future on account of or in any way related to or in connection with any Hazardous Material in, at, on, under or related to the Property, or any violation or potential violation of any governmental enactment applicable thereto.

IN WITNESS WHEREOF, this Release has been executed as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

RELEASOR:

_____, a Georgia

By: _____

Name: _____

Title: _____

STATE OF FLORIDA)
)SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____, 2009, by _____ as _____ of _____, a Florida _____, on behalf of the corporation. He/She is personally known to me or has produced a Florida driver's license as identification.

Notary Public, State of Florida at Large
My Commission Expires:

EXHIBIT "K"

Due Diligence Items

(Each of the following documents to be provided to Purchaser only to the extent that Seller has such documents in its possession.)

Copies of Current Title Policy

- o A copy of the current title policy, with legible copies of all exceptions listed therein
- o Copies of all recorded liens, encumbrances and use agreements against the Property

Property Financial Information

- o Rent comparability study
- o Current rent roll reflecting, by unit, the rental rates, tenant name, lease expiration, security deposits or other refundable deposits and prepaid rent, if any, and a description of any uncured defaults
- o Year-to-date statement of income and expenses for the latest month available.
- o Financial Statements during the Seller's term of ownership
- o Copy of all service contracts
- o Real and personal property tax statements and assessment statements, if any, for the current and past tax year
- o Certificate(s) of insurance from the existing insurance carrier(s), indicating the extent of all coverages and the amount of the annual premium, and any reports of insurance carriers or other evidence of claims history of the Property for the Seller's term of ownership
- o Standard tenant rental agreement in use at the Property, plus access to each unit's actual rental agreement when requested by Purchaser
- o Last month's utility bills, plus a summary of utility accounts including utility names, contact information, and account numbers

Other Property Information

- o Replacement schedule of fixtures/appliances etc. for the term of Seller's ownership
- o Pest and termite inspection
- o Any existing appraisal
- o Any existing survey including site plans
- o Copies of any prior Phase I Environmental Site Assessment and any other environmental reports, surveys or audits of the Property, and any soils reports, engineering reports and other reports or documents of significance to the Property
- o Existing as-built architectural plans

- Inventory of all Tangible Personal Property, including appliances and other personal property in the units as well as common-area personal property
- All presently effective warranties or guaranties from any contractors, subcontractors, suppliers, servicemen or material men in connection with any of the Tangible Personal Property or any construction, renovation, repairs or alterations of the Improvements
- All governmental permits and approvals relating to the construction, operation, use, development or occupancy of the Property, including, without limitation, all certificates of occupancy

MEDEROS-T.M. ALEXANDER ACQUISITIONS, LLC

December 23, 2009

Gregory M. Dunfield
Allied Pacific Development
1700 Seventh Avenue, Suite 2075
Seattle, Washington 98101-1397

Re: Florida Housing Application No. 2009-214C

Dear Mr. Dunfield,

An issue has come to my attention regarding a certain First Amendment to and Assignment and Assumption of Contract for Purchase and Sale of Real Property ("Assignment"). The Assignment was submitted to Florida Housing as part of a Universal Application for a proposed affordable housing development named T.M. Alexander. The purpose of this letter is to confirm my intentions with regards to the Assignment.

I am the sole Manager and the only member of an entity named Mederos-T.M. Alexander Acquisitions, LLC. I signed the Assignment as of August 19, 2009 on behalf of Mederos-T.M. Alexander Acquisitions, LLC, as the Seller of T.M. Alexander. Apparently, the signature line of the Assignment references Mederos-Civic Acquisitions, LLC. Mederos-Civic Acquisitions, LLC is a company created for a related project called Civic Tower which I also agreed to sell to the same buyer. In fact, the Assignment specifically references the sale of the Civic Tower property and its relationship to the T.M. Alexander deal. I am the sole Manager and the only member of Mederos-Civic Acquisitions, LLC, as well. My intent was and remains that I signed the Assignment as the sole Manager and only member and on behalf of Mederos-T.M. Alexander Acquisitions, LLC, as a listed party to that Assignment. As such, I remain bound by the terms and conditions of the Assignment.

Sincerely,



Jorge C. Mederos

5835 Blue Lagoon
Dr. Suite 302
Miami, FL 3126

PHONE (305) 271-9250
FAX (305) 271-9260

APD Housing Partners 20, LP

1700 Seventh Avenue, Suite 2075
Seattle, Washington 98101

December 21, 2009

Gregory M. Dunfield
Allied Pacific Development
1700 Seventh Avenue, Suite 2075
Seattle, Washington 98101-1397


Re: Florida Housing Application No. 2009-214C

Dear Mr. Dunfield:

An issue has come to my attention regarding a certain First Amendment to and Assignment and Assumption of Contract for Purchase and Sale of Real Property ("Assignment"). The Assignment was submitted to Florida Housing as part of a Universal Application for a proposed affordable housing development named the T.M. Alexander. The purpose of this letter is to confirm my intentions with regards to the Assignment.

I am the President of The American Opportunity Foundation, Inc., the General Partner of APD Housing Partners 20, LP. On August 17, 2009, I signed an Assignment on behalf of APD Housing partners 20, LP, as the Buyer of a parcel of property. Apparently, the signature line of the Assignment references APD Housing Partners 19, LP. So you will know, APD Housing Partners 19, LP, is a company created for a related project called the Civic Tower which we also agreed to buy. In fact, the Assignment for the T.M. Alexander specifically references the sale of the Civic Tower property and its relationship to the T.M. Alexander deal. The American Opportunity Foundation, Inc., is also the sole General Partner of APD Housing Partners 19, LP, as well. Our intent was and remains that we signed this Assignment as the General Partner and on behalf of APD Housing Partners 20, LP, as a listed party to that Assignment. As such, we remain bound by the terms and conditions of the Assignment.

Sincerely,



Philip Kennedy



August 17, 2009

Greg Dunfield
Allied Pacific Development, LLC
1700 Seventh Avenue, Suite 2075
Seattle, WA 98101-1397:

Re: TM Alexander Towers, a 151-unit affordable housing development for seniors to be located in Miami, Dade County, Florida and developed, rehabilitated, owned and operated by APD Housing Partners 20, LP, a Florida limited partnership (the "Partnership"), in compliance with Section 42 of the *Internal Revenue Code of 1986* ("IRC" or "Code")

Dear Greg:

Alliant Capital, Ltd. ("Alliant") is an investment partnership that invests in real estate projects that will qualify for and be allocated IRC Section 42 low-income housing tax credits ("LIHTCs"). This letter agreement summarizes the principal business terms subject to execution of an acceptable Limited Partnership Agreement under which Alliant or its assignees (including one or more investment partnerships affiliated with Alliant) would purchase a 99.99% limited partnership interest in the Partnership.

I. Property Information and Assumptions

Our willingness to acquire an interest in the Partnership is based upon the following information, which you have provided to us. We may update and adjust our proposal to reflect changes in these assumptions and other information which becomes available during our due diligence and underwriting review.

- A. TM Alexander Towers will consist of 151 rehabilitated multifamily apartment units for seniors in one building located in Miami, Dade County, Florida (hereinafter referred to as the "Property" or the "Project").
- B. The Project has applied for 2009 LIHTCs in the amount of \$1,405,417 per annum and the Project will qualify as a "qualified census tract" for purposes of IRC Section 42.

ALLIANT CAPITAL, LTD.
340 ROYAL POINCIANA WAY, SUITE 305, PALM BEACH, FL 33480
561.833.5795 561.833.3694 FAX

TM Alexander Towers
Attention: Greg Dunfield
August 17, 2009
Page 2

- C. 151 units will be occupied in compliance with LIHTC requirements. 90% of the units will be rented to households whose income does not exceed 60% of the area median income, with the remaining 10% being rented to households whose income does not exceed 33% of the area median income.
- D. The following debt financing is expected to be available to finance the construction of the Project:
 - 1. Construction and permanent financing provided by a HUD under the 221d4 program in the principal amount of \$4,380,000, with an interest rate acceptable to the Investor, a term of 480 months and repayable interest only prior to completion of the Project.
 - 2. Construction and permanent financing provided by a HUD under the 221d4 program in the principal amount of \$3,900,000, with an interest rate acceptable to the Investor, a term of 240 months and repayable interest only prior to completion of the Project.
 - 3. Additional construction and permanent nonrecourse financing provided by FHFC from Exchange Section 1602 funds in the principal amount of \$5,900,000.

Performance of all construction loan obligations required by any lender will be jointly and severally guaranteed by the General Partner and by entities and/or individuals specified by the applicable lender.

All of the permanent debt financing for the Project will be nonrecourse to the Partnership and its General Partner and will be secured by a mortgage on the Property, in the order of priority acceptable to the Investor. None of the permanent debt financing is expected to convert from construction financing prior to the completion of the Project. No financing secured in whole or in part by the Property may be cross-collateralized or cross-defaulted with any other financing. No limited partner shall be required to grant any security interest in its partnership interest in the Partnership or its LIHTCs to secure any financing.

If the Partnership is the beneficiary of any grant, the receipt of such grant shall be structured such that there shall be no income to the Partnership, or such income shall be specially allocated to the General Partner.

- E. Specific events are projected to occur as follows:

TM Alexander Towers
Attention: Greg Dunfield
August 17, 2009
Page 3

1. Closing of the construction financing and admission of Alliant to the Partnership: May 2010
 2. Start of construction of the Property: May 2010
 3. Substantial completion of construction: March 2011
 4. Closing of the permanent financing: December 2011
- F. The estimated annual LIHTCs to be generated by the Partnership (based upon projected \$1,405,417 of LIHTCs available to the Partnership) and allocated to the 99.99% Limited Partner are as follows:
- \$1,405,417 for each of the years 2011 through 2020
- G. The Project will constitute "residential rental property" eligible for 27.5-year straight-line depreciation under the IRC.
- H. Within 10 days of the execution hereof, you will provide to Alliant's designated accountant complete financial projections for the Property, to the extent not already provided, including:
1. The sources and uses of the development funds.
 2. The rents and operating expenses for the Property projected through the initial compliance period.
 3. Financing assumptions.
 4. LIHTC delivery and eligible/qualified basis calculations.

If the materials supplied to date do not provide this information, this letter is subject to a review of such data once supplied.

- I. The General Partner and the Developer shall warrant that they have performed suitable and adequate due diligence as is customary in the industry and that no condition adverse to the development and operation of the Property, and the pro formas presented, have been discovered that has not been disclosed to Alliant.
- J. The Partnership and the Project will benefit from a new housing assistance contract for a term of at least 20 years, which shall provide project-based rental subsidies for 150 of the 151 units occupied in compliance with Low-Income Housing Tax Credit requirements pursuant to Section 8 of the United States Housing Act of 1937, as amended, under which tenants pay 30% of their incomes as rent with the balance paid by the U.S. Department of Housing and Urban Development ("HUD"). Such housing assistance contract shall provide project-based rental subsidies in a minimum aggregate amount, subject to annual renewal, consistent with your projections.

TM Alexander Towers
Attention: Greg Dunfield
August 17, 2009
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II. Property Ownership

The Property is to be owned by the Partnership, *i.e.*, APD Housing Partners 20, LP, a limited partnership duly formed in the State of Florida.

The Property is to be developed by Allied Pacific Development, LLC, a Delaware limited liability company and American Opportunity Foundation, a Florida [non-profit] corporation (collectively the "Developer").

The general partner of the Partnership is American Opportunity Foundation, a Florida [non-profit] corporation (the "General Partner"). The special limited partner of the Partnership is Allied Pacific Development, LLC, a Delaware limited liability company (the "Special Limited Partner" and collectively with the General Partner the General Partner).

An investment partnership owned or controlled by Alliant will be the initial Investor Limited Partner (also hereinafter referred to as either the "Investor" or "Limited Partner"). Alliant will have the right to substitute a fund sponsored by Alliant or its assignees, which may include one or more investors other than Alliant. A portion of the Alliant interest will be owned by a separate entity to be designated by Alliant (the "Administrative Limited Partner"). The role and rights of the Administrative Limited Partner are set forth elsewhere in this document.

III. Equity Capital and Contribution Schedule

- A. This agreement is contingent upon Alliant obtaining an investor to purchase the tax credits. Subject to the terms of this letter agreement, the Limited Partner will contribute equity capital in the total amount equal to \$0.65 per dollar of LIHTC available to the Limited Partner over the full 10-year credit period. The total equity based upon annual LIHTCs of \$1,405,276 (99.99% of \$1,405,417) will be \$9,134,298. Notwithstanding the foregoing, the pricing of \$0.65 per dollar of LIHTC will only be binding on Alliant until 1/1/10. Thereafter, Alliant may modify the price per \$0.65 of LIHTC to reflect market conditions, in the exercise of its reasonable discretion. In the event that any transaction participant other than Alliant does not approve the schedule of equity contributions set forth below, the parties will negotiate in good faith an alternate schedule of equity contributions, provided that the General Partner, Developer and all Guarantors each acknowledge and agree that the equity amount paid per dollar of LIHTC as set forth in this Section III.A may be reduced as a result of any such alternate schedule of equity contributions. If additional tax credits are obtained, then the capital contribution shall be increased proportionately; provided, however, that the total equity taking into account any additional tax credits shall not exceed 105% of the total equity of \$9,134,298 as set

forth herein. The equity will be paid in installments upon the achievement of certain benchmarks as set forth below for payment of each installment of equity capital. The Partnership Agreement will list additional conditions applicable to each installment, including, but not limited to, (a) satisfactory title to the Property (including, but not limited to, an ALTA title insurance policy with a "Fairway" endorsement and non-imputation endorsement), (b) no occurrence of bankruptcies of the General Partner, (c) the issuance of a tax opinion by the General Partner's counsel which shall comply with the requirements of US Treasury Circular 230, and shall include an opinion that the material tax benefits projected to be available to the Investor "should" be realized by the Investor, (d) compliance with LIHTC requirements, (e) maintenance of required insurance, and (f) receipt of other customary documents or information required or requested by the Administrative Limited Partner as set forth in the Limited Partnership Agreement; such conditions to be further negotiated between Alliant and the General Partner.

B. Based on the terms of this letter agreement and the information, projections, and assumptions you have provided to us, equity contributions will be made to the Partnership by the Investor at the times and in the amounts set forth below:

1. \$1,826,860 (20%) will be funded prior to or simultaneously with the closing of the construction financing provided the following conditions are met: (a) the Limited Partner's admission into the Partnership, (b) closing and initial funding of all of the construction financing for the Project (as described in Section I, paragraph D above), (c) receipt of the commitments for all of the permanent financing for the Project (as described in Section I, paragraph E above), (d) receipt of the LIHTC reservation and (e) receipt of evidence satisfactory to the Investor that the HAP contract is in place meeting the assumptions described in Section I, paragraph K above; such funds to be used solely for site acquisition, development and construction costs, as reasonably acceptable to the Administrative Limited Partner.
2. \$4,841,178 (53%) will be funded upon the later to occur of: (a) 50% lien-free completion of construction, (b) November 10, 2010, and (b) satisfaction of all conditions precedent to the payment set forth in paragraph B.1 of this section; such funds to be used for required hard and soft costs, as reasonably acceptable to the Administrative Limited Partner.
3. \$913,430 (10%) will be funded upon the latest to occur of: (a) lien-free completion of construction of all the improvements sufficient for all residential rental units to be "placed in service" pursuant to IRC Section 42,

TM Alexander Towers
Attention: Greg Dunfield
August 17, 2009
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(b) the issuance of all required permanent certificates of occupancy permitting immediate occupancy of all 151 residential rental units, (c) receipt of the final cost certification by an independent firm of certified public accountants (acceptable to the Administrative Limited Partner), (d) March 10, 2011, and (e) satisfaction of all conditions precedent to the payments set forth in paragraphs B.1 and B.2 of this section; such funds to be used for required hard and soft costs, as reasonably acceptable to the Administrative Limited Partner.

4. \$1,552,831 (17%) will be funded upon the latest to occur of: (a) Rental Achievement (as hereinafter defined) and 90% occupancy of the residential rental units by qualified tenants (*i.e.*, tenants meeting the requirements of IRC Section 42), in each case for three consecutive months, (b) conversion of all construction financing to permanent financing; (c) December 10, 2011, and (d) the issuance of an IRS Form 8609 for each building in the Project; such funds to be used for unpaid development costs, to fund the initial operating deficit reserves, and finally to pay development fee, all as reasonably acceptable to the Administrative Limited Partner. Notwithstanding the foregoing requirements of this paragraph B.4., in the event that at the time the conditions precedent to the payment set forth in paragraph B.4. have been satisfied, the Partnership has not been issued its federal income tax return and K-1s for the first year of the credit period for all of the buildings of the Project, the Investor will fund \$1,502,831 of the fourth installment of the Investor's capital contribution and the balance, \$50,000, will be funded upon the receipt of the Partnership's federal income tax return and K-1s for such first year of the credit period, as reasonably acceptable to the Administrative Limited Partner.

IV. General Partner Obligations

- A. Guarantor. All of the representations, warranties and obligations of the General Partner shall be guaranteed, jointly and severally, by Steve Whyte, and the Developer, and by such other entities and/or individuals involved in the Project with a reasonable net worth as approved by the Administrative Limited Partner (collectively, the "Guarantor").
- B. Construction Completion. The General Partner, the Developer and the Guarantor shall guarantee commencement of construction within 30 days after Investor admission to the Partnership and the substantial completion of the Property in accordance with the approved plans and specifications therefore and its placement in service for purposes of IRC Section 42 by June 2011 (the "Construction Completion Guaranty").

The construction contract shall include 100% payment and performance bonds in favor of the Partnership or a letter of credit, in form and substance acceptable to the Administrative Limited Partner, in an amount equal to 15% of hard construction costs insuring completion in accordance with the approved construction budget. The General Partner shall provide a construction time line to the Administrative Limited Partner and provide a monthly construction update reporting on progress. In the event it appears that the completion date will not be met, the Administrative Limited Partner shall give notice of such to the Developer, and the Developer shall have 30 days to remedy the situation and bring the construction back on schedule to the reasonable satisfaction of the Administrative Limited Partner.

- C. Development Deficits. If at any time the total sources of debt and equity available to the Partnership for payment of all Development Costs (excluding the Development Fee) fall short of those costs, the shortfall (*i.e.*, the "Development Deficits") will be contributed to the Partnership, without reimbursement, by the General Partner. The obligation to fund Development Deficits shall be guaranteed by the Developer and the Guarantor. As used herein, the term "Development Costs" means, without limitation, (a) all costs and expenses of acquiring, developing, constructing and equipping the Project, (b) all costs of obtaining construction and permanent financing for the Project, repaying or discharging any construction financing, and the funding of all required reserves, (c) any shortfall in the principal amount of permanent financing and (d) all operating expenses of the Partnership arising on or prior to Rental Achievement.
- D. Qualified Lease-Up; Occupancy. The General Partner and the Guarantor shall guarantee the lease-up of the residential rental units of the Property by qualified

tenants (*i.e.*, tenants meeting the requirements of IRC Section 42) and achieve Occupancy by September 2011. As used herein, the term "Occupancy" means occupancy of at least 90% of the residential rental units of the Project by qualified tenants for a period of three consecutive months.

- E. Rental Achievement. The General Partner and the Guarantor shall guarantee Rental Achievement by December 2011. As used herein, the term "Rental Achievement" means a level of Occupancy sustained for a period of three consecutive months at rent levels which produce a Debt Service Coverage Ratio with respect to all must-pay permanent financing of 1.15:1.00 for each of such three consecutive months, and the term "Debt Service Coverage Ratio" means the ratio of net income remaining after the subtraction of all operating expenses and required reserve deposits on an annualized basis to the payment of required debt service for the same period.
- F. Operating Deficits. The General Partner and the Guarantor will guarantee and agree to advance to the Partnership sufficient funds, for a period of 60 months following the date Rental Achievement is attained (the "Operating Deficit Guaranty Period"), to fund Operating Deficits. As used herein, the term "Operating Deficits" means the excess of operating expenses, debt service payments and required reserve deposits over gross revenues of a recurring nature from normal operations actually collected. Any such advance will be in the form of an "operating loan" that will not bear interest and will be paid from Cash Flow and/or Sale or Refinancing Proceeds as set forth in the section entitled "Sharing of Tax and Cash Benefits" below. The maximum obligation of the Guarantor under this operating deficit guarantee shall be \$1,000,000 which shall be exhausted prior to the use of any funds from the operating deficit reserve.
- G. Voluntary Loans. During the Operating Deficit Guaranty Period, the Limited Partner will have the right, but not the obligation, to make loans to the Partnership to cover Operating Deficits if the General Partner does not do so. After the Operating Deficit Guaranty Period, to the extent borrowings are permitted, they may be made from the General Partner or the Limited Partner or their respective affiliates. To the extent any partner of the Partnership, or any affiliate of such partner, lends any monies to the Partnership, such loan shall be a voluntary, unsecured loan to the Partnership, which shall bear interest at prime plus 2% per annum and shall be repayable out of Cash Flow immediately following the adjuster payment to the Limited Partner as set forth in the section entitled "Sharing of Tax and Cash Benefits" below.
- H. Tax Benefits. The General Partner shall make representations as to the amount of LIHTCs to be available to the Investor. Therefore, an adjustment to the equity

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contribution of the Investor shall be made under any or all of the following circumstances:

1. If (a) the Project has not been placed in service as required, or if (b) upon the issuance of IRS Forms 8609 for any or all of the buildings comprising the Project, it is determined that the actual amount of tax credits is less than projected, the Limited Partner's capital contribution shall be reduced by an amount equal to 100% of the value of the shortfall based on the credit pricing indicated herein. If the actual amount of tax credits delivered during the first and second years and eleventh and twelfth years of the compliance period are less than projected, the Limited Partner's capital contribution shall be decreased by the difference in the net present values of the actual amount of tax credits delivered to the Limited Partner vs. the projected amount of tax credits shown in paragraph 1(g) above, delivered in the first and second years and eleventh and twelfth years, using a discount rate of 12% compounded quarterly. To the extent that the tax credit adjuster is greater than the then unpaid portion of the Limited Partner's capital contribution, the General Partner shall, from its own funds, pay to the Partnership and cause the Partnership to pay to the Limited Partner the amount of such adjustment payment owed to the Limited Partner; provided, however, that any unpaid adjustment payment shall be paid from first available Cash Flow and Sale or Refinancing Proceeds of the Partnership in any Partnership fiscal year (prior to any payments on account of any unpaid portion of the Development Fee, partner loans, or fees to the General Partner or its affiliates).
2. If the actual amount of tax credits for any year is less than projected for other reasons, including, but not limited to, the failure of the Partnership to operate the Project so as to have 100% of the residential rental units eligible for the tax credits (but not including a change in the Code or a transfer by the Limited Partner of its interest), or upon the recapture of tax credits not resulting from a change in the Code or a transfer by the Limited Partner of its interest, the Limited Partner's capital contribution shall be reduced by an amount equal to 100% of such shortfall or recapture. To the extent that the tax credit adjuster is greater than the then unpaid portion of the Limited Partner's contribution, the General Partner shall, from its own funds, pay to the Partnership and cause the Partnership to pay to the Limited Partner the amount of such adjustment payment owed to the Limited Partner.
3. Any amount owing to the Limited Partner under this Section H shall be guaranteed by the General Partner and the Guarantor and increased by an

amount equal to any interest (including, without limitation, the recapture amount provided for in IRC Section 42(j)(2)(B)) or penalties resulting from any such recapture plus the greater of 12% or prime plus 2% per annum from the date as of which such amount is determined to have become due until the date such payment is made.

- I. Environmental Indemnity. The General Partner shall represent and warrant that, to its best knowledge, (i) the Project is not in violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to the environmental conditions on, under or about the Project, and (ii) no Hazardous Substance has been used, generated, manufactured, stored or disposed of on, under or about the Property or transported to or from the Property. In connection with the acquisition of the Project, the Partnership and the General Partner shall undertake all appropriate inquiry into the previous ownership and uses of the Property and provide a Phase I Environmental Site Assessment consistent with the current ASTM Standard E1527-05, but also including radon, asbestos and lead-based paint assessments, and completed less than 90 days prior to closing. The General Partner and the Guarantor hereby agree to indemnify and hold harmless the Partnership, Limited Partner and the Administrative Limited Partner, and their respective partners, directors, officers, employees and agents from and against any and all liability directly or indirectly arising out of the use, generation, manufacture, storage or disposal of Hazardous Substance on, under or about the Project. The foregoing indemnification obligation of the General Partner and the Guarantor shall survive the termination of the compliance period.

The term "Hazardous Substance" means any substance defined as a hazardous substance, hazardous material, hazardous waste, toxic substance or toxic waste in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq.; the Hazardous Materials Transportation Act, as amended, 39 U.S.C. Section 1801 et seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq.; or any similar applicable state or local law; or in any regulation adopted or publication promulgated pursuant to any said law.

- I. General Partner Withdrawal. If the General Partner voluntarily withdraws, its interest shall terminate and such General Partner shall have no further right to participate in the management or operation of the Partnership or to receive any future allocations, distributions or any other funds or assets of the Partnership, nor shall it be entitled to receive or to be paid by the Partnership any further payments of fees (including fees which have been earned but are unpaid) or to be repaid any outstanding advances or

loans made by it to the Partnership. If the General Partner involuntarily withdraws, its interest shall revert to a limited partner interest, but it shall not be entitled to participate in the management of the Partnership's business or to participate in any allocations or distributions payable to the Limited Partner or the Administrative Limited Partner. A General Partner that involuntarily withdraws shall be entitled to share in the allocations and distributions at the same times and in the same manner as such withdrawing General Partner would have otherwise received as a General Partner, as reduced by the amount required to compensate any successor general partner for assuming the obligations of a general partner. The Partnership Agreement shall further detail the procedure for determining the timing and the value to be paid to a terminated or withdrawn General Partner by the Partnership.

- K. General Partner Defaults. In the event of a material default by the General Partner, the Partnership Agreement shall grant the right to cause the Administrative Limited Partner to remove the General Partner (which will result in a liquidation of all its interests) and be converted into a managing General Partner which will have exclusive authority to conduct the business of the Partnership. The defaulting General Partner will be removed as a General Partner at the election of the Administrative Limited Partner. The defaulting General Partner will remain liable for its pre-termination obligations. A "material default" shall include any event in which the General Partner (a) materially violates its fiduciary responsibilities as a general partner of the Partnership; (b) materially breaches any provision of any project document, including the Partnership Agreement and any loan documents, and such breach is not cured within a reasonable period of time; (c) willfully violates any law, regulation or order applicable to the Partnership which has or is likely to have a material adverse effect on the Partnership or the Project; or (d) becomes bankrupt.
- L. Repurchase. The General Partner and the Guarantor shall be obligated to repurchase the partnership interests of the Investor and the Administrative Limited Partner in the Partnership if certain requisite thresholds are not met, including, without limitation, (a) the failure to complete the construction of the Project by the earlier to occur of September 2011 or the date required under the IRC or by the tax credit allocating agency to preserve the LIHTCs, (b) the failure to achieve qualified lease-up of the Property and Occupancy by December 2011, as required herein, (c) the failure to attain Rental Achievement by March 2012, as required herein, (d) any acceleration of the construction or permanent financing of the Project or the commencement of any action to foreclose any mortgage covering the Project or the exercise by any lender of any power of sale or similar remedy affecting the Project prior to the end of the Operating Deficit Guaranty Period, (e) the failure to achieve conversion of the construction financing to permanent financing for the Project within the time frame

provided for in the financing commitments and documents therefor, or the termination of any commitment for permanent financing prior to closing and full funding thereunder, (f) the failure to submit the final cost certification, together with all required ancillary documentation, to the tax credit allocating agency in a timely manner, or to receive an IRS Form 8609 for each building in the Project by the date required under the IRC or by the tax credit allocating agency to preserve the LIHTCs, (g) a casualty shall have occurred and the insurance proceeds shall be insufficient to restore the Project or the Project shall not be restored within 24 months following such casualty, or (h) the Project shall have become ineligible for 20% or more of the projected amount of LIHTCs.

The repurchase price for the partnership interests of the Investor and the Administrative Limited Partner shall be the amount contributed to the Partnership together with interest thereon at the rate equal to the greater of prime plus 2% per annum or 12% per annum.

V. Contingency; Reserves

The construction budget shall include a hard cost contingency of not less than 5% of construction costs.

The Partnership shall establish a replacement reserve for capital improvements (which may be held with the permanent lender if required by such permanent lender) and make contributions of the greater of (i) that amount required by the permanent lender, and (ii) \$250 per unit per year to be adjusted based on the CPI every five years.

In addition, the General Partner shall establish an initial operating deficit reserve in an amount to be determined but at least \$900,000 shall be funded from the funds in Section III, paragraph B.4 and shall be maintained throughout tax credit compliance period. Withdrawals from and release of the Operating Reserve shall not require the consent of any lender.

VI. Compensation

A. Property Management Fees. The management agent will be entitled to a Property Management Fee not exceeding 5% of gross revenues. If the management agent is affiliated with the General Partner, the Developer, or any Guarantor, the management agent will be required to defer and accrue, without interest, its management fee in the event that the Project is not generating sufficient revenue to pay all of the Project's expenses.

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- B. Asset Management Fee. The Partnership will pay, subject to the availability of cash flow, an annual Asset Management Fee ("AMF") to Alliant or its designated affiliate or agent in the amount of \$10,000, payable \$5,000 on April 1st and the balance on October 1st of each year, commencing in the year completion is attained. The AMF will be adjusted annually based on the annual increase in the CPI. Payment of the AMF is not covered by the Operating Deficit Loan Guaranty and shall accrue without interest until there is sufficient cash available to pay accrued AMF as set forth in the section entitled "Sharing of Tax and Cash Benefits" below.
- C. Development Fee. The General Partner shall be paid a Development Fee in the amount of \$3,125,051 (but not to exceed the maximum amount allowed by the LIHTC allocating agency), to be paid under a development agreement (acceptable to the Administrative Limited Partner) from the funds in Paragraph B of Section III. Based upon the information you have provided, \$2,646,519 the Development Fee is projected to be available to be payable from sources and uses. Any portion of the Development Fee which has not been paid by the tenth anniversary of the completion of the Property shall be paid from the proceeds of an advance from the General Partner to the Partnership in an amount equal to the unpaid portion of the Development Fee, payment of which advance shall be guaranteed by the Guarantor.

VII. Sharing of Tax and Cash Benefits

- A. During Property Operations. All tax profits, losses, and credits from operations will be allocated 99.99% to the Investor and 0.01% to the General Partner.

Cash Flow from operations ("Cash Flow" is defined as all operating revenues remaining after the payment of operating expenses, required debt service, and funding of all required reserves, will be distributed as follows:

1. To the Limited Partner, to make any tax credit adjuster payment not previously made.
2. To replenish funds expended from the operating deficit reserve.
3. To the payment of any debts, excluding any unpaid Development Fee and operating loans, owed to the Partners and/or their affiliates, until all such debts have been paid in full.
4. To the payment of the AMF plus all accrued AMF unpaid from prior years.
5. 80% to the payment of any unpaid Development Fee, until such fee has been paid in full and 20% to the Limited Partner.
6. To the payment of any operating loans made by the General Partner or its affiliates to cover Operating Deficits during the Operating Deficit Guaranty Period.

7. 70% to the General Partner as an Incentive Management Fee and the balance, 30%, to the Partners in accordance with their ownership percentages.

- B. From Sale or Refinancing. Taxable profits and/or losses from a sale of the Property will be allocated among the Partners of the Partnership to adjust capital accounts as required by the IRC and in accordance with sale proceeds distributions.

Proceeds of a Sale or Refinancing ("Sale or Refinancing Proceeds") will be distributed as follows:

1. To the payment in full of all Partnership debts except those due to Partners and/or their affiliates.
2. To the Limited Partner, to make any tax credit adjuster payment not previously made.
3. To the payment of the AMF plus all accrued AMF unpaid from prior years.
4. To the payment of any debts owed to Partners and/or their affiliates until all such debts have been paid in full.
5. The balance, 65% to the General Partner and 35% to the Limited Partner.

VIII. Other Matters

- A. Partnership Accountants. The Administrative Limited Partner shall have the right to designate the Partnership Accountants through the end of the fiscal year in which the IRS Forms 8609 have been issued, Rental Achievement has been achieved, and the tax returns for the first year of the credit period have been finalized. Thereafter, the identity of the Partnership Accountants shall be subject to Investor approval, which approval shall not be unreasonably withheld. The Accountants initially will be [tbd] (subject to the approval of the Administrative Limited Partner). Cost certification shall be prepared by the Partnership Accountants (or such other accountants as determined by the Administrative Limited Partner) as a development expense of the Partnership.
- B. Management Agent. The identity of the Property Management Agent shall be subject to Investor approval. The initial Management Agent will be HIS, Inc. (subject to the approval of the Administrative Limited Partner); provided, however, that the Administrative Limited Partner shall have the right to designate the Management Agent after the end of the Operating Deficit Guaranty Period. The term of the management agreement shall not exceed one year without Investor's consent. At the request of the Administrative Limited Partner, the General Partner shall replace the Management Agent (a) if there exists any building code violation (which is not

timely cured within 7 days), or (b) if the Management Agent fails to comply with any applicable IRC Section 42 LIHTC compliance rule and/or reporting requirement (which is not timely cured within 30 days), or (c) if any LIHTC unit is occupied by tenants who do not meet the requirements of IRC Section 42, or (d) on account of the Management Agent's willful misconduct or gross negligence, or (e) if, after the expiration of the Operating Deficit Guaranty Period, there occurs an Operating Deficit for any six-month consecutive period. If the Management Agent is affiliated with the General Partner, the Developer, or any Guarantor, the Management Agent shall be subject to termination upon any removal of the General Partner.

- C. Reporting Requirements. The General Partner and the Management Agent shall cause to be furnished to the Limited Partner monthly balance sheets, income statements and rent rolls for the Partnership. In addition, the Partnership's audit and Federal and State tax returns shall be delivered within 45 days after year-end. Because the parties hereto acknowledge that actual damages would be impossible to determine, the General Partner shall pay liquidated damages of \$100.00 per day.

- D. Indemnification. The Partnership shall indemnify the General Partner and the Limited Partners against claims by and loss to third parties arising from the performance of their duties carried out in good faith and without gross negligence or willful misconduct. In turn, the General Partner shall indemnify the Partnership and the Limited Partners for loss arising from acts or omissions of the General Partner or its affiliates which do not comply with foregoing standards or which arise from any material misrepresentations, breach of representations, warranties or covenants, breach of fiduciary obligations to the Limited Partners, or failure to disclose information prior to admission of the Limited Partners.

- E. Rights of the Administrative Limited Partner. Subject to other specific references to the rights of the Investor or Administrative Limited Partner, the rights of the Administrative Limited Partner shall include, without limitation, the right to remove a General Partner, and the right to approve a sale of any material Partnership assets, expansion, refinancing or material modification of Partnership debt; the identity of the Management Agent and of the Partnership Accountants; material changes in the design or construction of the Property; appointment of a managing General Partner; withdrawal of a General Partner; admission of any additional Limited Partner; amendment of the Partnership Agreement; and other rights to be specifically negotiated in the Partnership Agreement. In addition, the General Partner shall grant to the Administrative Limited Partner its special Power of Attorney for purposes of negotiating any and all sales opportunities of Partnership assets as long as such sales are on an arm's-length basis and at market rates.

- F. Sale of Property. At the end of the initial compliance period, the Administrative Limited Partner shall have the right to compel the General Partner to market the Property for sale. After receipt of such instruction, the General Partner shall have a period of one year to sell the Property. In the event the Property is not sold within one year, the Administrative Limited Partner and General Partner shall agree on the value of the Property and determine the amount of dollars that would result to each Partner from a hypothetical sale at the agreed upon purchase price. The General Partner shall then have a period of 30 days to purchase the interests of the Limited Partners for the greater of (a) the amount each would receive from the hypothetical sale or (b) the amount of federal, state and local tax liability that the Limited Partners would incur as a result of such sale.

In the event that the General Partner and the Administrative Limited Partner cannot agree on a value of the Property, each will appoint an appraiser and each appraiser will appoint a third. The average of the three appraisals shall be the agreed upon value.

If the General Partner does not complete such purchase, then the Administrative Limited Partner shall have the right to market the Property for sale and, in the event that the Administrative Limited Partner obtains a buyer, the General Partner shall cause the Partnership to sell the property to such buyer. Alternatively, the Administrative Limited Partner may purchase the General Partner's interest for its hypothetical net proceeds.

- G. Insurance Requirements. Insurance meeting the requirements of the Investor shall be in effect at the time of the admission of the Investor to the Partnership. Such insurance shall be maintained by, and at the expense of, the Partnership with the Investor named as an additional insured in all cases (other than with respect to title insurance). Such insurance shall include, without limitation, physical hazard insurance, business interruption/loss of rents, public liability, property insurance, title insurance, and insurance relating to losses due to flooding and earth movement.
- H. Confidentiality. All persons and entities related in any manner to the General Partner, the Developer, the Partnership or the Project shall maintain all information and materials with respect to the Project or Partnership received by or disclosed to such person or entity in confidence.
- I. Sole-Purpose Entity. The Partnership's sole purpose shall be the development and operation of the Project.

- J. General Tax Credit Requirements. The Partnership documents will require the general partners of the Partnership to take any and all actions required to ensure the Project will qualify and will continue to qualify for the Tax Credits, and not take any action which would disqualify the Project for the Tax Credits, during the entire 15-year compliance period under IRC Section 42. Legal counsel to the General Partner shall provide such legal opinions, including, without limitation, legal opinions pertaining to the Partnership, the Project, state law, federal taxation and LIHTC matters, as may be required by the Investor and its legal counsel. Ultimately, the transaction structure is subject to the approval of the Investor's tax counsel.
- K. This Commitment does not expire prior to December 31, 2009.

IX. Syndication

Alliant shall have the right to substitute a fund sponsored by Alliant or its assignees, which may include one or more investors other than Alliant, as the Investor in the Partnership. In connection therewith, the General Partner, Developer and all Guarantors shall cooperate fully with Alliant and consent unconditionally, to effectuate any such syndication, including, without limitation, the execution and delivery of an assignment agreement in connection with the substitution of such fund and the delivery by their respective legal counsel, and at their expense, of a legal opinion pertaining to, among other things, the enforceability of such assignment and the limited liability afforded to the assignees by virtue of such assignment.

X. Closing Process

Our agreement to make the investment described in this letter agreement is subject to the accuracy of the information you have provided and will provide to us to allow the satisfactory completion of our due diligence review of the Property and the transaction and our mutual agreement on the terms of the closing documents.

Upon our receipt of your executed copy of this letter agreement and the LIHTC award (consistent with the assumptions set forth herein) issued by the tax credit allocating agency, Alliant will promptly begin its due diligence process by commencing a market review and architectural/ engineering review and such other reviews as are consistent with our standard due diligence process. Such an undertaking shall not impose any liability upon Alliant or its agents for the content, results, or conclusions of such reviews, nor to consummate the transaction contemplated herein. A list of our due diligence and closing requirements will be forwarded to you under separate transmittal within seven days of receipt of your executed copy of this letter and such LIHTC award issued by the tax credit allocating agency. Each of the closing requirements must be met and must be approved by us unless waived by us.

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Upon our receipt of your executed copy of this letter agreement and such LIHTC award issued by the tax credit allocating agency, Alliant will commence preparation of the Partnership Agreement, form opinion letters and other related documents incorporating the terms of this letter agreement for your review. Upon the closing, the Partnership shall be required to pay \$40,000 to the Investor on account of the costs associated with the preparation of such documents and with the due diligence, underwriting and closing process. The General Partner, Developer and all Guarantors shall be responsible for payment of such amount in the event that the transaction does not close for any reason, including but not limited to the determination by any party other than Alliant not to proceed with the closing contemplated hereunder, or the determination by Alliant that the due diligence and closing requirements are not or cannot be met, or a transaction participant other than Alliant modifies the terms and conditions of the transaction contemplated hereunder. The General Partner, Developer and all Guarantors acknowledge and agree that such \$40,000 is fair and reasonable compensation to Alliant for the costs and expenses incurred by Alliant in connection with the due diligence, underwriting and closing process for the transaction contemplated hereunder.

In recognition of the time and expense to be spent by Alliant in evaluating this transaction prior to closing, all partners of the Partnership and their respective principals, and the principals of the developer, will deal exclusively with Alliant with respect to the transactions noted in this letter agreement until this letter agreement is terminated by mutual consent. You hereby confirm that no other party presently has any right to acquire an interest in the Property or the Partnership.

Concurrently herewith, the General Partner shall deliver to Alliant copies of any and all equity proposals that have been executed by the Partnership, the General Partner or any affiliate thereof, to be able to review such proposals for termination provisions. Should any enforceable proposals exist, the General Partner, the Guarantor and their respective owners shall fully indemnify, defend, protect and hold harmless the Partnership, Alliant and Alliant's affiliates from and against any loss, cost, damage, liability, action, cause of action, suit or expense, including, without limitation, attorneys fees and court costs that may result from the breach or termination of such proposals.

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Please execute and promptly return to us a copy of this letter agreement. The terms herein shall expire 15 business days after the date of this letter if your signed copy has not been received by us.

Very truly yours,

Alliant Capital, Ltd.

By: Alliant, Inc., its general partner

By: 

Scott L. Kotick
Executive Vice President

The foregoing is hereby agreed to and confirmed:

APD Housing Partners 20, LP

By: _____, its General Partner

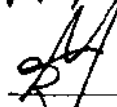
By: _____
Name: _____

Date: _____, 2009

Title: _____

American Opportunity Foundation

By: *APD, LLC, its Special Limited Partner*
Date: *Aug 17* 2009

Name: 
Title: *Gregory Dunfield
Vice President*

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Attention: Greg Dunfield
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Please execute and promptly return to us a copy of this letter agreement. The terms herein shall expire 15 business days after the date of this letter if your signed copy has not been received by us.

Very truly yours,

Alliant Capital, Ltd.

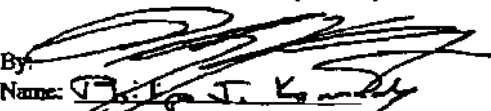
By: Alliant, Inc., its general partner

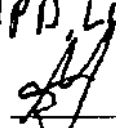
By: 

Scott L. Kotick
Executive Vice President

The foregoing is hereby agreed to and confirmed:

APD Housing Partners 20, LP
~~The American Opportunity Foundation, LLC~~
By: _____, its General Partner

By:  Date: April 17, 2009
Name: Philip J. Kennedy
Title: President

American Opportunity Foundation
By: APD, LLC, its Special Limited Partner
Date: Aug 17 2009
Name: 
Title: Gregory Dunfield
Vice President