

**STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

VILLAGE CENTRE APARTMENTS, LTD.

Petitioner,

vs.

**Application No. 2003-099C
2003 Universal Cycle**

FHFC CASE # 2003-040

**FLORIDA HOUSING FINANCE
CORPORATION,**

Respondent.

_____ /

**PETITION FOR REVIEW OF 2003 UNIVERSAL SCORING SUMMARY FOR
VILLAGE CENTRE APARTMENTS, LTD.**

Petitioner Village Centre Apartments, Ltd. ("Village Centre"), pursuant to sections 120.569 and 120.57(2), Florida Statutes, and rules 28-106.301 and 67-48.005, Florida Administrative Code, files this petition for informal administrative hearing concerning the 2003 Universal Scoring Summary for Village Centre and states:

1. The sole issue raised by this petition is the determination by Florida Housing Finance Corporation ("Florida Housing") that Village Centre did not meet threshold requirements because its "cure" did not provide information concerning the status of pending eminent domain litigation that was necessary to establish site control. *See* 2003 MMRB, SAIL & HC Scoring Summary for Village Centre, July 18, 2003 ("Universal Scoring Summary") (attached as Exhibit 1). As explained below, the new contracts submitted by Village Centre with its "cure" are themselves sufficient to satisfy site control, and eminent domain proceedings are

no longer needed. Thus, Village Centre should have been scored as meeting threshold requirements.

2. The agency affected in this proceeding is Florida Housing, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329. The agency's file number is 2003-099C.

3. The petitioner is Village Centre, 2950 SW 27th Avenue, Suite 200, Miami, Florida, 33133. The petitioner's telephone numbers are 305-476-8118 (phone) and 305-476-9674 (facsimile).

4. The petitioner's attorney is Donna E. Blanton, Radey Thomas Yon & Clark, P.A., 313 N. Monroe Street, Suite 200, Tallahassee, Florida, 32301. The attorney's telephone numbers are 850-425-6654 (phone) and 850-425-6694 (facsimile).

5. Village Centre received notice of the Universal Scoring Summary on July 21, 2003, when Florida Housing Deputy Development Officer Kerey Carpenter sent a memorandum to all applicants including final scores and a notice of rights.

6. Village Centre's substantial interests are affected by the Universal Scoring Summary because Village Centre timely filed an application with Florida Housing for housing credits in the 2003 Universal Cycle in connection with the development of a "Front Porch Community" apartment complex in West Palm Beach called Village Centre.

7. Ultimate facts alleged, including those that warrant reversal of the proposed agency action, are as follows:

- a. Village Centre's application included contracts for purchase of five separate parcels of land. These contracts were attached as evidence of site control as required by

Part III.C.2.a of the Universal Application Instructions.¹ *See* Exhibit 27 to Village Centre's Application (attached as Exhibit 2). One contract was a direct sale contract between Village Centre and the sellers; the other was between the West Palm Beach Community Redevelopment Agency, as the seller, and Village Centre for three parcels that were to be conveyed through an eminent domain action.

- b. Village Centre's application was preliminarily scored by Florida Housing on May 12, 2003, in accordance with the provisions of rule 67-48.004, Florida Administrative Code. *See* Exhibit 3.
- c. Pursuant to rule 67-48.004(4), other applicants submitted Notices of Possible Scoring Errors (NOPSE) concerning the contracts Village Centre submitted (NOPSEs attached as Composite Exhibit 4).² One NOPSE stated in relevant part that one of the land sellers, West Palm Beach Community Redevelopment Agency, appeared not to currently own the property because the contract stated that the seller intended to acquire the land by eminent domain. Noting that Florida Housing requires that development proceed within a certain timeframe, the NOPSE stated that "[t]here can be no assurance that the City of West Palm Beach or West Palm Beach Community Redevelopment Agency will, through its eminent domain efforts, secure title to the subject real estate in time for Applicant to meet the foregoing deadlines."

¹ The Universal Application Instructions have been adopted and incorporated by reference in rule 67-48.002(111), Florida Administrative Code.

² Other NOPSEs also were submitted concerning Village Centre, but they are not at issue in this petition.

- d. Pursuant to rule 67-48.004(5), Florida Housing transmitted the NOPSEs to Village Centre and concurred that Village Centre failed to meet threshold requirements because the contracts submitted were not sufficient to demonstrate site control. In its NOPSE Scoring Summary issued on June 9, 2003, Florida Housing stated:

It has not been demonstrated that the Seller has ownership of the property and has the ability to convey the property to the Purchaser (the Applicant). The March 26, 2003 Agreement of Purchase and Sale indicates that the Seller intends to file an eminent domain action in the Circuit Court in and for Palm Beach County to acquire the parcels of land and a condition for closing, as stated at Article 5.2(i) of the Agreement, is that the Seller is able to obtain title to the property by purchase or eminent domain.

(Attached as Exhibit 5). See Item # 3T.111.C.2

- e. Pursuant to rule 67-48.004(6), Village Centre submitted a cure in response to the NOPSE scoring. (Attached as Exhibit 6). In the Statement of Explanation accompanying the cure, Village Centre stated:

Florida Housing rejected the Application because the documentation submitted was not sufficient to demonstrate site control. Applicant is providing qualified Purchase and Sale contracts valid through 12/31/03 for the parcels that were previously subject to an eminent domain action.

Applicant requests that Florida Housing accept this revised information as satisfying the threshold requirement for Site Control.

(Emphasis supplied).

- f. Thus, Village Centre submitted three new contracts with its cure that were direct purchase agreements between Village Centre and three separate landowners. These contracts do not involve an eminent domain action. They serve as substitutes for the contract between the West Palm Beach Community

Redevelopment Agency and Village Centre originally submitted with the application that was dependent upon the eminent domain action.

- g. In its Universal Scoring Summary, Florida Housing rejected the cure, again finding that Village Centre failed to meet threshold requirements for site control, despite the submission of the three new contracts. Florida Housing stated:

Applicant attempted to cure Item 3T by providing three new contracts for purchase and sale, all dated 6/17/03, in place of the 3/26/03 Agreement of Purchase and Sale. This cure is deficient because the contracts and site control by the Applicant are contingent upon the result of pending eminent domain suit(s) regarding portions of the proposed development site and none of the material submitted by the Applicant indicates the current status of this litigation.

See Exhibit 1 (emphasis supplied).

- h. Florida Housing is incorrect. The contracts submitted with the cure to satisfy site control requirements are not contingent upon any pending eminent domain suits. As the contracts attached to the cure make clear, they are direct sale contracts between Village Centre and the individual landowners. No eminent domain action is involved or contemplated; thus, Village Centre had no need to provide information about an eminent domain suit that has become moot.³
- i. All other scoring deficiencies in Village Centre's application were rescinded as a result of the Universal Scoring Summary. Thus, the only issue preventing Village

³ The attorney handling the eminent domain action in Palm Beach County has notified the court handling the matter that Village Centre has entered into direct sale contracts with all landowners, and that a scheduled hearing in the eminent domain case should be cancelled for that reason. See Letter from William P. Doney to the Honorable Thomas H. Barkdull, III, July 16, 2003 ("The lands to be acquired are part of a private redevelopment project and since the filing of the eminent domain proceedings, the private developer has entered into purchase contracts with each of the three property owners.") (attached as Exhibit 7).

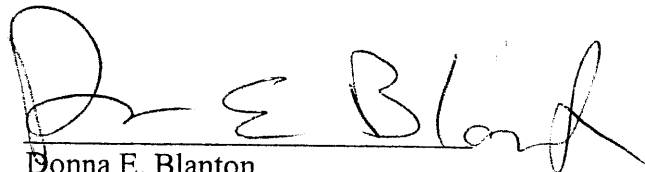
Centre from meeting threshold requirements is the site control issue relating to the cure.

8. Rules and statutes that require reversal of the proposed agency action are the Florida Housing Finance Corporation Act (sections 420.501 - .530, Florida Statutes); sections 120.569 and 120.57(2), Florida Statutes; and rules 67-48.002, 67-48.004, and 67-48.005, Florida Administrative Code.

Based on the foregoing, Florida Housing erred in determining that Village Centre did not meet threshold requirements by providing evidence of site control. Village Centre respectfully requests that an informal administrative hearing be held and that Florida Housing enter a Recommended Order finding that Village Centre's application meets all threshold requirements.

Dated: July 30, 2003

Respectfully submitted,



Donna E. Blanton
Florida Bar # 948500
Radey Thomas Yon & Clark, P.A.
313 N. Monroe Street, Suite 200
Tallahassee, Florida 32301
850-425-6654 (phone)
850-425-6694 (facsimile)

Attorney for Village Centre Apartments, Ltd.

2003 MMRB, SAIL & HC Scoring Summary

As of: 07/18/2003

File # 2003-099C Development Name: Village Centre

As of:	Total Points	Met Threshold?	Proximity Tie-Breaker Points	Corporation Funding per Set-Aside Unit	SAIL Request Amount as Percentage of Development Cost	Is SAIL Request Amount Equal to or Greater than 10% of Total Development Cost?
07 - 18 - 2003	66	N	7.5	\$64,555.66	%	N
Preliminary	66	N	7.25	\$64,555.66	%	N
NOPSE	66	N	7.25	\$64,555.66	%	N
Final	66	N	7.5	\$64,555.66	%	N
Post-Appeal	0	N	0		0	

Scores:

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Post-Appeal
Optional Features & Amenities									
1S	III	B	2.a.	New Construction	9	9	9	9	0
1S	III	B	2.b.	Rehabilitation/Substantial Rehabilitation	9	0	0	0	0
2S	III	B	2.c.	All Developments Except SRO	12	12	12	12	0
2S	III	B	2.d.	SRO Developments	12	0	0	0	0
3S	III	B	2.e.	Energy Conservation Features	9	9	9	9	0
Set-Aside Commitments									
4S	III	E	1.b.	Commitment to Serve Lower AMI	5	5	5	5	0
5S	III	E	1.c.	Total Set-Aside Commitment	3	3	3	3	0
6S	III	E	3.	Affordability Period	5	5	5	5	0
Resident Programs									
7S	III	F	1.	Programs for Non-Elderly & Non-Homeless	6	6	6	6	0
7S	III	F	2.	Programs for Homeless (SRO & Non-SRO)	6	0	0	0	0
7S	III	F	3.	Programs for Elderly	6	0	0	0	0
8S	III	F	4.	Programs for All Applicants	8	8	8	8	0
Local Government Support									
9S	IV		a.	Contributions	5	5	5	5	0
10S	IV		b.	Incentives	4	4	4	4	0

2003 MMRB, SAIL & HC Scoring Summary

As of: 07/18/2003

File # 2003-099C

Development Name: Village Centre

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 Contract for Purchase and Sale of Real Property provided as evidence of Site Control provides for the automatic termination of the contract if an award of Tax Credits is not made to the development by Florida Housing by October 15, 2003, and does not include any other options allowing the buyer to continue the contract. While Florida Housing anticipates that final ranking will occur by mid-October 2003, the time line is tentative and subject to change.	Preliminary	Final
2T	II	A	2.c.(1)	Attorney's Opinion Letter	The attorney's opinion letter was not signed.	Preliminary	Final
3T	III	C	2	Site Control	It has not been demonstrated that the Seller has ownership of the property and has the ability to convey the property to the Purchaser (the Applicant). The March 26, 2003 Agreement of Purchase and Sale indicates that the Seller intends to file an eminent domain action in the Circuit Court in and for Palm Beach County to acquire the parcels of land and a condition for closing, as stated at Article 5.2(i) of the Agreement, is that the Seller is able to obtain title to the property by purchase or eminent domain.	NOPSE	
4T	III	C	5	Environmental Safety	The environmental provider indicated at Item 2.b. of the Verification of Environmental Safety - Phase I ESA form that a separate report addressing the presence or absence of asbestos or asbestos containing materials has been reviewed. However, there is no certification by the provider that the Phase I ESA addressed lead based paint or that there is a separate report addressing lead based paint that has been reviewed by the environmental firm.	NOPSE	Final
5T	V	E	Ex56	Equity Commitment	Page 60 of the Universal Application Instructions states as part of the criteria for a firm equity commitment that the commitment must expressly state the capital contribution pay-in schedule (stating the amounts to be paid prior to simultaneously with the closing of construction financing and the amounts paid prior to completion of construction). The Applicant provided an equity commitment that did not meet this criteria. As such, the equity commitment is not firm and not a source of financing. Also, it could not be determined whether the equity commitment met the criteria that 35% of the total equity be paid prior to or simultaneously with the closing of construction financing because the amount of equity being paid prior to or simultaneously with the closing of construction financing is not expressly stated.	NOPSE	Final
6T	V	B		Sources do not equal or exceed uses	The Application has a construction financing shortfall of \$6,391,150.	NOPSE	Final
7T	V	B		Sources do not equal or exceed uses	The Application has a permanent financing shortfall of \$7,419,000.	NOPSE	Final

2003 MMRB, SAIL & HC Scoring Summary

As of: 07/18/2003

File # 2003-099C Development Name: Village Centre

Proximity Tie-Breaker Points:

Item #	Part	Section	Subsection	Description	Available	Preliminary	NOPSE	Final	Post-Appeal
1P	III	A	11.b.(1)	Grocery Store	1.25	1	1	1.25	0
2P	III	A	11.b.(2)	Public School	1.25	1.25	1.25	1.25	0
3P	III	A	11.b.(3)	Medical Facility	1.25	0	0	0	0
4P	III	A	11.b.(4)	Pharmacy	1.25	0	0	0	0
5P	III	A	11.b.(5)	Public Bus Stop or Metro-Rail Stop	1.25	1.25	1.25	1.25	0
6P	III	A	11.c.	Proximity to Developments on FHFC Development Proximity List	3.75	3.75	3.75	3.75	0

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

Item #	Reason(s)	Created As Result of	Rescinded as Result of
1P	Address provided for Grocery Store plots between 1 and 2 miles from the Tie-Breaker Measurement Point.	Preliminary	Final

Additional Application Comments:

Item #	Part	Section	Subsection	Description	Reason(s)	Created As Result of	Rescinded as Result of
1C	III	C	2	Site Control	Applicant attempted to cure Item 3T by providing three new contracts for purchase and sale, all dated 6/17/03, in place of the 3/26/03 Agreement of Purchase and Sale. This cure is deficient because the contracts and site control by the Applicant are contingent upon the result of pending eminent domain suit(s) regarding portions of the proposed development site and none of the material submitted by the Applicant indicates the current status of this litigation.	Final	

Exhibit

27

CONTRACT FOR PURCHASE AND SALE OF REAL PROPERTY

This Contract for Purchase and Sale of Real Property (the "Contract") is made and entered into as of the 4th day of April, 2003, by and between Northwood Business Development Corp., a Florida non-profit corporation (the "Seller"), and Village Centre Apartments, Ltd., a Florida limited partnership, or assigns (the "Buyer").

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

1. Definitions. The following capitalized terms shall have the meanings given to them in this Section 1. Other capitalized terms when used in this Contract for Purchase and Sale shall have the meanings given to such terms in the Definitions Addendum attached hereto as Exhibit "B".

1.1 Closing Date. The closing of the transaction contemplated by this Contract shall take place on December 31, 2003.

1.2 Escrow Agent. Buyer's Attorney shall be the Escrow Agent.

1.3 Purchase Price. Ten Dollars (\$10.00).

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. Contingencies. This Contract and the Buyer's obligations hereunder are specifically contingent on the Buyer's ability to obtain a final, non-appealable allocation of low income housing tax credits from the Florida Housing Finance Corporation in the 2003 combined application cycle. Buyer will make application for said tax credits and use commercially reasonable efforts to pursue the application. If an award of tax credits is not obtained by Buyer by October 15, 2003, this Contract shall automatically terminate, and neither Buyer nor Seller shall have further duty hereunder.

4. Title.

4.1 Marketable Title to Property. Seller shall convey to Buyer marketable title to the Property, subject only to the Permitted Exceptions. Marketable title shall be determined according to the Title Standards adopted by authority of The Florida Bar and in accordance with law.

4.2 Buyer to Notify Seller of Objectionable Exceptions. Buyer's Attorney shall obtain the Title Commitment and Buyer shall have until June 30, 2003 (the "Title Review Period") to examine the Title Commitment and to notify Seller as to any exception which is unacceptable to Buyer or Buyer's Attorney (the "Objectionable Exceptions"). If the Title Commitment reflects any Objectionable 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 Property is subject to any additional exceptions which Buyer finds unacceptable, Buyer shall notify Seller in writing of the Objectionable Exceptions to which Buyer objects within the Title Review Period, or as to Objectionable Exception first made known to Buyer following the Title Review Period, within ten (10) days after Buyer receives notice of such Objectionable Exceptions. Buyer's failure to timely notify Seller as to any Objectionable Exceptions shall be deemed a waiver of such Objectionable Exceptions. Any Objectionable Exceptions which are liquidated claims, outstanding mortgages, judgments, taxes (other than taxes which are subject to adjustment pursuant to the Contract), or are otherwise curable by the payment of money, without resort to litigation, may be satisfied from the Seller's proceeds at Closing and withheld by the Closing Agent for that purpose. If Buyer has timely notified Seller of any Objectionable Exceptions, Seller shall take the actions necessary to have the Objectionable Exceptions deleted or insured over by the Title Company, or transferred to bond so that they are removed from the Title Commitment. If Seller notifies Buyer that it is unable or unwilling to effect such a cure, Buyer shall have the option, to be exercised at any time prior to the Closing Date, to either (a) proceed to Closing and accept title in its existing condition without

adjustment to the Purchase Price, or (b) terminate the Contract by sending written notice of termination to Seller. Upon such termination of the Contract, neither Buyer nor Seller shall have any further rights or obligations hereunder except as otherwise provided in the Contract.

5. Survey. Buyer may, at its expense, obtain a survey (the "Survey") of the Property. Buyer shall have until the end of the Title Review Period to examine the Survey. If the Survey shows any encroachment on the Property, or that any improvement located on the Property encroaches on the land of others, or if the Survey shows any other defect which would affect either the marketability of title to the Property or Buyer's intended use of the property, Buyer shall timely notify Seller of such encroachment or defect, and such encroachment or defect shall be treated in the same manner as title defects are treated under this Contract. Buyer's failure to timely notify the Seller of Survey defects shall be deemed a waiver of such defects.

6. Seller's Representations. Representations and Warranties. Seller hereby represents and warrants to Buyer as of the Effective Date and as of the Closing Date as follows:

6.1 Seller's Existence and Authority. Seller has full power and authority to own and sell the Property and to comply with the terms of this Contract. 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 will not (a) result in a breach of or default under any indenture, agreement, instrument or obligation to which Seller is a party and which affects all or any portion of the Property, (b) result in the imposition of any lien or encumbrance upon the Property under any agreement or other instrument to which Seller is a party or by which Seller or the Property might be bound, or (c) constitute a violation of any law, rule, order or ordinance.

6.2 No Default. Seller is not in default under any indenture, mortgage, deed of trust, loan agreement, or other agreement to which Seller is a party and which affects any portion of the Property.

6.3 Title. Seller is the owner of marketable title to the Property, free and clear of all liens, encumbrances and restrictions of any kind, except the Permitted Exceptions and encumbrances of record which will be paid and removed at Closing.

6.4 Litigation. There are no actions, suits, proceedings or investigations pending or, to Seller's knowledge, threatened against Seller or the Property affecting any portion of the Property, including but not limited to condemnation actions.

6.5 No Hazardous Material. To the best of Seller's knowledge, the Property has not in the past been used and is not presently being used for the handling, storage, transportation or disposal of any materials designated as "hazardous" under any law, rule, order or ordinance.

6.6 Parties in Possession. There are no parties other than Seller in possession or with a right to possession of any portion of the Property.

6.7 Survival of Representations. All of the representations of the Seller set forth in this Contract shall be true upon the execution of this Contract, shall be deemed to be repeated at and as of the Closing Date, and shall be true as of the Closing Date.

7. Seller's Affirmative Covenants.

7.1 Cooperation with Governmental Authority. Seller agrees, at no cost to Seller, to cooperate fully with Buyer with respect to Buyer's efforts to obtain approval of any platting, zoning, permits, site planning, and other licenses and approvals required by Buyer and upon receipt of written request therefor.

7.2 Acts Affecting Property. From and after the Effective Date, Seller will refrain from performing any grading, excavation, construction, or making any other change or improvement upon or about the Property.

7.3 Notice of Changes in Laws. Seller will advise Buyer promptly of receipt of notice of any change in any applicable governmental requirement which might affect the value or use of the Property.

7.4 Further Assurances. In addition to the obligations required to be performed hereunder by Seller at the Closing, Seller agrees to perform such other acts, and to execute, acknowledge, and deliver subsequent to the Closing such other instruments, documents, and other materials as Buyer may reasonably request in order to effectuate the consummation of the transactions contemplated herein and to vest title to the Property in Buyer.

8. Closing. Subject to all of the provisions of this Contract, Buyer and Seller shall close this transaction on the Closing Date. The Closing shall take place at the office designated by Buyer's lender. Seller may deliver the Seller's Documents to the Closing Agent prior to Closing, with escrow instructions for the release of the Seller's Documents and the disbursement of the Seller's proceeds. Buyer shall be granted full possession of the Property at Closing.

9. Seller's Closing Documents. At Closing, Seller shall deliver the following documents ("Seller's Closing Documents") to Buyer's Attorney: (i) the Deed, (ii) a customary no-lien and "gap" affidavit as may be required by the Title Company or the Buyer's Attorney, (iii) an assignment of any and all rights of the Seller as developer of the Property, including, but not limited to, rights to water and sewer allocation, rights to storm water drainage, rights to impact fee credits and rights to allocate to the property development units, (iv) a corporate resolution authorizing the sale of the Property and (v) closing statement.

10. Prorations and Closing Costs.

10.1 Prorations. The following items shall be prorated and adjusted between Seller and Buyer as of the midnight preceding the Closing, except as otherwise specified:

10.1.1 Taxes. Real estate taxes shall be prorated on the following basis: (i) if a tax bill for the year of Closing is available (after November 1), then proration shall be based upon the current bill; or (ii) if the tax bill for the year of Closing is not available (between January 1 and November 1), then proration shall be based upon the prior year's tax bill with no allowance for discount. If subsequent to the Closing, taxes for the year of Closing are determined to be higher or lower than as prorated, a re-proration and adjustment will be made at the request of Buyer or Seller upon presentation of actual tax bills, and any payment required as a result of the re-proration shall be made within ten (10) days following demand therefor. All other prorations and adjustments shall be final. This provision shall survive the Closing.

10.2 Closing Costs. Buyer shall pay for all of the customary costs of closing prior to or at the time of Closing, which costs to be paid by Buyer shall include the following: (i) Documentary stamps on Deed, (ii) Documentary stamp surtax on Deed, if any, (iii) certified and pending municipal special assessment liens, (iv) Survey, (v) Title Commitment, (vi) Title Policy premium and (vii) its own legal fees. Seller shall be responsible for (a) the costs to cure title defects undertaken by Seller, (b) Seller's Attorney's Fees and (c) any costs arising from the negligent or willful act of the Seller pertaining to the Property occurring prior to the Closing.

11. Condemnation. In the event of the institution of any proceedings by any governmental authority which shall relate to the proposed taking of any portion of the Property by eminent domain prior to Closing, or in the event of the taking of any portion of the Property by eminent domain prior to Closing, Seller shall promptly notify Buyer and Buyer shall thereafter have the right and option

to terminate this Contract by giving Seller written notice of Buyer's election to terminate within fifteen (15) days after receipt by Buyer of the notice from Seller. Seller hereby agrees to furnish Buyer with written notice of a proposed condemnation within two (2) Business Days after Seller's receipt of such notification. Should Buyer terminate this Contract, the parties hereto shall be released from their respective obligations and liabilities hereunder. Should Buyer elect not to terminate, the parties hereto shall proceed to Closing and Seller shall assign all of its right, title and interest in all awards in connection with such taking to Buyer.

12. Default

12.1 Buyer's Remedies for Seller's Default. In the event that this transaction fails to close due to a refusal to close or default on the part of Seller, Buyer as its sole remedy shall have the right to elect any one of the following options: (i) Buyer may terminate the Contract and thereafter neither Buyer nor Seller shall have any further obligations under this Contract; (ii) Buyer may seek specific performance of the Contract; or (iii) Buyer may institute an action against the Seller for damages sustained by Buyer.

12.2 Seller's Remedies for Buyer's Default. In the event that this transaction fails to close due to a refusal or default on the part of Buyer the Purchase Price shall be paid by the Escrow Agent to 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 obligation under this Contract; or in the alternative, Seller shall have the remedy of specific performance. 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 payment of the Purchase Price 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 damage provision and not a penalty or forfeiture provision.

13. Brokerage Indemnification. Each party represents to the other that no broker has been involved in this transaction. It is agreed that if any claims for brokerage commissions or fees are ever made against Seller or Buyer in connection with this transaction, all such claims shall be handled and paid by the party whose actions or alleged commitments form the basis of such claim. It is further agreed that each party agrees to indemnify and hold harmless the other from and against any and all such claims or demands with respect to any brokerage fees or agents' commissions or other compensation asserted by any person, firm, or corporation in connection with this Agreement or the transactions contemplated hereby.

14. 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 (a) hand-delivered, (b) sent by Federal Express or a comparable overnight mail service, or (c) mailed by U.S. registered or certified mail, return receipt requested, postage prepaid, or (d) 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 and Seller's Attorney at their respective addresses set forth in the Definitions Addendum of this Contract. Notice shall be deemed to have been given upon receipt or refusal of delivery of said notice. The addressees and addresses for the purpose of this paragraph may be changed by giving notice.

15. Assignment. This Contract may be freely assigned by Buyer to an entity whose principals are the same as Buyer's without Seller's consent and thereafter Buyer shall be relieved of all obligation hereunder provided that Buyer's assignee shall be obligated to close under this Contract in the same manner as Buyer. In the event of an assignment of the Contract by Buyer, a duly executed Assignment of this Contract shall be delivered to Seller on or before the Closing Date.

16. Miscellaneous. (i) 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;

(ii) the section and paragraph headings herein contained are for the purposes of identification only and shall not be considered in construing this Contract; (iii) no modification or amendment of this Contract shall be of any force or effect unless in writing executed by both Seller and Buyer; (iv) if any party obtains a judgment against any other party by reason of breach of this Contract, Attorneys' Fees and costs shall be included in such judgment; (v) this Contract shall be interpreted in accordance with the internal laws of the State of Florida, both substantive and remedial; (vi) this Contract sets forth the entire agreement between Seller and Buyer relating to the Property and all subject matter herein and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the parties; (vii) time is of the essence in the performance of all obligations by Buyer and Seller under this Contract; (viii) 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. on the next full Business Day; (ix) this Contract shall inure to the benefit of and be binding upon the permitted successors and assigns of the parties hereto; (x) this Contract shall be null and void and of no further force and effect unless a copy of same executed by Seller is delivered to Buyer by the close of business on the Acceptance Date; and (xi) all of the parties to this Contract have participated freely in the negotiation and preparation hereof; accordingly, this Contract shall not be more strictly construed against any one of the parties hereto.

17. Notice Regarding 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.

18. Venue. Buyer and Seller agree that any suit, action, or other legal proceeding arising out of or relating to this Contract may be brought in a court of record of the State of Florida in Miami-Dade County, in the United States District Court for the Southern District of Florida, or in any other court of competent jurisdiction.

SIGNATURES APPEAR ON FOLLOWING PAGE

IN WITNESS WHEREOF, the parties have executed this Contract as of the dates indicated below.

SELLER:

NORTHWOOD BUSINESS DEVELOPMENT
CORP., a Florida non-profit corporation

By: Carl A. Flick
Name: CARL A. FLICK
Title: PRESIDENT
Date: APRIL 4, 2003

BUYER:

Village Centre Apartments, Ltd., a Florida limited
partnership

By: Village Centre GP, LLC, its general partner
By: TCG Village Centre, LLC, as its
managing member

By: _____
Name: _____
Title: _____
Date: _____

IN WITNESS WHEREOF, the parties have executed this Contract as of the dates indicated below.

SELLER:

NORTHWOOD BUSINESS DEVELOPMENT
CORP., a Florida non-profit corporation

By: _____

Name: _____

Title: _____

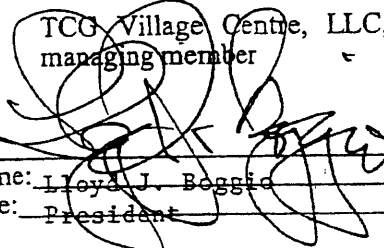
Date: _____

BUYER:

Village Centre Apartments, Ltd., a Florida limited
partnership

By: Village Centre GP, LLC, its general partner

By: TCG Village Centre, LLC, as its
managing member

By:  _____

Name: Lloyd J. Boggio

Title: President

Date: April 4, 2003

EXHIBIT "A"

Parcel 1: 2401 Spruce Avenue:

Lots 43 and 44, Block 17, NORTHWOOD ADDITION TO WEST PALM BEACH (PLAT NO. 4), according to the Plat thereof, as recorded in Plat Book 9, Page 47, of the Public Records of Palm Beach County, Florida

Parcel 2: 511 24th Street

Lots 7 through 11, inclusive, and Lots 35 through 40, inclusive, Block 17, NORTHWOOD ADDITION TO WEST PALM BEACH, according to the Plat thereof, as recorded in Plat Book 9, Page 47, of the Public Records of Palm Beach County, Florida

EXHIBIT "B"

DEFINITIONS ADDENDUM

1. Acceptance Date. April 7, 2003.
2. Attorneys' Fees. All reasonable fees and expenses charged by an attorney for its services and the services of any paralegals, legal assistants or law clerks, including (but not limited to) fees and expenses charged for representation at the trial level and in all appeals.
3. Business Day. Any day that the banks in Miami-Dade County, Florida are open for business, excluding Saturdays and Sundays.
4. Buyer's Address. 2937 S.W. 27th Avenue, Coconut Grove, Florida 33133; Telephone (305) 476-8118; Telecopy (305)476-1557.
5. Buyer's Attorney. Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A., Attention: Brian J. McDonough, Esq. and Patricia K. Green, Esq. Buyer's Attorney's mailing address is 150 West Flagler Street, Suite 2300, Miami, Florida 33130; Telephone (305) 789-3350 (McDonough); 789-3345 (Green); Telecopy (305) 789-3395; e-mail: pgreen@swmwas.com.
6. Cash to Close. The Purchase Price plus all of Buyer's closing costs specified herein, subject to the adjustments herein set forth.
7. Closing. The delivery of the Deed to Buyer concurrently with the delivery of the Purchase Price to Seller.
8. Closing Agent. Buyer's Attorney as agent for the Title Company shall be the Closing Agent.
9. Deed. The General Warranty Deed which conveys the Property from Seller to Buyer.
10. Effective Date. The date this Contract is executed by the last party to sign it and communication of such fact of execution to the other party.
11. Permitted Exceptions. Such exceptions to title as are set forth in Schedule B - Section 2 of the Title Commitment and are acceptable to Buyer, in its sole and absolute discretion.
12. Property. That certain real property located in Palm Beach County, Florida, more particularly described in Exhibit "A" attached to the Contract and made a part thereof, together with all property rights, easements, privileges and appurtenances thereto and all leases, rents, and profits derived therefrom. The Property is vacant.
13. Seller's Address. 519 25th Street, West Palm Beach, Florida 33407; Telephone (561) 832-6776; Telecopy (561) 832-0483.
14. Seller's Counsel. Ken Dodge, Esq., Lewis Longman & Walker, 1700 Palm Beach Lakes Boulevard, Suite 1000, West Palm Beach, FL 33401, ; Telephone (561)640-0820; Telecopy (561) 640-9202.
15. Title Commitment. An ALTA title insurance commitment (Florida Current Edition) from the Title Company, agreeing to issue the Title Policy to Buyer upon satisfaction of the Buyer's obligations pursuant to this Contract.

16. Title Company. Lawyers Title Insurance Corporation or such other nationally recognized title insurance company licensed to write title insurance in the State of Florida approved by Buyer.
17. Title Policy. An ALTA Owner's Title Insurance Policy (Florida Current Edition) with Florida modifications in the amount of the Purchase Price, insuring Buyer's title to the Property, subject only to the Permitted Exceptions.

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AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (this "Agreement") is made and entered into as of this 26th day of MARCH, 2003 by and between the West Palm Beach Community Redevelopment Agency, a public body corporate and politic of the State of Florida ("Seller"), and Village Centre Apartments, Ltd., a Florida limited partnership ("Purchaser").

Whereas, the Northwood Business Development Corporation ("NBDC"), a not-for-profit corporation located in the Northwood/Pleasant City Community Redevelopment Agency, has been undertaking efforts to promote commercial and residential reinvestment and redevelopment in the Northwood Pleasant City Community Redevelopment Area; and

Whereas, NBDC submitted to the Seller a proposal to develop a commercial model block project which will consist of 15,000 sq. ft. of commercial use on the first floor and up to ninety (90) rental units for residential use on the second and third floors (the "Project"). The site of the Project is illustrated in Exhibit B, attached and incorporated hereto; and

Whereas, NBDC has requested the Seller's assistance with assembling parcels of land necessary to complete a proposed commercial model block project in the Northwood/Pleasant City Community Redevelopment Area, as NBDC has been able to acquire through negotiations site control over only approximately 65% of the real property needed for the Project; and

Whereas, the City Commission of the City of West Palm Beach, pursuant to Resolution No. 56-03, and the Seller, pursuant to Resolution No. 03-13, have authorized the acquisition by purchase, gift or eminent domain the certain parcels of land requested by the Purchaser in accordance with Chapter 163, Part III, Florida Statutes and the pursuant to the Amended Northwood/Pleasant City Community Redevelopment Plan ("Community Redevelopment Plan"); and

Whereas, NBDC has, by issuance of a request for proposals, selected an affiliate of The Carlisle Group, Inc., a Florida corporation, to partner for the acquisition, construction, development and management of the Project; and

Whereas, NBDC and the affiliate of The Carlisle Group have formed the Purchaser for the acquisition, construction, development and management of the project; and

Whereas, the Purchaser intends to make an application to Florida Housing Finance Corporation for low income housing tax credits in April, 2003, for the project described herein, and the application requires Purchaser to demonstrate site control over the property of the Project; and

Whereas, the Project is consistent with the Community Redevelopment Plan and is being developed under the Northwood Mixed Use Zoning Code, as recommended in the Community Redevelopment Plan; and

Whereas, the Seller desires to assist Purchaser with the Project by facilitating the acquisition of the parcels of land by purchase or eminent domain, and will be filing an eminent domain action in the Circuit Court in and for Palm Beach County to acquire the parcels of land; and

Whereas, the Seller intends to hold the Property on an interim basis, in accordance with Section 163.380(4), Florida Statutes, and temporarily maintain the Property pending the disposition of the tax credit application of the Purchaser to the Florida Housing Finance Corporation.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth in this Agreement, Seller and Purchaser hereby agree as follows:

ARTICLE 1: BASIC TERMS: PROPERTY

1.1 Certain Basic Terms.

- (a) Purchase Price: All monies including professional costs and fees expended by Seller to eminent domain the Property; however, the amount shall not exceed \$400,000.00 dollars, payable over the term of sixteen (16) years in accordance with the terms and conditions of that certain Assistance Agreement of even date herewith, Exhibit C, attached and made a part hereof. Any amount expended by the Seller in excess of \$400,000.00 shall be borne by the Purchaser.
- (b) Closing Date: December 31, 2003. This Agreement shall automatically terminate upon receipt by Purchaser of Florida Housing Finance Corporation's denial of their tax credit application. For the purposes of determining the denial of tax credit, the time shall include any time needed by Purchaser to appeal the awards process as provided by Florida Housing Finance Corporation.
- (d) Effective Date: The date this Agreement has been last signed by all parties.

1.2 Purchase and Sale of the Property. Subject to the terms and conditions of this Agreement, Seller hereby sells to Purchaser, and Purchaser hereby purchases from Seller, the following described property (collectively, the "Property"): (a) those certain lots or parcels of land located in the City of West Palm Beach, Florida, legally described on Exhibit "A" attached hereto, together with all rights, members, easements, rights of way, hereditaments, strips, gores, appurtenances, mineral rights, structures, improvements, shrubbery, plants, and fixtures located thereon or appertaining thereto, and Seller's interest in any waterways, accretions, abandonments, lands underlying any adjacent streets or roads, and appurtenances pertaining to or accruing to the benefit of the Property, streets, ways or alleys abutting or adjoining thereon (collectively the "Real Property").

1.3 Property Conveyed "As Is". It is understood and agreed that, Except, as maybe otherwise herein specifically provided, Seller does not make, and specifically disclaims, any warranties or representations of any kind or character, express or implied, with respect to the Property, including but not limited to, (i) warranties or representations as to matters or title, (ii) zoning, (iii) tax consequences, (iv) physical or environmental conditions, (v) availability of access, (vi) ingress or egress, (vii) operating history or projections, (viii) valuation, (ix) governmental approvals, (x) governmental regulations, or (xi) any other matter or thing relating to or affecting the Property including, without limitation: (a) the condition, merchantability, marketability, profitability, suitability, or fitness for a particular use or purpose of the Property; (b) the manner, quality, state of repair or lack of repair of the Property. Purchaser agrees that with respect to the purchase of the Property, it has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Seller or any employee, officer, or agent of Seller. Purchaser represents that it is relying solely on its own expertise; and that it will conduct such inspections and investigations of the Property, including, but not limited to, adverse physical and environmental conditions, may not have been revealed by its inspections and investigations. Purchaser acknowledges and agrees that upon Closing, Seller shall sell and convey to the Purchaser and Purchaser shall accept the Property "As Is, Where Is, " with all faults; and there are no oral agreements, warranties, or representations (except as herein specifically provided), collateral to or affecting the Property by Seller, any agent of Seller, or any third party. Purchaser further acknowledges that Seller has no

obligations to make repairs, replacements or improvements. The terms and conditions of this section shall expressly survive the Closing and not merge therein and shall be incorporated into the Deed. Seller is not liable or bound in any manner by any verbal or written statements, representations, or information pertaining to the Property furnished by Seller, or any real estate broker, agent, employee, servant or other person, unless the same are specifically set forth herein.

ARTICLE 2: TITLE, SURVEY AND ENVIRONMENTAL REVIEW

2.1 Title Commitment and Survey. At Purchaser's expense, Purchaser shall provide to Seller, within five (5) days of closing date: (i) a commitment for title insurance (the "Title Commitment") relating to the Property as Purchaser may desire, issued by a title insurer acceptable to Purchaser (the "Title Company"); and (ii) may, at Purchaser's expense, cause to be prepared such surveys (the "Survey") of the Property as Purchaser may desire, or as required by the Seller for the related eminent domain action.

2.2 Title Review and Cure. Purchaser is buying the Property "as is" and Seller has no duty to cure any deficiencies and Purchaser is responsible for curing all physical, survey, and title deficiencies.

2.3 Hazardous Materials. If Purchaser discovers any hazardous or toxic substances, wastes or materials (as determined under federal, state or local law then in effect), asbestos or asbestos-bearing materials or other environmental condition subject to legal requirements for corrective action or otherwise affecting all or any portion of the Property (collectively, "Hazardous Materials"), Purchaser shall immediately notify Seller. From and after Closing, Purchaser shall indemnify, defend and hold Seller harmless from and against any and all claims (including third party claims), demands, liabilities, damages, costs and expenses including, without investigatory expenses, fines, penalties, clean up costs and reasonable attorneys' fees of whatever kind or nature arising from or any way connected with the use, storage, treatment, manufacture, handling or disposal of Hazardous Materials on the Property. Notwithstanding the foregoing, Purchaser shall have no obligation to indemnify Seller from any claim, demand, liability, damage, cost or expense which results from the use, existence, storage, treatment, manufacture, handling or disposal of Hazardous Materials on the Property prior to Closing. This section shall survive Closing.

ARTICLE 3: OPERATIONS PENDING CLOSING

3.1 New Contracts. During the pendency of this Agreement, Seller will not, without obtaining Purchaser's prior written consent in each instance which may not be unreasonably withheld by Purchaser, enter into, create, or incur any contract or other matter that will be an obligation affecting the Property or any part thereof or binding on Purchaser subsequent to the Closing, including, without limitation, any easements, restrictions, reservations, leases, occupancy agreements, or options or rights to purchase or lease the Property or any part thereof or make any physical changes to the Property.

ARTICLE 4: CASUALTY AND CONDEMNATION

4.1 Casualty or Condemnation. Risk of loss up to and including the Closing Date will be borne by Seller. In the event of any damage or destruction to the Property or any material portion thereof, or in the event of any taking or threat of taking by condemnation by another governmental authority (or any conveyance in lieu thereof) of the Property or any portion thereof by any person or entity exercising the right of eminent domain, Purchaser will, by written notice delivered to Seller within twenty (20) days after receipt of written notice from Seller of such event, elect to: (i) terminate this Agreement; or (ii) consummate the transactions contemplated herein.

ARTICLE 5: CONTINGENCIES AND CONDITIONS PRECEDENT TO CLOSING

5.1 Purchaser's Conditions to Close. Purchaser's obligations to close this transaction is subject to the Purchaser April 2003 application to Florida Housing Finance Corporation receiving an award of tax credits for the Project.

5.2 Other Conditions to Closing. The following are additional conditions to Seller's obligations to close hereunder:

- (i) Seller is able to obtain title to the Property by purchase or eminent domain;
- (ii) No casualty or condemnation has occurred by another governmental authority.
- (iii) Purchaser's representations and warranties set forth herein shall be true and correct on and as of the Closing Date with the same effect as if such representations and warranties were made on and as of Closing.

5.3 Termination. In the event the contingencies set forth in this Article 5 have not been fully and unconditionally satisfied on or before Closing Date, Seller may elect, within five (5) days thereafter, to: (i) terminate this Agreement, or (ii) waive the contingency and close the transaction contemplated herein.

ARTICLE 6: CLOSING

6.1 Closing. The consummation of the transaction contemplated herein (the "Closing") will occur in the offices of Seller's counsel on December 31, 2003 (the "Closing Date") or such location and earlier date as may be agreed upon by both Purchaser and Seller.

6.2 Conditions to the Parties' Obligations to Close. In addition to all other conditions set forth herein, the obligation of each party to consummate the transactions contemplated hereunder will be conditioned upon the satisfaction of the following matters on or before Closing:

(a) Each party's representations and warranties contained herein shall be true and correct in all material respects as of the date of this Agreement and the Closing Date, provided that for the purposes of this subsection (a) such warranties and representations are deemed to be given limited to such party's knowledge; *and*

(b) As of the Closing Date, the other party will have performed its obligations hereunder and all deliveries to be made at Closing will have been tendered; and Seller shall be in position to deliver exclusive possession of the Real Property to Purchaser at Closing; *and*

(c) As to Purchaser's obligation, the contingencies set forth in Article 5 hereof will have been satisfied by Closing or will have been waived in writing by Seller.

So long as a party is not in default hereunder, if any condition to such party's obligation to proceed with the Closing hereunder has not been satisfied as of the Closing Date, such party may, in its sole discretion, terminate this Agreement by delivering written notice to the other party on or before the Closing Date, or elect to close, notwithstanding the non-satisfaction of such condition, in which latter event such party will be deemed to have waived any such condition.

6.3 Seller's Deliveries. At the Closing, Seller will deliver to Purchaser the following:

(a) Deed. A special warranty deed, executed, acknowledged, and sealed by Seller (Buyer is purchasing the property "as is" and Buyer is required to clear all outstanding title issues); *and*

(b) Affidavit. A no lien and gap affidavit.

(c) Authority. Evidence reasonably satisfactory to Purchaser and the Title Company of the authority of the Seller to execute the documents described herein and to otherwise consummate the transaction contemplated herein.

6.4 Purchaser's Deliveries. At the Closing, Purchaser will deliver the following:

- (a) Title documentation evidencing no physical, survey or title deficiencies.
- (b) An executed Assistance Agreement as provided in Exhibit C.
- (c) Closing costs as provided in Article 7.

6.5 Closing Statements. At the Closing, Seller and Purchaser will execute closing statements consistent with this Agreement, in form and content reasonably acceptable to the parties hereto.

6.6 Possession. Seller will deliver full possession of the Property to Purchaser at the Closing.

ARTICLE 7: EXPENSES

7.1 Sales, Transfer, and Documentary Taxes and Other Changes. Purchaser will pay all State of Florida documentary stamp taxes imposed in connection with the conveyance of the Property, all title premiums for the Title Commitment and Title Policy, its survey costs, the cost to record the Deed, Seller's and Purchaser's attorney's fees and costs, and such other closing costs and fees as may be required to close the transaction.

7.2 Commissions. Seller and Purchaser warrant each to the other that there are no brokers, agents, salespersons, or any other person or entity that will claim a commission or similar fee from such other party in connection with the transactions contemplated hereby. In the event any claims arise for real estate brokerage commissions, fees, or other compensation in connection with this transaction in favor of any broker, agent, salesperson, or finder, the party causing such claims, or through whom such claims are made, will indemnify and hold harmless the other party for any loss or damage which the other party hereto suffers as a result of such claim. The foregoing indemnification will survive the Closing or earlier termination of this Agreement.

ARTICLE 8: DEFAULT

8.1 Purchaser Default. If all of the conditions to Purchaser's obligation to purchase the Property have been satisfied or waived by Purchaser, and if Purchaser should fail to consummate this transaction for any reason other than: (i) Seller's default; (ii) failure of a condition precedent to Purchaser's obligation to close; or (iii) the exercise by Purchaser of an express right of termination granted herein, Seller will be entitled to terminate this Agreement and bring a cause of action against Purchaser for damages.

8.2 Seller Default. If Seller defaults in its obligations hereunder and such default is not waived by Purchaser, and as a result thereof the sale contemplated hereby does not occur, Purchaser will be entitled to seek specific performance of this Agreement.

ARTICLE 9: REPRESENTATIONS AND WARRANTIES

9.1 Seller's Representations and Warranties. As a material inducement to Purchaser to execute this Agreement and consummate this transaction, Seller represents and warrants to Purchaser that:

(a) Organization and Authority. Seller has full authority to enter into this Agreement and to execute all documents contemplated hereby, and Seller's execution, delivery and performance of this Agreement will not violate the provisions of any agreement to which Seller is a party

or by which it is bound. This Agreement is a valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

(b) Conflicts and Pending Actions or Proceedings. There is no agreement to which Seller is a party or, to the best of Seller's knowledge, binding on Seller which is in conflict with this Agreement. There is no action or proceeding pending or, to the best of Seller's knowledge, threatened against the Property which impairs Seller's ability to execute or perform its obligation under this Agreement.

(c) Duly Authorized. The execution, delivery and performance of this Agreement by Seller has been duly and validly authorized by all necessary action on part of Seller and all required consents and approvals have been duly obtained.

(d) Consents. The execution by Seller of this Agreement and the consummation by Seller of the transaction contemplated hereunder will not violate or result in a breach of or constitute a default under any provision of any contract, lien, instrument, order, judgment, decree, ordinance, regulation or other restriction of any kind to which Seller or the Property is or may be bound or affected.

9.2 Purchaser's Representations and Warranties. As a material inducement to Seller to execute this Agreement and consummate this transaction, Purchaser represents and warrants to Seller that:

(a) Organization and Authority. Purchaser has all requisite power and authority to enter into this Agreement and to execute all documents contemplated hereby, and their execution, delivery and performance of this Agreement will not violate the provisions of any agreement to which each entity is a party or by which they are bound.

(b) Tax Credit Application. Purchaser shall apply to the Florida Housing Finance Corporation for low income housing tax credits.

(c) Duly Authorized. The execution, delivery and performance of this Agreement by Seller has been duly and validly authorized by all necessary action on part of Seller and all required consents and approvals have been duly obtained.

(d) Litigation. There are no known pending legal actions, suits or other legal proceedings threatened against or affecting Purchaser's ability to consummate the transactions contemplated herein.

(e) Consents. The execution by Purchaser of this Agreement and the consummation by Purchaser of the transaction contemplated hereunder will not violate or result in a breach of or constitute a default under any provision of any contract, lien, instrument, order, judgment, decree, regulation or other restriction of any kind to which Purchaser or the Property is or may be bound or affected.

9.3 Seller's Remedies with Respect to Purchaser's Representations. Purchaser agrees that the warranties and representations contained in Section 9.3 are in full force and binding on Purchaser as of the date of this Agreement. If all such warranties and representations are not true or satisfied, as the case may be, in any material respect both as of the date of this Agreement and as of the Closing Date, then Seller will be entitled, at its option: (i) to close the transaction in accordance with the terms of this Agreement, in which case Seller will be deemed to have waived any non-intentional and non-fraudulent breach of the representations and warranties in this Agreement that has been expressly disclosed by Purchaser to Seller in writing or of which Seller has actual knowledge as of the Closing Date; or (ii) to terminate this Agreement by giving Purchaser written notice of such termination.

9.4 Survival of Representations and Warranties. The representations and warranties set forth in this Section 9 are made as of the date of this Agreement and are remade as of the Closing Date, and will not be deemed to be merged into or waived by the instruments of Closing, but will survive the Closing for a period of six (6) months.

ARTICLE 10: MISCELLANEOUS

10.1 Parties Bound. Purchaser may not assign this Agreement without the prior written consent of Seller, which consent may be unreasonably withheld. This Agreement will be binding upon and inure to the benefit of the respective legal representatives, successors, assigns, heirs, and devisees of the parties. No assignment will relieve the assignor of any obligation under this Agreement, whether arising before or after such assignment.

10.2 Captions and Headings. The captions, article and section headings of this Agreement are for convenience only and in no way limit or enlarge the scope or meaning of the language hereof.

10.3 Invalidity and Waiver. If any portion of this Agreement is held invalid or inoperative, then so far as is reasonable and possible the remainder of this Agreement will be deemed valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative. Except to the extent provided otherwise herein, the failure by either party to enforce against the other any term or provision of this Agreement will not be deemed to be a waiver of such party's right to enforce against the other party the same or any other such term or provision.

10.4 Venue; Governing Law. This Agreement and the other instruments referenced herein will in all respects be governed, construed, applied, and enforced in accordance with the law of the State of Florida. The venue for any matters arising out of or in connection with this Agreement shall only be in the Circuit Court in and for the County of Palm Beach, Florida.

10.5 Survival. The provisions of this Agreement that expressly contemplate or require performance after the Closing will survive the Closing and will not be deemed to be merged into or waived by the instruments of Closing.

10.6 Entirety and Amendments. This Agreement embodies the entire agreement between the parties and supersedes all prior and contemporaneous agreements and understandings relating to the Property. This Agreement may be amended or supplemented only by an instrument in writing executed by the party against whom enforcement is sought.

10.7 Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of such counterparts will constitute one agreement. To facilitate execution and delivery of this Agreement, the parties may execute and exchange counterparts of the signature page by fax. The signature of any party to any counterpart may be appended to any other counterpart.

10.8 Further Assurances. In addition to the foregoing, the parties hereto, at the time and from time to time at or after Closing, upon request of Purchaser or of the Seller, as the case may be, agree to do, execute, acknowledge and deliver all such further deeds, assignments, transfers, conveyances, authorizations, filings, consents and assurances, as may be reasonably necessary or proper in order to consummate the transactions contemplated by this Agreement.

10.9 Attorneys' Fees. Should either party employ attorneys to enforce any of the provisions hereof, the party losing in any final judgment agrees to pay the prevailing party all reasonable costs, charges, and expenses, including attorneys fees, expended or incurred in connection therewith.

10.10 Notices. All notices required or permitted hereunder will be in writing and will be served on the parties at the following addresses:

If to Seller:

West Palm Beach Community Redevelopment Agency
P. O. Box 3366
West Palm Beach, Florida 33402
Attn: John Zakian, Executive Director

with a copy to:

Holland & Knight LLP
625 North Flagler Drive, Suite 700
West Palm Beach, Florida 33401
Attn: Elizabeth T. McBride, Esq.

If to Purchaser:

Village Centre Apartments, Ltd.
c/o Northwood Business Development Corp.
519 25th Street
West Palm Beach, Florida 33407
Attn: Teri Murray, Executive Director

Village Centre Apartments, Ltd.
c/o The Carlisle Group
2937 SW 27th Avenue
Suite 303
Miami, Florida 33133
Attn: Lloyd Boggio

with a copy to:

Patricia K. Green, Esq.
Stearns, Weaver, Miller, et al.
150 West Flagler Street
Suite 2200
Miami, Florida 33130

Any such notices will be either: (a) sent by certified mail, return receipt requested, in which case notice will be deemed delivered three (3) business days after deposit, postage prepaid in the U.S. Mail; (b) sent by overnight delivery using a nationally recognized overnight courier, in which case it will be deemed delivered one (1) business day after deposit with such courier; (c) sent by telefax, in which case notice will be deemed delivered on the same business day (between 9:00 am and 5:30 pm) of such transmission provided that confirmation of such transmission is obtained and the original of such notice is sent by overnight courier for next business day delivery; or (d) sent by personal delivery. The above addresses may be changed by written notice to the other party; provided, however, that no notice of a change of address will be effective until actual receipt of such notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice will not be deemed a failure to give notice.

10.11 Construction. The parties acknowledge that the parties and their counsel have participated in the negotiation and drafting of this Agreement and that the normal rule of construction to the effect that any

ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

10.12 Calculation of Time Periods. In computing any period of time described herein, if the last day of such period is a Saturday, Sunday or holiday on which national banking institutions are authorized or permitted to close, the period will be deemed to run until the end of the next succeeding day which is neither a Saturday, Sunday, or holiday on which national banking institutions are authorized or permitted to close.

10.13 Assignability. Purchaser shall not assign this Agreement without Seller's prior written consent.

10.14 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

10.15 Time of the Essence. Time is of the essence in respect to this Agreement.

10.16 Waiver of Jury Trial. PURCHASER AND SELLER WAIVE THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY EACH PARTY AND EACH PARTY EXPRESSLY ACKNOWLEDGES THAT NEITHER THE OTHER PARTY NOR ANY PERSON ACTING ON BEHALF OF THE OTHER PARTY HAS MADE ANY REPRESENTATIONS OF FACT TO INCLUDE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. EACH PARTY ACKNOWLEDGES TO THE OTHER THAT IT HAS READ AND UNDERSTANDS THE MEANING AND EFFECT OF THIS WAIVER PROVISION.

10.17 Severability. It is the intent of the parties hereto that if any covenant, provision, restriction or limitation of this Agreement shall be invalid or unenforceable, then this Agreement shall be construed and enforced as if such invalid or unenforceable covenant, provision, restriction or limitation had never been included in this Agreement.

10.18 Required Disclosures. Florida law requires the following notification to be included with this Agreement:

Radon Disclosure. Radon is a naturally occurring radioactive gas that, when it is 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.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement effective as of the date first above written, pursuant to proper authority duly granted.

Signatures are on the following page.

SELLER:

**WEST PALM BEACH COMMUNITY
REDEVELOPMENT AGENCY**

By: Joel T. Davis
Name: Joel T. Davis
Title: Chairperson

ATTEST:
Therese Du Puy
Secretary

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Elizabeth T. McBride
Elizabeth T. McBride Date: 3/26/05
Holland & Knight, LLP
Counsel to CRA

PURCHASER

**VILLAGE CENTRE APARTMENTS, LTD.,
a Florida limited partnership**

WITNESSES:

Merlene Sanchez
Name Printed: Merlene Sanchez

Amy E. Smock
Name Printed: Amy E. Smock

By: Village Centre GP, LLC, a Florida
limited liability company, as its sole general partner

By: TCG Village Centre, LLC, a Florida limited liability
company, as its manager member

Name: [Signature]
Title: Manager
Date: 3/26/05

EXHIBIT "A"

Lots 1,2,3, and 4, Block 17, Northwood Addition to West Palm Beach, according to the plat thereof, recorded in Plat Book 9, page 47, in the Public Records of Palm Beach County, Florida.

PCN: 74-43-43-09-05-017-0050

Lots 5 and 6, Block 17, Northwood Addition to West Palm Beach, according to the Plat thereof, as recorded in Plat Book 9, Page 47, in the Public Records of Palm Beach County, Florida.

PCN: 74-43-43-09-05-0170-0010

Lots 41 and 42, Block 17, Northwood Addition to West Palm Beach, according to the plat thereof, recorded in Plat Book 9, page 47, in the Public Records of Palm Beach County, Florida.

PCN: 74-43-43-09-05-017-0410

WPB1 #218283 v5

ASSISTANCE AGREEMENT

THIS ASSISTANCE AGREEMENT (the "Agreement") is entered into this ____ day of _____, 2003, by and among the **West Palm Beach Community Redevelopment Agency** (the "Lender"), a public body corporate and politic organized under the laws of the State of Florida, whose address is P. O. Box 3366, 200 2nd Street, West Palm Beach, Florida 33402, and **Village Centre Apartments Ltd.**, a Florida limited partnership, whose address is 2937 SW 27th Avenue, Suite 303, Miami, Florida 33133 (the "Borrower").

WITNESSETH

WHEREAS, the Lender has adopted the Amended Northwood/Pleasant Agency Community Redevelopment Plan (the "Community Redevelopment Plan"), pursuant to Resolution No. 282-94 which was amended by Resolution No. 467-01; and

WHEREAS, the Community Redevelopment Plan provides goals and objectives established by the Lender for the redevelopment and revitalization of the Northwood neighborhood; and

WHEREAS, it is a goal of the Community Redevelopment Plan to promote new business in the Northwood /Pleasant Agency Community Redevelopment Area; and

WHEREAS, the Lender is desirous of providing workforce affordable and attainable rental housing in the Northwood/Pleasant Agency Community Redevelopment Area; and

WHEREAS, the Northwood Business Development Corporation ("NBDC"), submitted to the City and Lender a proposal to develop a commercial model block project which will consist of 15,000 sq. ft. of commercial use on the first floor and up to ninety (90) rental units for residential use on the second and third floors (the "Project") and requested the Lender's assistance with assembling certain parcels of land ("Real Property") necessary to complete the Project. The Real Property is legally described in **Exhibit A**, attached and incorporated hereto; and

WHEREAS, the Project is consistent with the Community Redevelopment Plan and is the first major project in downtown Northwood under the Northwood Mixed-Use Zoning Code, adopted pursuant to the Community Redevelopment Plan; and

WHEREAS, NBDC has selected a private developer, The Carlisle Group, Inc., and formed the Purchaser for the acquisition, construction and development of the Project; and

WHEREAS, the Borrower intends to make application to Florida Housing Finance Corporation for low income housing tax credits in April, 2003, for the Project; and

WHEREAS, the City Commission of West Palm Beach, pursuant to Resolution No. 56-03, and the Lender, pursuant to Resolution No. 03-13, have authorized the acquisition by purchase, gift

or eminent domain of the Real Property in accordance with Chapter 163, Part III, Florida Statutes; and

WHEREAS, the Lender has allocated \$400,000 for the acquisition, purchase and eminent domain of the Real Property; and

WHEREAS, the Borrower has agreed to provide the funds for any costs beyond the above \$400,000 needed for the acquisition, purchase or eminent domain of the Real Property; and

WHEREAS, the Lender desires to assist the Borrower with the Project and finds the Project fulfills a public purpose for the revitalization and redevelopment of the Northwood/Pleasant Agency Community Redevelopment Area; and

WHEREAS, Bruce Greer and Lloyd Boggio, principals of The Carlisle Group, Inc., ("Guarantors") will guarantee the completion of the Project pursuant to a Guaranty of Completion in form acceptable to the Counsel to the CRA, which shall be attached and made a part hereof as **Exhibit D**; and

NOW, THEREFORE, in consideration of the mutual covenants and undertakings herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto intending to be bound, hereby agree as follows:

ARTICLE I RULES OF CONSTRUCTION

Section 1.1 Incorporation of Recitals. The above mentioned recitals are true and correct and are incorporated herein.

Section 1.2 Incorporation by Reference. All of the provisions of the other Loan Documents, as now in effect or hereafter amended, are incorporated herein by reference as if fully set forth herein. "Loan Documents" shall be defined as the Note, Mortgage, the Guaranties, this Agreement and any other documents executed in connection with the Agency Loan.

ARTICLE II LOAN FROM AGENCY

Section 2.1 Loan of Agency Funds. Lender agrees to loan to the Borrower an amount not to exceed Four Hundred Thousand and 00/100 Dollars (\$400,000) (the "Agency Loan") upon the terms and conditions as set forth herein, and at the rate and terms set forth in the Lender's Note and Mortgage as acceptable to Counsel to the CRA, at the time of closing, and the Borrower shall take the terms and conditions set forth herein and at the rates and terms set forth in the Lender's Note and Mortgage, which shall become attached and incorporated hereto as **Exhibit C and D**. The parties agree the Agency Loan shall be used to acquire the Real Property, by acquisition, purchase or eminent domain, required for the Project and for the purposes of affordable housing and economic development. Lender's Mortgage and Note shall be secured by the real properties, as legally described in **Exhibit B**, and any related improvements to such properties.

It is the parties' intent that the Lender's Note and Mortgage and Security Agreement shall be subordinate to any funds secured by the Borrower through Florida Housing Finance Corporation award of tax credits related to Borrower's April 2003 tax credit application, including any construction or permanent debt for the Project.

The Closing shall be held simultaneously with the closing for any construction loan and tax credit syndication resulting from the April 2003 tax credit application to Florida Housing Finance Corporation (the "Closing Date"), or on such other date, and in either event at such time, as the parties hereto shall mutually agree; provided, however, that if the Closing shall not have occurred within fifteen (15) days of the Closing Date, or by any later date specified by the Agency in a notice to Borrower, because Borrower shall be unable to satisfy the conditions precedent to the Closing, the Agency may, at its option and on notice provided to Borrower, terminate the Agreement and all obligations of the Agency under the Agreement.

Section 2.2 Funding of Agency Loan. The Lender shall use funds of the Agency to provide such Agency Loan to the Borrower upon the terms described herein.

Should the Lender incur expenses in an amount greater than the Agency Loan in the acquisition, purchase or eminent domain of the Real Property, the Borrower shall be responsible for any and all costs beyond the Agency Loan and payable to the Lender, or the Lender's designee, within thirty (30) days of the final disposition of the Real Property from such acquisition, purchase or eminent domain.

Section 2.3 Loan Term. The Agency Loan shall become due and payable 16 years from the Closing Date.

Section 2.4 Interest. The Agency Loan shall bear interest at a rate of twenty points below the Prime Lending Rate (prime-20) per annum, accruing from the Closing Date. The Note will provide for a default rate of 5% interest in excess of the rate of interest otherwise payable under the Note.

Section 2.5 Payment. Beginning sixty (60) days from the Closing Date, Borrower shall make payments of principal and Interest in accordance with the Note for a 16-year term.

Section 2.6 Optional Prepayments. Upon not less than ten (10) days' prior written notice to the Agency, Borrower shall have the right from time to time to prepay all or any part of the Note, without premium or penalty. Each such prepayment shall be applied first to accrued interest, then to other amounts due under this Agreement, if any, and then to the outstanding principal balance of the Note.

Section 2.7 Other Conditions. Borrower agrees that the Mortgage as provided for in this section shall become immediately due and payable upon the sale, transfer or refinancing of the Property. The mortgage shall be non-assumable.

Section 2.8 Further Assurances. At any time upon request by the Lender, Borrower shall do any act and execute and deliver any documents as may be reasonably requested by the Lender in

connection with an assignment or transfer of this Agreement, and any other documents normally required for similar loans in accordance with reasonable commercial standards.

ARTICLE III CONSTRUCTION AND ECONOMIC DEVELOPMENT ACTIVITIES

Section 3.1 Commencement of Construction. The Borrower will commence construction of the Project in compliance with any requirements as provided by the provider of construction financing for the Project (the "Construction Lender"). In the event construction of the Project is not commenced on or before the said date as required by the Construction Lender, the Agency Loan shall immediately become due and payable, unless construction is precluded by the action or inaction of third parties not under the control of the Borrower.

The Project shall be constructed in compliance with all laws and ordinances (including without limitation all applicable state, local and federal building, zoning, environmental, historic preservation, safety and sanitary codes) and shall be completed in a good and workmanlike manner.

Section 3.2 Completion of Construction. The construction shall be carried on diligently and expeditiously and be fully completed on or before June 30, 2005, unless a written extension is granted by the Chair on behalf of the Lender.

Section 3.3 Economic Development Activities. Northwood Business Development Corporation (NBDC), a member of the general partner of the Borrower, agrees to:

a) Create or retain a minimum of thirty (30) permanent jobs which will be made available for residents of the City in accordance with Lender's policy. The permanent jobs must be computed on a full time (2080 hours) equivalent basis and at least 51 percent of the jobs to be either created or retained must involve the employment of low- and moderate-income persons. For an activity that creates jobs, it must be documented that at least 51 percent of these jobs will be held by, or will be available to, low- and moderate-income persons (including the owner of the micro-business); and

b) Create and maintain records for all persons who receive services under the Agreement and report such information as part of the annual report required by this Agreement.

Article IV CONDITIONS FOR CLOSING

Section 4.1 Conditions Precedent for Closing. At or before Closing, the Borrower shall deliver the items listed below. The closing of the transaction contemplated herein shall occur in a unified closing with the first mortgage loan.

(a) Title Insurance:

(i) Within thirty (30) days before closing, the Borrower shall deliver to the Lender a title commitment issued by a title insurance company qualified to do business in the State of Florida and acceptable to the Lender, agreeing to issue to the Lender upon recordation of the Mortgage a Lender's Title Insurance Policy in the amount of said Mortgage. The cost of said title commitment and policy and any premium therefore shall be borne by the Borrower.

(ii) The Lender shall have fifteen (15) days after receipt of the title insurance commitment in which to review the same. In the event the title insurance commitment shall show as an exception any matter unacceptable to the Lender, the Borrower shall be notified and shall act to remove such exceptions, which exception shall be deemed to constitute title defect. The Borrower shall be entitled to thirty (30) days from the date of the notification within which to cure such defects or make arrangements with the title insurer for the removal of any such objections from the commitment. If the defect shall not have been so cured or removed from the commitment by endorsement thereto with the termination of said thirty (30) day period, the Lender shall have the option of accepting title as it then exists or terminating this Assistance Agreement, by giving written notice thereof to Borrower, in which event the parties shall be relieved of all further obligations hereunder.

(iii) The title insurance commitment shall be endorsed at closing to remove any and all requirements or pre-conditions to the issuance of a Lenders Title Insurance Policy, and to delete any exceptions for: (a) any rights or claims or parties in possession not shown by the public records; (b) encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the Property; (c) unrecorded easements and claims of liens; (d) taxes for the year of closing and all prior years; (e) matters arising or attaching subsequent to the effective date of the commitment but before the Mortgage becomes recorded in the Public Records.

(b) Survey: Borrower shall deliver to the Lender a current certified survey prepared by a surveyor of the Property showing the following:

(i) the location of the perimeter of the Property by courses and distances and perimeter footings in place, and by reference to Township, Range, Section;

(ii) the location of and the identification by reference to recording data of all easements, rights-of-way, conditions and restrictions on or appurtenant to the Property;

(iii) the location of all building setback lines;

(iv) the lines of the streets abutting the Property and the width thereof;

(v) all encroachments, and the extent thereof in feet and inches upon the Property;

(vi) if the Property is described as being on a filed map, a legend relating the plat of survey to the map;

- (vii) flood zone certification; and
 - (viii) any other notations required for the deletion of the survey exception from the Title Insurance Policy to be issued in accordance with paragraph 4.1 (a) above and any other requirements requested by the Lender.
- (c) **Note:** A duly authorized and executed Note in the form acceptable to the Lender, which shall become attached and incorporated hereto as **Exhibit D**.
- (d) **Mortgage:** A duly authorized, executed and acknowledged Mortgage in a form acceptable to the Lender, which shall become attached and incorporated hereto as **Exhibit C**, and which when recorded, shall be a valid last priority mortgage lien on the Property and on all fixtures and personal property owned by the Borrower to be used in connection with the improvements.
- (e) **Mortgagor's Affidavit:** An affidavit of Borrower shall be executed and delivered to the Lender as required by the Title Insurer as noted above, certifying to all such facts as are required to delete the Standard Exceptions from the Lenders Title Insurance Policy and certifying that no liens exist on the Property for taxes not yet due and payable and that no other parties are entitled to possession except as otherwise provided herein.
- (f) **Assignment of Rents and Leases.** An executed Assignment of Rents and Leases, in a form acceptable to Counsel to Lender, which shall become attached and incorporated hereto as **Exhibit E**.
- (g) **Public Requirements:** Borrower shall deliver to the Lender:
- (h) letters from local utility companies or municipal authorities stating that electricity, telephone, sewer and water facilities will be available to the Property upon completion of the Project;
 - (ii) a letter from the City's Planning Department certifying compliance with all zoning and land use regulations including but not limited to compliance with parking requirements;
 - (iii) copies of all necessary approvals from appropriate environmental protection agencies; and
 - (iv) satisfactory soil test reports.
- (i) **Partnership Documents:** Borrower shall deliver to the Lender the following documents:
- (i) The Certificate of Limited Partnership of the Borrower and all amendments thereof, certified by the appropriate Official of the State of Florida, together with certificates of such official to the effect that Borrower is in good standing therein;

(ii) Certified resolutions of the Borrower authorizing the execution and delivery of this Agreement, the Mortgage, the Note and all other documents necessary or desirable, for the consummation of the transactions contemplated by this Agreement and the Partnership Agreement;

(iii) An Officer's Certificate, certified by the corporate secretary of Village Centre GP, LLC, with copies of the following attached:

- a. Articles of Organization
- b. Operating Agreement
- c. Good Standing Certificate
- d. Resolutions

(iv) An Officer's Certificate, certified by the corporate secretary of Northwood Business Development Corporation, with copies of the following attached:

- a. Articles of Incorporation
- b. By-Laws
- c. Good Standing Certificate
- d. Resolutions
- e. I.R.S. Determination Letter

(j) **Flood Insurance:** Borrower shall deliver to the Lender evidence satisfactory to the Lender that the Property is not within a hazardous flood area as designated by the Department of Housing and Urban Development and any other governmental authority, or if the Property is within such an area, that the Property is covered by flood insurance supplied by the Federal Insurance Administration to the maximum amount available, all as provided in the Flood Disaster Protection Act of 1973, as amended, together with appropriate endorsements thereto providing for the Agency's interests in the same manner as the Builder's Risk Insurance, including without limitation that such insurance will not be canceled without 30 days notice to the Lender. Borrower agrees that the Lender shall have the right to take any action necessary to continue said policies in full force and effect including, but not limited to, paying premiums. Any funds disbursed to continue said policies in full force and effect shall be considered as Disbursements hereunder and shall bear interest from the date of Disbursement at the same rate as other Disbursements and payment of said funds and interest shall be secured by the Mortgage. Satisfactory evidence of flood area designation shall be a certification from the Surveyor appearing on the survey drawing;

(k) **Opinion of Borrower's Counsel:** Borrower shall deliver to the Lender an opinion of Counsel for Borrower and addressed to the Lender, such counsel to be reasonably satisfactory to the Lender, to the effect that;

(i) This Assistance Agreement and all loan documents and any other documents required to be delivered hereunder have been duly authorized, executed and delivered and are valid, binding and enforceable in accordance with their terms;

(ii) that Borrower is a Florida limited partnership in good standing under the laws of the State of Florida and has all the necessary power and authority to undertake its obligations hereunder;

(iii) that Borrower is in compliance with all laws, regulations, ordinances and orders of all governmental authorities, including, but not limited to, if applicable, the Interstate Land Sales Full Disclosure Act, all applicable federal and state securities laws, and all laws of the State of Florida, applicable to the type of Project development contemplated hereunder;

(iv) The Project, is in compliance with all applicable zoning, subdivision, environmental and other rules, ordinances, laws and regulations without taking into account any other improvements, land or rights not encumbered by the Mortgage;

(v) that there is no charter or bylaw of Borrower and no provision of any existing mortgage, indenture, contract or agreement known to such counsel binding on Borrower or affecting its property which could conflict with or in any way prevent the execution, delivery and carrying out of the terms of this Agreement;

(vi) that to counsel's knowledge there are no proceedings pending or threatened before any court or administrative Lender which will materially adversely affect the financial condition or operation of Borrower or the Property, including but not limited to bankruptcy, reorganization or insolvency proceeding or any other debtor-creditor proceedings under the Bankruptcy Code or any similar statute, nor to counsel's knowledge are there any finance circumstances within counsel's knowledge which could lead to such proceedings;

(vii) that the liens of the Mortgages are valid liens on the Property and the security interest described in the mortgages are good and valid security interests; and

(viii) such other matters as the Lender may reasonably require.

(l) **Declaration of Covenants:** An executed Declaration of Covenants, in a form acceptable to Counsel to the Lender, which shall become and attached and incorporated hereto as **Exhibit G**;

(m) **Completion Guaranty:** An executed Guaranty of Completion in a form acceptable to Counsel to the Lender, which shall become attached and incorporated hereto as **Exhibit E**;

(n) **Insurance:** A policy of casualty, hazard and liability insurance on the Property in an amount, form, substance and quality acceptable to the Lender;

(o) **Deed:** A copy of the deed evidencing Borrower's ownership of the real property; and

(p) **Other Documents:** Borrower shall deliver to the Lender such other documents and information as the Lender may reasonably require.

Section 4.2 Expenses, etc. The Borrower shall pay any and all costs associated with the procuring and making of the Loans, and other expenses incurred by the Lender during the term of the Loans, including, but not limited to, the title insurance company's fees and premiums, charges for examination of title to the Property, expenses of surveys, Florida Documentary Stamp Taxes, recording fees for the recording of the mortgages, declaration of covenants, any and all insurance premiums, taxes, assessments, and other charges, liens and encumbrances upon the Property, and any other amounts necessary for the payment of the costs of the Project.

Section 4.3 Execution of Ancillary Documents. The Chair, on behalf of the Lender, shall be authorized to execute and deliver all documents that are ancillary to and further the purposes of this Agreement.

ARTICLE V CONDITIONS TO DISBURSEMENT

Section 5.1 Conditions Governing Disbursements. The obligations of the Lender to make the disbursement of the loan proceeds (the "Disbursement") for the account of Borrower are subject to the terms and conditions of that certain agreement for purchase and sale, of even date, between Borrower and Lender.

Section 5.2 Continuing Representations and Warranties. The Disbursement, shall constitute, without the necessity of a written statement to such effect, a confirmation by Borrower to the Lender that all representations and warranties made by Borrower in this Agreement and the other Agency Loan Documents are true and correct in all material respects as of the date of such request.

ARTICLE VI REPORTS AND RECORDS

Section 6.1 Annual Reports. Borrower shall submit the following required reports to the Executive Director of the Lender by June 30th of each year during the term of this Agreement:

- (a) A copy of the annual audit conducted for the Project in accordance with standard and uniform accounting practices showing the financial condition of Borrower at the close of each year and the results of the operations of Borrower during each year;
- (b) A copy of a valid rental license issued by the City of West Palm Beach;
- (c) Promptly, from time to time, such other information regarding the operations, business, affairs and financial condition of Borrower as the Lender may reasonably request;
- (d) Copies of any documents submitted to Florida Housing Finance Corporation during the subject year relative to the Project's compliance with the Extended Use LIHTC Agreement;

- (e) Occupancy report for the first floor of the Project and a copy of related occupational licenses; and
- (f) The economic development activities of NBDC, as required by Section 3.3 of this Agreement.

Section 6.2 Records. Borrower shall maintain records related to the construction of the Project for five (5) years after the termination of this Agreement.

Section 6.3 Inspection and Right to Audit. Borrower shall make available for examination all of its records and data with respect to all matters covered by this Agreement and shall permit the Lender or their designated representative(s) to audit and inspect all books, documents, papers and records directly related to this Agreement at any time during normal business hours and as often as the Lender may reasonably deem necessary. This right to inspection shall include access to the Property to ensure compliance with this Agreement.

ARTICLE VII REPRESENTATIONS AND WARRANTIES OF BORROWER

Borrower hereby represents and warrants to Lender, as of the date herein, and as of the Closing Date, as follows:

Section 7.1 Organization. Borrower is a duly organized and validly existing limited partnership, in good standing under the laws of the State of Florida.

Section 7.2 Corporate and Other Powers. Borrower has the partnership power and authority to conduct all of the activities which are now conducted by it or proposed to be conducted by it in connection with the Project as contemplated by the Loan Documents, to enter into the Loan Documents on its own behalf, and to make and perform the representations, warranties and undertakings herein and therein provided.

Section 7.3 Validity of Loan Documents. The Loan Documents have been approved by those persons having proper authority, and to the best of Borrower's knowledge are in all respects legal, valid and binding according to their terms.

Section 7.4 Litigation. There is no action, suit or proceeding or any investigation pending or, to the best of Borrower's knowledge, threatened, against or affecting Borrower at law or in equity in any court or by any federal, state, municipal or other governmental authority, department, commission, board, Lender or other governmental instrumentality which is likely to have a material adverse effect on Borrower's ability to undertake the Project or on the financial condition or operations of Borrower or which questions, or is likely to materially adversely affect, Borrower's undertakings under, or performance of, the Loan Documents.

Section 7.5 No Defaults. Borrower is not in default or alleged to be in default with respect to any judgment, order, writ, injunction or decree or in breach or alleged to be in breach or default under any material lease, contract, agreement, commitment, instrument or obligation to which it is a party

or by which it or its property is bound; and there is no state of facts which is likely to create or cause a default or breach under any such material lease, contract, agreement, commitment, instrument or obligation.

Section 7.6 Compliance with Governmental Requirements. Borrower is in compliance in all material respects with all federal, state and local laws, regulations and orders applicable to the ownership of its properties and the conduct of its operations.

Section 7.7 Binding Agreement. Borrower has taken all action necessary to authorize the execution and delivery of the Loan Documents and the transactions contemplated hereby and thereby, and the Loan Documents are valid and binding obligations of Borrower, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other law and equity principles applied for the relief of debtors heretofore or hereafter enacted, to the extent that the same may be constitutionally applied. Neither the execution and delivery of the Loan Documents nor the consummation of the transactions contemplated hereby and thereby will constitute a violation or breach of Borrower's partnership agreement, or any provision of any contract or other instrument to which Borrower is a party or by which it or its property is bound or any order, writ, injunction, decree, statute, rule or regulation of any court or regulatory Agency. No consent, order, authorization or other approval of any governmental body or Agency is required in order for Borrower to undertake the Project, or execute, deliver and perform its obligations under the Loan Documents.

Section 7.8 Accuracy of Representations and Warranties. No representation, warranty or statement of Borrower in this Agreement or the other Loan Documents, or in any document furnished to Lender pursuant to this Agreement or the other Loan Documents, or in connection with the transactions contemplated in this Agreement, contains any untrue statement of a material fact, or omits any material fact, the omission of which would be misleading. Borrower has disclosed to Lender in writing every fact that materially and adversely affects its financial condition or its ability to perform its obligations under this Agreement and the other Loan Documents.

Section 7.9 Judgments. No judgment, confession of judgment, decree, order, order to show cause, writ, lien, attachment, or injunction, including without limitation those on appeal, has been filed or entered against Borrower, in any court or in any arbitration proceeding.

Section 7.10 Security. The Mortgage will be in proper recordable form and, upon recording in the official public records of Palm Beach County, Florida, will create a valid and binding last priority lien upon the Property in favor of Lender.

Section 7.11 Continuous Nature of Representations and Warranties. Each representation and warranty contained in this Agreement and the other Loan Documents shall be continuous in nature and shall remain accurate, complete and not misleading in any material respect at all times during the term of this Agreement, except for those representations and warranties which are expressly limited by their terms to a specific date.

Section 7.12 Lack of Lender Interests. No official, officer, agent or employee of the Lender directly or indirectly controls or owns any interest in the partnership, and no person, directly or

indirectly owning or controlling any interest in the partnership is an official, officer, agent or employee of the Lender.

ARTICLE VIII AFFIRMATIVE COVENANTS OF BORROWER

As long as the Note or any portion therein remains unpaid, Borrower shall:

Section 8.1 Existence; Debts.

- (a) Maintain its existence as a limited partnership;
- (b) Comply in all material respects with all applicable federal, state and local laws and regulations to the extent necessary and required for the continuation of Borrower's operations; *and*
- (c) Promptly pay and discharge all taxes, assessments, rentals and governmental charges on it, its income and its properties prior to the date on which penalties attach thereto, except to the extent such taxes shall be contested in good faith and by appropriate proceedings and as to which adequate reserves in the judgment of the Lender shall have been provided.

Section 8.2 Use of Funds.

- (a) Apply the proceeds of the Agency Loan solely for the purposes of acquiring the real properties described in that certain Agreement of Purchase and Sale, of even date between Borrower and Lender, and immediately repay to the Lender an amount equal to any loan proceeds applied in a manner prohibited herein.
- (b) Continue to use the Property for workforce affordable and attainable rental housing for a period of twenty (20) years, or for such time as provided in the Extended Low Income Housing Agreement Borrower executes with Florida Housing Finance Corporation.

Section 8.3 Notices to Lender. Promptly notify Lender of the following:

- (a) The commencement of any action, suit or proceeding brought before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which seeks recovery from Borrower in an amount equal to or greater than ten percent (10%) of the original principal amount of the Loan;
- (b) Any material adverse change in the condition, financial or otherwise, of Borrower from the date of the most recent Financial Statements each delivered to the Lender, or of any Default or Event of Default, as such terms are defined herein; and
- (c) Any notice, claim or demand given by Borrower to or received by Borrower from the contractor or any subcontractor or material supplier for the Project, if such notice, claim or demand is material to the performance of Borrower under the Loan Documents or under the terms of the loan documentation governing the other Project Financing.

Section 8.4 Hazardous Materials. Borrower shall indemnify, defend and hold the Agency harmless from and against any loss to the Lender (including without limitation, attorneys fees) incurred by the Lender as a result of such past, present or future use, handling, storage, transportation, or disposal of hazardous or toxic materials in violation of applicable law. If the Lender has reason to suspect that hazardous or toxic materials not disclosed in the Phase I Environmental Report (or any reports issued subsequent thereto) have been or are being used, handled, transported, stored or disposed of on the Property then; Lender, at Lender's sole option, may obtain, at Borrower's expense, a report from a reputable environmental consultant of the Lender's and the Lender's choice as to whether the Building has been or is presently being used for handling, storage, transportation or disposal of hazardous or toxic materials, If the Lender's report indicates such past or present use, handling, storage, transportation, or disposal, Lender may require that all violations of law with respect to hazardous or toxic materials be corrected and/or that Borrower obtain all necessary environmental permits.

Section 8.5 Advertising. During the period of the construction of the improvements, the Lender shall have the right to install and maintain on the Property one or more signs identifying the Lender or to be identified on such signs installed by others, as one of the institutions financing the Property. The sign or signs will be provided by the Lender and erected at Borrower's expense.

Section 8.6 Mechanics' Liens. Borrower covenants and agrees with the Lender that Borrower (i) will allow no work or construction to be commenced on the Property, or good specially fabricated for incorporation therein, which has not been fully paid prior to the recording of the Mortgage(s) and Notice of Commencement or which would constitute a lien on the Property (ii) will cause a certified copy of the Notice of Commencement to be posted as required by Chapter 713, Florida Statutes, as soon as possible after recording the Notice of Commencement, (iii) shall notify the Lender of any and all notices to Borrower as Owner as that term is defined in Chapter 713, Florida Statutes, within five (5) days of receipt thereof, and (iv) will comply with all provisions of the Florida Mechanics' Lien Law, including but not limited to, payment and notice provisions contained therein. Borrower shall indemnify and hold the Lender harmless from the claims of any mechanics' lien or equitable lien and pay promptly upon demand any loss or losses which the Lender may incur as a result of the filing of any such lien, including the reasonable cost of defending same and the Lender's reasonable attorneys' fees in connection therewith.

In addition, Borrower agrees, at its sole cost and expense, to have any mechanics' lien or equitable lien which may be filed against the Property or undisbursed funds of this loan released, bonded or insured over within (60) days of the date of the filing same, time being of the essence. The Lender shall be under no obligation to make further disbursements while any such lien remains outstanding against the Property. If Borrower fails, after demand, to cause said lien or liens to be released, bonded or insured over as aforesaid the Lender may take such steps as it deems necessary and any funds expended shall be charged to the Borrower's loan account, and shall bear interest as provided by the loan documents.

Borrower hereby authorizes the Lender to demand, on Borrower's behalf, the statement of account referred to in Section 713.16(2), Florida Statutes, of any potential lienor filing a Notice to Owner. It is specifically understood and agreed, however, that the Lender's right to request such

statements of account will in no way impose any obligation on the County to use such authority, and the exercise of such authority on one or more occasion shall not create or imply any obligation on such party to exercise such authority on subsequent occasion.

Section 8.7 Insurance Proceeds. Borrower shall keep the Property continually insured in an amount not less than full insurable value of the Property, which coverage shall insure the Property against loss or damage by fire and by the perils covered by extended coverage and against such other hazards as the Lender, in its sole discretion, shall from time to time require, for the benefit of the Lender. All such insurance at all times will be in an insurance company or companies in such amounts and with terms acceptable to the Lender, with loss, if any, payable to the Lender, as its interest may appear, pursuant to a non-contributory mortgagee clause which shall be satisfactory to the Lender; and forthwith upon the issuance of such policies they will deliver to the Lender copies of receipts for the premiums paid thereon and certificates of insurance and certified copies of such policies. Any policies furnished by the Lender shall become its property in the event the Lender becomes the owner of the Property by foreclosure or otherwise. Subject to the provisions of the first mortgage, should a loss be incurred, then in such event, the Borrower shall use the proceeds for the reconstruction and repair of the Property.

ARTICLE IX NEGATIVE COVENANTS OF BORROWER

As long as the Note or any portion therein remains unpaid, Borrower shall not do any of the following without obtaining the Agency's written consent:

Section 9.1 Assignment of Agreement; Transfer of Property. Borrower shall not assign this Agreement or any interest therein and any such assignment is void and of no effect. Further, except as specifically set forth in the mortgage, the Property or any part thereof shall not be sold, leased, conveyed, mortgaged or encumbered in any way without the prior written consent of the Agency.

Section 9.2 Company Changes.

(a) permit or enter into any modification or amendment to its Partnership Agreement or any other instrument or document relating to its existence or status, which modification or amendment is likely to materially adversely affect Lender's ability to collect on the Note or to realize on the security; or permit or make any material change in or to the Project or any other activity undertaken pursuant to the purpose without the Agency's prior written consent to such change; or

(b) dissolve, liquidate, consolidate or form a joint venture, limited liability company or partnership with, or merge with any corporation, partnership or other organization or otherwise acquire all or substantially all of the assets, capital stock or properties of any other corporation, partnership or organization; or

(c) sell, lease, transfer or otherwise dispose of its properties, assets, rights and licenses to any person or entity, loan or advance any money, or make any investments except in the ordinary course of business.

Section 9.3 Liens. Except as expressly permitted by this Agreement or the other Loan Documents, create, incur, assume or suffer to exist for greater than thirty (30) days, any deed of trust, pledge, lien, charge or other encumbrance of any nature whatsoever on those assets constituting the Security, without Lender's express written consent.

Section 9.4 Debts. With respect to the Project, assume or suffer to exist any debt or obligation for borrowed money except for (i) the Agency Loan, (ii) indebtedness in the ordinary course of business, (iii) the project financing and (iv) other financing for the Project as reviewed and approved by the Lender.

Section 9.5 Prepayments. Make any payment on account of the principal of any indebtedness than the Agency Loan, except at regularly scheduled times and in the amounts specifically required by the terms of such indebtedness, without the prior written consent of the Lender.

Section 9.6 Guarantees. After the execution of this Agreement, make any guarantee, endorse or otherwise in any way become or be responsible for obligations of any other party or person with respect to the Project.

ARTICLE X EVENTS OF DEFAULT

Section 10.1 Events of Default. If one or more of the events set forth in this Section 10.1 shall occur, the Lender shall have the remedies set forth in Section 10.2 and Section 10.3.

(a) Borrower fails to make any payment of principal or interest within ten (10) days of each of the dates such payments are due (whether due at stated maturity, on demand, upon acceleration or otherwise), as set forth in the Note;

(b) Subject to the provisions of Section 10.1 (g) Borrower fails to observe or perform any other term, covenant, undertaking or agreement contained in this Agreement or the other Loan Documents (including, but not limited to, failure to produce any of the required documentation prior to the initial disbursement), or is in default of the provisions of any other credit agreement, material contract or document or undertaking of any kind, and such failure or default continues unremedied for a period of thirty (30) days after the sooner to occur of (i) written notice therein has been given to Borrower by the Lender specifying such failure and requiring it to be remedied or (ii) the date on which such failure or neglect first becomes known to Borrower, or, if such failure is not reasonably capable of being remedied within such thirty (30)-day period, Borrower has not commenced remedial action and is not proceeding with diligent efforts to remedy such failure; provided, however, that no notice period shall apply to any event specifically described elsewhere in this Section 10.1, or with respect to a default under that part of Section 10.2(c) dealing with the sale or other disposition of property;

(c) Any representation or warranty made by Borrower in this Agreement or by Borrower

in the other Loan Documents or any statement or representation made in any certificate, report or opinion delivered pursuant hereto or thereto proves to have been false, misleading or incorrect in any material respect when made or furnished;

(d) Borrower becomes insolvent; fails or ceases to pay its debts as they mature; makes an assignment for the benefit of creditors; files a petition in bankruptcy; is adjudicated insolvent or bankrupt; petitions or applies to any tribunal for the appointment of any receiver or any trustee; or commences any proceeding relating to Borrower under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect, or there is commenced against Borrower any such proceeding which shall not be dismissed within a period of sixty (60) days, or Borrower by any act, indicate its consent to, approval of, or acquiescence in any such proceeding or the appointment of any receiver or any trustee for it or any substantial part of its property, or suffers any such receivership or trusteeship to continue undischarged for a period of sixty (60) days;

(e) Any attachment against the Property of Borrower for any amount in excess of Fifty Thousand Dollars (\$50,000.00) in connection with an obligation which is non-recourse to the assets of Borrower other than such property or (iii) any two or more such judgments or attachments in amounts which, in the aggregate, exceed \$25,000.00 or \$50,000.00, respectively, are entered and are not paid, stayed on appeal, discharged, bonded (but only to the extent the issuance of such bond stays all enforcement proceedings related to such judgment) or dismissed within forty-five (45) days after the entering of such judgment or filing of such attachment, except for any judgment or attachment resulting from a liability insured by a carrier approved by the Lender and fully payable (except for a reasonable deductible) from proceeds of such insurance;

(f) If in the Lender's reasonable judgment there occurs any materially adverse change in Borrower's financial condition from the date of the most recent Financial Statements each delivered to the Lender prior to the Closing Date, including, without limitation, any of the following events, which in the judgment of Lender would be reasonably likely to have a material adverse effect on the Property, business or conditions (financial or otherwise) of Borrower: (i) there shall occur a cessation of a substantial part of the business of Borrower for a period which significantly affects Borrower's capacity to continue its business, (ii) Borrower shall suffer the loss or revocation of any license or permit now held or hereafter acquired by Borrower that is necessary to the continued or lawful operation of Borrower's business, (iii) Borrower shall be enjoined, restrained or in any way prevented by court, governmental or administrative order from conducting all or any material part of its business affairs or (iv) the Property shall be taken through full condemnation or the value of such Property shall be impaired through condemnation;

(g) A default or event of default has occurred on the part of Borrower under the terms of this agreement, document or instrument to which Borrower is a party or by which Borrower or this Property is bound, creating or relating to indebtedness in an aggregate principal amount in excess of Fifty Thousand Dollars (\$50,000) if the payment or maturity of such indebtedness is accelerated in consequence of such event of default or demand for payment of such indebtedness is made;

(h) Borrower shall challenge or contest the perfection or priority of any lien granted to the Lender;

(i) Borrower shall fail to complete construction of the improvements on the Property and secure a Certificate of Occupancy for the improvements on or before June 30, 2005; or

Section 10.2 Remedies on Occurrence of an Event of Default. If any Event of Default shall occur, the Lender may exercise all or any of the following remedies:

(a) Cancel this Assistance Agreement;

(b) The Lender may, by written notice to Borrower, declare the Note and any and all other indebtedness of Borrower to the Lender forthwith to be due and payable, whether or not the indebtedness evidenced by the Note or the other indebtedness shall be otherwise due and payable and whether or not the Lender shall have initiated any other action for the enforcement of the Note or other indebtedness, and whereupon the Note and such other indebtedness shall become due and payable pursuant to the terms therein, as to principal, interest and any other amounts payable;

(c) The Lender may exercise any and all remedies provided in this Agreement and the Security, at law or in equity, for the enforcement of and realization upon the Security provided herein and therein;

(d) The Lender may protect and enforce its rights by appropriate judicial proceedings, including but not limited to foreclosure of the Mortgage or an action for specific performance or any other legal or equitable remedy in aid of the exercise of the powers granted in or pursuant to this Agreement; and

(e) Exercise any and all rights, privileges or remedies available to Agency under any Loan Document or as otherwise permitted by applicable law.

Section 10.3 Automatic Acceleration. Upon the occurrence of any Event of Default described in Section 10.1, all amounts due under the Agreement shall immediately be due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Borrower.

Section 10.4 Remedies Cumulative. All covenants, conditions, provisions, warranties, indemnities and other undertakings of Borrower contained in this Agreement and the other Loan Documents, or in any document referred to herein or contained in any agreement supplementary hereto shall be deemed cumulative to and not in derogation or substitution of any of the terms, covenants, conditions or agreements of Borrower herein contained.

ARTICLE XI MISCELLANEOUS

Section 11.1 Indemnification.

(a) Borrower shall indemnify and hold the Lender harmless against and in respect of:

(1) Any and all losses, damages or deficiencies of the Lender, its employees or its agents, resulting from any material misrepresentation or willful non-fulfillment or breach of any agreement on the part of Borrower under this Agreement or from any material misrepresentation or willful omission from any instrument, agreement or other document furnished or to be furnished to the Lender under this Agreement, other than losses, damages or deficiencies in connection with the non-payment of the Loan, the provisions for which are separately provided for in this Agreement;

(2) Any and all actions, suits, proceedings, demands, assessments, judgments, costs and reasonable legal and other expenses incident to any of the provisions of Article X; and

(3) Any liability, claims or losses resulting from the disbursement of the loan proceeds to Borrower or from the condition of the Property, whether related to the quality of construction or otherwise, and whether arising during or after the term of the loan.

The obligations of this Section 11.1 shall survive the repayment of the loan and shall continue in a full force affect so long as the possibility of such liability.

Section 11.2 Rights of Third Parties. All conditions of the Lender hereunder are imposed solely and exclusively for the benefit of the Lender and their successors and assigns, and no other person shall have standing to require satisfaction of such conditions or be entitled to assume that the Lender will make disbursements in the absence of strict compliance with any and all thereof, and no other person shall, under any circumstances, be deemed to be a beneficiary of this Assistance Agreement or the loan documents, any provision of which may be freely waived in whole or in part by the Lender at any time if, in its sole discretion, it deems it desirable to do so. In particular, the Lender make no representations and assume no duties or obligations as to third parties concerning the quality of the construction by Borrower of the improvements or the absence there from of defects.

Section 11.3 Borrower is not the Agency's Agent. Nothing in this Agreement, the Note, the Mortgage or any other Loan Documents shall be construed to make the Borrower the Lender's agent for any purpose whatsoever, or the Borrower and the Lender partners, or joint or co-venturers, and the relationship of the parties shall, at all times, be that of debtor-creditor.

Section 11.4 Not Liable for Damage or Loss. All inspections and other services rendered by or on behalf of the Lender pursuant to this Agreement shall be rendered solely for the protection and benefit of the Lender. Neither Borrower nor other third persons shall be entitled to claim any loss or damage against the Lender for failure to properly conduct inspections and other such services contemplated by this Assistance Agreement.

Section 11.5 Not Obligated to Insure Proper Disbursements. Nothing contained in this Agreement, or any loan documents, shall impose upon the Lender any obligation to oversee the proper use or application of any disbursements and disbursement of funds hereunder.

Section 11.6 Notices. All notices, requests, demands, consents, waivers and other communications given under any of the provisions of this Agreement shall be in writing and shall be delivered in person by courier delivery or mailed, and if mailed, then first-class postage prepaid, registered or certified mail, return receipt requested, addressed as stated below or to such other address as the addressee may have specified in a notice duly given to the other addressees. Any such notice shall be deemed delivered three business days after the same shall have been provided in the manner set forth herein.

Addresses for notices:

If to Lender:

West Palm Beach Community Redevelopment Agency
P. O. Box 3366
West Palm Beach, Florida 33402
Attention: Executive Director
Phone: (561) 659-8024 Fax: (561) 659-8066

With a copy to:

Holland & Knight LLP
625 N. Flagler Drive, Suite 700
West Palm Beach, Florida 33401
Attn: Elizabeth McBride, Esquire

If to Borrower:

Village Centre Apartments Ltd.
Attn: Luis Gonzalez
2937 S. W. 27th Avenue
Suite 203
Miami, FL 33133

With a copy to:

Patricia Green, Esq.
Stearns, Weaver, Miller, et al.
150 West Flagler Street
Suite 2200
Miami, Florida 33130

With a copy to:

Northwood Business Development Corp.
519 25th Street
West Palm Beach, FL 33405
Attn: Terri Murray

Section 11.7 Entire Agreement. The Agency Loan Documents contain the entire agreement of the Parties hereto with respect to the transactions contemplated thereby, and no change, modification or waiver of any provision thereof shall be valid unless in writing, and signed by the party to be bound.

Section 11.8 No Waiver. No delay or failure on the part of Lender in exercising any rights under this Agreement and no partial or single exercise thereof, shall constitute a waiver of such rights or of any other rights under this Agreement.

Section 11.9 Other Parties. Nothing in this Agreement shall be construed as giving any party or person, other than the parties hereto, any right, remedy or claim under or in respect of this Agreement or any provision hereof.

Section 11.10 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

Section 11.11 Survival of Representations, Warranties and Agreements. All representations, warranties and agreements herein shall survive until the expiration of the term of this Agreement and payment of the Note issued hereunder, except to the extent that a representation, warranty, agreement or provision expressly provides otherwise.

Section 11.12 Severability. If any provision of this Agreement shall, for any reason, be held to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such illegal, invalid or unenforceable provision had never been contained herein.

Section 11.13 Successors and Assigns. Whenever in this Agreement any of the Parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, provided, however, that Borrower shall not have the right to assign any of its rights or obligations under this Agreement. All covenants, promises and agreements in this Agreement by or on behalf of Borrower shall inure to the benefit of the respective successors and assigns of the Lender.

Section 11.14 Duplicate Originals. Two or more duplicate originals of this Agreement may be signed by the Parties herein, each of which shall be an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Lender and Borrower have caused this document to be executed by their duly authorized representatives as of the date first above written.

WEST PALM BEACH COMMUNITY
REDEVELOPMENT AGENCY

ATTEST:

Kerese Du Pont
Secretary

By: *J. J. Damm*
Chair

Approved as to form and legal sufficiency

Elizabeth T. McBride
Elizabeth T. McBride, Esq., Date: *3/24/05*
Holland & Knight LLP
Counsel to CRA

Witnesses:

Ana Hernandez
Print Name: Ana Hernandez

Amy Elsmore
Print Name: Amy ELSMORE

VILLAGE CENTRE
APARTMENTS LTD., a Florida
limited partnership

By: VILLAGE CENTRE GP, LLC, as
its sole GP

By: TCG VILLAGE CENTRE, LLC,
as its manager member

Name: *Eloisa Boggio*

Title: *Manager*

STATE OF FLORIDA)
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me this 27 day of MARCH, 2003, by JOEL T. DAVES, as the Chair of the West Palm Beach Community Redevelopment Agency, who is personally known to me, or who has produced _____ as identification.

Linda L. Schaefer
Signature of the Notary



My commission expires:
Linda L. Schaefer
MY COMMISSION # CC833169 EXPIRES
May 5, 2003
BONDED THROUGH TROY FAIR INSURANCE INC.

STATE OF FLORIDA)
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me this 26 day of March, 2003, by LLOYD BOGGIO, as the Managing Member of TCG Village Centre, LLC, a Florida limited liability company, the manager of TCG Village Centre GP, LLC, the general partner of Village Centre Apartments Ltd., a Florida limited partnership, who is personally known to me, or who has produced _____ as identification.

Sonia Young-Hernandez
Signature of the Notary



My commission expires:
Sonia Young-Hernandez
Commission # CC 941712
Expires June 4, 2004
Bonded Thru
Atlanta Bonding Co., Inc.

Exhibit A
Legal Description of Property

Lots 1,2,3, and 4, Block 17, Northwood Addition to West Palm Beach, according to the plat thereof, recorded in Plat Book 9, page 47, in the Public Records of Palm Beach County, Florida.
PCN: 74-43-43-09-05-017-0050

Lots 5 and 6, Block 17, Northwood Addition to West Palm Beach, according to the Plat thereof, as recorded in Plat Book 9, Page 47, in the Public Records of Palm Beach County, Florida.
PCN: 74-43-43-09-05-0170-0010

Lots 41 and 42, Block 17, Northwood Addition to West Palm Beach, according to the plat thereof, recorded in Plat Book 9, page 47, in the Public Records of Palm Beach County, Florida.
PCN: 74-43-43-09-05-017-0410

Exhibit B

Lots 1,2,3, and 4, Block 17, Northwood Addition to West Palm Beach, according to the plat thereof, recorded in Plat Book 9, page 47, in the Public Records of Palm Beach County, Florida.
PCN: 74-43-43-09-05-017-0050

Lots 5 and 6, Block 17, Northwood Addition to West Palm Beach, according to the Plat thereof, as recorded in Plat Book 9, Page 47, in the Public Records of Palm Beach County, Florida.
PCN: 74-43-43-09-05-0170-0010

Lots 41 and 42, Block 17, Northwood Addition to West Palm Beach, according to the plat thereof, recorded in Plat Book 9, page 47, in the Public Records of Palm Beach County, Florida.
PCN: 74-43-43-09-05-017-0410

Lots 43 and 44, Block 17, Northwood Addition to West Palm Beach, according to the plat thereof, recorded in Plat Book 8, pages 47 and 62, in the Public Records of Palm Beach County, Florida.
PCN: 74-43-43-09-05-017-0430

Lots 7 to 11, inclusive and Lots 35 to 40, inclusive, Block 17, Northwood Addition to West Palm Beach, according to plat thereof, recorded in Plat Book 8, pages 47 and 62.
PCN: 74-43-43-09-05-017-0070

Exhibit C
Mortgage
(to be attached at closing)

Exhibit D
Promissory Note
(to be attached at closing)

Exhibit E
Guaranty of Completion
(to be attached at closing)

Exhibit F
Assignment of Rents and Leases
(to be attached at closing)

Exhibit G
Restrictive Covenant
(to be attached at closing)

WPB1 #218614 v3

2003 MMRB, SAIL & HC Scoring Summary

As of: 05/12/2003

Case # 2003-099C Development Name: Village Centre

As Of:	Total Points	Met Threshold?	Proximity Tie-Breaker Points	Corporation Funding per Set-Aside Unit	SAIL Request Amount as Percentage of Development Cost	Is SAIL Request Amount Equal to or Greater than 10% of Total Development Cost?
05 - 12 - 2003	66	N	7.25	\$64,555.66	%	N
Preliminary	66	N	7.25	\$64,555.66	%	N
NOPSE	0	N	0		0	
Final	0	N	0		0	
Post-Appeal	0	N	0		0	

Notes:

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Post-Appeal
				Optional Features & Amenities					
S	III	B	2.a.	New Construction	9	9	0	0	0
S	III	B	2.b.	Rehabilitation/Substantial Rehabilitation	9	0	0	0	0
S	III	B	2.c.	All Developments Except SRO	12	12	0	0	0
S	III	B	2.d.	SRO Developments	12	0	0	0	0
S	III	B	2.e.	Energy Conservation Features	9	9	0	0	0
				Set-Aside Commitments					
S	III	E	1.b.	Commitment to Serve Lower AMI	5	5	0	0	0
S	III	E	1.c.	Total Set-Aside Commitment	3	3	0	0	0
S	III	E	3.	Affordability Period	5	5	0	0	0
				Resident Programs					
S	III	F	1.	Programs for Non-Elderly & Non-Homeless	6	6	0	0	0
S	III	F	2.	Programs for Homeless (SRO & Non-SRO)	6	0	0	0	0
S	III	F	3.	Programs for Elderly	6	0	0	0	0
S	III	F	4.	Programs for All Applicants	8	8	0	0	0
				Local Government Support					
S	IV		a.	Contributions	5	5	0	0	0
OS	IV		b.	Incentives	4	4	0	0	0

2003 MMRB, SAIL & HC Scoring Summary

As of: 05/12/2003

File # 2003-099C Development Name: Village Centre

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 Contract for Purchase and Sale of Real Property provided as evidence of Site Control provides for the automatic termination of the contract if an award of Tax Credits is not made to the development by Florida Housing by October 15, 2003, and does not include any other options allowing the buyer to continue the contract. While Florida Housing anticipates that final ranking will occur by mid-October 2003, the time line is tentative and subject to change.	Preliminary	
2T	II	A	2.c.(1)	Attorney's Opinion Letter	The attorney's opinion letter was not signed.	Preliminary	

Proximity Tie-Breaker Points:

Item #	Part	Section	Subsection	Description	Available	Preliminary	NOPSE	Final	Post-Appeal
1P	III	A	11.b.(1)	Grocery Store	1.25	1	0	0	0
2P	III	A	11.b.(2)	Public School	1.25	1.25	0	0	0
3P	III	A	11.b.(3)	Medical Facility	1.25	0	0	0	0
4P	III	A	11.b.(4)	Pharmacy	1.25	0	0	0	0
5P	III	A	11.b.(5)	Public Bus Stop or Metro-Rail Stop	1.25	1.25	0	0	0
6P	III	A	11.c.	Proximity to Developments on FHFC Development Proximity List	3.75	3.75	0	0	0

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

Item #	Reason(s)	Created As Result of	Rescinded as Result of
1P	Address provided for Grocery Store plots between 1 and 2 miles from the Tie-Breaker Measurement Point.	Preliminary	

**UNIVERSAL APPLICATION PACKAGE
NOTICE OF POSSIBLE SCORING ERRORS
REQUEST FOR REVIEW FORM**

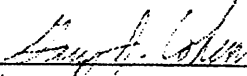
Notice of Possible Scoring Error(s) regarding Application No 2003- 099C
(one Application number per notice)

Part/Section/Subsection	Number of Issues For Review
<u>III</u> <u>C</u> <u>2.a</u>	<u>1</u>
<u>V</u>	<u>1</u>
<u>V</u>	<u>1</u>
<u>V</u>	<u>1</u>
<u>V</u>	<u>1</u>
<u>V</u>	<u>1</u>
Total Number of Issues For Review	<u>6</u>

TRACKING NO:

Submitted by Authorized Representative for Application Number 2003- 078C

Signature of Authorized Representative for above-designated Application.

Signature: 

Print Name: Gary J. Cohen

All notices must be submitted in accordance with Rule Chapters 67-48.004(4) and 67-21.003(4) and should contain enough information for staff to evaluate them. This will include, but may not be limited to, a detailed description of the issue being identified and action requested by submitting Applicant, such as reduction of score or rejection of the Application. Attach additional pages if necessary. All notices should be submitted in typewritten form.

SHUTTS
&
BOWEN
LLP

ATTORNEYS AND COUNSELLORS AT LAW

GARY J. COHEN
DIRECT PHONE (305) 347-7308
DIRECT FAX (305) 347-7808
E-MAIL ADDRESS: GCOHEN@SHUTTS-LAW.COM

MAY 19, 2003

Kerey Carpenter, Esq.
Deputy Development Officer
Florida Housing Finance Corporation
227 North Bronough Street
Suite 5000
Tallahassee, Florida 32301-1329

TRACKING NO:

108

Re: Village Centre ("Applicant"); Application No. 2003-099C; Notice of Potential Scoring Error ("NOPSE")

Dear Ms. Carpenter:

In the memorandum dated May 12, 2003 from you, such memorandum indicated that if an applicant wishes to notify the Corporation of possible scoring errors relative to another applicant's application, a written request for a review of the other applicant's score must be filed by May 20, 2003. I am writing on behalf of Palermo Lake Apartments, Application No. 2003-078C. We believe that the following errors occurred in the scoring of the Applicant's application.

1. Part III.C.2.a. Applicant provides two separate real estate purchase contracts evidencing site control. FHFC has already determined that the first contract (with Northwood Business Development Corp.) is invalid due to the automatic termination of the contract if credits are not obtained by October 15, 2003. For the reasons set forth below, the second real estate purchase contract (with West Palm Beach Community Redevelopment Agency) should also be determined to be invalid.

The land seller (West Palm Beach Community Redevelopment Agency) appears to not currently own the property. The next to last "Whereas" clause on page 1 of the contract indicates the seller will be acquiring the parcels of land by purchase or eminent domain and will be filing an eminent domain lawsuit. Section 5.2(i) on page 4 of the purchase contract also indicates that the seller does not currently hold title to the subject real estate.

If Applicant is successful in procuring 2003 tax credits, it will be required to place the development in service no later than December 31, 2005. In addition, it will be required to incur more than 10% of basis by June, 2004. There can be no assurance that the City of West Palm

Kerey Carpenter, Esq.
Deputy Development Officer
Florida Housing Finance Corporation
May 19, 2003
Page 2

Beach or West Palm Beach Community Redevelopment Agency will, through its eminent domain efforts, secure title to the subject real estate in time for Applicant to meet the foregoing deadlines.

For these reasons, Applicant has failed to demonstrate site control sufficient to satisfy this threshold requirement. As such, the application should be rejected for the reasons set forth above.

2. Part V. In the development cost pro forma, Applicant indicates the acquisition cost of the land at \$1,500,000. Under the real estate purchase contract with West Palm Beach Community Redevelopment Agency contained behind Exhibit 27, the purchase price is an amount equal to "All monies including professional costs and fees expended by Seller (West Palm Beach Community Redevelopment Agency) to eminent domain the Property" (see Section 1.1(a) of the purchase contract). The Assistance Agreement attached to the purchase contract makes clear that the land seller is willing to loan \$400,000 of the purchase price to Applicant (apparently, Applicant has chosen not to avail itself of this loan, as it does not appear under the Construction Analysis or the Permanent Analysis), and that the purchase price is an amount equal to all costs incurred by the land seller to obtain the property by eminent domain.

There can be no assurance that the amount expended by the land seller in obtaining title to the property by eminent domain will not exceed \$1,500,000. In the event the costs to the land seller of obtaining title by eminent domain exceed \$1,500,000, there will be an increase in total development cost and an excess of uses over sources in both the Construction Analysis and the Permanent Analysis. This excess of uses over sources constitute failure of a threshold requirement. As such, the application should be rejected for this reason.

3. Part V. The development cost pro forma does not reflect any costs allocable to the 15,000 square feet of retail space to be contained in the building, as indicated in Exhibit 23 of the application. Utilizing the figure of \$50 per square foot cost, it will cost approximately \$750,000 to construct the retail space to be contained within the single building which will house both retail and residential uses. Increasing total development cost by \$750,000 will result in a funding shortfall under both the Construction Analysis and the Permanent Analysis. These shortfalls constitute failure of a threshold requirement. As a result, the application should be rejected.

4. Part V. Applicant indicates that \$6,391,150 of the tax credit proceeds will be paid prior to receipt of final certificate of occupancy. However, the tax credit equity commitment contained behind Exhibit 56 provides that the second, third and fourth installments (which Applicant indicates will be paid prior to completion of construction) are all payable upon the later to occur of a stated percentage of construction completion or a specific date certain. In the case of each of the second, third and fourth installments, if the specific date certain happens after

Kerey Carpenter, Esq.
Deputy Development Officer
Florida Housing Finance Corporation
May 19, 2003
Page 3

completion of construction, those installments will not be payable prior to the completion of construction. As such, Applicant has overstated the amount of tax credit equity under the Construction Analysis, resulting in a funding shortfall. This constitutes failure to meet a threshold requirement. As a result, the application should be rejected.

5. Part V. Page 60 of the Universal Application Instructions requires that 35% of the total equity being provided must be paid prior to or simultaneous with the closing of the construction financing. The timing of the payment of the first installment of tax credit equity in the tax credit equity commitment letter located behind Exhibit 56 does not state that such amount is payable on or before construction loan closing. As such, the tax credit equity commitment fails the "35% requirement". As a result, the tax credit equity commitment should be scored as conditional rather than as firm.

As a result, two threshold requirements are not met (all financing commitments must be firm, and sources must exceed uses). As a result, the application should be rejected.

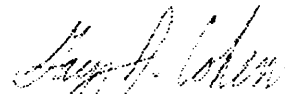
6. Part V. Applicant provides a debt commitment from NEF Mortgage Corporation behind Exhibit 57. Also included behind Exhibit 57 is a letter of receipt and acceptance of financial statements for NEF, Inc. NEF, Inc. is not the mortgage lender in this transaction. Due to the failure to provide audited financial statements for NEF Mortgage Corporation, the debt commitment letter should be disregarded.

As a result, Applicant fails two threshold requirements (all financing commitments must be firm, and sources must exceed uses). As a result, this application should be rejected.

Thank you for consideration of this NOPSE. We reserve our rights to cross-appeal this application in any Department of Administrative Hearing or any other appropriate legal forum.

Sincerely,

SHUTTS & BOWEN LLP



Gary J. Cohen
Counsel for Palermo Lake Apartments,
2003-078C

599954-1

III. C. 2.a.
Site Control

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (this "Agreement") is made and entered into as of this 26th day of MARCH, 2003 by and between the West Palm Beach Community Redevelopment Agency, a public body corporate and politic of the State of Florida ("Seller"), and Village Centre Apartments, Ltd., a Florida limited partnership ("Purchaser").

Whereas, the Northwood Business Development Corporation ("NBDC"), a not-for-profit corporation located in the Northwood/Pleasant City Community Redevelopment Agency, has been undertaking efforts to promote commercial and residential reinvestment and redevelopment in the Northwood Pleasant City Community Redevelopment Area; and

Whereas, NBDC submitted to the Seller a proposal to develop a commercial model block project which will consist of 15,000 sq. ft. of commercial use on the first floor and up to ninety (90) rental units for residential use on the second and third floors (the "Project"). The site of the Project is illustrated in Exhibit B, attached and incorporated hereto; and

Whereas, NBDC has requested the Seller's assistance with assembling parcels of land necessary to complete a proposed commercial model block project in the Northwood/Pleasant City Community Redevelopment Area, as NBDC has been able to acquire through negotiations site control over only approximately 65% of the real property needed for the Project; and

Whereas, the City Commission of the City of West Palm Beach, pursuant to Resolution No. 56-03, and the Seller, pursuant to Resolution No. 03-13, have authorized the acquisition by purchase, gift or eminent domain the certain parcels of land requested by the Purchaser in accordance with Chapter 163, Part III, Florida Statutes and the pursuant to the Amended Northwood/Pleasant City Community Redevelopment Plan ("Community Redevelopment Plan"); and

Whereas, NBDC has, by issuance of a request for proposals, selected an affiliate of The Carlisle Group, Inc., a Florida corporation, to partner for the acquisition, construction, development and management of the Project; and

Whereas, NBDC and the affiliate of The Carlisle Group have formed the Purchaser for the acquisition, construction, development and management of the project; and

Whereas, the Purchaser intends to make an application to Florida Housing Finance Corporation for low income housing tax credits in April, 2003, for the project described herein, and the application requires Purchaser to demonstrate site control over the property of the Project; and

Whereas, the Project is consistent with the Community Redevelopment Plan and is being developed under the Northwood Mixed Use Zoning Code, as recommended in the Community Redevelopment Plan; and

Whereas, the Seller desires to assist Purchaser with the Project by facilitating the acquisition of the parcels of land by purchase or eminent domain, and will be filing an eminent domain action in the Circuit Court in and for Palm Beach County to acquire the parcels of land; and

Whereas, the Seller intends to hold the Property on an interim basis, in accordance with Section 163.380(4), Florida Statutes, and temporarily maintain the Property pending the disposition of the tax credit application of the Purchaser to the Florida Housing Finance Corporation.

ARTICLE 5: CONTINGENCIES AND CONDITIONS PRECEDENT TO CLOSING

5.1 Purchaser's Conditions to Close. Purchaser's obligations to close this transaction is subject to the Purchaser April 2003 application to Florida Housing Finance Corporation receiving an award of tax credits for the Project.

5.2 Other Conditions to Closing. The following are additional conditions to Seller's obligations to close hereunder:

- (i) Seller is able to obtain title to the Property by purchase or eminent domain;
- (ii) No casualty or condemnation has occurred by another governmental authority.
- (iii) Purchaser's representations and warranties set forth herein shall be true and correct on and as of the Closing Date with the same effect as if such representations and warranties were made on and as of Closing.

5.3 Termination. In the event the contingencies set forth in this Article 5 have not been fully and unconditionally satisfied on or before Closing Date, Seller may elect, within five (5) days thereafter, to: (i) terminate this Agreement, or (ii) waive the contingency and close the transaction contemplated herein.

ARTICLE 6: CLOSING

6.1 Closing. The consummation of the transaction contemplated herein (the "Closing") will occur in the offices of Seller's counsel on December 31, 2003 (the "Closing Date") or such location and earlier date as may be agreed upon by both Purchaser and Seller.

6.2 Conditions to the Parties' Obligations to Close. In addition to all other conditions set forth herein, the obligation of each party to consummate the transactions contemplated hereunder will be conditioned upon the satisfaction of the following matters on or before Closing:

(a) Each party's representations and warranties contained herein shall be true and correct in all material respects as of the date of this Agreement and the Closing Date, provided that for the purposes of this subsection (a) such warranties and representations are deemed to be given limited to such party's knowledge; *and*

(b) As of the Closing Date, the other party will have performed its obligations hereunder and all deliveries to be made at Closing will have been tendered; and Seller shall be in position to deliver exclusive possession of the Real Property to Purchaser at Closing; *and*

(c) As to Purchaser's obligation, the contingencies set forth in Article 5 hereof will have been satisfied by Closing or will have been waived in writing by Seller.

So long as a party is not in default hereunder, if any condition to such party's obligation to proceed with the Closing hereunder has not been satisfied as of the Closing Date, such party may, in its sole discretion, terminate this Agreement by delivering written notice to the other party on or before the Closing Date, or elect to close, notwithstanding the non-satisfaction of such condition, in which latter event such party will be deemed to have waived any such condition.

6.3 Seller's Deliveries. At the Closing, Seller will deliver to Purchaser the following:

(a) Deed. A special warranty deed, executed, acknowledged, and sealed by Seller (Buyer is purchasing the property "as is" and Buyer is required to clear all outstanding title issues); *and*

Part II
Purchase Price Issue

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth in this Agreement, Seller and Purchaser hereby agree as follows:

ARTICLE I: BASIC TERMS: PROPERTY

1.1 Certain Basic Terms.

- (a) Purchase Price: All monies including professional costs and fees expended by Seller to eminent domain the Property; however, the amount shall not exceed \$400,000.00 dollars, payable over the term of sixteen (16) years in accordance with the terms and conditions of that certain Assistance Agreement of even date herewith, Exhibit C, attached and made a part hereof. Any amount expended by the Seller in excess of \$400,000.00 shall be borne by the Purchaser.
- (b) Closing Date: December 31, 2003. This Agreement shall automatically terminate upon receipt by Purchaser of Florida Housing Finance Corporation's denial of their tax credit application. For the purposes of determining the denial of tax credit, the time shall include any time needed by Purchaser to appeal the awards process as provided by Florida Housing Finance Corporation.
- (d) Effective Date: The date this Agreement has been last signed by all parties.

1.2 Purchase and Sale of the Property. Subject to the terms and conditions of this Agreement, Seller hereby sells to Purchaser, and Purchaser hereby purchases from Seller, the following described property (collectively, the "Property"): (a) those certain lots or parcels of land located in the City of West Palm Beach, Florida, legally described on Exhibit "A" attached hereto, together with all rights, members, easements, rights of way, hereditaments, strips, gores, appurtenances, mineral rights, structures, improvements, shrubbery, plants, and fixtures located thereon or appertaining thereto, and Seller's interest in any waterways, accretions, abandonments, lands underlying any adjacent streets or roads, and appurtenances pertaining to or accruing to the benefit of the Property, streets, ways or alleys abutting or adjoining thereon (collectively the "Real Property").

1.3 Property Conveyed "As Is". It is understood and agreed that, Except, as maybe otherwise herein specifically provided, Seller does not make, and specifically disclaims, any warranties or representations of any kind or character, express or implied, with respect to the Property, including but not limited to, (i) warranties or representations as to matters or title, (ii) zoning, (iii) tax consequences, (iv) physical or environmental conditions, (v) availability of access, (vi) ingress or egress, (vii) operating history or projections, (viii) valuation, (ix) governmental approvals, (x) governmental regulations, or (xi) any other matter or thing relating to or affecting the Property including, without limitation: (a) the condition, merchantability, marketability, profitability, suitability, or fitness for a particular use or purpose of the Property; (b) the manner, quality, state of repair or lack of repair of the Property. Purchaser agrees that with respect to the purchase of the Property, it has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Seller or any employee, officer, or agent of Seller. Purchaser represents that it is relying solely on its own expertise; and that it will conduct such inspections and investigations of the Property, including, but not limited to, adverse physical and environmental conditions, may not have been revealed by its inspections and investigations. Purchaser acknowledges and agrees that upon Closing, Seller shall sell and convey to the Purchaser and Purchaser shall accept the Property "As Is, Where Is, " with all faults; and there are no oral agreements, warranties, or representations (except as herein specifically provided), collateral to or affecting the Property by Seller, any agent of Seller, or any third party. Purchaser further acknowledges that Seller has no

ASSISTANCE AGREEMENT

THIS ASSISTANCE AGREEMENT (the "Agreement") is entered into this ____ day of _____, 2003, by and among the West Palm Beach Community Redevelopment Agency (the "Lender"), a public body corporate and politic organized under the laws of the State of Florida, whose address is P. O. Box 3366, 200 2nd Street, West Palm Beach, Florida 33402, and Village Centre Apartments Ltd., a Florida limited partnership, whose address is 2937 SW 27th Avenue, Suite 303, Miami, Florida 33133 (the "Borrower").

WITNESSETH

WHEREAS, the Lender has adopted the Amended Northwood/Pleasant Agency Community Redevelopment Plan (the "Community Redevelopment Plan"), pursuant to Resolution No. 282-94 which was amended by Resolution No. 467-01; and

WHEREAS, the Community Redevelopment Plan provides goals and objectives established by the Lender for the redevelopment and revitalization of the Northwood neighborhood; and

WHEREAS, it is a goal of the Community Redevelopment Plan to promote new business in the Northwood /Pleasant Agency Community Redevelopment Area; and

WHEREAS, the Lender is desirous of providing workforce affordable and attainable rental housing in the Northwood/Pleasant Agency Community Redevelopment Area; and

WHEREAS, the Northwood Business Development Corporation ("NBDC"), submitted to the City and Lender a proposal to develop a commercial model block project which will consist of 15,000 sq. ft. of commercial use on the first floor and up to ninety (90) rental units for residential use on the second and third floors (the "Project") and requested the Lender's assistance with assembling certain parcels of land ("Real Property") necessary to complete the Project. The Real Property is legally described in Exhibit A, attached and incorporated hereto; and

WHEREAS, the Project is consistent with the Community Redevelopment Plan and is the first major project in downtown Northwood under the Northwood Mixed-Use Zoning Code, adopted pursuant to the Community Redevelopment Plan; and

WHEREAS, NBDC has selected a private developer, The Carlisle Group, Inc., and formed the Purchaser for the acquisition, construction and development of the Project; and

WHEREAS, the Borrower intends to make application to Florida Housing Finance Corporation for low income housing tax credits in April, 2003, for the Project; and

WHEREAS, the City Commission of West Palm Beach, pursuant to Resolution No. 56-03, and the Lender, pursuant to Resolution No. 03-13, have authorized the acquisition by purchase, gift

or eminent domain of the Real Property in accordance with Chapter 163, Part III, Florida Statutes; and

WHEREAS, the Lender has allocated \$400,000 for the acquisition, purchase and eminent domain of the Real Property; and

WHEREAS, the Borrower has agreed to provide the funds for any costs beyond the above \$400,000 needed for the acquisition, purchase or eminent domain of the Real Property; and

WHEREAS, the Lender desires to assist the Borrower with the Project and finds the Project fulfills a public purpose for the revitalization and redevelopment of the Northwood/Pleasant Agency Community Redevelopment Area; and

WHEREAS, Bruce Greer and Lloyd Boggio, principals of The Carlisle Group, Inc., ("Guarantors") will guarantee the completion of the Project pursuant to a Guaranty of Completion in form acceptable to the Counsel to the CRA, which shall be attached and made a part hereof as Exhibit D; and

NOW, THEREFORE, in consideration of the mutual covenants and undertakings herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto intending to be bound, hereby agree as follows:

ARTICLE I RULES OF CONSTRUCTION

Section 1.1 Incorporation of Recitals. The above mentioned recitals are true and correct and are incorporated herein.

Section 1.2 Incorporation by Reference. All of the provisions of the other Loan Documents, as now in effect or hereafter amended, are incorporated herein by reference as if fully set forth herein. "Loan Documents" shall be defined as the Note, Mortgage, the Guaranties, this Agreement and any other documents executed in connection with the Agency Loan.

ARTICLE II LOAN FROM AGENCY

Section 2.1 Loan of Agency Funds. Lender agrees to loan to the Borrower an amount not to exceed Four Hundred Thousand and 00/100 Dollars (\$400,000) (the "Agency Loan") upon the terms and conditions as set forth herein, and at the rate and terms set forth in the Lender's Note and Mortgage as acceptable to Counsel to the CRA, at the time of closing, and the Borrower shall take the terms and conditions set forth herein and at the rates and terms set forth in the Lender's Note and Mortgage, which shall become attached and incorporated hereto as Exhibit C and D. The parties agree the Agency Loan shall be used to acquire the Real Property, by acquisition, purchase or eminent domain, required for the Project and for the purposes of affordable housing and economic development. Lender's Mortgage and Note shall be secured by the real properties, as legally described in Exhibit B, and any related improvements to such properties.

Part I
Cost of Retail Space

EXHIBIT 23

Village Centre

Development Summary

Village Centre will be located in the Northwood area of Palm Beach County, at the intersection of Spruce Avenue and 24th Street. The scope of work to be performed includes site clearing and preparation, infrastructure development, construction of building and site amenities, landscaping, and leasing, marketing and management.

The development will have a clubhouse with community center, which has been designed for multiple purpose use with an emphasis on resident activities and an area for health screening. Interiors will have modern and attractive living spaces, full appliance packages, high efficiency air conditioners, vertical blinds, European style cabinetry, eat-in kitchens, ceramic tile in the bathrooms and marble window sills.

One of the unique features of this development is the mixed-use building design with affordable residential units on the top floors and commercial retail space on the first level. There will be 32 one-bedroom/one-bath units, 52 two-bedroom/two-bath units in addition to approximately 15,000 square feet of retail space. The highest quality of building materials will be used to meet the requirements of the Northwood Mixed Use District zoning and the City of West Palm Beach Building Department.

(4) If Housing Credit equity is being used as a source of financing, complete columns 1, 2 and 3. Otherwise, complete columns 2 and 3.

(5) General Contractor's fee is limited to 14% of actual construction cost. General Contractor's fee must be disclosed.

(6) In reference to impact fees, a tax professional's advice should be sought regarding eligibility of these fees.

(7) Hard and soft cost contingency amounts cannot exceed the limits stated in Rule Chapters 67-21 and 67-48, F.A.C.

(8) For HOME Rental loans, the credit underwriting fee, servicing fees and compliance monitoring fees are paid by FHFC.

USE THE DETAIL/EXPLANATION SHEET FOR EXPLANATION OF * ITEMS. ATTACH ADDITIONAL SHEETS IF NECESSARY.

	1 ELIGIBLE (HC ONLY)	2 HC, INELIGIBLE; OR MMRB/SAIL/HOME	3 Total (MMRB, SAIL, HOME and HC)
PROJECT COST			
<i>Actual Construction Cost</i>			
Demolition			0
*Off-site (explain in detail)			0
New Rental Units	5035287	102761	5138048
Rehab of Existing Rental Units			0
Accessory Buildings			0
Recreational Amenities	120000		120000
Rehab of Existing Common Areas			0
*Other (explain in detail)			0
A1. Actual Construction Cost	\$ 5155287	\$ 102761	\$ 5258048
*Contingency (explain in detail)	154141		154141
A1.1 Sub-Total	\$ 5309428	\$ 102761	\$ 5412189
A1.2 General Contractor Fee (5) (Max. 14% of A1., Column 3)	\$ 736126	\$	\$ 736126
A1.3 Total Actual Construction Cost	\$ 6045554	\$ 102761	\$ 6148315
<i>Financial Cost</i>			
Construction Loan Credit Enhancement			0
Construction Loan Interest	95773	83174	178947
Construction Loan Origination Fee	32000		32000
Bridge Loan Interest			0
Bridge Loan Origination Fee			0
Permanent Loan Credit Enhancement			0
Permanent Loan Origination Fee		64000	64000
Reserves Required by Lender			0
A2. Total Financial Cost	\$ 127773	\$ 147174	\$ 274947
<i>General Development Costs</i>			
Accounting Fees	25000		25000
Appraisal	6000		6000
Architect's Fee - Design	150000		150000
Architect's Fee - Supervision	30000		30000
Builder's Risk Insurance	50000		50000

Part II
Equity towards Per-Completion;
Financing Shortfall &
35% Issue

35%
Issue

- (a) Satisfaction of all of the NEF Project Closing Checklist requirements, including receipt of a satisfactory tax opinion;
- (b) Admission of NEFAC to the Company;

B. **Second Installment.** \$1,503,800 (or 20% of the total NEFAC Capital Contribution) shall be paid upon the later to occur of:

- (a) Satisfactory completion of 50% of the construction of the Project as evidenced by the construction disbursement documents and approved by NEF's construction inspector;
- (b) Satisfaction of all of the conditions to the payment of all prior installments;
- (c) September 1, 2004

C. **Third Installment.** \$1,879,750 (or 25% of the total NEFAC Capital Contribution) shall be paid upon the later to occur of:

- (a) Satisfactory completion of 75% of the construction of the Project as evidenced by the construction disbursement documents and approved by NEF's construction inspector;
- (b) January 1, 2005

D. **Fourth Installment.** \$375,950 (or 5% of the total NEFAC Capital Contribution) shall be paid upon the later to occur of:

- (a) Satisfactory completion of 98% of the construction of the Project as evidenced by the construction disbursement documents and approved by NEF's construction inspector;
- (b) Receipt by NEF of at least temporary Certificates of Occupancy for all Project units and, if applicable, all commercial space
- (c) Satisfaction of all of the conditions to the payment of all prior installments;
- (d) April 1, 2005

E. **Fifth Installment.** \$1,052,660 (or 14% of the total NEFAC Capital Contribution) shall be paid upon the later to occur of:

- (a) Verification to the satisfaction of NEF that 100% Qualified Occupancy of all Project LIHTC Units has been achieved;
- (b) Receipt by NEF of a fully executed Form 8609 for all Project buildings;
- (c) Receipt of final Certificates of Occupancy for all Project units, and, if applicable, commercial space, if not previously received;
- (d) Receipt of an ALTA "As-Built" Survey of the Project;
- (e) Receipt by NEF of any outstanding reporting items; or
- (f) July 1, 2005

**UNIVERSAL APPLICATION PACKAGE
NOTICE OF POSSIBLE SCORING ERRORS
REQUEST FOR REVIEW FORM**

Notice of Possible Scoring Error(s) regarding Application No 2003- 099C
(one Application number per notice)

Part/Section/Subsection			Number of Issues For Review
II	A	2c.	1
II	A	2c.	1
III	C	2	1
IV	B		1
V	B		1
V	B		2
III	C	5	1
V			1
Total Number of Issues For Review			<u>9</u>

RECEIVED
2003 MAY 20 PM 4:25
FLORIDA BOARD
OF
FINANCE ADMINISTRATION
TRACKING NO:
681

Submitted by Authorized Representative for Application Number 2003- 144C

Signature of Authorized Representative for above-designated Application.
 Signature: *Warren H. Husband* Print Name: Warren H. Husband

All notices must be submitted in accordance with Rule Chapters 67-48.004(4) and 67-21.003(4) and should contain enough information for staff to evaluate them. This will include, but may not be limited to, a detailed description of the issue being identified and action requested by submitting Applicant, such as reduction of score or rejection of the Application. Attach additional pages if necessary. All notices should be submitted in typewritten form.

NOPSE
Application #2003-099C

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For all of the reasons set forth below, the above-referenced Application was not accurately completed and was not submitted in accordance with FHFC's requirements. Pursuant to FHFC's Rules, Application, and Application Instructions, as referenced below, the Application must be rejected and/or its score reduced accordingly.

1. Application, Section II.A.2.c.(2)(d) - Qualification for "Non-Profit" Status - According to the documents contained in Exhibits 3 and 9, the ownership structure of the Applicant is as follows:

Applicant - Village Centre Apartments, Ltd.

- For-Profit General Partner - Village Centre GP, LLC
 - Non-Profit Member (51%) - Northwood Business Development Corp.
 - For-Profit Member (49%) - TCG Village Centre, LLC
- Limited Partner - Lloyd Boggio

The referenced section of the Application asks the following question to determine if the Applicant is qualified to apply as a Non-Profit organization:

Is the Applicant or one of its general partners a 501(c)(3) or 501(c)(4) Non-Profit entity or is the Applicant or one of its general partners a wholly owned subsidiary of a 501(c)(3) or 501(c)(4) Non-Profit entity?

In response to this question, the Applicant answered "Yes." This response is incorrect. Neither the Applicant (Village Centre Apartments, Ltd.) nor its General Partner (Village Centre GP, LLC) is a "Non-Profit entity." Moreover, the Applicant (Village Centre Apartments, Ltd.) is not "a wholly owned [i.e., 100%] subsidiary of a Non-Profit Entity." Finally, the Applicant's General Partner (Village Centre GP, LLC) is not "a wholly owned subsidiary of a Non-Profit Entity." Rather, a Non-profit entity, Northwood Business Development Corporation, owns only 51%, not 100%, of the Applicant's General Partner. As such, the Applicant does not qualify to apply as a Non-profit organization, and its Application must be rejected.

2. Exhibit 6 - Role of Non-Profit Entity - Page 5 of the Application Instructions states as follows:

In the event the percentage distribution of Developer's fee and/or annual net profits to the Non-Profit entity is/are different from the ownership percentage, provide an explanation for such difference

In response to various questions in Section II.A.2.c.(2)(e) of the Application, the Applicant states that its claimed Non-Profit entity, Northwood Business Development Corp. ("Northwood"), will receive 50% of the developer fee. The Applicant further states that Northwood owns 51% of the general partnership interest in the Applicant (0.01%), i.e., an indirect 0.0051% "ownership" interest in the Applicant. The Applicant's Exhibit 6 does not explain this difference in developer fee versus ownership percentage, as required by the above-quoted language.

3. Exhibit 27 - Site Control - Page 20 of the Application Instructions requires an applicant to demonstrate its legal control of the property comprising the Development site by providing a contract, lease, etc., for the property. In applying this threshold requirement, FHFC has held as follows:

One of Florida Housing's primary considerations in evaluating applications for funding is whether the applicant can demonstrate that it is ready to proceed with development and construction of its proposed project. As part of this demonstration, Florida Housing's application requires all applicants to document that they have legal title to the property on which the project is proposed to be constructed, or that they have the legal right to acquire such title, e.g., through a contract for sale or a long-term, lease.

Brisben Tierra Bay Limited Partnership v. FHFC, FHFC Case No. 2002-0044, Exh. A, ¶20 (Final Order Oct. 10, 2002).

In response to this requirement, the Applicant has included land contracts in Exhibit 27 purporting to convey five parcels of property comprising the Development site. The first two parcels of property are being sold by the Northwood Business Development Corporation ("NBDC") to the Applicant via a "Contract for Purchase and Sale of Real Property," dated April 4, 2003. The remaining three parcels of property are purportedly being sold by the West Palm Beach Community Redevelopment Agency ("WPBCRA") to the Applicant via an "Agreement of Purchase and Sale," dated March 26, 2003.

Page 1 of this latter Agreement, however, makes clear, that the WPBCRA does not hold any legal title to the indicated property, and thus has no legal title to convey to the Applicant. Rather, the ninth "whereas" clause on page 1 of the Agreement makes clear that the WPBCRA does not own the three parcels of property it is seeking to convey to the Applicant via the Agreement, but rather that the WPBCRA wishes to facilitate "the acquisition of the parcels of land by purchase or eminent domain, and will be filing an eminent domain action in the Circuit Court in and for Palm Beach County to acquire the parcels of land."

Thus, the WPBCRA has no present legal title to the three parcels it seeks to convey via the Agreement, and thus cannot convey any legal title to the Applicant. The Applicant has therefore failed to demonstrate that it has the legal right to acquire the subject property, and its Application must be rejected for failing this threshold requirement.

4. Development Cost Pro Forma - Page 56 of the Application Instructions require Applicants to “include all anticipated costs” on the Development Cost Pro Forma. Notably, the Development Cost Pro Forma specifically requires applicants to break out those elements of cost that cannot be included in eligible basis and cannot be funded with tax credits. In Exhibit 23 and elsewhere in its Application, the Applicant reveals that it plans to construct a single three-story building with commercial retail space on the first floor and 84 affordable residential rental units on the second and third floors. See Exhibit 27, Agreement of Purchase and Sale, Whereas Clause #2.

Under the Internal Revenue Code and IRS rules, the cost of developing the first floor of the project cannot be included in eligible basis and cannot be financed with tax credits. Yet, the Applicant has plainly not separated out the cost of developing the planned commercial retail space in its Pro Forma. For example, the Applicant states a Total Construction Cost of \$6,148,315, comprised of Eligible Costs for its top two floors of affordable residential units of \$6,045,554, and an Ineligible Cost for the first floor commercial retail space of only \$102,761. Thus, the cost of building the commercial space is designated by the Applicant as only 1.7% of the Total Construction Cost, while the cost of building the residential space is listed as 98.3%. Clearly, the Applicant has significantly overstated the costs that can properly be included in eligible basis and financed with tax credits.

5. Development Cost Pro Forma - The Applicant lists its land cost on the Pro Forma as \$1,500,000. The documents submitted as evidence of site control in Exhibit 27, however, establish a land cost of only \$400,010. Two parcels of property are purchased via a “Contract for Purchase and Sale of Real Property,” dated April 4, 2003, which states a Purchase Price on page 1, section 1.3 of \$10. Three additional parcels are purchased via an “Agreement of Purchase and Sale,” dated March 26, 2003, which states a Purchase Price on page 2, section 1.1(a) of \$400,000. The Applicant has thus overstated its Total Development Cost by well over \$1 million.

6. Construction and Permanent Analysis/Financing Commitments - In the Construction Analysis and Permanent Analysis sections of the Application, the Applicant is required to list all sources of financing for its proposed Development. In Exhibit 27, as part of its site control documentation, the Applicant includes an “Assistance Agreement” that evidences a 16-year, \$400,000 loan from the West Palm Beach Community Redevelopment Agency to the Applicant to assist in the acquisition of three of the five parcels of property that comprise the Development site. This loan is to be secured by a mortgage on all five of the parcels. See Assistance Agreement, §2.1 (p.2); §4.1(d) (p.6). Yet, in its Construction Analysis and Permanent Analysis the Applicant does **not** list this \$400,000 loan as a source of funds.

Moreover, the Applicant was required to “[p]rovide documentation of all commitments from both the construction and permanent lender(s)” in its finance exhibits. Application Instruction, p. 57. The Applicant did not document this \$400,000 loan in its finance exhibits.

7. Exhibit 33 - Phase I Environmental Certification - If there are existing buildings on the proposed Development site, the Applicant must have an environmental consultant evaluate whether there are potential problems with asbestos or lead-based paint. In its Exhibit 33, the Applicant provided a completed form in which the environmental consultant checked the box

indicating that separate reports on asbestos and lead-based paint were prepared, but the consultant then noted below this item that the separate report covers “(ASBESTOS, ONLY).” The verification form has therefore not been properly completed, in compliance with the Application Instructions, and it has been modified in a manner that alters the meaning of the form. As such, the Application fails threshold and must be rejected.

8. Exhibit 57 - The Applicant’s loan commitment letter does not satisfy all of FHFC’s required criteria to qualify as firm funding commitments. As a result, a financing shortfall is created in the construction and/or permanent phases, and the Application fails threshold and must be rejected. Page 57 of the Application Instructions states that, for a loan commitment to be considered firm, it “must” contain the “signatures of all parties, including acceptance by the Applicant.” The loan commitment letter at Exhibit 57 has not been validly accepted by the Applicant on page 4. The signature block for the Applicant indicates that the signatory is signing for “Village Center GP, LLC” as the general partner of the Applicant. The Applicant’s general partner, however, is “Village Centre GP, LLC.”

FHFC Application Requirements

“Each page and applicable exhibit of the Application¹ **must** be **accurately completed**, and Applicants **must** provide **all** requested information. Failure to provide the requested information and documentation shall result in failure to meet threshold for threshold items and/or failure to achieve maximum points for point items.”

- Application Instructions, p. 2.²

“Requirements to meet threshold include:

1. None of the items described in Rule Chapters 67-21 and/or 67-48, F.A.C., has caused the rejection of the Application by the Corporation.
2. All applicable pages and exhibit forms of the Application **must** be completed.

- Application Instructions, p. 61.

“All Applications **must** be complete . . . when submitted”

- Fla. Admin. Code R. 67-48.004(1); see also R. 67-21.003(1).

¹ “Application” means “the completed forms from the Universal Application Package together with all exhibits.” Fla. Admin. Code R. 67-48.002(9) and 67-21.002(8).

² All emphasis in quoted material is added unless otherwise noted.

“Failure to submit an Application **completed in accordance with the Application instructions and these rules** will result in rejection of the Application or a score less than the maximum available in accordance with the instructions in the Application and this rule chapter.”

- Fla. Admin. Code R. 67-48.004(2); see also R. 67-21.003(2).

“The Corporation **shall reject** an Application if . . . :


(a) The Development is inconsistent with the purposes of the SAIL, HOME and/or HC Program(s) or does not conform to the Application requirements specified in this rule chapter;

(b) The Applicant fails to achieve the threshold requirements as detailed in these rules, the applicable Application, and Application instructions;

(c) The Applicant fails to file all applicable Application pages and exhibits which are provided by the Corporation and adopted under this rule chapter;

- Fla. Admin. Code R. 67-48.004(13); see also R. 67-21.003(13).

Respectfully submitted on this 20th day of May, 2003.



WARREN H. HUSBAND

Florida Bar No. 0979899

METZ, HAUSER & HUSBAND, P.A.

215 South Monroe Street, Suite 505

Post Office Box 10909

Tallahassee, FL 32302

(850) 205-9000

(850) 205-9001 (Fax)

Attorney and Authorized Representative for
Applicant # 2003-144C

As of: 06/09/2003

2003 MMRB, SAIL & HC Scoring Summary

File # 2003-099C

Development Name: Village Centre

As of:	Total Points	Met Threshold?	Proximity Tie-Breaker Points	Corporation Funding per Set-Aside Unit	SAIL Request Amount as Percentage of Development Cost	Is SAIL Request Amount Equal to or Greater than 10% of Total Development Cost?
06 - 09 - 2003	66	N	7.25	\$64,555.66	%	N
Preliminary	66	N	7.25	\$64,555.66	%	N
NOPSE	66	N	7.25	\$64,555.66	%	N
Final	0	N	0		0	
Post-Appeal	0	N	0		0	

Scores:

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Post-Appeal
Optional Features & Amenities									
1S	III	B	2.a.	New Construction	9	9	9	9	0
1S	III	B	2.b.	Rehabilitation/Substantial Rehabilitation	9	0	0	0	0
2S	III	B	2.c.	All Developments Except SRO	12	12	12	12	0
2S	III	B	2.d.	SRO Developments	12	0	0	0	0
3S	III	B	2.e.	Energy Conservation Features	9	9	9	9	0
Set-Aside Commitments									
4S	III	E	1.b.	Commitment to Serve Lower AMI	5	5	5	5	0
5S	III	E	1.c.	Total Set-Aside Commitment	3	3	3	3	0
6S	III	E	3.	Affordability Period	5	5	5	5	0
Resident Programs									
7S	III	F	1.	Programs for Non-Elderly & Non-Homeless	6	6	6	6	0
7S	III	F	2.	Programs for Homeless (SRO & Non-SRO)	6	0	0	0	0
7S	III	F	3.	Programs for Elderly	6	0	0	0	0
8S	III	F	4.	Programs for All Applicants	8	8	8	8	0
Local Government Support									
9S	IV		a.	Contributions	5	5	5	5	0
10S	IV		b.	Incentives	4	4	4	4	0

2003 MMRB, SAIL & HC Scoring Summary

As of: 06/09/2003

File # 2003-099C Development Name: Village Centre

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 Contract for Purchase and Sale of Real Property provided as evidence of Site Control provides for the automatic termination of the contract if an award of Tax Credits is not made to the development by Florida Housing by October 15, 2003, and does not include any other options allowing the buyer to continue the contract. While Florida Housing anticipates that final ranking will occur by mid-October 2003, the time line is tentative and subject to change.	Preliminary	
2T	II	A	Attorney's Opinion Letter	The attorney's opinion letter was not signed.	Preliminary	
3T	III	C	2 Site Control	It has not been demonstrated that the Seller has ownership of the property and has the ability to convey the property to the Purchaser (the Applicant). The March 26, 2003 Agreement of Purchase and Sale indicates that the Seller intends to file an eminent domain action in the Circuit Court in and for Palm Beach County to acquire the parcels of land and a condition for closing, as stated at Article 5.2(f) of the Agreement, is that the Seller is able to obtain title to the property by purchase or eminent domain.	NOPSE	
4T	III	C	5 Environmental Safety	The environmental provider indicated at Item 2.b. of the Verification of Environmental Safety - Phase I ESA form that a separate report addressing the presence or absence of asbestos or asbestos containing materials has been reviewed. However, there is no certification by the provider that the Phase I ESA addressed lead based paint or that there is a separate report addressing lead based paint that has been reviewed by the environmental firm.	NOPSE	
5T	V	E	Ex56 Equity Commitment	Page 60 of the Universal Application Instructions states as part of the criteria for a firm equity commitment that the commitment must expressly state the capital contribution pay-in schedule (stating the amounts to be paid prior to simultaneously with the closing of construction financing and the amounts paid prior to completion of construction). The Applicant provided an equity commitment that did not meet this criteria. As such, the equity commitment is not firm and not a source of financing. Also, it could not be determined whether the equity commitment met the criteria that 35% of the total equity be paid prior to or simultaneously with the closing of construction financing because the amount of equity being paid prior to or simultaneously with the closing of construction financing is not expressly stated.	NOPSE	
6T	V	B	Sources do not equal or exceed uses	The Application has a construction financing shortfall of \$6,391,150.	NOPSE	
7T	V	B	Sources do not equal or exceed uses	The Application has a permanent financing shortfall of \$7,419,000.	NOPSE	

2003 MMRB, SAIL & HC Scoring Summary

As of: 06/09/2003

File # 2003-099C

Development Name: Village Centre

Proximity Tie-Breaker Points:

Item #	Part	Section	Subsection	Description	Available	Preliminary	NOPSE	Final	Post-Appeal
1P	III	A	11.b.(1)	Grocery Store	1.25	1	1	0	0
2P	III	A	11.b.(2)	Public School	1.25	1.25	1.25	0	0
3P	III	A	11.b.(3)	Medical Facility	1.25	0	0	0	0
4P	III	A	11.b.(4)	Pharmacy	1.25	0	0	0	0
5P	III	A	11.b.(5)	Public Bus Stop or Metro-Rail Stop	1.25	1.25	1.25	0	0
6P	III	A	11.c.	Proximity to Developments on FHFC Development Proximity List	3.75	3.75	3.75	0	0

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

Item #	Reason(s)	Created As Result of	Rescinded as Result of
1P	Address provided for Grocery Store plots between 1 and 2 miles from the Tie-Breaker Measurement Point.	Preliminary	

2003 CURE FORM

(Submit a SEPARATE form for EACH reason
relative to EACH Application Part, Section, Subsection and Exhibit)

This Cure Form is being submitted with regard to Application No. 2003- 099C and pertains to:

Part III Section C Subsection 2 Exhibit No 27 (if applicable)

The attached information is submitted in response to the 2003 Universal Scoring Summary because:

- I. Preliminary Scoring and/or NOPSE scoring resulted in the imposition of a failure to achieve maximum points, a failure to achieve proximity tie-breaker points selected, and/or failure to achieve threshold relative to this form. Check applicable item(s) below:

	2003 Universal Scoring Summary	Created by:	
		Preliminary Scoring	NOPSE Scoring
<input type="checkbox"/> Reason Score Not Maxed	Item No. _____ S	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Reason Threshold Failed	Item No. <u>3</u> T	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/> Reason for Failure to Achieve Proximity Tie-Breaker Points Selected (MMRB/SAIL/HC Applications Only)	Item No. _____ P	<input type="checkbox"/>	<input type="checkbox"/>

OR

- II. Other changes are necessary to keep the Application consistent:

This revision or additional documentation is submitted to address an issue resulting from a Cure to Part _____ Section _____ Subsection _____ Exhibit _____ (if applicable).

Revised

CONTRACT FOR PURCHASE AND SALE OF REAL PROPERTY

This Contract for Purchase and Sale of Real Property (the "Contract") is made and entered into as of the 17th day of June, 2003, by and between Iglesia del Nazareno Belen, Inc., a Florida non-profit corporation (the "Seller"), and Village Centre Apartments, Ltd., a Florida limited partnership, or assigns (the "Buyer").

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

1. Definitions. The following capitalized terms shall have the meanings given to them in this Section 1. Other capitalized terms when used in this Contract for Purchase and Sale shall have the meanings given to such terms in the Definitions Addendum attached hereto as Exhibit AB@.

1.1 Closing Date. December 31, 2003.

1.2 Deposit. \$20,000.

1.3 Escrow Agent. Lewis, Longman & Walkman, P.A., shall be the Escrow Agent.

1.4 Investigation Period. The period of time beginning on the Effective Date and ending on the date which is thirty (30) days thereafter.

1.5 Purchase Price. \$260,000.

2. Purchase and Sale; Deposit. 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. Concurrently with the execution of this Contract by Buyer and Seller, Buyer shall deliver to Escrow Agent the Deposit.

3. Buyer's Inspection of the Property. During the Investigation Period, and if Buyer elects to go forward with the Closing, from the end of the Investigation Period until the Closing Date, Buyer shall have the right to enter upon the Property and to make all inspections and investigations of the condition of the Property which it may deem necessary, all of which inspections and investigations shall be undertaken at Buyer's cost and expense. After completing its inspection of the Property, if Buyer elects to terminate this Contract in accordance with this Section, Buyer shall leave the Property in the condition existing on the Effective Date. Buyer may elect to terminate this Contract at any time before the end of the Investigation Period, by written notice to Seller and to Escrow Agent. Upon a termination of this Contract, Escrow Agent shall return to Buyer the Deposit and thereafter this Contract shall be terminated and except as otherwise specifically set forth in this Contract, neither Buyer nor Seller shall have any further rights or obligations hereunder. If Buyer elects to proceed under this Contract and provided Seller shall not be in default hereunder, the Deposit shall become non-refundable to Buyer as of the end of the Investigation Period.

4. Title.

3.1 Marketable Title to Property. Seller shall convey to Buyer marketable title to the Property, subject only to the Permitted Exceptions. Marketable title shall be determined according to the Title Standards adopted by authority of The Florida Bar and in accordance with law.

3.2 Buyer to Notify Seller of Objectionable Exceptions. Buyer's Attorney shall obtain the Title Commitment and Buyer shall have until the end of the Investigation Period to examine the Title Commitment and to notify Seller as to any exception which is unacceptable to Buyer or Buyer's Attorney (the "Objectionable Exceptions"). If the Title Commitment reflects any Objectionable 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 Property is subject to any additional

Buyer LAB Seller R

Revised

exceptions which Buyer finds unacceptable, Buyer shall notify Seller in writing of the Objectable Exceptions to which Buyer objects within the Title Review Period, or as to Objectable Exception first made known to Buyer following the Investigation Period, within ten (10) days after Buyer

receives notice of such Objectable Exceptions. Buyer's failure to timely notify Seller as to any Objectable Exceptions shall be deemed a waiver of such Objectable Exceptions. Any Objectable Exceptions which are liquidated claims, outstanding mortgages, judgments, taxes (other than taxes which are subject to adjustment pursuant to the Contract), or are otherwise curable by the payment of money, without resort to litigation, may be satisfied from the Seller's proceeds at Closing and withheld by the Closing Agent for that purpose. If Buyer has timely notified Seller of any Objectable Exceptions, Seller shall take the actions necessary to have the Objectable Exceptions deleted or insured over by the Title Company, or transferred to bond so that they are removed from the Title Commitment. If Seller notifies Buyer that it is unable or unwilling to effect such a cure, Buyer shall have the option, to be exercised at any time prior to the Closing Date, to either (a) proceed to Closing and accept title in its existing condition without adjustment to the Purchase Price, or (b) terminate the Contract by sending written notice of termination to Seller. Upon such termination of the Contract, neither Buyer nor Seller shall have any further rights or obligations hereunder except as otherwise provided in the Contract.

4. Survey. Buyer may, at its expense, obtain a survey (the "Survey") of the Property. Buyer shall have until the end of the Investigation Period to examine the Survey. If the Survey shows any encroachment on the Property, or that any improvement located on the Property encroaches on the land of others, or if the Survey shows any other defect which would affect either the marketability of title to the Property or Buyer's intended use of the property, Buyer shall timely notify Seller of such encroachment or defect, and such encroachment or defect shall be treated in the same manner as title defects are treated under this Contract. Buyer's failure to timely notify the Seller of Survey defects shall be deemed a waiver of such defects.

5. Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer as of the Effective Date and as of the Closing Date as follows:

5.1 Seller's Existence and Authority. Seller has full power and authority to own and sell the Property and to comply with the terms of this Contract. 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 will not (a) result in a breach of or default under any indenture, agreement, instrument or obligation to which Seller is a party and which affects all or any portion of the Property, (b) result in the imposition of any lien or encumbrance upon the Property under any agreement or other instrument to which Seller is a party or by which Seller or the Property might be bound, or (c) constitute a violation of any law, rule, order or ordinance.

5.2 No Default. Seller is not in default under any indenture, mortgage, deed of trust, loan agreement, or other agreement to which Seller is a party and which affects any portion of the Property.

5.3 Title. Seller is the owner of marketable title to the Property, free and clear of all liens, encumbrances and restrictions of any kind, except the Permitted Exceptions and encumbrances of record which will be paid and removed at Closing.

5.4 Litigation. Other than with regard to a condemnation action by the West Palm Beach Community Redevelopment Agency, there are no actions, suits, proceedings or investigations pending or, to Seller's knowledge, threatened against Seller or the Property affecting any portion of the Property.

5.5 No Hazardous Material. To the best of Seller's knowledge, the Property has not in the past been used and is not presently being used for the handling, storage, transportation or disposal of any materials designated as hazardous under any law, rule, order or ordinance.

Buyer *[Signature]* Seller *[Signature]*

Revised

5.6 Parties in Possession. There are no parties other than Seller in possession or with a right to possession of any portion of the Property.

5.7 Survival of Representations. All of the representations of the Seller set forth in this Contract shall be true upon the execution of this Contract, shall be deemed to be repeated at and as of the Closing Date, and shall be true as of the Closing Date.

6. Seller's Affirmative Covenants.

6.1 Cooperation with Governmental Authority. Seller agrees, at no cost to Seller, to cooperate fully with Buyer with respect to Buyer's efforts to obtain approval of any platting, zoning, permits, site planning, and other licenses and approvals required by Buyer and upon receipt of written request therefor.

6.2 Acts Affecting Property. From and after the Effective Date, Seller will refrain from performing any grading, excavation, construction, or making any other change or improvement upon or about the Property.

6.3 Notice of Changes in Laws. Seller will advise Buyer promptly of receipt of notice of any change in any applicable governmental requirement which might affect the value or use of the Property.

6.4 Further Assurances. In addition to the obligations required to be performed hereunder by Seller at the Closing, Seller agrees to perform such other acts, and to execute, acknowledge, and deliver subsequent to the Closing such other instruments, documents, and other materials as Buyer may reasonably request in order to effectuate the consummation of the transactions contemplated herein and to vest title to the Property in Buyer.

7. Closing. Subject to all of the provisions of this Contract, Buyer and Seller shall close this transaction on the Closing Date. The Closing shall take place at the office designated by Buyer's lender. Seller may deliver the Seller's Documents to the Closing Agent prior to Closing, with escrow instructions for the release of the Seller's Documents and the disbursement of the Seller's proceeds. Buyer shall be granted full possession of the Property at Closing.

8. Seller's Closing Documents. At Closing, Seller shall deliver the following documents ("Seller's Closing Documents") to Buyer's Attorney: (i) the Deed, (ii) a customary no-lien and a gap affidavit as may be required by the Title Company or the Buyer's Attorney, (iii) an assignment of any and all rights of the Seller as developer of the Property, including, but not limited to, rights to water and sewer allocation, rights to storm water drainage, rights to impact fee credits and rights to allocate to the property development units, (iv) a corporate resolution authorizing the sale of the Property and (v) closing statement.

9. Prorations and Closing Costs.

9.1 Prorations. The following items shall be prorated and adjusted between Seller and Buyer as of the midnight preceding the Closing, except as otherwise specified:

9.1.1 Taxes. Real estate taxes shall be prorated on the following basis: (i) if a tax bill for the year of Closing is available (after November 1), then proration shall be based upon the current bill; or (ii) if the tax bill for the year of Closing is not available (between January 1 and November 1), then proration shall be based upon the prior year's tax bill with no allowance for discount. If subsequent to the Closing, taxes for the year of Closing are determined to be higher or lower than as prorated, a reproration and adjustment will be made at the request of Buyer or Seller upon presentation of actual tax bills, and any payment required as a result of the reproration shall be made within ten (10) days following demand therefor. All other prorations and adjustments shall be final. This provision shall survive the Closing.

Buyer 1/0/13 Seller R

Revised

9.2 Closing Costs. Buyer shall pay for all of the customary costs of closing prior to or at the time of Closing, which costs to be paid by Buyer shall include the following: (i) Documentary stamps on Deed, (ii) Documentary stamp surtax on Deed, if any, (iii) Survey, (iv) Title Commitment, (v) Title Policy premium and (vi) its own legal fees. Seller shall be responsible for (a) the costs to cure Mandatory Exceptions and Optional Exceptions where the cure is undertaken by Seller, (b) Seller's Attorney's Fees and (c) any costs arising from the negligent or willful act of the Seller pertaining to the Property occurring prior to the Closing.

10. Condemnation.

10.1 Action by an Authority Other Than West Palm Beach Community Redevelopment Agency. In the event of the institution of any proceedings by any governmental authority which shall relate to the proposed taking of any portion of the Property by eminent domain prior to Closing, or in the event of the taking of any portion of the Property by eminent domain prior to Closing, other than with regard to the condemnation action currently commenced by the West Palm Beach Community Redevelopment Agency, Seller shall promptly notify Buyer and Buyer shall thereafter have the right and option to terminate this Contract by giving Seller written notice of Buyer's election to terminate within fifteen (15) days after receipt by Buyer of the notice from Seller. Seller hereby agrees to furnish Buyer with written notice of a proposed condemnation within two (2) Business Days after Seller's receipt of such notification. Should Buyer terminate this Contract, the parties hereto shall be released from their respective obligations and liabilities hereunder. Should Buyer elect not to terminate, the parties hereto shall proceed to Closing and Seller shall assign all of its right, title and interest in all awards in connection with such taking to Buyer.

10.2 Action by West Palm Beach Community Redevelopment Agency. Seller acknowledges that the consummation of the transaction contemplated by this Contract will fully compensate Seller for the conveyance of title to the Property. Seller hereby waives all claim to any and all awards to be obtained in connection with the condemnation action being prosecuted by the West Palm Beach Community Redevelopment Agency.

11. Default.

11.1 Buyer's Remedies for Seller's Default. In the event that this transaction fails to close due to a refusal to close or default on the part of Seller, Buyer as its sole remedy shall have the right to elect any one of the following options: (i) Buyer may terminate the Contract and thereafter neither Buyer nor Seller shall have any further obligations under this Contract; (ii) Buyer may seek specific performance of the Contract; or (iii) Buyer may institute an action against the Seller for damages sustained by Buyer.

11.2 Seller's Remedies for Buyer's Default. In the event that this transaction fails to close due to a refusal or default on the part of Buyer the Deposit shall be paid by the Escrow Agent to 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 obligation under this Contract; or in the alternative, Seller shall have the remedy of specific performance. 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 payment of the Deposit 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 damage provision and not a penalty or forfeiture provision.

12. Brokerage Indemnification. Each party represents to the other that no broker has been involved in this transaction. It is agreed that if any claims for brokerage commissions or fees are ever made against Seller or Buyer in connection with this transaction, all such claims shall

Buyer 100 Seller RP

Revised

IN WITNESS WHEREOF, the parties have executed this Contract as of the dates indicated below.

SELLER:

IGLESIA DEL NAZARENO BELEN, INC., a
Florida non-profit corporation

By: [Signature]
Name: ROD E. POVEDA
Title: PASTOR

BUYER:

Village Centre Apartments, Ltd., a Florida
limited partnership

By: Village Centre GP, LLC, its general
partner

By: [Signature]
Name: VIVIAN L. BROWN
Title: Secretary

EXHIBIT A

Lots 41 and 42, Block 17, NORTHWOOD ADDITION TO WEST
PALM BEACH (PLAT NO. 4), according to the Plat thereof, as
recorded in Plat Book 9, Page 47, of the Public Records of Palm Beach
County, Florida

Buyer [Signature] Seller [Signature]

Revised

EXHIBIT B

DEFINITIONS ADDENDUM

1. Acceptance Date. June 17, 2003.
2. Attorneys' Fees. All reasonable fees and expenses charged by an attorney for its services and the services of any paralegals, legal assistants or law clerks, including (but not limited to) fees and expenses charged for representation at the trial level and in all appeals.
3. Business Day. Any day that the banks in Miami-Dade County, Florida are open for business, excluding Saturdays and Sundays.
4. Buyer's Address. 2937 S.W. 27th Avenue, Coconut Grove, Florida 33133; Telephone (305) 476-8118; Telecopy (305)476-1557.
5. Buyer's Attorney. Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A., Attention: Brian J. McDonough, Esq. and Patricia K. Green, Esq. Buyer's Attorney's mailing address is 150 West Flagler Street, Suite 2300, Miami, Florida 33130; Telephone (305) 789-3350 (McDonough); 789-3345 (Green); Telecopy (305) 789-3395; e-mail: pgreen@swmwas.com.
6. Closing. The delivery of the Deed to Buyer concurrently with the delivery of the Purchase Price to Seller.
7. Closing Agent. Buyer's Attorney as agent for the Title Company shall be the Closing Agent.
8. Deed. The General Warranty Deed which conveys the Property from Seller to Buyer.
9. Effective Date. The date this Contract is executed by the last party to sign it and communication of such fact of execution to the other party.
10. Permitted Exceptions. Such exceptions to title as are set forth in Schedule B - Section 2 of the Title Commitment and are acceptable to Buyer, in its sole and absolute discretion.
11. Property. That certain real property located in Palm Beach County, Florida, more particularly described in Exhibit "A" attached to the Contract and made a part thereof, together with all property rights, easements, privileges and appurtenances thereto and all leases, rents, and profits derived therefrom.
12. Seller's Address. 5836 West Fall Road, Lake Worth, Florida 33463; Telephone (561) _____; Telecopy (561) _____.
13. Title Commitment. An ALTA title insurance commitment (Florida Current Edition) from the Title Company, agreeing to issue the Title Policy to Buyer upon satisfaction of the Buyer's obligations pursuant to this Contract.

Buyer ms Seller ef

Revised

14. Title Company. Lawyers Title Insurance Corporation or such other nationally recognized title insurance company licensed to write title insurance in the State of Florida approved by Buyer.
15. Title Policy. An ALTA Owner's Title Insurance Policy (Florida Current Edition) with Florida modifications in the amount of the Purchase Price, insuring Buyer's title to the Property, subject only to the Permitted Exceptions.

Buyer *MB* Seller *AL*

Revised

CONTRACT FOR PURCHASE AND SALE OF REAL PROPERTY

This Contract for Purchase and Sale of Real Property (the "Contract") is made and entered into as of the 17th day of June, 2003, by and between Paws 2 Help, Inc., a Florida non-profit corporation (the "Seller"), and Village Centre Apartments, Ltd., a Florida limited partnership, or assigns (the "Buyer").

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

1. Definitions. The following capitalized terms shall have the meanings given to them in this Section 1. Other capitalized terms when used in this Contract for Purchase and Sale shall have the meanings given to such terms in the Definitions Addendum attached hereto as Exhibit "B".

1.1 Closing Date. December 31, 2003.

1.2 Deposit. \$10,000.

1.3 Escrow Agent. Lewis, Longman & Walkman, P.A., shall be the Escrow Agent.

1.4 Investigation Period. The period of time beginning on the Effective Date and ending on the date which is thirty (30) days thereafter.

1.5 Purchase Price. \$265,000.

2. Purchase and Sale; Deposit. 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. Concurrently with the execution of this Contract by Buyer and Seller, Buyer shall deliver to Escrow Agent the Deposit.

3. Buyer's Inspection of the Property. During the Investigation Period, and if Buyer elects to go forward with the Closing, from the end of the Investigation Period until the Closing Date, Buyer shall have the right to enter upon the Property and to make all inspections and investigations of the condition of the Property which it may deem necessary, all of which inspections and investigations shall be undertaken at Buyer's cost and expense. After completing its inspection of the Property, if Buyer elects to terminate this Contract in accordance with this Section, Buyer shall leave the Property in the condition existing on the Effective Date. Buyer may elect to terminate this Contract at any time before the end of the Investigation Period, by written notice to Seller and to Escrow Agent. Upon a termination of this Contract, Escrow Agent shall return to Buyer the Deposit and thereafter this Contract shall be terminated and except as otherwise specifically set forth in this Contract, neither Buyer nor Seller shall have any further rights or obligations hereunder. If Buyer elects to proceed under this Contract and provided Seller shall not be in default hereunder, the Deposit shall become non-refundable to Buyer as of the end of the Investigation Period.

4. Title.

3.1 Marketable Title to Property. Seller shall convey to Buyer marketable title to the Property, subject only to the Permitted Exceptions. Marketable title shall be determined according to the Title Standards adopted by authority of The Florida Bar and in accordance with law. This shall exclude any code enforcement liens held by the City of West Palm Beach or its Boards or its Special Masters. Buyer shall take property subject to such liens, if any.

3.2 Buyer to Notify Seller of Objectionable Exceptions. Buyer's Attorney shall obtain the Title Commitment and Buyer shall have until the end of the Investigation Period to examine the Title Commitment and to notify Seller as to any exception which is unacceptable to Buyer or Buyer's Attorney (the "Objectionable Exceptions"). If the Title Commitment reflects

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any Objectionable 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 Property is subject to any additional exceptions which Buyer finds unacceptable, Buyer shall notify Seller in writing of the Objectionable Exceptions to which Buyer objects within the Title Review Period, or as to Objectionable Exception first made known to Buyer following the Investigation Period, within ten (10) days after Buyer receives notice of such Objectionable Exceptions. Buyer's failure to timely notify Seller as to any Objectionable Exceptions shall be deemed a waiver of such Objectionable Exceptions. Any Objectionable Exceptions which are liquidated claims, outstanding mortgages, judgments, taxes (other than taxes which are subject to adjustment pursuant to the Contract), or are otherwise curable by the payment of money, without resort to litigation, may be satisfied from the Seller's proceeds at Closing and withheld by the Closing Agent for that purpose. If Buyer has timely notified Seller of any Objectionable Exceptions, Seller shall take the actions necessary to have the Objectionable Exceptions deleted or insured over by the Title Company, or transferred to bond so that they are removed from the Title Commitment. If Seller notifies Buyer that it is unable or unwilling to effect such a cure, Buyer shall have the option, to be exercised at any time prior to the Closing Date, to either (a) proceed to Closing and accept title in its existing condition without adjustment to the Purchase Price, or (b) terminate the Contract by sending written notice of termination to Seller. Upon such termination of the Contract, neither Buyer nor Seller shall have any further rights or obligations hereunder except as otherwise provided in the Contract. This shall exclude any code enforcement liens held by the City of West Palm Beach or its Boards or its Special Masters. Buyer shall take property subject to these liens, if any, which shall not be paid from the purchase proceeds.

4. Survey. Buyer may, at its expense, obtain a survey (the "Survey") of the Property. Buyer shall have until the end of the Investigation Period to examine the Survey. If the Survey shows any encroachment on the Property, or that any improvement located on the Property encroaches on the land of others, or if the Survey shows any other defect which would affect either the marketability of title to the Property or Buyer's intended use of the property, Buyer shall timely notify Seller of such encroachment or defect, and such encroachment or defect shall be treated in the same manner as title defects are treated under this Contract. Buyer's failure to timely notify the Seller of Survey defects shall be deemed a waiver of such defects.

5. Seller's Representations, Representations and Warranties. Seller hereby represents and warrants to Buyer as of the Effective Date and as of the Closing Date as follows:

5.1 Seller's Existence and Authority. Seller has full power and authority to own and sell the Property and to comply with the terms of this Contract. 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 will not (a) result in a breach of or default under any indenture, agreement, instrument or obligation to which Seller is a party and which affects all or any portion of the Property, (b) result in the imposition of any lien or encumbrance upon the Property under any agreement or other instrument to which Seller is a party or by which Seller or the Property might be bound, or (c) constitute a violation of any law, rule, order or ordinance.

5.2 No Default. Seller is not in default under any indenture, mortgage, deed of trust, loan agreement, or other agreement to which Seller is a party and which affects any portion of the Property.

5.3 Title. Seller is the owner of marketable title to the Property, free and clear of all liens, encumbrances and restrictions of any kind, except the Permitted Exceptions and encumbrances of record which will be paid and removed at Closing. This shall exclude any code enforcement liens held by the City of West Palm Beach or its Boards or its Special Masters. Buyer shall take property subject to these liens, if any, which shall not be paid from the purchase proceeds

Revised

5.4 Litigation. Other than with regard to a condemnation action by the West Palm Beach Community Redevelopment Agency, there are no actions, suits, proceedings or investigations pending or, to Seller's knowledge, threatened against Seller or the Property affecting any portion of the Property.

5.5 No Hazardous Material. To the best of Seller's knowledge, the Property has not in the past been used and is not presently being used for the handling, storage, transportation or disposal of any materials designated as "hazardous" under any law, rule, order or ordinance.

5.6 Parties in Possession. There are no parties other than Seller in possession or with a right to possession of any portion of the Property.

5.7 Survival of Representations. All of the representations of the Seller set forth in this Contract shall be true upon the execution of this Contract, shall be deemed to be repeated at and as of the Closing Date, and shall be true as of the Closing Date.

6. Seller's Affirmative Covenants.

6.1 Cooperation with Governmental Authority. Seller agrees, at no cost to Seller, to cooperate fully with Buyer with respect to Buyer's efforts to obtain approval of any platting, zoning, permits, site planning, and other licenses and approvals required by Buyer and upon receipt of written request therefor.

6.2 Acts Affecting Property. From and after the Effective Date, Seller will refrain from performing any grading, excavation, construction, or making any other change or improvement upon or about the Property. Seller may remove any and all of its personal property and fixtures.

6.3 Notice of Changes in Laws. Seller will advise Buyer promptly of receipt of notice of any change in any applicable governmental requirement which might affect the value or use of the Property.

6.4 Further Assurances. In addition to the obligations required to be performed hereunder by Seller at the Closing, Seller agrees to perform such other acts, and to execute, acknowledge, and deliver subsequent to the Closing such other instruments, documents, and other materials as Buyer may reasonably request in order to effectuate the consummation of the transactions contemplated herein and to vest title to the Property in Buyer.

7. Closing. Subject to all of the provisions of this Contract, Buyer and Seller shall close this transaction on the Closing Date. The Closing shall take place at the office designated by Buyer's lender. Seller may deliver the Seller's Documents to the Closing Agent prior to Closing, with escrow instructions for the release of the Seller's Documents and the disbursement of the Seller's proceeds. Buyer shall be granted full possession of the Property at Closing.

8. Seller's Closing Documents. At Closing, Seller shall deliver the following documents ("Seller's Closing Documents") to Buyer's Attorney: (i) the Deed, (ii) a customary no-lien and "gap" affidavit as may be required by the Title Company or the Buyer's Attorney, (iii) an assignment of any and all rights of the Seller as developer of the Property, including, but not limited to, rights to water and sewer allocation, rights to storm water drainage, rights to impact fee credits and rights to allocate to the property development units, (iv) a corporate resolution authorizing the sale of the Property and (v) closing statement. The no lien affidavit shall exclude code enforcement liens held by the City of West Palm Beach or its Boards or Special Masters. Buyer shall take property subject to such liens.

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9. Prorations and Closing Costs.

9.1 Prorations. The following items shall be prorated and adjusted between Seller and Buyer as of the midnight preceding the Closing, except as otherwise specified:

9.1.1 Taxes. Real estate taxes shall be prorated on the following basis: (i) if a tax bill for the year of Closing is available (after November 1), then proration shall be based upon the current bill; or (ii) if the tax bill for the year of Closing is not available (between January 1 and November 1), then proration shall be based upon the prior year's tax bill with no allowance for discount. If subsequent to the Closing, taxes for the year of Closing are determined to be higher or lower than as prorated, a re-proration and adjustment will be made at the request of Buyer or Seller upon presentation of actual tax bills, and any payment required as a result of the re-proration shall be made within ten (10) days following demand therefor. All other prorations and adjustments shall be final. This provision shall survive the Closing.

9.2 Closing Costs. Buyer shall pay for all of the customary costs of closing prior to or at the time of Closing, which costs to be paid by Buyer shall include the following: (i) Documentary stamps on Deed, (ii) Documentary stamp surtax on Deed, if any, (iii) Survey, (iv) Title Commitment, (v) Title Policy premium and (vi) its own legal fees. Seller shall be responsible for (a) the costs to cure Mandatory Exceptions and Optional Exceptions where the cure is undertaken by Seller, (b) Seller's Attorney's Fees and (c) any costs arising from the negligent or willful act of the Seller pertaining to the Property occurring prior to the Closing.

9.3 Other Fees and Costs. Buyer shall pay to Seller, by delivering a check payable to the Trust Account of Barry S. Balmuth, P.A. (for further disbursement), the sum of \$34,293.75 consisting of the following fees and costs payable under the Florida Constitution and Sections 73.091 and 73.092 of the Florida Statutes: (i) attorney's fees of Barry S. Balmuth, P.A. in the amount of \$28,050; (ii) real estate appraisal fees of Johnson, Parrish, & Edwards, Inc. in the amount of \$3,243.75; and (iii) fixture appraisal fees of Charles Cawthra & Assoc., Inc. in the amount of \$3,000. The City of West Palm Beach Community Redevelopment Agency ("CRA") may pay these sums on behalf of Buyer, but, in the event CRA does not timely pay these fees and costs, Buyer shall be fully obligated to pay same at closing.

10. Condemnation.

10.1 Action by an Authority Other Than West Palm Beach Community Redevelopment Agency. In the event of the institution of any proceedings by any governmental authority which shall relate to the proposed taking of any portion of the Property by eminent domain prior to Closing, or in the event of the taking of any portion of the Property by eminent domain prior to Closing, other than with regard to the condemnation action currently commenced by the West Palm Beach Community Redevelopment Agency, Seller shall promptly notify Buyer and Buyer shall thereafter have the right and option to terminate this Contract by giving Seller written notice of Buyer's election to terminate within fifteen (15) days after receipt by Buyer of the notice from Seller. Seller hereby agrees to furnish Buyer with written notice of a proposed condemnation within two (2) Business Days after Seller's receipt of such notification. Should Buyer terminate this Contract, the parties hereto shall be released from their respective obligations and liabilities hereunder. Should Buyer elect not to terminate, the parties hereto shall proceed to Closing and Seller shall assign all of its right, title and interest in all awards in connection with such taking to Buyer.

10.2 Action by West Palm Beach Community Redevelopment Agency. Seller acknowledges that the consummation of the transaction contemplated by this Contract will fully compensate Seller for the conveyance of title to the Property. Seller hereby waives all claims

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any and all awards to be obtained in connection with the condemnation action being prosecuted by the West Palm Beach Community Redevelopment Agency.

11. Default.

11.1 Buyer's Remedies for Seller's Default. In the event that this transaction fails to close due to a refusal to close or default on the part of Seller, Buyer as its sole remedy shall have the right to elect any one of the following options: (i) Buyer may terminate the Contract and thereafter neither Buyer nor Seller shall have any further obligations under this Contract; (ii) Buyer may seek specific performance of the Contract; or (iii) Buyer may institute an action against the Seller for damages sustained by Buyer.

11.2 Seller's Remedies for Buyer's Default. In the event that this transaction fails to close due to a refusal or default on the part of Buyer the Deposit shall be paid by the Escrow Agent to 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 obligation under this Contract; or in the alternative, Seller shall have the remedy of specific performance. 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 payment of the Deposit 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 damage provision and not a penalty or forfeiture provision.

12. Brokerage Indemnification. Each party represents to the other that no broker has been involved in this transaction. It is agreed that if any claims for brokerage commissions or fees are ever made against Seller or Buyer in connection with this transaction, all such claims shall be handled and paid by the party whose actions or alleged commitments form the basis of such claim. It is further agreed that each party agrees to indemnify and hold harmless the other from and against any and all such claims or demands with respect to any brokerage fees or agents' commissions or other compensation asserted by any person, firm, or corporation in connection with this Agreement or the transactions contemplated hereby.

13. 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 (a) hand-delivered, (b) sent by Federal Express or a comparable overnight mail service, or (c) mailed by U.S. registered or certified mail, return receipt requested, postage prepaid, or (d) 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 and Seller's Attorney at their respective addresses set forth in the Definitions Addendum of this Contract. Notice shall be deemed to have been given upon receipt or refusal of delivery of said notice. The addressees and addresses for the purpose of this paragraph may be changed by giving notice.

14. Miscellaneous. (i) 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; (ii) the section and paragraph headings herein contained are for the purposes of identification only and shall not be considered in construing this Contract; (iii) no modification or amendment of this Contract shall be of any force or effect unless in writing executed by both Seller and Buyer; (iv) if any party obtains a judgment against any other party by reason of breach of this Contract, Attorneys' Fees and costs shall be included in such judgment; (v) this Contract shall be interpreted in accordance with the internal laws of the State of Florida, both substantive and remedial; (vi) this Contract sets forth the entire agreement between Seller and Buyer relating to the Property and all subject matter herein and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the parties; (vii) time is of the essence in the performance of all obligations by Buyer and Seller under this Contract; (viii) any reference herein to time periods of less than six (6) days shall exclude Saturdays, Sundays

at 11/15/05

Revised

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. on the next full Business Day; (ix) this Contract shall inure to the benefit of and be binding upon the permitted successors and assigns of the parties hereto; (x) this Contract shall be null and void and of no further force and effect unless a copy of same executed by Seller is delivered to Buyer by the close of business on the Acceptance Date; and (xi) all of the parties to this Contract have participated freely in the negotiation and preparation hereof; accordingly, this Contract shall not be more strictly construed against any one of the parties hereto.

15. Notice Regarding 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.

16. Venue. Buyer and Seller agree that any suit, action, or other legal proceeding arising out of or relating to this Contract ~~may~~ be brought in circuit court in Palm Beach County, Florida, ~~or in any other court of competent jurisdiction.~~

shall
SIGNATURES APPEAR ON FOLLOWING PAGE *NPB GVE*

Revised

[Handwritten initials]

IN WITNESS WHEREOF, the parties have executed this Contract as of the date indicated below.

SELLER:

PAWS 2 HELP, INC., a Florida non-profit corporation

By: *[Signature]*
Name: LEVIS WAD GROSS
Title: President

BUYER:

Village Centre Apartments, Ltd., a Florida limited partnership

By: Village Centre GP, LLC, its general partner

By: *[Signature]*
Name: VIVIAN L. B. ROOPE
Title: Secretary

Revised

EXHIBIT "A"

Lots 1-4, inclusive, in Block 17, NORTHWOOD ADDITION TO WEST
PALM BEACH (PLAT NO. 4), according to the Plat thereof, as recorded
in Plat Book 9, Page 47, of the Public Records of Palm Beach County,
Florida

Handwritten signature/initials
1/10/03

Revised

EXHIBIT "B"

DEFINITIONS ADDENDUM

1. Acceptance Date. June 17, 2003.
2. Attorneys' Fees. All reasonable fees and expenses charged by an attorney for its services and the services of any paralegals, legal assistants or law clerks, including (but not limited to) fees and expenses charged for representation at the trial level and in all appeals.
3. Business Day. Any day that the banks in Miami-Dade County, Florida are open for business, excluding Saturdays and Sundays.
4. Buyer's Address. 2937 S.W. 27th Avenue, Coconut Grove, Florida 33133; Telephone (305) 476-8118; Telecopy (305)476-1557.
5. Buyer's Attorney. Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A., Attention: Brian J. McDonough, Esq. and Patricia K. Green, Esq. Buyer's Attorney's mailing address is 150 West Flagler Street, Suite 2300, Miami, Florida 33130; Telephone (305) 789-3350 (McDonough); 789-3345 (Green); Telecopy (305) 789-3395; e-mail: pgreen@swmwas.com.
6. Closing. The delivery of the Deed to Buyer concurrently with the delivery of the Purchase Price to Seller.
7. Closing Agent. Buyer's Attorney as agent for the Title Company shall be the Closing Agent.
8. Deed. The General Warranty Deed which conveys the Property from Seller to Buyer.
9. Effective Date. The date this Contract is executed by the last party to sign it and communication of such fact of execution to the other party.
10. Permitted Exceptions. Such exceptions to title as are set forth in Schedule B - Section 2 of the Title Commitment and are acceptable to Buyer, in its sole and absolute discretion.
11. Property. That certain real property located in Palm Beach County, Florida, more particularly described in Exhibit "A" attached to the Contract and made a part thereof, together with all property rights, easements, privileges and appurtenances thereto and all leases, rents, and profits derived therefrom.
12. Seller's Address. 2175 Palm Beach Lakes Boulevard, West Palm Beach, Florida 33409; Telephone (561) _____; Telecopy (561) _____.
13. Title Commitment. An ALTA title insurance commitment (Florida Current Edition) from the Title Company, agreeing to issue the Title Policy to Buyer upon satisfaction of the Buyer's obligations pursuant to this Contract.
14. Title Company. Lawyers Title Insurance Corporation or such other nationally recognized title insurance company licensed to write title insurance in the State of Florida approved by Buyer.

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15. Title Policy. An ALTA Owner's Title Insurance Policy (Florida Current Edition) with Florida modifications in the amount of the Purchase Price, insuring Buyer's title to the Property, subject only to the Permitted Exceptions.

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Contract For Sale And Purchase
FLORIDA ASSOCIATION OF REALTORS AND THE FLORIDA BAR

Revised

PARTIES: Bernardo Ormande Trust ("Seller")
and Village Centre Apartments, Ltd. ("Buyer")
hereby agree that Seller shall sell and Buyer shall buy the following described Real Property and Personal Property (collectively "Property")
pursuant to the terms and conditions of this Contract for Sale and Purchase and any riders and addenda ("Contract"):

I. DESCRIPTION:
(a) Legal description of the Real Property located in Palm Beach County, Florida:
Lots 5 and 6, Block 17, Northwood Addition, Plat No. 4,
Plat Book 9, Page 47, Palm Beach County, Plat Book 9, Page 47, a certain parcel
(b) Street address, city, zip of the Property: 588 25th Street, West Palm Beach, FL 33407
(c) Personal Property includes existing range, refrigerator, dishwasher, ceiling fans, light fixtures, and window treatments unless
specifically excluded below.
Other items included are: N/A
Items of Personal Property (and leased items, if any) excluded are: N/A

II. PURCHASE PRICE (U.S. currency): \$ 200,000.00
PAYMENT:
(a) Deposit held in escrow by Lewis Longmatt Walker (Escrow Agent) in the amount of \$ 40,000.00
(b) Additional escrow deposit to be made to Escrow Agent within 45 days after Effective Date
(see Paragraph III) in the amount of \$ 40,000.00
(c) Assumption of existing mortgage in good standing (see Paragraph IV(c)) having an approximate
present principal balance of \$ _____
(d) New mortgage financing with a Lender (see Paragraph IV(b)) in the amount of \$ _____
(e) Purchase money mortgage and note to Seller (See Paragraph IV(d)) in the amount of \$ _____
(f) Other: \$ _____
(g) Balance to close by cash or LOCALLY DRAWN cashier's or official bank check(s), subject
to adjustments or provisions \$ 0

III. TIME FOR ACCEPTANCE OF OFFER AND COUNTEROFFERS; EFFECTIVE DATE:
(a) If this offer is not executed by and delivered to all parties OR FACT OF EXECUTION communicated in writing between the parties on or
before 01/17/03, the deposit(s) will, at Buyer's option, be returned and this offer withdrawn, UNLESS OTH-
ERWISE STATED. THE TIME FOR ACCEPTANCE OF ANY COUNTEROFFERS SHALL BE 2 DAYS FROM THE DATE THE COUN-
TEROFFER IS DELIVERED.
(b) The date of Contract ("Effective Date") will be the date when the last one of the Buyer and Seller has signed or initialed this offer or the
final counteroffer. If such date is not otherwise set forth in this Contract, then the "Effective Date" shall be the date determined above for
acceptance of this offer or, if applicable, the final counteroffer.

IV. FINANCING:
 (a) This is a cash transaction with no contingencies for financing;
 (b) This Contract is contingent on Buyer obtaining approval of a loan ("Loan Approval") within _____ days after Effective Date for (CHECK
ONLY ONE): a fixed; an adjustable; or a fixed or adjustable rate loan, in the principal amount of \$ _____, at an initial inter-
est rate not to exceed _____%, discount and origination fees not to exceed _____% of principal amount, and for a term of _____
years. Buyer will make application within _____ days (if blank, then 5 days) after Effective Date and use reasonable diligence to obtain Loan
Approval and, thereafter, to satisfy terms and conditions of the Loan Approval and close the loan. Buyer shall pay all loan expenses. If Buyer
fails to obtain a Loan Approval or fails to waive Buyer's rights under this subparagraph within the time for obtaining Loan Approval or, after
diligent, good faith effort, fails to meet the terms and conditions of the Loan Approval by Closing, then either party thereafter, by written notice
to the other, may cancel this Contract and Buyer shall be refunded the deposit(s);
 (c) Assumption of existing mortgage (see rider for terms); or
 (d) Seller financing (see Standard B and riders; addenda; or special clauses for terms).

V. TITLE EVIDENCE: At least 10 days (if blank, then 5 days) before Closing:
 (a) Title insurance commitment with legible copies of instruments listed as exceptions attached thereto ("Title Commitment") and, after
Closing, an owner's policy of title insurance (see Standard A for terms); or (b) Abstract of title or other evidence of title (see rider for terms),
shall be obtained by (CHECK ONLY ONE): (1) Seller, at Seller's expense and delivered to Buyer or Buyer's attorney; or
 (2) Buyer at Buyer's expense.

VI. CLOSING DATE: This transaction shall be closed and the closing documents delivered on 12/31/03 ("Closing"), unless
modified by other provisions of this Contract. If Buyer is unable to obtain Hazard, Wind, Flood, or Homeowners' insurance at a reasonable rate
due to extreme weather conditions, Buyer may delay Closing for up to 5 days after such coverage becomes available.

VII. RESTRICTIONS; EASEMENTS; LIMITATIONS: Seller shall convey marketable title subject to: comprehensive land use plans, zoning,
restrictions, prohibitions and other requirements imposed by governmental authority; restrictions and matters appearing on the plat or otherwise
common to the subdivision; outstanding oil, gas and mineral rights of record without right of entry; unplatted public utility easements of record
located contiguous to real property lines and not more than 10 feet in width as to the rear or front lines and 7 1/2 feet in width as to the side

Seller: [Signature]
Buyer: [Signature]

Revised

50 lines); taxes for year of Closing and subsequent years; and assumed mortgages and purchase money mortgages, if any (if additional items, see
51 addendum); provided, that there exists at Closing no violation of the foregoing and none prevent use of the Property for
52 purposes).

53 VIII. OCCUPANCY: Seller shall deliver occupancy of Property to Buyer at time of Closing unless otherwise stated herein. If Property is intended
54 to be rented or occupied beyond Closing, the fact and terms thereof and the tenant(s) or occupants shall be disclosed pursuant to Standard F.
55 Occupancy is to be delivered before Closing. Buyer assumes all risks of loss to Property from date of occupancy, shall be responsible and liable
56 maintenance from that date, and shall be deemed to have accepted Property in its existing condition as of time of taking occupancy.

57 IX. TYPEWRITTEN OR HANDWRITTEN PROVISIONS: Typewritten or handwritten provisions, riders and addenda shall control all printed pro-
58 visions of this Contract in conflict with them.

59 X. ASSIGNABILITY: (CHECK ONLY ONE): Buyer may assign and thereby be released from any further liability under this Contract; U may
60 assign but not be released from liability under this Contract; or U may not assign this Contract.

61 XI. DISCLOSURES:

62 (a) CHECK HERE if the Property is subject to a special assessment lien imposed by a public body payable in installments which
63 continues beyond Closing and, if so, specify who shall pay amounts due after Closing: Seller Buyer Other (see addendum).

64 (b) Radon is a naturally occurring radioactive gas that when accumulated in a building in sufficient quantities may present health risks to per-
65 sons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida.
66 Additional information regarding radon or radon testing may be obtained from your County Public Health unit.

67 (c) Buyer acknowledges receipt of the Florida Building Energy-Efficiency Rating System Brochure.

68 (d) If the real property includes pre-1978 residential housing then a lead-based paint rider is mandatory.

69 (e) If Seller is a "foreign person" as defined by the Foreign Investment in Real Property Tax Act, the parties shall comply with that Act.

70 (f) If Buyer will be obligated to be a member of a homeowners' association, BUYER SHOULD NOT EXECUTE THIS CONTRACT UNTIL
71 BUYER HAS RECEIVED AND READ THE HOMEOWNERS' ASSOCIATION DISCLOSURE.

72 XII. MAXIMUM REPAIR COSTS: Seller shall not be responsible for payments in excess of:
73 (a) \$_____ for treatment and repair under Standard D (if blank, then 2% of the Purchase Price).
74 (b) \$_____ for repair and replacement under Standard N not caused by Wood Destroying Organisms (if blank, then 3% of
75 the Purchase Price).

76 XIII. RIDERS; ADDENDA; SPECIAL CLAUSES:

77 CHECK those riders which are applicable AND are attached to this Contract:

78 CONDOMINIUM VAFHA HOMEOWNERS' ASSN. LEAD-BASED PAINT

79 COASTAL CONSTRUCTION CONTROL LINE INSULATION "AS IS" Other Comprehensive Rider Provisions

80 Addenda

81 Special Clause(s): _____

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XIV. STANDARDS FOR REAL ESTATE TRANSACTIONS ("Standards"): Buyer and Seller acknowledge receipt of a copy of Standards A
through W on the reverse side or attached, which are incorporated as part of this Contract.

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF
AN ATTORNEY PRIOR TO SIGNING.

THIS FORM HAS BEEN APPROVED BY THE FLORIDA ASSOCIATION OF REALTORS® AND THE FLORIDA BAR.

Approval does not constitute an opinion that any of the terms and conditions in this Contract should be accepted by the parties in a
particular transaction. Terms and conditions should be negotiated based upon the respective interests, objectives and bargaining
positions of all interested persons.

AN ASTERISK(*) FOLLOWING A LINE NUMBER IN THE MARGIN INDICATES THE LINE CONTAINS A BLANK TO BE COMPLETED.

105* *See Attached signature page _____ *See attached signature page _____
106 (BUYER) (DATE) (SELLER) (DATE)

107* _____ (BUYER) (DATE) _____ (SELLER) (DATE)

109* Buyers' address for purposes of notice _____ Sellers' address for purposes of notice _____

110* _____ Phone _____
111* _____ Phone _____

112* Deposit under Paragraph II (a) received (Checks are subject to clearance.) _____ (Escrow Agent)

113 BROKERS: The brokers named below, including listing and cooperating brokers, are the only brokers entitled to compensation in connection
114 with this Contract:

115* Name: _____ Listing Broker
116 Cooperating Brokers, if any _____

Seller [Signature] Buyer [Signature] 10/27

118 A. TITLE INSURANCE: The Title Commitment shall be issued by a Florida licensed title insurer agreeing to issue Buyer, upon recording of the deed to Buyer,
 119 an owner's policy of title insurance in the amount of the purchase price, insuring Buyer's marketable title to the Real Property, subject only to matters contained
 120 in Paragraph VI and those to be discharged by Seller at or before Closing. Marketable title shall be determined according to applicable Title Standards adopted
 121 by authority of The Florida Bar and in accordance with law. Buyer shall have 5 days from date of receiving the Title Commitment to examine it, and if title is
 122 found defective, notify Seller in writing specifying defect(s) which render the unmarketable. Seller shall have 30 days from receipt of notice to remove the
 123 defects, failing which Buyer shall, within 5 days after expiration of the 30 day period, deliver written notice to Seller either: (1) extending the time for a reason-
 124 able period not to exceed 120 days within which Seller shall use diligent effort to remove the defects; or (2) requesting a refund of deposit(s) paid which shall
 125 be returned to Buyer. If Buyer fails to so notify Seller, Buyer shall be deemed to have accepted the title as it then is. Seller shall, if title is found unmarketable,
 126 use diligent effort to correct defect(s) within the time provided. If Seller is unable to timely correct the defects, Buyer shall either waive the defects, or receive a
 127 refund of deposit(s), thereby releasing Buyer and Seller from all further obligations under this Contract. If Seller is to provide the Title Commitment and it is deliv-
 128 ered to Buyer less than 5 days prior to Closing, Buyer may extend Closing so that Buyer shall have up to 5 days from date of receipt to examine same in accor-
 129 dance with this Standard.

130 B. PURCHASE MONEY MORTGAGE; SECURITY AGREEMENT TO SELLER: A purchase money mortgage and mortgage note to Seller shall provide for a
 131 30 day grace period in the event of default if a first mortgage and a 15 day grace period if a second or lesser mortgage; shall provide for right of prepayment
 132 in whole or in part without penalty; shall permit acceleration in event of transfer of the Real Property; shall require all prior liens and encumbrances to be kept
 133 in good standing; shall forbid modifications of, or future advances under, prior mortgages; shall require Buyer to maintain policies of insurance containing a
 134 standard mortgagee clause covering all improvements located on the Real Property against fire and all perils included within the term "extended coverage
 135 endorsements" and such other risks and perils as Seller may reasonably require, in an amount equal to their highest insurable value; and the mortgage, note
 136 and security agreement shall be otherwise in form and content required by Seller, but Seller may only require clauses and coverage customarily found in mort-
 137 gages, mortgage notes and security agreements generally utilized by savings and loan institutions or state or national banks located in the county wherein the
 138 Real Property is located. All Personal Property and leases being conveyed or assigned will, at Seller's option, be subject to the lien of a security agreement evi-
 139 denced by recorded or filed financing statements or certificates of title. If a balloon mortgage, the final payment will exceed the periodic payments thereon.

140 C. SURVEY: Buyer, at Buyer's expense, within time allowed to deliver evidence of title and to examine same, may have the Real Property surveyed and certified
 141 by a registered Florida surveyor. If the survey discloses encroachments on the Real Property or that improvements located thereon encroach on setback lines, easement
 142 lines, lands of others or violate any restrictions, Contract covenants or applicable governmental regulations, the same shall constitute a title defect.

143 D. WOOD DESTROYING ORGANISMS: Buyer, at Buyer's expense, may have the Property inspected by a Florida Certified Pest Control Operator ("Operator")
 144 at least 10 days prior to Closing to determine if there is any visible active Wood Destroying Organism infestation or visible damage from Wood Destroying
 145 Organism infestation, excluding fences. If either or both are found, Buyer may, within 5 days from date of written notice thereof, have cost of treatment of active
 146 infestation estimated by the Operator and all damage inspected and estimated by an appropriately licensed contractor. Seller shall pay costs of treatment and
 147 repair of all damage up to the amount provided in Paragraph XII(a). If estimated costs exceed that amount, Buyer shall have the option of canceling this Contract
 148 within 5 days after receipt of contractor's repair estimate by giving written notice to Seller, or Buyer may elect to proceed with the transaction and receive a
 149 credit at Closing on the amount provided in Paragraph XII(a). "Wood Destroying Organisms" shall be deemed to include all wood destroying organisms required
 150 to be reported under the Florida Pest Control Act, as amended.

151 E. INGRESS AND EGRESS: Seller warrants and represents that there is ingress and egress to the Real Property sufficient for its intended use as described
 152 in Paragraph VII hereof, and title to the Real Property is insurable in accordance with Standard A without exception for lack of legal right of access.

153 F. LEASES: Seller shall, at least 10 days before Closing, furnish to Buyer copies of all written leases and estoppel letters from each tenant specifying the nature
 154 and duration of the tenant's occupancy, rental rates, advanced rent and security deposits paid by tenant. If Seller is unable to obtain such letter from each ten-
 155 ant, the same information shall be furnished by Seller to Buyer within that time period in the form of a Seller's affidavit, and Buyer may thereafter contact ten-
 156 ant to confirm such information. If the terms of the leases differ materially from Seller's representations, Buyer may terminate this Contract by delivering written
 157 notice to Seller at least 5 days prior to Closing. Seller shall, at Closing, deliver and assign all original leases to Buyer.

158 G. LIENS: Seller shall furnish to Buyer at time of Closing an affidavit attesting to the absence, unless otherwise provided for herein, of any financing statement,
 159 claims of lien or potential liens known to Seller and further attesting that there have been no improvements or repairs to the Real Property for 90 days imme-
 160 diately preceding date of Closing. If the Real Property has been improved or repaired within that time, Seller shall deliver releases or waivers of construction
 161 liens executed by all general contractors, subcontractors, suppliers and materialmen in addition to Seller's lien affidavit setting forth the names of all such gen-
 162 eral contractors, subcontractors, suppliers and materialmen, further affirming that all charges for improvements or repairs which could serve as a basis for a
 163 construction lien or a claim for damages have been paid or will be paid at the Closing of this Contract.

164 H. PLACE OF CLOSING: Closing shall be held in the county wherein the Real Property is located at the office of the attorney or other closing agent ("Closing
 165 Agent") designated by the party paying for title insurance, or, if no title insurance, designated by Seller.

166 I. TIME: In computing time periods of less than six (6) days, Saturdays, Sundays and state or national legal holidays shall be excluded. Any time periods provided
 167 for herein which shall end on a Saturday, Sunday, or a legal holiday shall extend to 5 p.m. of the next business day. Time is of the essence in this Contract.

168 J. CLOSING DOCUMENTS: Seller shall furnish the deed, bill of sale, certificate of title, construction lien affidavit, owner's possession affidavit, assignments of leases,
 169 tenant and mortgagee estoppel letters and corrective instruments. Buyer shall furnish mortgage, mortgage note, security agreement and financing statements.

170 K. EXPENSES: Documentary stamps on the deed and recording of corrective instruments shall be paid by Seller. Documentary stamps and intangible tax on
 171 the purchase money mortgage and any mortgage assumed, mortgagee title insurance commitment with related fees, and recording of purchase money mort-
 172 gage to Seller, deed and financing statements shall be paid by Buyer. Unless otherwise provided by law or rider to this Contract, charges for the following relat-
 173 ed title services, namely title evidence, title examination, and closing fee (including preparation of closing statements), shall be paid by the party responsible for
 174 furnishing the title evidence in accordance with Paragraph V.

175 L. PRORATIONS; CREDITS: Taxes, assessments, rent, interest, insurance and other expenses of the Property shall be prorated through the day before
 176 Closing. Buyer shall have the option of taking over existing policies of insurance, if assumable, in which event premiums shall be prorated. Cash at Closing shall
 177 be increased or decreased as may be required by prorations to be made through day prior to Closing, or occupancy, if occupancy occurs before Closing.
 178 Advance rent and security deposits will be credited to Buyer. Escrow deposits held by mortgagee will be credited to Seller. Taxes shall be prorated based on
 179 the current year's tax with due allowance made for maximum allowable discount, homestead and other exemptions. If Closing occurs at a date when the cur-
 180 rent year's millage is not fixed and current year's assessment is available, taxes will be prorated based upon such assessment and prior year's millage. If cur-
 181 rent year's assessment is not available, then taxes will be prorated on prior year's tax. If there are completed improvements on the Real Property by January
 182 1st of year of Closing, which improvements were not in existence on January 1st of prior year, then taxes shall be prorated based upon prior year's millage an-
 183 d an equitable assessment to be agreed upon between the parties; failing which, request shall be made to the County Property Appraiser for an interim
 184 assessment taking into account available exemptions. A tax proration based on an estimate shall, at request of either party, be readjusted upon receipt of a
 185 bill on condition that a statement to that effect is signed at Closing.

186 M. SPECIAL ASSESSMENT LIENS: Except as set forth in Paragraph XI(a), certified, confirmed and ratified special assessment liens imposed by public bod-
 187 ies as of Closing are to be paid by Seller. Pending liens as of Closing shall be assumed by Buyer. If the improvement has been substantially completed as of
 FAR/EAR-ES 10/01 ©2001 Florida Association of Realtors, and The Florida Bar All Rights Reserved Page 3 of 16

11/16/01
 Seller: _____ Buyer: _____

Revised

Effective Date, any pending lien shall be considered certified, confirmed or ratified and Seller shall, at Closing, be charged an amount equal to the last estimate or assessment for the improvement by the public body.

N. INSPECTION, REPAIR AND MAINTENANCE: Seller warrants that the ceiling, roof (including the fascia and soffits) and exterior and interior walls, foundations, seawalls (or equivalent) and dockage of the Property do not have any visible evidence of leaks, water damage or structural damage and that the septic tank, pool, all appliances, mechanical items, heating, cooling, electrical, plumbing systems and machinery are in Working Condition. The foregoing warranty shall be limited to the items specified unless otherwise provided in an addendum. Buyer may inspect, or, at Buyer's expense, have a firm or individual specialist perform home inspections and holding an occupational license for such purpose (if required) or an appropriately licensed Florida contractor make inspections of such items within 20 days after the Effective Date. Buyer shall, prior to Buyer's occupancy but not more than 20 days after Effective Date, report in writing to Seller such items that do not meet the above standards as to defects. Unless Buyer timely reports such defects, Buyer shall be deemed to have waived Seller's warranties as to defects not reported. If repairs or replacements are required to comply with this Standard, Seller shall cause them to be made and shall pay up to the amount provided in Paragraph XII (b). Seller is not required to make repairs or replacements of a Cosmetic Condition unless caused by a defect. If the cost for such repair or replacement exceeds the amount provided in Paragraph XII (b), Buyer or Seller may elect to pay such excess, failing which either party may cancel this Contract. If Seller is unable to correct the defects prior to Closing, the cost thereof shall be paid into escrow at Closing. Seller shall, upon reasonable notice, provide utilities service and access to the Property for inspections, including a walk-through prior to Closing, to confirm that all items of Personal Property are on the Real Property and, subject to the foregoing, that all required repairs and replacements have been made and that the Property, including, but not limited to, lawn, shrubbery and pool, if any, has been maintained in the condition existing as of Effective Date, ordinary wear and tear excepted. For purposes of this Contract: (1) "Working Condition" means operating in the manner in which the item was designed to operate; (2) "Cosmetic Condition" means aesthetic imperfections that do not affect the Working Condition of the item, including, but not limited to: pitted marble or other pool finishes; missing or torn screens; fogged windows; tears, worn spots, or discoloration of floor coverings, wallpaper, or window treatments; nail holes, scratches, dents, scrapes, chips or caulking in ceilings, walls, flooring, fixtures, or mirrors; and minor cracks in floors, tiles, windows, driveways, sidewalks, or pool decks; and (3) cracked roof tiles, curling or worn shingles, or limited roof life shall not be considered defects Seller must repair or replace, so long as there is no evidence of actual leaks or leakage or structural damage, but missing tiles will be Seller's responsibility to replace or repair.

O. RISK OF LOSS: If the Property is damaged by fire or other casualty before Closing and cost of restoration does not exceed 3% of the assessed valuation of the Property so damaged, cost of restoration shall be an obligation of Seller and Closing shall proceed pursuant to the terms of this Contract with restoration costs escrowed at Closing. If the cost of restoration exceeds 3% of the assessed valuation of the Property so damaged, Buyer shall either take the Property as is, together with either the 3% or any insurance proceeds payable by virtue of such loss or damage, or receive a refund of deposit(s), thereby releasing Buyer and Seller from all further obligations under this Contract.

P. CLOSING PROCEDURE: The deed shall be recorded upon clearance of funds. If the title agent incurs adverse means pursuant to Section 627.7641, F.S., as amended, the escrow and closing procedure required by this Standard shall be waived. Unless waived as set forth above the following closing procedures shall apply: (1) all closing proceeds shall be held in escrow by the Closing Agent for a period of not more than 5 days after Closing; (2) if Seller's title is rendered unmarketable, through no fault of Buyer, Buyer shall, within the 5 day period, notify Seller in writing of the defect and Seller shall have 30 days from date of receipt of such notification to cure the defect; (3) if Seller fails to timely cure the defect, all deposits and closing funds shall, upon written demand by Buyer and within 5 days after demand, be returned to Buyer and, simultaneously with such repayment, Buyer shall return the Personal Property, vacate the Real Property and convey the Property to Seller by special warranty deed and bill of sale; and (4) if Buyer fails to make timely demand for refund, Buyer shall take title as is, waiving all rights against Seller as to any intervening defect except as may be available to Buyer by virtue of warranties contained in the deed or bill of sale.

Q. ESCROW: Any Closing Agent or escrow agent ("Agent") receiving funds or equivalent is authorized and agrees by acceptance of them to deposit them promptly, hold same in escrow and, subject to clearance, disburse them in accordance with terms and conditions of this Contract. Failure of funds to clear shall not excuse Buyer's performance. If in doubt as to Agent's duties or liabilities under the provisions of this Contract, Agent may, at Agent's option, continue to hold the subject matter of the escrow until the parties hereto agree to its disbursement or until a judgment of a court of competent jurisdiction shall determine the rights of the parties, or Agent may deposit same with the clerk of the circuit court having jurisdiction of the dispute. An attorney who represents a party and also acts as Agent may represent such party in such action. Upon notifying all parties concerned of such action, all liability on the part of Agent shall be terminated, except to the extent of accounting for any items previously delivered out of escrow. If a licensed real estate broker, Agent will comply with provisions of Chapter 475, F.S., as amended. Any suit between Buyer and Seller wherein Agent is made a party because of acting as Agent hereunder, or in any suit wherein Agent interpleads the subject matter of the escrow, Agent shall recover reasonable attorney's fees and costs incurred with these amounts to be paid from and out of the escrowed funds or equivalent and charged and awarded as court costs in favor of the prevailing party. The Agent shall not be liable to any party or person for misdelivery to Buyer or Seller of items subject to the escrow, unless such misdelivery is due to willful breach of the provisions of this Contract or gross negligence of Agent.

R. ATTORNEY'S FEES; COSTS: In any litigation, including breach, enforcement or interpretation, arising out of this Contract, the prevailing party in such litigation, which, for purposes of this Standard, shall include Seller, Buyer and any brokers acting in agency or nonagency relationships authorized by Chapter 475, F.S., as amended, shall be entitled to recover from the non-prevailing party reasonable attorney's fees, costs and expenses.

S. FAILURE OF PERFORMANCE: If Buyer fails to perform this Contract within the time specified, including payment of all deposits, the deposit(s) paid by Buyer and deposit(s) agreed to be paid, may be recovered and retained by and for the account of Seller as agreed upon liquidated damages, consideration for the execution of this Contract and in full settlement of any claims; whereupon, Buyer and Seller shall be relieved of all obligations under this Contract; or Seller, at Seller's option, may proceed in equity to enforce Seller's rights under this Contract. If for any reason other than failure of Seller to make Seller's title marketable after diligent effort, Seller fails, neglects or refuses to perform this Contract, Buyer may seek specific performance or elect to receive the return of Buyer's deposit(s) without thereby waiving any action for damages resulting from Seller's breach.

T. CONTRACT NOT RECORDABLE; PERSONS BOUND; NOTICE; FACSIMILE: Neither this Contract nor any notice of it shall be recorded in any public records. This Contract shall bind and inure to the benefit of the parties and their successors in interest. Whenever the context permits, singular shall include plural and one gender shall include all. Notice and delivery given by or to the attorney or broker representing any party shall be as effective as if given by or to that party. All notices must be in writing and may be made by mail, personal delivery or electronic media. A legible facsimile copy of this Contract and any signatures hereon shall be considered for all purposes as an original.

U. CONVEYANCE: Seller shall convey marketable title to the Real Property by statutory warranty, trustee's, personal representative's or guardian's deed, as appropriate to the status of Seller, subject only to matters contained in Paragraph VII and those otherwise accepted by Buyer. Personal Property shall, at the request of Buyer, be transferred by an absolute bill of sale with warranty of title, subject only to such matters as may be otherwise provided for herein.

V. OTHER AGREEMENTS: No prior or present agreements or representations shall be binding upon Buyer or Seller unless included in this Contract. No modification to or change in this Contract shall be valid or binding upon the parties unless in writing and executed by the parties intended to be bound by it.

W. WARRANTY: Seller warrants that there are no facts known to Seller materially affecting the value of the Property which are not readily observable by Buyer or which have not been disclosed to Buyer.


Seller *[Signature]* Buyer *[Signature]*

Revised

ACCEPTED BY:


BUYER

Village Centre Apartments, Ltd.
By its General Partner
Village Centre GP, LLC

 6/17/03
By: Vivian Brooks, Secretary Date

SELLER

Bernardo Otononde Trust

 6/17/03
By: _____ Trustee Date
BERNARDO Otononde

Revised

**ADDENDUM TO SALE AND PURCHASE
BETWEEN BERNARDO ORMANDE TRUST AND VILLAGE CENTRE APARTMENTS,
LTD.**

1. Failure to close by the seller shall entitle the West Palm Beach Community Redevelopment Agency to enter an Order of Taking with the Palm Beach County court with the terms set forth in this Contract for Sale and Purchase.
2. Seller agrees to waive any and all claims to eminent domain damages.
3. Deposits will be released to seller within five business days and upon evidence of clear title, receipt of recorded warranty deed.

Buyer *[Signature]* Seller *[Signature]*

Law Offices
VANCE, DONEY & MacGIBBON, P.A.

SUITE 4C, BARRISTERS BUILDING
1615 FORUM PLACE
WEST PALM BEACH, FLORIDA 33401

William P. Doney
B. Douglas MacGibbon

Telephone (561) 684-5544
Facsimile (561) 684-0833
Email: vancedoneypa@yahoo.com

James W. Vance
Retired

July 16, 2003

VIA FAX 355-6079

Honorable Thomas H. Barkdull, III
Palm Beach County Courthouse
Room 10A
205 North Dixie Highway
West Palm Beach, FL 33401

Re: West Palm Beach Community Redevelopment
Agency vs. Paws 2 Help, Inc., et al.
Case No. CA 03-04370 AJ

Dear Judge Barkdull:

Please accept this letter as a request to cancel a hearing in the above-referenced matter scheduled on July 18, 2003 at 3:00 p.m. The subject lawsuit is an eminent domain proceeding and the requested hearing involves the entry of an Order of Taking. The lands to be acquired are part of a private redevelopment project and since the filing of the eminent domain proceedings, the private developer has entered into purchase contracts with each of the three property owners. Accordingly, the hearing is now unnecessary.

I do not anticipate submitting an Agreed Order of Taking since the properties will be acquired by traditional closing. However, I do not wish to dismiss the current proceedings until all closings have occurred in the event there is a problem with the same. Thank you for your consideration in this matter.

Sincerely yours,


William P. Doney

WPD:mas

cc: Barry S. Balmuth, Esq.