

STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION

CASE NO. 2006-064VW

PINNACLE PARK, LTD.

Petitioner,

v.

FLORIDA HOUSING FINANCE  
CORPORATION

Respondent.

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**PETITION FOR WAIVER OF THE QUALIFIED ALLOCATION PLAN'S  
REQUIREMENT FOR RETURNING HOUSING CREDIT ALLOCATIONS, AND FOR  
AN IMMEDIATE ALLOCATION OF 2007 HOUSING CREDITS**

Petitioner Pinnacle Park, Ltd., a Florida limited partnership ("Pinnacle Park") submits its Petition to Respondent Florida Housing Finance Corporation (the "Corporation") for a waiver of the Qualified Allocation Plan's (a) prohibition from returning its 2005 Housing Credit Allocation prior to the last quarter of 2007, and (b) requirements that a housing credit allocation can be reserved only for the year after the year in which the development is required to be placed in service ("Placed-in-Service Date"). The return of these Housing Credits is required before the Corporation may reserve an allocation of Housing Credits that Pinnacle Park requests be immediately allocated for 2007 Housing Credits. See Rules 67-48.002(83) and 67-48.025, Florida Administrative Code (collectively the "Rules"), and Qualified Allocation Plan at ¶ 11.

1. Pursuant to Section 120.542, Fla. Stat. (2001) and Rules 28-104.001 through 28-104.006, F.A.C., Pinnacle Park requests a waiver of Rule 67-48.002(83), Florida Administrative Code, and of Paragraph 11 of the Qualified Allocation Plan ("QAP") to allow the immediate

return of its 2005 Housing Credit Allocation, and an immediate allocation of 2007 Housing Credits.

2. The name, address, telephone and facsimile numbers for Pinnacle Park and its qualified representative are:

Pinnacle Park, Ltd.  
c/o Pinnacle Housing Group, LLC  
Attention: David Deutch  
9400 S. Dadeland Blvd.  
Suite 100  
Miami, Florida 33156  
Telephone 305-854-7100  
Telecopier 305-859-9858  
E-Mail: david@pinnaclehousing.com

3. The name, address, telephone and facsimile numbers of Pinnacle Park's attorneys are:

Gary J. Cohen, Esq.  
Shutts & Bowen LLP  
201 S. Biscayne Blvd., Ste. 1500  
Miami, Florida 33131  
305-358-6300 (telephone)  
305-381-9982 (telecopier)

4. Pursuant to the 2005 Combined Rental Cycle Program, Pinnacle Park timely submitted its Universal Application for competitive Housing Credits under the Low Income Housing Tax Credit program ("LIHTC Program" or "HC Program"). See Application Number 2005-100C.

5. Equity raised from Housing Credits will be used for construction of a new development of 128 low-income housing tax credit units and 7 market rate units (pursuant to separate petition filed simultaneously herewith) known as Pinnacle Park (the "Development"). The Development will serve low-income individuals (as to 128 units) in Miami, Miami-Dade County, Florida, and will be located in "Liberty City" section of Miami.

6. On December 1, 2005, the Corporation issued its Preliminary Allocation of Housing Credits reserved in the amount of \$2,320,500.00. A true and correct copy of the Preliminary Allocation Certificate – Housing Credit (“Preliminary Allocation Certificate”) is attached hereto as Exhibit A.

7. As permitted by Rule 67-48.028, F.A.C., Pinnacle Park applied for a carryover of the Housing Credits. The Corporation granted the carryover pursuant to a Carryover Allocation Agreement between Pinnacle Park and the Corporation, effective December 29, 2005. A true and correct copy of the Carryover Allocation Agreement is attached hereto as Exhibit B. As a result, the Placed-in-Service Date for the Development is December 31, 2007.

8. Consequently, it is anticipated that there will be a Final Housing Credit Allocation granted to Pinnacle Park in accordance with the Corporation’s usual final allocation procedure.

9. Numerous factors that were and are outside Pinnacle Park’s control, including the impact of Hurricanes Wilma and Katrina in 2005, have delayed the development process. As a result of these delays, Pinnacle Park may be unable to complete the Development before the Placed-in-Service Date.

10. As set forth more fully below, Pinnacle Park seeks to return its 2005 Housing Credit Allocation now, rather than wait for the last calendar quarter of 2007, as required under the QAP, and obtain from the Corporation an immediate reservation of 2007 Housing Credit Allocations, instead of an allocation in 2008, the year after the current Placed-in-Service Date.

11. The requested waivers and variance will not adversely affect the Development. A denial of the Petition, however, would (a) result in substantial economic hardship to Pinnacle Park; (b) deprive Miami of essential affordable rental units set aside for low-income individuals; and (c) violate principles of fairness.

12. Rule 67-48.025 requires that distributions of Housing Credits “shall be in accordance with the Corporation’s Qualified Allocation Plan.”

13. Rule 67-48.002(83) defines QAP as follows:

“QAP” or “Qualified Allocation Plan” means, with respect to the HC Program, the 2005 Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the state of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits.

14. The 2005 QAP provides that Housing Credits may be returned **only** in the last calendar quarter of the year in which a development is required to be placed in service, and an allocation may only be made for the year after the Placed-in-Service Date:

Where a development has not been placed in service by the date required or it is apparent that a development will not be placed in service by the date required [December 31, 2007], such failure is due to circumstances beyond the Applicant’s control, and the Applicant **has returned its housing credit allocation in the last calendar quarter of the year** in which it was otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of credits returned, and may allocate such housing credits to the Applicant **for the year after the year** in which the Development was otherwise required to be placed in service provided [certain] conditions have been met.

2005 QAP at ¶ 11 (emphasis added).

15. The applicable Rules for which waivers are requested are implementing, among other sections of the Florida Housing Finance Corporation Act (the “Act”),<sup>1</sup> the statute that created the Housing Credits Program. *See* § 420.5099, Fla. Stat. (2003). The Act designates the Corporation as the State of Florida’s housing credit agency within the meaning of Section 42(h)(7)(A) of the Internal Revenue Code of 1986. As the designated agency, the Corporation is

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<sup>1</sup> The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.516 of the Florida Statutes, (the “Act”). See also Rule 67-40.020(1), F.A.C.

responsible for and is authorized to establish procedures for the allocation and distribution of low-income housing tax credits ("Allocation Procedures"). §§ 420.5099(1) and (2), Fla. Stat. (2003). Accordingly, the Rules subject to Pinnacle Park's waiver requests are implementing, among other sections of the Act, the statutory authorization for the Corporation's establishment of Allocation Procedures for the HC Program. §§ 420.5099(1) and (2), Fla. Stat. (2003).

16. The requested waives will ensure the availability of Housing Credits which might otherwise be lost as a consequence of development delays caused by factors outside Pinnacle Park's control.

17. The following facts demonstrate the economic hardship and other circumstances which justify Pinnacle Park's request for Rule waivers:

- (a) Pinnacle Park timely submitted its 2005 Universal Application for the Corporation's Housing Credits Program.
- (b) Thereafter, the Corporation issued its Preliminary Allocation Certificate.
- (c) The Preliminary Allocation reserved \$2,320,500.00 for Housing Credits. Pinnacle Park has subsequently received a preliminary award of a SAIL loan from the Corporation in the amount of \$1,040,000.00.
- (d) As a result of the Carryover Allocation Agreement, the Development's Placed-Service Date is December 31, 2007.
- (e) On October 24, 2005, Hurricane Wilma struck the South Florida area, and as a result of the damage caused, Miami-Dade County was declared a major disaster area.
- (f) Because local government had to address and resolve critical and emergency matters impacting the safety, health and welfare of its citizens, government personnel was not available to attend meetings or otherwise consider issues relating to the Development.
- (g) As a consequence of Hurricane Wilma, Pinnacle Park's development process, as well as numerous other projects in the Miami area, have been significantly delayed.
- (h) The impact of Hurricane Wilma and Hurricane Katrina on the construction industry further delayed the development process. As a consequence of

the substantial increase in construction costs resulting, in part, by the scarcity of both building materials and laborers, Pinnacle Park had to re-budget the Development.

- (i) In light of the initial delays, due to the 2005 Hurricanes, and having entered the 2006 hurricane season, Pinnacle Park's tax-credit investor has serious concerns about whether the Development will meet the Placed-in-Service Date.
- (j) Pinnacle Park has continued to proceed with the pre-development process and has met the 10% test under Paragraph 5.b. of the Carryover Agreement.
- (k) A denial of the requested waivers would result in a substantial economic hardship to Pinnacle Park. Without the assurance of a 2007 Housing Credit Allocation from the Corporation, Pinnacle Park's tax-credit investor has indicated its unwillingness to take the risk of closing on the tax credit partnership, funding the initial capital contribution and commencing construction. This would result in the inability to obtain critical financing necessary to provide apartment rental units that are needed for low income tenants in Miami, Florida.

18. As demonstrated above, the requested waivers serve the purposes of Section 420.5099 and the Act, as a whole, because one of their primary goals is to facilitate the availability of decent, safe and sanitary housing in the State of Florida to low-income persons and households by ensuring:

The maximum use of available tax credits in order to encourage development of low-income housing in the state, taking into consideration the timeliness of the application, the location of the proposed housing project, the relative need in the area for low-income housing and the availability of such housing, the economic feasibility of the project, and the ability of the applicant to proceed to completion of the project in the calendar year for which the credit is sought.

§ 420.5099(2), Fla. Stat. (2005).

19. Further, by granting the requested waivers, the Corporation would recognize principles of fundamental fairness in the development of affordable rental housing. This recognition would promote participation by experienced developer entities, such as Pinnacle

Park, in meeting the purposes of the Act, regardless of the possible delays from hurricanes and other factors outside their control.

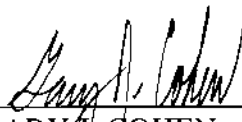
20. The requested waivers will not adversely impact the Development or the Corporation.

21. The waivers being sought are permanent in nature.

Should the Corporation require additional information, Pinnacle Park is available to answer questions and to provide all information necessary for consideration of its Petition for Waiver of the Qualified Allocation Plan's Requirement for Returning Housing Credit Allocations, and for an Immediate Allocation of 2007 Housing Credits.

WHEREFORE, Petitioner Pinnacle Park, Ltd., respectfully requests that the Corporation:

- A. Grant the Petition and all the relief requested therein;
- B. Waive the 2005 Qualified Allocation Plan's prohibition from returning Housing Credit Allocations prior to the last quarter of 2007;
- C. Allow the immediate return of the Pinnacle Park 2005 Housing Credit Allocation;
- D. Waive the 2005 Qualified Allocation Plan's requirement that a Housing Credit Allocation cannot be reserved until the year after the Development's Placed-in-Service Date;
- E. Immediately allocate 2007 Housing Credits to Pinnacle Park, in an amount not to exceed the amount of its 2005 Housing Credit Allocation; and
- F. Award such further relief as may be deemed appropriate.



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GARY J. COHEN  
Shutts & Bowen LLP  
201 S. Biscayne Blvd., Suite 1500  
Miami, Florida 33131  
(305) 358-6300  
ATTORNEYS FOR PETITIONER

**CERTIFICATE OF SERVICE**

The Original Petition is being served by facsimile and overnight delivery for filing with the Corporation Clerk of the Florida Housing Finance Corporation, 227 North Bronough Street, City Centre Building, Room 5000, Tallahassee, Florida 32399, with copies served by overnight delivery on the Joint Administrative Procedures Committee, 600 Calhoun Street, Room 120, Holland Building, Tallahassee, Florida 32399-1300 this <sup>18<sup>th</sup></sup> day of September, 2006.



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GARY J. COHEN

MIADOC'S 1238695 1





Exhibit A

227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301  
850.488.4197 • Fax 850.488.9809 • www.floridahousing.org

we make housing affordable

**PRELIMINARY ALLOCATION CERTIFICATE**  
**HOUSING CREDIT PROGRAM**

The Florida Housing Finance Corporation ("Florida Housing") grants to

Pinnacle Park, Ltd. ("Applicant")

for

Pinnacle Park (the "Development")

Miami-Dade County, Florida  
Application # 2005-100C

Preliminary Allocation of Housing Credits reserved in the amount of

\$2,320,500.00

December 1, 2005

1. Authority. This Preliminary Allocation is granted by Florida Housing under the Housing Credit Program as authorized by Section 420.507(12), Florida Statutes, and Section 42 of the Internal Revenue Code of 1986, as amended, ("IRC"), and as administered pursuant to Program guidelines outlined in Rule 67-48, Florida Administrative Code. Under such guidelines, Florida Housing may allocate housing credits only in an amount necessary to ensure the financial feasibility of the Development and its viability as a low-income rental housing project.
2. Effect. This Certificate represents a preliminary determination only and is not binding on either Florida Housing or the Applicant. Subject to the preceding sentence, this Certificate inures to the benefit of the Applicant named above and its grantees, transferees, and other successors in interest to the maximum extent allowed under IRC Section 42.
3. Duration. The Preliminary Allocation will be valid until December 31, 2005.

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Jeb Bush, Governor

Board of Directors: Terry Santini, Chairman • Lynn M. Stultz, Vice Chairman • Thaddeus Cohen, Ex Officio  
Cesar E. Celvet • David E. Oelertch • Zully Ruiz • Robert J. Taylor • Sandra Terry

Stephen P. Auger, Executive Director

4. Contingencies. The Preliminary Allocation is contingent upon:
- a. The Applicant shall comply with all of the pertinent requirements of IRC Section 42 and the Treasury Regulations issued thereunder and the requirements of the State of Florida as set forth in Chapter 67-48, Florida Administrative Code.
  - b. A non-refundable administrative fee of \$185,640.00, which is based on 8% of the allocation amount (\$2,320,500.00) and a one time non-refundable compliance payment of \$2,684.00 in accordance with Rule 67-48 is payable by the Applicant to Florida Housing **no later than December 8, 2005**. Checks should be made payable to the Florida Housing Finance Corporation, and should be mailed to:  
  

Florida Housing Finance Corporation  
**ATTN: Housing Credit Program**  
227 North Bronough Street, Suite 5000  
Tallahassee, Florida 32301-1329
  - c. Approval by Florida Housing of a positive credit underwriting recommendation that housing credits be allocated to this Development.
  - d. The receipt of an eligible market analysis for the property.
  - e. Verification from the Applicant and the Credit Underwriter that all contingency items as stated in the credit underwriting report and below have been met no later than nine (9) months from the date of execution of the Carryover Allocation Agreement.
  - f. Such other reasonable requests as made by Florida Housing during this time frame.
5. Final Determination. Florida Housing is required to make further tax credit determinations, with the final determination to be made at the time the Development is "placed in service" pursuant to IRC Section 42(m)(2)(C).
6. Carryover Allocation. A project may qualify for a carryover of the housing credit allocation if the guidelines set forth in Rule 67-48.028, Florida Administrative Code, are met.

  
Vicki A. Robinson  
Deputy Development Officer

Dated this 15<sup>th</sup> day of December, 2005

Exhibit B

2005-100C/2005 Carryover Allocation Agreement  
Page 1 of 8

**FLORIDA HOUSING FINANCE CORPORATION  
2005 CARRYOVER ALLOCATION AGREEMENT**

This 2005 Carryover Allocation Agreement (Agreement) by and between Florida Housing Finance Corporation (Florida Housing) and Pinnacle Park, Ltd. (Owner) constitutes an allocation of the 2005 Housing Credit dollar amount meeting the requirements of Section 42(h)(1)(E) and (F) of the Internal Revenue Code of 1986 as amended (Code). Unless otherwise specifically provided, this Agreement and the terms used herein shall be interpreted in a manner consistent with the requirements of Section 42 of the Code.

In consideration of the conditions and obligations stated in this Agreement, Florida Housing and the Owner understand and agree as follows:

1. Florida Housing has reviewed the 2005 Application filed by the Owner of Pinnacle Park (Development). Based on the evaluation of the Development identified in the 2005 Application, and the credit underwriting analysis, Florida Housing and the Owner incorporate, by reference, the 2005 Application into this Agreement.
2. The Owner acknowledges that all the terms, conditions, obligations, and deadlines set forth in this Agreement and the attached Exhibits, together with those that are incorporated by reference, constitute material and necessary conditions of this Agreement, and that the Owner's failure to comply with any of such terms and conditions shall entitle Florida Housing, at its sole discretion, to deem the credit allocation to be canceled by mutual consent of the parties. After any such cancellation, the Owner acknowledges that neither it, nor its successors in interest to the Development, shall have any right to claim Housing Credits pursuant to this allocation. Florida Housing reserves the right, at its sole discretion, to modify and/or waive any such failed condition precedent.
3. This 2005 Housing Credit allocation is not to exceed an annual amount of \$2,320,500.00 for the Development.

If the Development consists of more than one building, this Agreement constitutes an allocation of credit on a project basis to the Development in accordance with Section 42(h)(1)(F) of the Code. The "per building" Housing Credit amounts specified in **Exhibit A** are solely for purposes of determining the total housing credit allocation for the Development and do not constitute specific allocations made on a building by building basis.

This allocation is expressly conditioned upon satisfaction of the requirements of Section 42(h)(1)(E) of the Code and upon the terms and conditions of this Agreement.

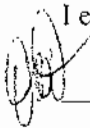
4. The Owner certifies it is the legal owner of the Development and that the following information is true, accurate, and complete:

- a. Owner Name: Pinnacle Park, Ltd.
- b. Taxpayer Federal ID#: 65-1062451
- c. Owner Address: 9400 South Dadeland Blvd.  
Suite 100  
Miami, FL 33156
- d. Development Name: Pinnacle Park
- e. Development Address: 7925 & 7901-31 NW 7th Ave.  
Miami, FL 33150
- f. Florida Housing Development Number: 2005-100C
- g. Total Number of Units in Development: 135  
(Includes market rate units, set-aside units, and full-time employee units.)
- h. Total Number of Buildings: 2
- i. Total Number of Qualified Residential Buildings: 1  
(As defined at Section 42(h)(1)(E)(ii) of the Code)
- j. Type of Construction: New Construction
- k. Demographic/Designation: Family/Large County
- l. Anticipated Placed in Service Date: 12/31/2007  
of the last constructed/rehabilitated building (Month, Day and Year)
- m. Minimum Set-Aside: 40% of units at  
60% of area median income
- n. Total Set-Aside: 13% of the residential units at 30% of area median income  
87% of the residential units at 60% of area median income
- o. Extended Use Period: The Owner has irrevocably waived the "option to convert" to market rents after year 14 and FURTHER COMMITS to an additional compliance period of 35 years (fifteen years plus 35 additional years totaling 50 years).

- p. Development Features and Amenities: The Development will be constructed or rehabilitated in accordance with the 2005 Application and shall provide at a minimum the Features, Amenities and Programs described in **Exhibit B**.
- 5. a. Site Control:
  - (i) The Owner shall demonstrate to Florida Housing that it has satisfied the requirement of site control by including a copy of the recorded deed and closing statements, or a copy of the executed long term lease agreement, together with such other evidence or documentation that Florida Housing shall deem necessary. These documents are to be incorporated into the Agreement as an attachment to the Development's Legal Description, **Exhibit C**.
  - (ii) To meet the Site Control requirement, the Owner certifies to Florida Housing that it owns the land on which the Development is to be built, or that the Owner is the Lessee under a lease of the land on which the Development is to be built and which has a term that does not expire prior to the expiration of the Extended Use Period.

**Site Control Election:**

Owner shall initial only one of the following:

 I elect to meet the Site Control requirement,  
 upon the initial submission of this Agreement  
or  
 within six months of the execution of this Agreement  
In choosing the six month election, the Owner agrees to provide evidence of meeting the requirement as a supplemental to the original Carryover Allocation Agreement without amending the original document.

- b. Cost Basis and Certification:

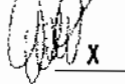
The Owner certifies that it shall incur at least 10 percent of the reasonably expected basis (10% test) of the Development no later than six months from the date of this Agreement. The Owner shall indicate below whether it chooses to provide evidence that the 10 % test has been met upon the initial submission of this Agreement or within six months of this Agreement's execution.

The Owner represents that its reasonably expected basis in the development (land and depreciable basis) as of December 31, 2007 is \$26,398,621.00, such that for purposes of the 10% test, it must have a basis in the Development (land and depreciable basis) of at least \$ 2,639,862.00 by no later than six months from the date of this Agreement.

**Cost Basis and Certification Election:**

Owner shall initial only one of the following:

I elect to meet the 10% test requirement,

 X

upon the initial submission of this Agreement

or

\_\_\_\_\_ within six months of the execution of this Agreement

In choosing the six month election, the Owner agrees to provide an updated Exhibit D as evidence of meeting the 10% requirement. This will be a supplement to the original Carryover Allocation Agreement without amending the original document.

The Owner shall submit the properly completed and executed **Exhibit D** as evidence that it has or has not met the 10% test requirement.

Florida Housing's acceptance of any certification with respect to meeting the 10% test requirement, does not constitute a representation as to the satisfaction of the requirements under Section 42(h)(1)(E) of the Code as binding on the part of the Internal Revenue Service.

6. The Owner acknowledges that all qualified buildings within the Development shall be placed in service on or before December 31, 2007. The final tax credit determination by Florida Housing cannot be made until such time as all buildings are placed in-service and the required Final Cost Certification has been submitted and approved by Florida Housing. Florida Housing shall not issue any partial final allocations.
7. The Owner acknowledges and agrees to submit to Florida Housing, in accordance with Rule Chapter 67-48, Florida Administrative Code: (i) written progress reports evidencing the progress of the Development at least once each calendar quarter, and (ii) the completed and required Final Cost Certification documents by the date that is 75 calendar days after all the buildings in the Development have been placed in service.

In the event the Owner fails to comply with the above requirements or fails to commence construction within nine months from the effective date of this agreement, the Housing Credits allocated within this Agreement shall be deemed returned to Florida Housing pursuant to Section 42 (h)(3)(C) of the Code. Florida Housing, in its sole and absolute discretion, may extend the time for compliance with these requirements upon receipt of a written request from the Owner and if Florida Housing determines that the Owner is making a diligent effort to comply.

8. Pursuant to Rule Chapter 67-53, the Owner shall coordinate with the Development's assigned servicer, AmeriNational Community Services, Inc., to have at least four on-site construction inspections at the Owner's expense. The Owner shall insure that these

inspections are conducted at different intervals during the construction period with one of the inspections conducted prior to the Development being 15% complete and one inspection conducted at construction completion.

9. The Owner acknowledges and agrees that Florida Housing shall further evaluate the Development, pursuant to Section 42(m)(2) of the Code for a final housing credit allocation determination upon Final Cost Certification, when all buildings in the Development are placed in service.

The Owner further acknowledges and agrees that, if the carryover housing credit allocation dollar amount, set forth in paragraph 3 of this Agreement, exceeds the amount for which the Development is determined by Florida Housing to be finally eligible, pursuant to Section 42(m)(2) of the Code, the amount of any such excess shall be returned to and recovered by Florida Housing pursuant to Section 42(h)(3)(C) of the Code for reallocation to other developments.

10. Upon the Owner's written notification to Florida Housing that the last building in the Development is placed in service, Florida Housing's receipt of evidence that all contingency items identified in **Exhibit E** of the Agreement have been satisfied, and acceptance by Florida Housing of the Final Cost Certification documents which include but are not limited to:

- the Final Cost Certification
- the monitoring fee
- copies of Certificates of Occupancy
- a copy of the Syndication Agreement
- an Independent Auditor's Report prepared by an independent Certified Public Accountant
- photographs of the completed property
- the original, executed Extended Low-Income Housing Agreement in accordance with the deadlines imposed above

Florida Housing shall issue an Internal Revenue Service Form 8609 for each building, in accordance with the applicable federal law governing Housing Credit allocation under Section 42 of the Code and Florida Housing program rules. The Extended Low-Income Housing Agreement, with respect to the Development, shall, incorporate the terms, conditions, and obligations undertaken by the Owner pursuant to paragraph 4 of this Agreement.

11. This Agreement does not in any way constitute a representation, warranty, guaranty, advice, or suggestion by Florida Housing as to the qualification of the Development for Housing Credits, or the financial feasibility, or viability of the Development. The Agreement shall not be relied on as such by any owner, developer, investor, tenant, lender or other person or entity for any reason.

If and to the extent that the allocation made pursuant to this Agreement is determined to be invalid, due to an error made by Florida Housing in determining its Housing Credit dollar amount for calendar year 2005, this Agreement shall be deemed to constitute a binding commitment on behalf of Florida Housing to allocate an equal amount of Housing Credits from its future Housing Credit Allocation Authority to the extent allowed by Section 42 of the Code. Such binding commitment shall, in all respects, be subject to the terms and conditions of this Agreement.

12. The Owner acknowledges and agrees to notify Florida Housing, in writing, in the event of a sale, transfer, or change in ownership of the Development in accordance with Rule Chapter 67-48, Florida Administrative Code.
13. Amendments to this document may be made by Florida Housing only upon written request from the Owner and as Florida Housing deems necessary.
14. The date of this Agreement is the date it is executed on behalf of Florida Housing as shown on the execution page hereto.

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK )



--OWNER--

Acknowledged, agreed and accepted:

Owner: Pinnacle Park, Ltd.  
By: PHG-Park, LLC, its General Partner

By: [Signature]  
Signature

David O. Deutch  
Typed or Printed Name

Title: Vice President

Address: 9400 South Dadeland Blvd., Suite 100  
Miami, Florida 33156

Date: December 15, 2005

STATE OF Florida  
COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me this 15th day of December,  
2005, by David O. Deutch as Vice President for  
(Name) (Type of Authority)  
Pinnacle Park, Ltd.  
(Name of party on behalf of whom instrument was executed)

Personally Known X or Produced Identification \_\_\_\_\_

[Signature]  
Notary Public, State of Florida



Print, Type or Stamp Name

September 8, 2008  
Date Commission Expires

**--FLORIDA HOUSING--**

FLORIDA HOUSING FINANCE CORPORATION  
227 North Bronough Street, Suite 5000  
Tallahassee, Florida 32301-1329

By its execution of this Agreement, and based on the foregoing representations and obligations, Florida Housing issues to the Owner a Carryover Allocation of 2005 housing credits pursuant to Section 42(h)(1)(E) and (F) of the Internal Revenue Code, as amended, subject to the conditions elsewhere in this Agreement. FLORIDA HOUSING HAS RELIED UPON INFORMATION SUBMITTED TO IT BY THE DEVELOPMENT OWNER IN ISSUING THIS CARRYOVER ALLOCATION. FLORIDA HOUSING MAKES NO REPRESENTATIONS OR GUARANTEES THAT THE OWNER IS ELIGIBLE TO RECEIVE THE CREDIT STATED HEREIN. THE INTERNAL REVENUE SERVICE DETERMINES TAXPAYER ELIGIBILITY.

Vicki A. Robinson Date: 12/29/05

Florida Housing Tax Identification Number: 59-3451366

STATE OF FLORIDA  
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 29th day of December, 2005 by Vicki A. Robinson as Deputy Development Officer of the FLORIDA HOUSING FINANCE CORPORATION, a public corporation, the successor in interest to the Florida Housing Finance Agency, on behalf of said Corporation. She is personally known to me.

Jean Salmons  
Notary Public



Jean Salmons  
MY COMMISSION # CD177690 EXPIRES  
January 15, 2007  
BONDED THRU TROY FAIR INSURANCE, INC.

\_\_\_\_\_  
Print or Stamp Name

\_\_\_\_\_  
Date Commission Expires



EXHIBIT "B"  
(PINNACLE PARK / 2005-100C)  
DESCRIPTION OF FEATURES AND AMENITIES

**A.** The Development will consist of:

135 High Rise apartment units located in 1 residential building.

Unit Mix:

Twenty-three (23) one bedroom/one bath units containing a minimum of 590 square feet of heated and cooled living area.

One hundred-one (101) two bedroom/two bath units containing a minimum of 790 square feet of heated and cooled living area.

Eleven (11) three bedroom/two bath units containing a minimum of 950 square feet of heated and cooled living area.

135 Total Units

The Development is to be constructed in accordance with the final plans and specifications approved by the appropriate city or county building or planning department or equivalent agency, and approved as reflected in the Pre-Construction Analysis prepared for Florida Housing or its Servicer, unless a change has been approved in writing by Florida Housing or its Servicer. The Development will conform to requirements of local, state & federal laws, rules, regulations, ordinances, orders and codes, Federal Fair Housing Act and Americans with Disabilities Act ("ADA"), as applicable.

**B.** Each unit will be fully equipped with the following:

1. Air conditioning in all units (window units are not allowed; however, through-wall units are permissible for rehabilitation).
2. Window treatments for each window inside each unit.
3. Termite prevention and pest control throughout the entire affordability period.
4. Peephole on all exterior doors.
5. Exterior lighting in open and common areas.
6. Cable or satellite TV hook-up in all units.
7. Range, oven and refrigerator in all units.

EXHIBIT "B"  
(PINNACLE PARK / 2005-100C)  
DESCRIPTION OF FEATURES AND AMENITIES

8. At least two full bathrooms in all 3 bedroom or larger new construction units.
  9. Bathtub with shower in at least one bathroom in at least 90% of the new construction non-Elderly units.
- C.** The Applicant has committed to provide the following features in each new construction unit:
1. Marble window sills in all units
  2. Steel exterior entry door frames for all units
  3. At least 1.5 bathrooms (one full bath and one with at least a toilet and sink) in all 2 bedroom units.
  4. Pantry in kitchen area -- must be no less than 20 cubic feet of storage space. Pantry cannot be just an under- or over-the-counter cabinet.
  5. Dishwasher in all units
- D.** The Applicant has committed to the following amenities in the Development:
1. Gated community with "carded" entry or security guard, or if 2 or more stories, "carded" secure entry to building.
  2. Exercise room with appropriate equipment
  3. Community center or clubhouse
  4. Playground/tot lot, accessible to children with disabilities (must be sized in proportion to Development's size and expected resident population with age-appropriate equipment)
  5. Library consisting of a minimum of 100 books and 5 current magazine subscriptions
  6. Computer lab on-site with minimum one computer per 50 units, with basic word processing, spreadsheets and assorted educational and entertainment software programs and at least one printer
  7. Laundry hook-ups and space for full-size washer and dryer inside each unit

EXHIBIT "B"  
(PINNACLE PARK / 2005-100C)  
DESCRIPTION OF FEATURES AND AMENITIES

8. Laundry facilities with full-size washers and dryers available in at least one common area on site
- E.** The Applicant has committed to provide the following energy conservation features for all buildings in the Development:
1. Air conditioning with SEER rating of 13 or better
  2. Electric water heater with energy factor of .91 or better
  3. Wall insulation of R-7 or better for masonry/concrete block construction.
  4. All windows single-pane with shading coefficient of .67 or better
  5. Ceiling fans in all bedrooms and living area in each unit.
- F.** The Applicant has committed to provide the following Resident Programs:
1. Welfare to Work or Self-Sufficiency Type Programs - The Applicant commits to actively seek residents who are participating in or who have successfully completed the training provided by these types of programs.
  2. Homeownership Opportunity Program - Financial Assistance with Purchase of a Home: Applicant commits to provide a financial incentive for the purchase of a home which includes the following provisions:
    - the incentive must be applicable to the home selected by the resident and may not be restricted to or enhanced by the purchase of homes in which the Applicant, Developer, or other related party has an interest;
    - the incentive must not be less than five percent (5%) of the rent for the resident's unit during the resident's entire occupancy (Note: Resident will receive the incentive for all months for which the resident is in compliance with the terms and conditions of the lease. Damages to the unit in excess of the security deposit will be deducted from the incentive.);
    - the benefit must be in the form of a gift or grant and may not be a loan of any nature;
    - the benefits of the incentive must accrue from the beginning of occupancy;
    - the vesting period can be no longer than 2 years of continuous residency; and
    - no fee, deposit or any other such charge can be levied against the resident as a condition of participation in this program.
  3. First Time Homebuyer Seminars – Applicant or its Management Agent must arrange for and provide, at no cost to the resident, in conjunction with local

EXHIBIT "B"  
(PINNACLE PARK / 2005-100C)  
DESCRIPTION OF FEATURES AND AMENITIES

realtors or lending institutions, semiannual on-site seminars for residents interested in becoming homeowners.

4. Job Training – Applicant or its Management Agent must provide, at no cost to the resident, regularly scheduled classes in keyboarding, computer literacy, secretarial skills or other useful job skills, which will be provided at least once each quarter. If the training is not provided on-site, transportation at no cost to the resident must be provided.
5. Resident Activities – These specified activities are planned, arranged, provided and paid for by the Applicant or its Management Agent. These activities must be an integral part of the management plan. The Applicant must develop and execute a comprehensive plan of varied activities that brings the residents together and encourages community pride. The goal here is to foster a sense of community by bringing residents together on a regularly scheduled basis by providing activities such as holiday and special occasion parties, community picnics, newsletters, children's special functions, etc.
6. Financial Counseling – This service must be provided by the Applicant or its Management Agent, at no cost to the resident, and must include the following components: must be regularly scheduled at least once each quarter; must include tax preparation assistance by qualified professionals; must include educational workshops on such topics as "Learning to Budget," "Handling Personal Finances," "Predatory Lending," or "Comparison Shopping for the Consumer."
7. Resident Assistance Referral Program - The Applicant or its Management Agent will make available to residents information about services such as crisis intervention, individual and family needs assessment, problem solving and planning, appropriate information and referral to community resources and services based on need, monitoring of ongoing ability to retain self sufficiency, and advocacy to assist clients in securing needed resources. This service must be provided at no cost to the resident.
8. Life Safety Training - The Applicant or its Management Agent must provide courses such as fire safety, first aid (including CPR), etc., on-site, at least twice each year, at no cost to the resident.

**EXHIBIT C**  
**LEGAL DESCRIPTION**

(Please attach a legal description of the property)

Development Name: Pinnacle Park

Development Number: 2005-100C

Tract B and C of Francine Heights First Addition, according to the Plat thereof, recorded in Plat Book 90, at Page 86, of the Public Records of Miami-Dade County, Florida.



**EXHIBIT D, Page 1  
COST BASIS DOCUMENT**

**DEVELOPMENT NAME:** Pinnacle Park  
**FILE NUMBER:** 2005-100C

(TO BE COMPLETED BY THE OWNER'S CPA OR ATTORNEY)	TOTAL ESTIMATED DEVELOPMENT COST	REASONABLY EXPECTED BASIS*	CURRENT BASIS
<b>SOURCES</b>			
Investor's Capital Contribution (Syndication Proceeds)	19,722,278.00		
First Mortgage	3,500,000.00		
Second Mortgage			
Grants			
Owner's Contribution			
Other:			
Surtax-Miami-Dade County	1,000,000.00		
Deferred Developer Fee	3,212,851.00		
<b>Total Sources:</b>	<b>27,435,129.00</b>		
<b>USES</b>			
Building or Land Acquisition			
Land	2,083,050.00	2,033,750.00	2,033,750.00
Building			
Legal - Acquisition			
Building Rehab or New Constr.			
Hard Costs	18,815,743.00	18,815,743.00	0.00
Construction Period Interest	612,000.00	354,000.00	0.00
Demolition			
Site Work			
Legal	200,000.00	120,000.00	16,007.00
Accounting	76,000.00	76,000.00	3,850.00
Architectural & Engineering	300,000.00	300,000.00	118,375.00
Surveying	7,000.00	7,000.00	6,981.00
Environmental	59,000.00	59,000.00	20,315.00
Appraisal	12,500.00	12,500.00	0.00
Tax Credit Fees	273,769.00		
Development Fee	3,496,462.00	3,496,462.00	699,292.00
Syndication Expenses			
Construction Loan Fees			
Other	1,247,393.00	935,954.00	54,308.00
<b>TAXES &amp; INSURANCE</b>	<b>252,212.00</b>	<b>188,212.00</b>	<b>670.00</b>
<b>Total Uses:</b>	<b>27,435,129.00</b>	<b>26,398,621.00</b>	<b>2,953,548.00</b>

<b>SUMMARY</b>	
Current Basis:	2,953,548.00
Reasonably Expected Basis:	26,398,621.00
Percentage Complete:	11.19%
Date:	

*Wendy R. J... - J... CPA*  
CPA/ATTORNEY SIGNATURE  
12/10/05  
404-847-7774  
DATE TELEPHONE

This form may be signed by the Applicant or designee if submitting as evidence of NOT meeting the 10% test.

\* These figures are estimates for computation purposes only. For purposes of the Carryover Allocation Agreement, "reasonably expected basis" pursuant to Section 42(h)(1)(E)(ii) need not be the same as eligible basis and is computed for an entire project rather than building-by-building.



**EXHIBIT D, Page 2**  
**COST BASIS CERTIFICATION**

I certify that I have examined all eligible costs incurred, as listed on the Cost Basis Document, with respect to Pinnacle Park. Based on this examination, it is my belief that Pinnacle Park, Ltd. has incurred more than 10 percent of its reasonably expected basis in Pinnacle Park pursuant to Section 42(h)(1)(E)(ii) of the Internal Revenue Code.

Wendy J. Langlais CPA  
Signature

12/10/05  
Date

Wendy Langlais

Print or Type Name of Certified Public Accountant or Attorney

Address

Telephone Number

**EXHIBIT E**  
**CONDITIONS**

Development Name: Pinnacle Park

Development Number: 2005-100C

---

1. Approval by Florida Housing of a positive credit underwriting recommendation that housing credits be allocated to this Development.
2. Verification from the Applicant and the Credit Underwriter that all contingency items as stated in the credit underwriting report have been met no later than nine (9) months from the date of execution of the Carryover Allocation Agreement.

**EXHIBIT F**

**EXPLANATION OF CHANGES**

DEVELOPMENT NAME Pinnacle Park  
FILE NUMBER: #2005-100C

If there are any changes in the project information from that submitted with the application, provide a detailed explanation/justification for the changes. These changes MUST be reviewed and approved by Florida Housing prior to execution of this Agreement.

Check those items that have changed and explain changes in the spaces provided below. Attach supporting documentation as needed.

<input type="checkbox"/>	Taxpayer Federal Identification Number
<input type="checkbox"/>	Project Address
<input checked="" type="checkbox"/>	Number of Units
<input checked="" type="checkbox"/>	Number of Buildings
<input type="checkbox"/>	Set-Aside Elections
<input type="checkbox"/>	Extended Use Period
<input type="checkbox"/>	Project Amenities
<input type="checkbox"/>	Tenant Programs
<input checked="" type="checkbox"/>	Other: <u>(1) Unit mix has changed</u>

Explanation of Changes:

(1) The number of units has increased from 128 to 135 units. (2) The unit mx has changed to the following: Twenty three (23) one bedroom/one bath units; One hundred and one (101) two bedroom/two baths units; Eleven (11) three bedroom/two baths units. The square footages are reflected on Page 1 of Exhibit B. (3) The development will consist of two buildings; One (1) Qualified Residential Building and one (1) detached parking structure.



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Prepared by:  
**Maria Rosa Iza, J.D.**  
 Closing Agent  
**Karl J. Schumer, P. A.**  
 20801 Biscayne Boulevard Suite 301  
 Aventura, FL 33180  
 305-466-1475  
 File Number: Malibu  
 Will Call No.:

[Space Above This Line For Recording Data]

## Special Warranty Deed

**This Special Warranty Deed** made this 29th day of September, 2005 between **Malibu Lodging Investments, LLC**, a Florida limited liability company whose post office address is 660 NW 81 Street, Miami, FL 33150, grantor, and **Pinnacle Park, Ltd.**, a Florida limited partnership whose post office address is 9400 S. Dadeland Blvd., Suite 100, Miami, FL 33156, grantee:

(Whenever used herein the terms grantor and grantee include all the parties to this instrument and the heirs, legal representatives, and assigns of individuals, and the successors and assigns of corporations, trusts and trustees)

**Witnesseth**, that said grantor, for and in consideration of the sum **TEN AND NO/100 DOLLARS (\$10.00)** and other good and valuable considerations to said grantor in hand paid by said grantee, the receipt whereof is hereby acknowledged, has granted, bargained, and sold to the said grantee, and grantee's heirs and assigns forever, the following described land, situate, lying and being in **Miami-Dade County, Florida**, to-wit:

**Tract B and Tract C of Francine Heights First Addition, according to the Plat thereof, recorded in Plat Book 90, at Page 86, of the Public Records of Miami-Dade County, Florida.**

**Parcel Identification Number: 01-31120990010, 01-31120990020**

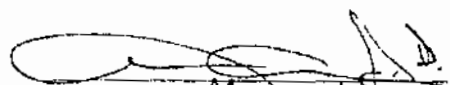
**Together** with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

**To Have and to Hold**, the same in fee simple forever


**And** the grantor hereby covenants with said grantee that the grantor is lawfully seized of said land in fee simple; that the grantor has good right and lawful authority to sell and convey said land; that the grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons claiming by, through or under grantors.

**In Witness Whereof**, grantor has hereunto set grantor's hand and seal the day and year first above written.

Signed, sealed and delivered in our presence:

  
Witness Name: MARIAROSA IZA, J.D.

Malibu Lodging Investments, LLC  
By Judah Burstyn, MGR  
Judah Burstyn, Manager

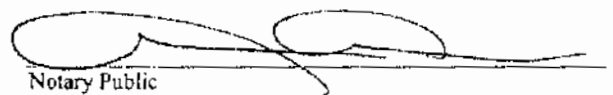
  
Witness Name: CARL SERTUMETZ

(Corporate Seal)

State of Florida  
County of Miami-Dade

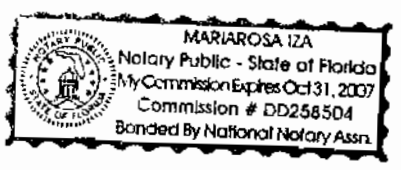
The foregoing instrument was acknowledged before me this 29th day of September, 2005 by Judah Burstyn as Manager of Malibu Lodging Investments, LLC, on behalf of the company. He/she  is personally known to me or  has produced a driver's license as identification.

[Notary Seal]

  
Notary Public

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_



**BUYER/SELLER CLOSING STATEMENT**

SELLER: Malibu Lodging Investments, LLC  
BUYER: Pinnacle Park, Ltd., a Florida limited partnership  
LENDER: David O. Deutch, Mitchell M. Friedman, Louis Wolfson III, and  
Michael D. Wohl (\$2,048,600)  
DATE OF CLOSING: September 29, 2005

	<b>Credits to BUYER</b>	<b>Charges to BUYER</b>
Purchase Price <sup>1/</sup>		\$2,033,750.00
Credit for Deposit held in escrow by Stearns Weaver Miller et al ("SWMWAS")	\$100,000.00	
Tax Proration Folio 01-31120990020 (\$2,076.30/365 days = \$5.69 x 272 days)	\$1,547.68	
Tax Proration Folio 01-31120990010 (\$4,346.86/365 days = \$11.91 x 272 days)	\$3,239.52	
<b>SUBTOTAL OF BUYER'S CREDITS</b>	<b>\$104,787.20</b>	
Plus Cash to Close from Buyer	<u>\$1,928,962.80</u>	
<b>TOTAL</b>	<b>\$2,033,750.00</b>	<b>\$2,033,750.00</b>

<sup>1/</sup>Base purchase price was \$1,808,750, subject to increase by \$15,000/unit over 120 units; 135 units were approved, increasing the base price by \$225,000.

SELLER'S EXPENSES:

Documentary Stamps on Deed	\$12,202.80
Miami-Dade County Surtax	\$9,152.10
Record Good Standing	\$10.00
3% Brokerage to Michael Wine Realty, Inc.	\$61,012.50
3% Brokerage to Madison Capital Group, Inc.	\$61,012.50
City of Miami on Folio 01-31120990020	\$3,615.24
City of Miami on Folio 01-31120990010	\$577.74
Loan Payoff to Ocean Bank <sup>2/</sup>	\$801,866.65
Fed Ex Loan Payoff	\$10.00
Record Meland Satisfaction	\$10.00
Legal Fees to Karl J. Schumer, P.A.	<u>\$5,000.00</u>
<b>TOTAL</b>	<b>\$954,469.53</b>

BUYER'S EXPENSES:

Title Premium	\$7,660.00
Title Commitment	\$405.00
A-1 lien Searches	\$219.00
Record Mortgage	\$61.00
Documentary Stamp Tax on Mortgage Loan	\$7,170.10
Intangibles Tax on Mortgage Loan	<u>\$4,097.20</u>
<b>TOTAL</b>	<b>\$19,612.30</b>
Plus Cash to Close from Buyer	<u>\$1,928,962.80</u>
<b>BUYER'S TOTAL CASH DUE</b>	<b>\$1,948,575.10</b>

RECONCILIATION OF SELLER'S CASH:

Buyer's Total Cash Due	\$1,948,575.10
(Less Seller's Expenses)	<\$954,469.53>
(Less Buyer's Expenses)	<\$19,612.30>
PLUS Deposit Release	<u>\$100,000.00</u>
<b>TOTAL CASH TO SELLER</b>	<b>\$1,074,493.27</b>

<sup>2/</sup>\$800,000 Principal, plus interest per payoff statement through 9/27 equal to \$1,066.67, plus per-diem interest of \$133.33 per day from 9/28 through 10/3.

*Q.*



SOURCES AND USES:

SOURCES:

Loan Proceeds	\$2,048,600.00
Deposit	<u>\$100,000.00</u>
TOTAL SOURCES	\$2,148,600.00

USES:

Cash to Seller	\$1,074,493.27
Seller's Costs	\$954,469.53
Buyer's Costs	<u>\$19,612.30</u>
TOTAL USES	\$2,048,575.10

BALANCE TO BUYER	\$100,024.90
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NOTES AND SIGNATURES ON FOLLOWING PAGE



Notes to Closing Statement:

Buyer and Seller agree to correct and adjust for any errors in computation of the amounts set forth on the Closing Statement. Further, as to any estimated amounts shown on the Closing Statement for costs, in the event the actual costs exceed the estimated amounts the parties shall contribute equally to pay such excess costs; and, in the event the actual costs are less than the estimated costs, each party shall receive a pro rata refund of the same. Buyer and Seller agree to prorate or adjust for any items contemplated by the Contract which have been omitted from the Closing Statement.

This Closing Statement may be executed in counterparts, which shall each be deemed and original and which, taken together will constitute a single document. The foregoing closing statement has been reviewed by the undersigned and the undersigned hereby approve same and authorize the disbursement of funds as set forth above.

BUYER:

Pinnacle Park, Ltd, a Florida limited partnership

By: PHG-Park, LLC, a Florida limited liability company, its sole general partner

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SELLER:

MALIBU LODGING INVESTMENTS, LLC, a Florida limited liability company

By: Judith Berg  
Name: JUDITH BERG  
Title: MGR



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850 488 4197 • Fax 950 488 5805 • www.floridahousing.org

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## TAXPAYER ELECTION OF APPLICABLE PERCENTAGE

Pursuant to Section 42(b)(2)(A)(ii) of the Internal Revenue Code (the "Code"), Pinnacle Park, Ltd. (the "Owner") and the Florida Housing Finance Corporation ("Florida Housing") hereby enter into an agreement as to the housing credit amount allocated to Pinnacle Park (the "Project"). This agreement represents an **irrevocable** election by the Owner to accept the credit rate chosen below and is dependent upon the issuance of a binding commitment for the allocation of housing credits from Florida Housing. The requirements of this action are set forth in Section 42(b)(A)(ii) of the Code and are not those of Florida Housing or the State of Florida.

### CHOOSE EITHER OF THE FOLLOWING:

If this box is checked, the Owner hereby **irrevocably** elects, pursuant to Section 42(b)(2)(A)(ii) of the Code, to fix the applicable credit percentage(s) for each building in the development as the percentage(s) prescribed by the Secretary of the Treasury for the month of \_\_\_\_\_, 2005, which is the month of the Carryover Allocation Agreement. Florida Housing and the Owner acknowledge that this agreement constitutes an agreement binding upon Florida Housing, the Owner and all successors in interest to the Owner as owners of the Development as the allocation of 2005 Housing Credit authority to the building(s) in the Development, subject to compliance by the Owner with the requirements of Section 42 of the Code and the additional requirements, if any, of Florida Housing.

The undersigned hereby elects to accept the credit rate of \_\_\_\_\_% (70% present value credit) or \_\_\_\_\_% (30% present value credit) applicable only to the below identified development and building(s), as set forth in the Carryover Allocation Agreement of \_\_\_\_\_, 2005.

**-OR-**

If this box is checked, the Owner makes no election pursuant to Section 42(b)(2)(A)(ii) of the Code, and accordingly, the applicable percentage for a building shall be that for the month in which the particular building is placed in service.

---

Jeb Bush, Governor  
Board of Directors: Jerry Santini, Chairman • Lynn M. Stultz, Vice Chairman • Theodorus Conner, Ex Officio  
Cesar E. Calver • David E. DeLorenzo • Zully Ruiz • Robert J. Taylor • Sandra Terry

Stephen P. Alger, Executive Director

TAXPAYER ELECTION OF APPLICABLE PERCENTAGE

Page 2 of 2

BY: David O. Deutch 12-15-05  
Signature of Owner Date

**David O. Deutch**

Name (Type or Print)

**Vice President**

Title

**Pinnacle Park / #2005-100C**

Development Name/Number

**New Construction**

Type of Building(s) (New Construction, Rehabilitation or Acquisition)

STATE OF Florida  
COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me this 15th day of December, 2005 by David O. Deutch who is personally known to me or who has produced \_\_\_\_\_ as identification.

Lissette Cantillo  
Signature of Notary Public



Printed or Stamped Name and Expiration Date

Received and Accepted: Kate A. Robinson Date: 12/29/05  
Deputy Development Officer  
Florida Housing Finance Corporation



227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301  
850 488 4197 • Fax 850 488 9809 • www.floridahousing.org

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### GROSS RENT FLOOR ELECTION

In accordance with Revenue Procedure 94-57, the Internal Revenue Service will treat the Gross Rent Floor in Section 42(g)(2)(A) as taking effect on the date the Corporation initially allocates\* housing credits to the building. However, the IRS will treat the Gross Rent Floor as taking effect on the building's placed-in-service date IF the owner designates that date instead and so informs the Corporation prior to the placed-in-service date of the building.

#### THIS IS A ONE-TIME ONLY, IRREVOCABLE ELECTION.

The undersigned owner hereby makes the following election with respect to the Gross Rent Floor Effective Date for each building in the project designated below:

On date of initial allocation (or determination)

On placed-in-service date

\* If the proposed project is tax-exempt bond financed (as defined by the IRC), the IRS will treat the gross rent floor as taking effect on the date the Corporation initially issues a determination letter unless the owner designates that the placed-in-service date should be used.

**Pinnacle Park, Ltd.**

By: PHG-Park, LLC, its General Partner

David O. Deutch      12-15-05      Pinnacle Park / #2005-100C  
Owner Signature      Date      Project Name

David O. Deutch      Pinnacle Park / #2005-100C  
Owner Name (Print or Type)      Project Name

THIS ELECTION MUST BE RECEIVED BY THE CORPORATION PRIOR TO THE PLACED-IN-SERVICE DATE OF ANY BUILDING IN THE PROJECT.

RECEIVED BY THE FLORIDA HOUSING FINANCE CORPORATION  
(Date Stamp):

RECEIVED  
2005 DEC 15 4:11 PM  
FLORIDA HOUSING FINANCE CORPORATION