

**CONTRACT FOR APPLICATION PHASE OF
SECTION 8 PERFORMANCE BASED CONTRACT ADMINISTRATION**

This Contract for the Application Phase of Section 8 Performance Based Contract Administration (PBCA), #2009-08-01-001, is entered into by and between the FLORIDA HOUSING FINANCE CORPORATION (Florida Housing), a public corporation and a public body corporate and politic, with headquarters located at 227 North Bronough Street, Suite 5000, Tallahassee, Florida, 32301, and D & A-RFS MS8 LLC also known as Multifamily Asset Managers (MAM) (Contractor) located at 7700 Old Georgetown Road, Suite 688, Bethesda, Maryland 20814. This Contract shall become effective on the date the last party signs this Contract (Effective Date).

MUTUAL UNDERSTANDINGS

The Contractor represents that it is fully qualified and possesses the requisite skills, knowledge, qualifications and experience to provide the services identified herein and offers to perform those services defined as the Application Phase in Exhibit A, Request for Proposals (RFP) 2009-08, and more fully set forth in Section Four of the RFP, Scope of Services, attached hereto and incorporated herein.

Florida Housing has a need for such services and does hereby accept the offer of the Contractor upon the terms and conditions outlined in this Contract.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

1. ATTACHMENTS

This Contract includes the following attachments, which are incorporated by reference herein: Exhibit A, RFP 2009-08 - Section 8 Performance Based Contract Administration Contractor.

2. ENGAGEMENT OF THE CONTRACTOR

The Contractor agrees to provide the services in accordance with the terms and conditions hereinafter set forth. The Contractor agrees to perform the services applicable to the Application Phase as defined and forth in attached Exhibit A, and as otherwise stated in this Contract. The Contractor understands and agrees that all services under this Contract are to be performed solely by the Contractor, and may not be subcontracted or assigned without the prior written approval and consent of Florida Housing.

The Contractor agrees and understands that it is to take primary responsibility for the preparation and submission of the Application to the United States Department of Housing and Urban Development (HUD) for the PBCA contract, per the terms to be provided by HUD and with assistance from Florida Housing. The Contractor further understands that any compensation arrangements between the parties to this Contract are contingent on successfully obtaining an award of a PBCA contract from HUD to Florida

Housing and MAM, and if the Florida Housing/MAM Application to HUD for the PBCA contract results in successfully obtaining an award and entering into an Annual Contributions Contract with HUD, Florida Housing agrees to enter into a subsequent contract with MAM for the Administration Phase, as defined in Exhibit A.

3. INCORPORATION OF LAWS, RULES AND REGULATIONS

Applicable Federal and state laws, rules, and regulations shall govern both the Contractor and Florida Housing.

4. TERM OF AGREEMENT

The term of the Contract shall be until a PBCA contract has been awarded by HUD to Florida Housing and MAM, or until HUD provides official written notice that a PBCA Contract will not be awarded to Florida Housing and MAM.

5. MODIFICATION OF AGREEMENT

Either party may request a modification of the provisions of this Contract. Modifications that are mutually agreed upon shall be valid only when reduced to writing, signed by the parties and attached to this Contract.

6. FEES

The Contractor agrees that no compensation will be paid for the term of this Contract, but per paragraph 2 above, compensation shall be provided for in a subsequent agreement contingent on successfully obtaining an award of a PBCA contract from HUD to Florida Housing and MAM.

7. FILES

(a) Contents of the Files: The Contractor shall maintain files containing documentation to verify all reports, records, documents, papers, letters, computer files, or other material received, generated, maintained or filed by the Contractor in connection with this Contract. The Contractor shall also keep files, records, computer files, and reports that reflect any compensation it receives or will receive in connection with this Contract.

(b) Retaining the Files: The Contractor shall maintain these files for five (5) years after the fiscal year in which the files become inactive, except that, if any litigation, claim or audit is commenced with respect to the transactions documented by such files before the end of the aforementioned five (5) year period and extends beyond the expiration of the five (5) year period, these files will be retained until all litigation, claims, or audit findings involving the files have been resolved.

(c) Access to the Files: Upon reasonable notice, the Contractor and its employees shall allow Florida Housing or its agent(s) access to its files during normal business hours, 9:00 a.m. to 5:00 p.m., Monday through Friday, provided such day is not a holiday.

(d) Files Subject to Florida's Public Records Law: Any file, report, record, document, paper, letter, or other material received, generated, maintained or sent by the Contractor in connection with this Contract is subject to the provisions of Section 119.01-.19, Fla. Stat., as may be amended from time to time (hereinafter called "Florida's Public Records Law"). The Contractor represents and acknowledges that it has read and understands Florida's Public Records Law and agrees to comply with Florida's Public Records Law.

(e) Return of the Files: In the event this Contract is terminated, all finished or unfinished documents, data, studies, computer files, correspondence, and other products prepared by or for the Contractor under this Contract shall be submitted to Florida Housing within 15 days of such termination date.

8. LIABILITY

(a) Florida Housing shall not be deemed to have assumed any liability for the acts, omissions, or negligence of the Contractor, its agents, its servants, or employees and the Contractor specifically accepts responsibility for its acts, omissions or negligence and for the acts, omissions or negligence of its agents, servants or employees and holds Florida Housing harmless from the claims of any third party. The Contractor further acknowledges that it is not an employee or agent of Florida Housing while performing the services contemplated by this Contract. The Contractor is an independent contractor authorized to do business in the State of Florida.

(b) The Contractor specifically accepts responsibility for compliance with all applicable Florida laws, Federal laws, Florida Housing rules and Florida Housing policies.

(c) The Contractor specifically accepts responsibility for the payment of all taxes, assessments, or contributions that may be required to be paid to any unit of government as a result of the payments being paid to or by the Contractor, if any, in conjunction with the services rendered pursuant to this Contract. At no time shall the Contractor make any commitments for or incur any charges or expenses for, or in the name of, Florida Housing.

(d) Nothing herein is intended to serve as a waiver of sovereign immunity by Florida Housing.

(e) The Contractor shall not be relieved of liability to Florida Housing for damages sustained by Florida Housing by virtue of any termination or breach of this Contract by the Contractor.

9. DEFAULT AND REMEDIES

(a) If any of the events listed in subparagraph (b) of this section occur, all obligations on the part of Florida Housing to continue doing business with the Contractor or assign any future transaction to the Contractor shall, if Florida Housing so elects, terminate and Florida Housing may, at its option, exercise any of its remedies set forth herein, or as otherwise provided by law. However, Florida Housing may continue doing business with the Contractor as a participant after the happening of any event listed in subparagraph (b) of this section without waiving the right to exercise such remedies, without constituting a course of dealing, and without becoming liable to include the Contractor in the transaction or any future transaction.

(b) The Events of Default shall include, but not be limited to, the following:

1. If any report, information, representation or material provided by the Contractor in this Contract, is inaccurate, false or misleading;

2. If any warranty or representation made by the Contractor in this Contract, or any other outstanding agreement with Florida Housing is deemed by Florida Housing to be inaccurate, false or misleading in any respect;

3. If the Contractor fails to keep, observe, or perform any of the terms or covenants contained in this Contract, or is unable or unwilling to meet its obligations as defined in this Contract;

4. If, in the sole discretion of Florida Housing, the Contractor has failed to perform or complete any of the services identified in the attachments;

5. If the Contractor has not complied with all Florida laws, Federal laws, Florida Housing rules or Florida Housing policies applicable to the work;

6. If the Contractor has discriminated on the grounds of race, color, religion, sex, national origin, or disability in performing any service identified in the attachments;

7. If the Contractor does not comply with the terms and conditions set forth in Section 420.512(5), Fla. Stat.;

8. If the Contractor commits fraud in the performance of its obligations under this Contract; or

9. If the Contractor refuses to permit public access to any document, paper, letter, or other material subject to disclosure under Florida's Public Records Law.

(c) Upon the happening of any Event of Default listed in subparagraph (b) above, Florida Housing will provide written notice of the Default detailing the grounds that constitute the Event of Default through first class certified mail, return receipt requested (Notice of Default), to the address set forth in Section 12 herein.

(d) Upon the happening of any Event of Default listed in subparagraph (b) above, Florida Housing may provide the Contractor a reasonable period of time to cure the Event of Default (Cure Period). If Florida Housing provides a Cure Period, Florida Housing will notify the Contractor of the length of the Cure Period in the Notice of Default.

(e) If Florida Housing provides a Cure Period and if the Contractor is unable or unwilling to cure the Event of Default within the Cure Period, Florida Housing may exercise any remedy permitted by law. The pursuit of any one of the following remedies shall not preclude Florida Housing from pursuing any other remedies contained herein or otherwise provided at law or in equity. The remedies include, but are not limited to the following:

1. Florida Housing may terminate the Contract on the tenth (10th) day after the Contractor receives the Notice of Default or upon the conclusion of any applicable cure period, whichever is later;
2. Florida Housing may commence an appropriate legal or equitable action to enforce performance of the terms and conditions of this Contract;
3. Florida Housing may exercise any corrective or remedial actions including, but not limited to, requesting additional information from the Contractor to determine the reasons for or the extent of non-compliance or lack of performance, issuing a written warning to advise that more serious measures may be taken if the situation is not corrected, advising the Contractor to suspend, discontinue or refrain from incurring fees or costs for any activities in question or requiring the Contractor to reimburse Florida Housing for the amount of costs incurred; or
4. Florida Housing may exercise any other rights or remedies that may be otherwise available under law.

10. TERMINATION

(a) Florida Housing may terminate this Contract without cause and the Contract will automatically terminate on the tenth (10th) day after the representative of

the Contractor as identified in Section 12 receives written notice through first class certified mail, return receipt requested (Termination Notice).

(b) Florida Housing shall unilaterally terminate this Contract on the tenth (10th) day after the representative of the Contractor as identified in Section 12 receives the Termination Notice, if the Contractor fails to comply with Florida's Public Records Law.

(c) Florida Housing shall unilaterally terminate this Contract on the tenth (10th) day after the representative of the Contractor as identified in Section 12 receives the Termination Notice, if the Contractor fails to comply with the terms and conditions set forth in s. 420.512(5), Fla. Stat.

(d) Florida Housing may terminate the Contract for cause, including but not limited to the Events of Default contained in this Contract. The Contract will automatically terminate on the tenth (10th) day after the representative of the Contractor as identified in Section 12 receives the Termination Notice or upon the conclusion of any applicable cure period, whichever is later.

(e) This Contract may be terminated by either of the parties upon ten (10) days written notice in accordance with the provisions of Section 11 of this Contract.

11. REMOVAL OR RESIGNATION BY CONTRACTOR

The Contractor may at any time resign and be discharged of the duties and obligations hereby created by giving ten (10) days written notice to Florida Housing by first class mail and such resignation shall take effect upon the appointment of a successor Contractor. Notwithstanding any other provision of this Contract, no removal, resignation, or termination of the Contractor shall take effect until a successor shall be appointed. The Contractor shall be responsible for all costs arising from the removal for cause or resignation of the Contractor and the costs associated with the appointment of and transition to a successor Contractor.

12. ADMINISTRATION OF CONTRACT

(a) The Florida Housing contract administrator for this Contract is:

Sherry Green
Contracts Administrator
Florida Housing Finance Corporation
227 North Bronough St., Suite 5000
Tallahassee, Florida 32301-1329
Phone: (850) 488-4197
Fax: (850) 414-6548
E-mail: sherry.green@floridahousing.org
or designated successor.

(b) The Florida Housing program contact for this Contract is:

Diane Carr
Loan Servicing Administrator
Florida Housing Finance Corporation
227 North Bronough St., Suite 5000
Tallahassee, Florida 32301-1329
Phone: (850) 488-4197
Fax: (850) 414-9809
E-mail: diane.carr@floridahousing.org
or designated successor.

(d) The Contractor contract administrator for this Contract is:

Lucy Du
D & A-RFS MS8 LLC also known as
Multifamily Asset Managers (MAM)
777 Old Georgetown Road, Suite 688
Bethesda, Maryland 20814
Phone: 301-913-9628 Cell: 301-938-2861
E-mail: lucie.du@duassoc.com
or designated successor and

Lester Kanis
D & A-RFS MS8 LLC also known as
Multifamily Asset Managers (MAM)
7700 Old Georgetown Road, Suite 400
Bethesda, MD 20814-6224
Phone: 301-657-7702; Fax: 301-281-3732
E-mail: lester.kanis@reznickgroup.com
or designated successor

(e) All written approvals, referenced in this Contract, shall be obtained from the parties' contract administrator or their respective designees.

(f) All notices shall be given to the parties' contract administrator.

13. CONFIDENTIALITY

(a) Subject to the provisions of Florida's Public Records Law, as applicable to Florida Housing, all materials furnished to Florida Housing pursuant to this Contract are confidential and the Contractor will treat such materials as confidential and will not reveal or discuss such materials or any other information learned as a result of this Contract with any other person or entity, except as authorized or directed by Florida Housing.

(b) In addition, working papers, copies, internal documents, procedures, methods and related materials are considered confidential and/or proprietary and the Contractor shall treat such information as confidential and/or proprietary and shall not reveal or discuss any such information with any other person or entity, except as authorized or directed by Florida Housing. All such records and materials will remain the property of Florida Housing.

(c) Without Florida Housing's prior written consent and except as provided by law, the Trustee shall not in any manner disclose, advertise or publish the existence or terms of transactions under this Contract. If the Contractor is required to disclose or publish the existence or terms of transactions under this Contract pursuant to Florida's Public Records Law, then the Contractor shall notify Florida Housing in writing of such disclosure within two (2) days after receipt of the Public Records request.

14. OTHER PROVISIONS

(a) This Contract shall be construed under the laws of the State of Florida and venue for any actions arising out of this Contract shall lie in Leon County.

(b) No waiver by Florida Housing of any right or remedy granted hereunder or failure to insist on strict performance by the Contractor shall affect or extend or act as a waiver of any other right or remedy of Florida Housing hereunder, or affect the subsequent exercise of the same right or remedy by Florida Housing for any further or subsequent default by the Contractor. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing.

(c) Any power of approval or disapproval granted to Florida Housing under the terms of this Contract shall survive the terms and life of this Contract as a whole.

(d) The Contract may be executed in any number of counterparts, any one of which may be taken as an original.

15. LOBBYING PROHIBITION

No funds compensation or other resources received in connection with this Contract may be used directly or indirectly to influence legislation or any other official action by the Florida or Federal Legislature or any state or Federal agency. The Contractor further acknowledges that it has not retained the services of any lobbyist or consultant to assist in the procurement and negotiation of this Contract.

16. COPYRIGHT, PATENT AND TRADEMARK

(a) If the Contractor brings to the performance of this Contract a pre-existing copyright, patent or trademark, the Contractor shall retain all rights and entitlements to that pre-existing copyright, patent or trademark unless the Contract provides otherwise.

(b) If any discovery or invention arises or is developed in the course of or as a direct result of work or services performed under this Contract, the Contractor shall refer the discovery or invention to Florida Housing for a determination whether patent protection will be sought in the name of the Florida Housing. Any and all patent rights accruing under or in connection with the performance of this Contract are hereby reserved to Florida Housing. In the event that any books, manuals, films, or other copyrightable material are produced, the Contractor shall notify Florida Housing in writing. Any and all copyrights or trademarks created by or in direct connection with the performance under this Contract are hereby reserved to Florida Housing.

(c) All subcontracts or other arrangements entered into, by the Contractor, with prior written approval and consent of Florida Housing, for the purpose of developing or procuring copyrightable materials (e.g. audiovisuals, computer programs, software, publications, curricula, research materials or training materials, etc.) shall specifically reference and reserve Florida Housing's exclusive rights to use and exploit copyrights and licenses to the extent permitted by copyright law and Florida Statutes.

17. LEGAL AUTHORIZATION

The Contractor certifies with respect to this Contract that it possesses the legal authority to enter into this Contract and that, if applicable, its governing body has authorized, by resolution or otherwise, the execution and acceptance of this Contract with all covenants and assurances contained herein. The Contractor also certifies that the undersigned possesses the authority to legally execute and bind the Contractor to the terms of this Contract.

18. PUBLIC ENTITY CRIME

A person or affiliate, who has been placed on the convicted vendor list, following a conviction for a public entity crime, may not:

- (a) submit a bid on a contract to provide any goods or services to a public entity;
- (b) submit a bid on a contract with a public entity for the construction or repair of a public building or public work;
- (c) submit bids on leases of real property to a public entity;
- (d) be awarded or perform work as the Contractor, supplier, subcontractor, or consultant under a contract with any public entity, and;
- (e) transact business with any public entity in excess of the threshold amount provided in s. 287.017, Fla. Stat., for CATEGORY TWO: \$25,000, for a period of 36 months from the date of being placed on the convicted vendor list. Any contract in violation of this provision shall be null and void.

19. CONFLICTS OF INTEREST

(a) Pursuant to Section 420.512(5), Fla. Stat.:

“Service providers shall comply with the following standards of conduct as a condition of eligibility to be considered or retained to provide services. For purposes of paragraphs (a), (b), and (c) only, the term ‘service provider’ means and is limited to a law firm, an investment bank, or a credit underwriter, and the agents, officers, principals, and professional employees of the service provider.

(a) A service provider may not make contributions in any amounts, directly or indirectly, for or on behalf of candidates for Governor, nor shall any service provider make a contribution in excess of \$100 to any candidate for a member of the State Board of Administration other than the Governor in Florida while the service provider is included in an applicant pool from which service providers are selected to provide services to the corporation, while the service provider provides services to the corporation, and for the longer of a period of 2 years thereafter or for a period through the next general election for Governor.

(b) The service provider shall not participate in fundraising activities for or on behalf of candidates for Governor in Florida while the service provider is included in an applicant pool from which service providers are selected to provide services to the corporation, while the service provider provides services to the corporation, and for the longer of a period of 2 years thereafter or for a period through the next general election for Governor.

(c) Service providers shall provide to the corporation a statement that the service provider has not contributed to candidates for Governor or contributed in excess of the amounts allowed by this section for a member of the State Board of Administration or engaged in fundraising activities for or on behalf of candidates for Governor in Florida since the effective date of this section or during the 24 months preceding the service provider's application to provide services to the corporation, whichever period is shorter.

(d) The service provider may not engage in prohibited business solicitation communications with officers, members, or covered employees of the corporation.

(e) If a service provider is in doubt as to whether its activities, or the activities of its principals, agents, or employees, violate the provisions of this section, it may request a declaratory statement in accordance with the applicable rule and s. 120.565, Fla. Stat.

(f) If the corporation determines that a service provider has failed to meet the provisions of this section, it shall consider the magnitude of the violation and whether there has been a pattern of violations in determining whether to terminate or decline to enter into contracts with the service provider.”

(b) Section 420.503(31), Fla. Stat., states:

“ ‘Prohibited business solicitation communication’ means a private written or verbal communication between a member, officer, or covered employee of the corporation and a service provider regarding the merits of the service provider and whether the corporation should retain the services of the service provider. The term does not include:

- (a) A verbal communication made on the record during a public meeting;
- (b) A written communication provided to each member and officer of the corporation and made part of the record at a public meeting;
- (c) A written proposal or statement of qualifications submitted to the corporation in response to a corporation advertisement seeking proposals or statements of qualifications as part of a competitive selection process.
- (d) A verbal or written communication related to the contractual responsibilities of a service provider who was selected to provide services or who was included in a pool of service providers eligible to provide services as a result of a competitive selection process, so long as the communication does not relate to solicitation of business.
- (e) A verbal or written communication related to a proposed method of financing or proposed projects, so long as the communication does not relate to solicitation of business.”

(c) By executing this contract, the Contractor certifies that it shall comply with, and is currently in compliance with, Section 420.512(5), Fla. Stat., as amended.

(d) In addition to the conflict of interest rules imposed by the Florida Statutes, should the Contractor become aware of any actual, apparent, or potential conflict of interest or should any such actual, apparent, or potential conflict of interest come into being subsequent to the effective date of this Contract and prior to the conclusion of the Contract, the Contractor will provide notification to Florida Housing, through first class certified mail, return receipt requested (Notice of Conflict of Interest), to the address and individual set forth in Section 12 herein, within 10 working days. If Florida Housing, in its sole discretion, finds the Contractor to be in non-compliance with this provision, without prior written consent from Florida Housing’s Executive Director, any compensation received in connection with this Contract shall be subject to forfeiture to Florida Housing and all obligations on the part of Florida Housing to continue doing business with the Contractor or assign any future transaction to the Contractor shall, if Florida Housing so elects, terminate.

20. ENTIRE AGREEMENT

This Contract, including any and all attachments, embodies the entire agreement of the parties. There are no other provisions, terms, conditions or obligations between the parties. The Contract supersedes all previous oral or written communications, representations or agreements on this subject.

21. SEVERABILITY

If any provision of this Contract is in conflict with any applicable statute or rule, or is otherwise unenforceable, then such provision shall be deemed null and void to the extent of such conflict or unenforceability, and shall be deemed severable, but shall not invalidate any other provision of this Contract.

IN WITNESS WHEREOF, the parties have executed this Contract Number 2009-08-01-001, each through a duly authorized representative, effective on the date the last party signs this Contract.

D & A-RFS MS8 LLC also known as
Multifamily Asset Managers (MAM)

By: [Signature]
Name/Title: MANAGING DIRECTOR
Date: 3/12/2010
FEIN: 52-2247186

Witness: [Signature]
Date: March 12 2010
Witness: [Signature]
Date: 12 MARCH 2010

FLORIDA HOUSING FINANCE CORPORATION

By: [Signature]
Name/Title: Stephen P. Auger, Executive Director
Date: 3/16/10

Witness: Sheila A. Treaney
Date: 3/16/10
Witness: Sherry Green
Date: 3-16-10