

Fort King Colony Apartments Phase II

REQUEST FOR APPLICATIONS 2013-001

**RFA 2013-001 FOR AFFORDABLE HOUSING DEVELOPMENTS LOCATED
IN MEDIUM AND SMALL COUNTIES**

To: Ken Reecy
Director of Multifamily Programs
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

From: The Richman Group of Florida, Inc.
477 South Rosemary Avenue, Suite 301
West Palm Beach, FL 33401
Phone: 561-832-1114
Fax: 561-832-1104

Copy

Attachment

1

State of Florida



Department of State

I certify from the records of this office that FORT KING COLONY APARTMENTS PHASE II, LTD., is a Limited Partnership or limited liability limited partnership organized under the laws of the state of Florida, filed on September 23, 2013.

The document number of this Limited Partnership is A13000000553.

I further certify said Limited Partnership has paid all filing fees due this office through December 31, 2013, and its status is active.

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code, 813A00022353-092413-A13000000553-1/1, noted below.

Authentication Code: 813A00022353-092413-A13000000553-1/1

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Twenty-fourth day of September, 2013



Ken Detzner
Ken Detzner
Secretary of State

Attachment

2

Not Applicable

Attachment

3

Applicant: Fort King Colony Apartments Phase II, Ltd.

General Partner: Fort King Colony Phase II GP, LLC

Manager: N/A (member-managed)
Member: TRG Member of FL II, LLC

Limited Partner: The Richman Group of Florida, Inc.*

Officers: Richard P. Richman, Chairman
Kristin M. Miller, President
David A. Salzman, Executive Vice President
William T. Fabbri, Executive Vice President
Gina K. Dodge, Secretary
Doreen Cole, Treasurer
Samantha Anderes, Assistant Treasurer

Directors: Richard P. Richman

Shareholders: The Richman Group Development Corporation

*The Richman Group of Florida, Inc. will be replaced as the Applicant's limited partner upon syndication.

Developer: The Richman Group of Florida, Inc.

Officers: Richard P. Richman, Chairman
Kristin M. Miller, President
David A. Salzman, Executive Vice President
William T. Fabbri, Executive Vice President
Gina K. Dodge, Secretary
Doreen Cole, Treasurer
Samantha Anderes, Assistant Treasurer

Directors: Richard P. Richman

Shareholders: The Richman Group Development Corporation

Officers: Kristin M. Miller, President
David A. Salzman, Executive Vice President
Gina K. Dodge, Secretary
Doreen Cole, Treasurer
Samantha Anderes, Assistant Treasurer

Directors: Richard P. Richman
Kristin M. Miller
Scott Rosenblum

Shareholders: Kristin M. Miller
David A. Salzman
Richard P. Richman
Richman Family 2009 Irrevocable Trust I
Richman Family 2009 Irrevocable Trust II

Attachment

4

State of Florida

Department of State

I certify from the records of this office that THE RICHMAN GROUP OF FLORIDA, INC. is a corporation organized under the laws of the State of Florida, filed on December 3, 1993.

The document number of this corporation is P93000082822.

I further certify that said corporation has paid all fees due this office through December 31, 2013, that its most recent annual report/uniform business report was filed on April 25, 2013, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Thirtieth day of August, 2013*



Ken DeFoner
Secretary of State

Authentication ID: CU3527008080

To authenticate this certificate, visit the following site, enter this ID, and then follow the instructions displayed.

<https://efile.sunbiz.org/certauthver.html>

Prior General Development Experience Chart

Name of Principal with the Required Experience: William Todd Fabbri

Name of Developer Entity: The Richman Group of Florida, Inc.

Name of Development	Location (City and State)	Affordable Housing Program that Provided Financing	Total Number of Units	Year Completed
Savannah Springs	Jacksonville, Florida	non-competitive 4% HC	234	2008
Clear Harbor	Pinellas Park, Florida	non-competitive 4% HC	84	2008
Spanish Trace	Tampa, Florida	non-competitive 4% HC	120	2008
Laurel Oaks I	Leesburg, Florida	non-competitive 4% HC	144	2008
Laurel Oaks II	Leesburg, Florida	non-competitive 4% HC	108	2008
Timber Trace	Titusville, Florida	non-competitive 4% HC	204	2008
Hudson Ridge	Port Richey, Florida	non-competitive 4% HC	168	2009
Autumn Place	Temple Terrace, Florida	non-competitive 4% HC	120	2009
Hunt Club	Tampa, Florida	non-competitive 4% HC	96	2009
Mariner's Cay	Spring Hill, Florida	non-competitive 4% HC	160	2009
Kensington Gardens	Riverview, Florida	Housing Credits 9%	180	2010

Attachment

5

Not Applicable

Attachment

6

Not Applicable

Attachment

7

2013 SURVEYOR CERTIFICATION FORM

Name of Development: Fort King Colony Apartments Phase II
Fort King Road, Fort King Road and Calliope Lane, Zephyrhills

Development Location: _____
 (At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site¹ where the Development Location Point is located.)

The undersigned Florida licensed surveyor confirms that the method used to determine the following latitude and longitude coordinates conforms to Rule 5J-17, F.A.C., formerly 61G17-6, F.A.C.:

**All calculations shall be based on "WGS 84" and be grid distances. The horizontal positions shall be collected to meet sub-meter accuracy (no autonomous hand-held GPS units shall be used).*

State the Development Location Point. ²	N <u>28</u> Degrees	<u>15</u> Minutes	<u>25.1</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>11</u> Minutes	<u>30.0</u> Seconds (truncated after 1 decimal place)
----------------------------------------------------	------------------------	----------------------	----------------------------------------------------------	------------------------	----------------------	----------------------------------------------------------

To be eligible for proximity points, Degrees and Minutes must be stated as whole numbers and Seconds must be truncated after 1 decimal place.

Transit Service – State the latitude and longitude coordinates for one (1) Transit Service on the chart below.³

	Latitude			Longitude		
Public Bus Stop	N <u>28</u> Degrees	<u>15</u> Minutes	<u>28.4</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>11</u> Minutes	<u>39.9</u> Seconds (truncated after 1 decimal place)
Public Bus Transfer Stop	N _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
Public Bus Rapid Transit Stop	N _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
SunRail Station, MetroRail Station, or TriRail Station	N _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Transit Service is:						<u>0 . 1 8</u> Miles

Community Services - State the Name, Address and latitude and longitude coordinates of the closest service(s) on the chart below.³

Grocery Store:	Latitude			Longitude		
Name - <u>Save-A-Lot</u> Address - <u>7320 Gall Blvd.</u> <u>Zephyrhills, FL 33541</u>	N <u>28</u> Degrees	<u>15</u> Minutes	<u>49.7</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>11</u> Minutes	<u>12.5</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Grocery Store is:						<u>0 . 5 6</u> Miles

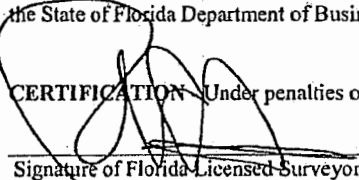
Initials of Surveyor RMA

2013 SURVEYOR CERTIFICATION FORM

Public School:	Latitude			Longitude		
Name - <u>Zephyrhills High School</u> Address - <u>6335 12th Street</u> <u>Zephyrhills, FL 33542</u>	N <u>28</u> Degrees	<u>14</u> Minutes	<u>58.9</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>10</u> Minutes	<u>55.2</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Public School is:				0. <u>7</u> <u>7</u> Miles		
Medical Facility:	Latitude			Longitude		
Name - <u>Caring Physician Med.</u> Address - <u>6755 Gall Blvd.</u> <u>Zephyrhills, FL 33542</u>	N <u>28</u> Degrees	<u>15</u> Minutes	<u>22.6</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>11</u> Minutes	<u>19.0</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Medical Facility is:				0. <u>1</u> <u>9</u> Miles		
Senior Center:	Latitude			Longitude		
Name - _____ Address - _____	N _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Senior Center is:				_____ Miles		
Pharmacy:	Latitude			Longitude		
Name - <u>Xtra Discount Drugs</u> Address - <u>6953 Gall Blvd.</u> <u>Zephyrhills, FL 33542</u>	N <u>28</u> Degrees	<u>15</u> Minutes	<u>31.8</u> Seconds (truncated after 1 decimal place)	W <u>82</u> Degrees	<u>11</u> Minutes	<u>19.0</u> Seconds (truncated after 1 decimal place)
Using the method described above*, the distance (rounded up to the nearest hundredth of a mile) between the coordinates of the Development Location Point and the coordinates of the Pharmacy is:				0. <u>2</u> <u>2</u> Miles		

If the Corporation discovers that there are any false statements made in this certification, the Corporation will forward a copy to the State of Florida Department of Business and Professional Regulation for investigation.

CERTIFICATION Under penalties of perjury, I declare that the foregoing statement is true and correct.

 10/4/13 LS3840
Signature of Florida Licensed Surveyor Florida License Number of Signatory

RICHARD G. HINSON, PSM
Print or Type Name of Signatory

Please note: This form may be modified by Florida Housing Finance Corporation per Section 67-60.005, F.A.C.

2013 SURVEYOR CERTIFICATION FORM

This certification consists of 3 pages. This certification may not be signed by the Applicant, by any related parties of the Applicant, or by any Principals or Financial Beneficiaries of the Applicant. If the certification is inappropriately signed, the Application will not be eligible to receive proximity points. If this certification contains corrections or 'white-out', or if it is altered or retyped, the form will not be considered. The certification may be photocopied. To be considered for scoring purposes, at least pages 1 and 2 of this 3 page certification form must be provided by the Applicant.

¹"Scattered Sites," as applied to a single Development, means a Development site that, when taken as a whole, is comprised of real property that is not contiguous (each such non-contiguous site within a Scattered Site Development, a "Scattered Site"). For purposes of this definition "contiguous" means touching at a point or along a boundary. Real property is contiguous if the only intervening real property interest is an easement provided the easement is not a roadway or street. (See Rule 67-48.002, F.A.C.).

²"Development Location Point" means a single point selected by the Applicant on the proposed Development site that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development. For a Development which consists of Scattered Sites this means a single point on the site with the most units that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development (See Rule 67-48.002, F.A.C.).

³The latitude and longitude coordinates for all Proximity Services must represent a point as outlined on the Coordinates Location Chart set out below. The coordinates for each service must be stated in degrees, minutes and seconds, with the degrees and minutes stated as whole numbers and the seconds truncated after one decimal place. If the degrees and minutes are not stated as whole numbers and the seconds are not truncated after one decimal place, the Applicant will not be eligible for proximity points for that service.

Coordinates Location Chart																											
Service	Location where latitude and longitude coordinates must be obtained																										
Community Services	Coordinates must represent a point that is on the doorway threshold of an exterior entrance that provides direct public access to the building where the service is located.																										
Transit Services	<p>For Public Bus Stop, Public Bus Rapid Transit Stop, Public Bus Transfer Stop, TriRail Rail Stations and MetroRail Rail Stations, coordinates must represent the location where passengers may embark and disembark the bus or train.</p> <p>For SunRail Rail Stations, coordinates must represent either the location where passengers may embark and disembark the train or the coordinates listed below:</p> <table border="1"> <thead> <tr> <th>Station Name</th> <th>Latitude/Longitude Coordinates</th> </tr> </thead> <tbody> <tr> <td>Altamonte Springs Station</td> <td>N 28 39 50.1, W 81 21 23.4</td> </tr> <tr> <td>Church Street Station</td> <td>N 28 32 20.3, W 81 22 50.6</td> </tr> <tr> <td>DeBary Station</td> <td>N 28 51 20.3, W 81 19 24.1</td> </tr> <tr> <td>Florida Hospital Station</td> <td>N 28 34 21.8, W 81 22 17.4</td> </tr> <tr> <td>Lake Mary Station</td> <td>N 28 45 31.8, W 81 19 04.3</td> </tr> <tr> <td>LYNX Central Station</td> <td>N 28 32 52.2, W 81 22 51.0</td> </tr> <tr> <td>Longwood Station</td> <td>N 28 42 04.1, W 81 20 43.4</td> </tr> <tr> <td>Maitland Station</td> <td>N 28 38 03.7, W 81 21 44.7</td> </tr> <tr> <td>Orlando Amtrak/ORMC Station</td> <td>N 28 31 39.5, W 81 22 55.6</td> </tr> <tr> <td>Sand Lake Road Station</td> <td>N 28 27 11.3, W 81 22 1.0</td> </tr> <tr> <td>Sanford/SR46 Station</td> <td>N 28 48 49.8, W 81 17 56.9</td> </tr> <tr> <td>Winter Park/Park Ave Station</td> <td>N 28 35 51.5, W 81 21 6.0</td> </tr> </tbody> </table>	Station Name	Latitude/Longitude Coordinates	Altamonte Springs Station	N 28 39 50.1, W 81 21 23.4	Church Street Station	N 28 32 20.3, W 81 22 50.6	DeBary Station	N 28 51 20.3, W 81 19 24.1	Florida Hospital Station	N 28 34 21.8, W 81 22 17.4	Lake Mary Station	N 28 45 31.8, W 81 19 04.3	LYNX Central Station	N 28 32 52.2, W 81 22 51.0	Longwood Station	N 28 42 04.1, W 81 20 43.4	Maitland Station	N 28 38 03.7, W 81 21 44.7	Orlando Amtrak/ORMC Station	N 28 31 39.5, W 81 22 55.6	Sand Lake Road Station	N 28 27 11.3, W 81 22 1.0	Sanford/SR46 Station	N 28 48 49.8, W 81 17 56.9	Winter Park/Park Ave Station	N 28 35 51.5, W 81 21 6.0
Station Name	Latitude/Longitude Coordinates																										
Altamonte Springs Station	N 28 39 50.1, W 81 21 23.4																										
Church Street Station	N 28 32 20.3, W 81 22 50.6																										
DeBary Station	N 28 51 20.3, W 81 19 24.1																										
Florida Hospital Station	N 28 34 21.8, W 81 22 17.4																										
Lake Mary Station	N 28 45 31.8, W 81 19 04.3																										
LYNX Central Station	N 28 32 52.2, W 81 22 51.0																										
Longwood Station	N 28 42 04.1, W 81 20 43.4																										
Maitland Station	N 28 38 03.7, W 81 21 44.7																										
Orlando Amtrak/ORMC Station	N 28 31 39.5, W 81 22 55.6																										
Sand Lake Road Station	N 28 27 11.3, W 81 22 1.0																										
Sanford/SR46 Station	N 28 48 49.8, W 81 17 56.9																										
Winter Park/Park Ave Station	N 28 35 51.5, W 81 21 6.0																										

If there is no exterior public entrance to the Community Service, then a point should be used that is at the exterior entrance doorway threshold that is the closest walking distance to the doorway threshold of the interior public entrance to the service. For example, for a Pharmacy located within an enclosed shopping mall structure that does not have a direct exterior entrance, the latitude and longitude coordinates at the doorway threshold of the exterior public entrance to the enclosed shopping mall that provide the shortest walking distance to the doorway threshold of the interior entrance to the Pharmacy would be used.

Applicants may use the same latitude and longitude coordinates for the Grocery Store, Medical Facility and/or Pharmacy if the Grocery Store, Medical Facility and/or Pharmacy is housed at the same location. However, there are no other instances in which an Applicant may use identical coordinates or the same location for any other combination of Transit or Community Services.

Attachment

8

ASSIGNMENT AND ASSUMPTION OF INTEREST IN
PURCHASE AND SALE AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT ("Assignment") dated as of October 10, 2013, is made by and between THE RICHMAN GROUP OF FLORIDA, INC., a Florida corporation ("Assignor"), and FORT KING COLONY APARTMENTS PHASE II, LTD., a Florida limited partnership ("Assignee").

WHEREAS, Assignor is Purchaser under that certain Purchase and Sale Agreement executed on or about June 24, 2013 (the "Purchase Agreement"), between KING INVESTMENTS, LLC, a Florida limited liability company ("Seller"), and THE RICHMAN GROUP OF FLORIDA, INC. ("Purchaser") for the real property more particularly described in the Purchase Agreement on Exhibit "A" attached thereto ("Property"); and

WHEREAS, Assignee desires to acquire interests in the Property in accordance with the terms of the Purchase Agreement, and Assignor is willing to assign its interests in and under the Purchase Agreement to Assignee in accordance with the terms hereof.

NOW, THEREFORE, for and in consideration of Ten Dollar (\$10.00) and other good and valuable consideration in hand paid by Assignee to Assignor, Assignor hereby assigns to Assignee all of Assignor's rights, title and interests in and under the Purchase Agreement (including, without limitation, the Deposit made by Assignor).

Assignee hereby assumes all obligations of Assignor under or pursuant to the Purchase Agreement.

IN WITNESS WHEREOF, this instrument has been executed as of the date stated above.

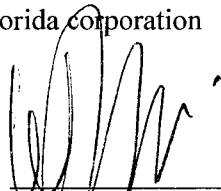
ASSIGNOR:

ASSIGNEE:

THE RICHMAN GROUP OF FLORIDA, INC.,
a Florida corporation

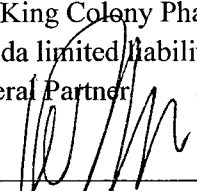
FORT KING COLONY APARTMENTS PHASE
II, LTD, a Florida limited partnership

By: _____


William T. Fabbri
Executive Vice President

By: Fort King Colony Phase II GP, LLC, a
Florida limited liability company, its sole
General Partner

By: _____


William T. Fabbri
Executive Vice President

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement") is made as of the Effective Date (as defined below) by and between KING INVESTMENTS, LLC, a Florida limited liability company ("Seller"), and THE RICHMAN GROUP OF FLORIDA, INC., a Florida corporation, and/or its assigns ("Purchaser").

WITNESSETH:

In consideration of the mutual promises hereinafter set forth, Seller and Purchaser mutually agree as follows:

1. Purchase and Sale. Seller is the owner of that certain tract and parcel of land described in Exhibit A attached hereto and made a part hereof being located in the City of Zephyrhills, County of Pasco, Florida ("Property"). Seller agrees to sell and convey and Purchaser agrees to purchase the Property, upon which Purchaser intends to construct up to 120 multifamily residential units, together with related amenities (the "Contemplated Improvements").

The Property shall include all of the right, title and interest of Seller in and to the following:

(a) All easements, rights of way, privileges, licenses, appurtenances and any other rights, privileges and benefits belonging to the owner of, running with title to, or in any way related to, the Property;

(b) All land use or other consents, authorizations, variances, waivers, licenses, permits, approvals, development orders, or any other entitlements issued or granted by or from any governmental authority with respect to the Property;

(c) All percolation, soil, topographical, traffic, engineering and environmental reports or studies in the possession or control of the Seller, and all riparian, littoral rights, title to submerged lands and other water rights related to or benefiting the Property;

(d) All utility mains, service laterals, hydrants, connections, hook-ups and valves located on, or adjacent to, and servicing or available to service the Property; and

(e) Any and all other agreements, contracts, covenants, variances and rights, benefits and privileges related to or benefiting the Property.

2. Purchase Price. The purchase price for the Property ("Purchase Price"), which Purchaser agrees to pay and Seller agrees to accept, is One Million One Hundred Forty Thousand and 00/100 Dollars (\$1,140,000.00), subject to Purchaser obtaining an appraisal that supports the Purchase Price. The Purchase Price shall be subject to the credits, prorations, and adjustments herein provided, payable as follows:

(a) Independent Contract Consideration. Purchaser shall, within three (3) business days after the Effective Date of this Agreement (as defined in Section 19(f)), deliver the

sum of ONE HUNDRED DOLLARS (\$100.00) to Broad and Cassel, as Escrow Agent, which shall be deemed to be independent contract consideration for Seller's execution and delivery of this Agreement ("Independent Contract Consideration"). Such Independent Contract Consideration shall either be (i) applied as a credit against the Purchase Price at the Closing, or (ii) disbursed to Seller upon any termination of this Agreement by Purchaser or Seller for any reason.

(b) Initial Deposit. On or before the third (3rd) business day following the expiration of the Inspection Period (as defined in Section 3 of this Agreement), (provided this Agreement has not been terminated), Purchaser shall deliver to Escrow Agent the sum of Ten Thousand Dollars (\$10,000.00) by check or wire transfer (the "Initial Deposit").

(c) Second Deposit. Three (3) business days following the Finance Approval Deadline (as hereinafter defined), and so long as Purchaser has not elected to terminate this Agreement, Purchaser shall deliver to Escrow Agent the sum of Forty Thousand Dollars (\$40,000.00) ("Second Deposit").

(d) The Initial Deposit and the Second Deposit, or so much thereof as may have been delivered to Seller at any time, are hereinafter collectively referenced to as the "Deposit". Such Deposit delivered shall be non-refundable to Purchaser except in the event that: (i) Seller fails, refuses, or is unable to perform all of its obligations under this Agreement; (ii) one or more of the Closing Conditions in favor of Purchaser set forth in Section 11 has not been satisfied; or (iii) as otherwise specifically set forth in this Agreement. Notwithstanding the foregoing, the Deposit shall be credited against the Purchase Price at Closing.

(e) The Deposit shall be applied to the Purchase Price at Closing. On the Closing Date (as defined in Section 8), Escrow Agent shall deliver the Deposit to Seller and Purchaser shall pay to Seller the balance of the Purchase Price subject to the credits, adjustments and prorations as herein provided, by a cashier's check or by wire transfer of United States Dollars.

3. Inspection Period. For the period beginning with the Effective Date and continuing until sixty (60) days following the Effective Date @11:59 PM Eastern Time ("Inspection Period"), Seller hereby grants to Purchaser the right to make or obtain any and all investigations, tests, studies, evaluations, assessments and reports Purchaser deems necessary or desirable with respect to the Property.

(a) During the Inspection Period, Seller hereby grants to Purchaser and its agents, employees, contractors and representatives, a right of entry upon every portion of the Property, and a right to examine all records, documents, data or information of any kind or nature relating to or concerning the Property in the possession or under the control of Seller or other matters pertaining to the Property (and Seller hereby agrees to make any and all records, documents, data or information of any kind or nature relating to or concerning the Property in the possession or under the control of Seller available to Purchaser) from time to time at all reasonable times for the purpose of making surveys, engineering studies, drainage studies, zoning and land use studies, impact studies, surface and subsurface explorations, tests, excavations, borings and such other investigations, inspections, assessments or reports as Purchaser, in its sole and absolute discretion, may elect to make. Seller shall deliver to Purchaser, within five (5) business days after the Effective Date, copies of any and all surveys, site plans or layouts, engineering, environmental, soil, wetlands determinations, zoning, land use,

appraisal and feasibility studies, reports and assessments, concurrency evaluations, any plans and specifications for the Property approved by the local building department having jurisdiction over the Property (collectively, “Plans and Specs”), and any correspondence concerning any such topics that Seller has in its possession or control, and all other governmental orders, approvals, exemptions, waivers, permits, licenses, special exceptions or variances relating to the Property or any proposed use thereof which are in Seller’s possession or control, but specifically excluding any privileged attorney communications and financial information. Seller shall also deliver to Purchaser, within five (5) business days after the Effective Date, legible copies of all leases, service contracts, operating agreements, management agreements and warranties relating to or concerning the Property, exclusive of Seller’s Operating Agreement.

(b) Purchaser assumes liability for all acts of its agents who enter onto the Property and agrees to indemnify and hold harmless the Seller from any loss, damage, cost or expense incurred by Seller as a result of such acts of Purchaser and its agents that cause injury to persons or damage to the Property.

(c) Notwithstanding any provision in this Agreement to the contrary, at any time on or before the end of the Inspection Period, Purchaser may, without liability to Seller and for any reason or no reason whatsoever, terminate this Agreement by written notice to Seller and Escrow Agent, following which Escrow Agent shall promptly disburse the Independent Contract Consideration to Seller; upon such termination, both parties shall be released from all further obligations or liability under this Agreement except for those obligations which expressly survive termination.

(d) If Purchaser has not terminated this Agreement, as provided herein, the right of entry and investigation granted herein shall continue unabated through Closing.

4. Condemnation.

(a) If the Property, or any part thereof, or any interest therein, shall be taken by eminent domain or condemned prior to the Closing Date, or if Seller shall receive any notice or knowledge that any agency or entity having the power of eminent domain is contemplating or is seeking the taking or condemnation of the Property, or any part thereof, or any interest therein, Seller shall promptly notify Purchaser thereof (“Condemnation Notice”).

(b) Subject to the provisions of subsections (c) and (d) of this Section 4, Purchaser shall be entitled to the proceeds of any condemnation proceeding relating to any taking prior to or after the Closing Date. If the payment of such proceeds is received by the Seller prior to the Closing Date, the proceeds shall be delivered to Purchaser at Closing. If such proceeds are not delivered to the Purchaser on the Closing Date, there shall be a Closing adjustment under Section 2 in the amount of such proceeds.

(c) If a condemnation, eminent domain or other taking proceeding shall have been overtly threatened or commenced against the Property, or a portion thereof, or an interest therein, then in any such event, Purchaser shall have the option within thirty (30) days after receiving each Condemnation Notice, either to: (i) notify Seller and Escrow Agent of Purchaser’s election to terminate this Agreement in which case the Deposit, shall be returned to Purchaser and the parties shall thereafter be relieved of any further obligation or liability hereunder; or (ii) complete the sale without any adjustments to the Purchase Price, except that any and all condemnation awards which relate to the Property, or any portion thereof, or any

interest therein, received by Seller before Closing in respect of such taking shall be paid to Purchaser on the Closing Date as a Closing adjustment, and Seller shall transfer and assign to Purchaser at Closing all of Seller's rights and interest in and to any such awards and any such proceeds, and all such proceeds and all such awards received by or payable to the Seller after Closing on account thereof shall be paid over to Purchaser as a post-closing adjustment. Seller's obligation to transfer to Purchaser all such proceeds and all such awards received by or paid to the Seller after Closing shall survive the Closing hereunder.

(d) Notwithstanding anything in this Agreement to the contrary, unless Purchaser has elected to terminate this Agreement, as provided in subsection (c) above, the Closing Date shall be thirty (30) days after receiving any Condemnation Notice, or the date set forth in Section 8, whichever is later.

(e) The provisions of this Section 4 shall survive the Closing.

5. Title Insurance/Survey.

(a) Purchaser, at its sole cost and expense, shall obtain an owner's title insurance commitment ("Title Commitment") from First American Title Insurance Company, through its agent Broad and Cassel (or from such other nationally recognized title insurance company acceptable to Purchaser). Marketable title shall be determined according to the Title Standards adopted by authority of The Florida Bar and in accordance with Florida law. Following the Effective Date, Purchaser may order an ALTA/ACSM survey or an update of Seller's existing survey, prepared by a Florida licensed surveyor and depicting the Property and all of the plottable exceptions to the Title Commitment ("Survey"). Purchaser shall have until the expiration of the Inspection Period within which to examine the condition of Seller's title to the Property. If the Title Commitment or the Survey reflects that title to the Property is subject to any exceptions or other survey matters unacceptable to Purchaser, Purchaser shall, prior to the expiration of the Inspection Period, notify Seller in writing of the specific title defects ("Title Objections"). Any exceptions listed in the Title Commitment to which Purchaser has not timely objected shall be deemed to be "Permitted Exceptions." Seller, at Seller's sole cost and expense, shall use commercially reasonable efforts to correct or remove such Title Objections prior to Closing, provided, however, that Seller shall only be required to expend funds to satisfy those title objections which are described in Paragraph 5(b) in delineated clauses (1), (2) and (3). If Seller is not successful in correcting or removing the Title Objection prior to the Closing Date, Purchaser shall have the option of either accepting the title in its existing condition, or of terminating this Agreement by sending written notice of termination to Seller and Escrow Agent. In the event that Purchaser elects to terminate this Agreement, Escrow Agent shall return the Deposit to Purchaser, and, thereafter, neither Purchaser nor Seller shall have any further liabilities or obligations hereunder except with respect to those obligations which expressly survive termination.

(b) Seller covenants and agrees that after the Effective Date it shall not enter into or record any document or instrument, or enter into any lease or other agreement, affecting or burdening the Property, unless Purchaser has consented in writing to the execution or recordation of such document, instrument, lease or agreement. If any updated endorsement to the Title Commitment or any update of the Survey obtained prior to Closing reveals any exception or survey defect not reflected on the Title Commitment or the Survey that was not consented to by Purchaser, Seller, at Seller's sole cost and expense, shall have such exception, deleted from the Title Commitment, or such survey defect removed or cured prior to Closing. If

Seller is not successful in removing the same by the Closing Date, Purchaser shall have the option of either accepting the title in its existing condition, or of terminating this Agreement by sending written notice of termination to Seller and Escrow Agent. In the event that Purchaser elects to terminate this Agreement, Escrow Agent shall return the Deposit to Purchaser. Notwithstanding anything else to the contrary in this Agreement, in the event Seller fails to remove an exception revealed in the Title Commitment, or any update thereof (whether or not objected to by Purchaser), in the form of: (1) a mortgage or other security interest entered into by Seller; (2) a lien or encumbrance of any kind or nature voluntarily created by Seller at any time on or after the date of this Agreement; or (3) a mechanic's or materialman's lien or a judgment docketed against the Property, in any case resulting from the non-payment by Seller of any sums alleged to be due and owing by Seller to a contractor or materialman or otherwise voluntarily caused or created by Seller, then in addition to the return of the Deposit, Purchaser shall be entitled to recover from Seller all third party costs incurred by Purchaser, including reasonable attorneys' fees and costs, in connection with this Agreement and the Property.

6. Covenants of Seller; Operation of the Property. Seller hereby covenants and agrees that from and after the Effective Date:

(a) Seller will not, without the Purchaser's prior written consent, create by its consent any encumbrances on the Property which will affect the legal description of the Property or the physical character of the same. For purposes of this provision the term "encumbrances" shall include, but not be limited to, any liens, claims, options, or other encumbrances, encroachments, rights-of-way, easements, covenants, conditions or restrictions.

(b) Seller shall pay all assessments and taxes prior to becoming delinquent.

(c) Seller will not create or consent to the creation of any special taxing districts or associations with the authority to impose taxes, liens or assessments on the Property.

(d) Seller shall have the option, at Seller's sole cost and expense, but not the obligation to remove any of the excess stockpiled fill located on the Property prior to Closing, but such removal shall not occur until after Seller has obtained Purchaser's approval of the amount of fill to be removed from the Property. If any fill is removed by Seller, Seller will promptly reinstall the silt fence around the remaining stockpiled fill located on the Property. Seller shall not otherwise cause any change to be made to the condition of the Property without the prior written consent of the Purchaser.

(e) Seller shall take no action with respect to the Property that would alter or affect any of the representations or warranties of Seller under this Agreement or which would in any manner affect Purchaser's future use and development of the Property.

(f) Seller shall maintain the Property in its current condition and shall not take any action that could or will materially affect the value of the Property or alter the condition of the Property.

7. Closing Documents. The Closing documents shall be provided by the parties as set forth below:

(a) At Closing Seller shall execute and/or deliver to Purchaser:

(i) A special warranty deed conveying to Purchaser good, marketable and insurable fee simple absolute title to the Property;

(ii) An affidavit of ownership;

(iii) An assignment and assumption agreement ("Assignment Agreement") of any and all assignable licenses or permits used or useable in connection with the Property, or the development thereof and originals of any such licenses or permits in the ownership, possession or control of Seller or its agents;

(iv) a certificate of non-foreign status in compliance with the Internal Revenue Code and the regulations promulgated thereunder;

(v) A duly executed certification that every representation and warranty of Seller under this Agreement is true and correct as of the Closing as if made by Seller at such time;

(vi) Any and all documents reasonably requested by Purchaser or the title company in connection with Seller's authority to execute this Agreement, the deed and all other documents contemplated under this Agreement;

(vii) A closing statement prepared by Escrow Agent setting forth all amounts paid, credited and otherwise due, payable and paid hereunder ("Closing Statement"); and

(viii) Such additional documents or instruments as may be required to effectuate the terms, conditions and provisions hereof and to carry out the intent of the parties hereto, or as may be reasonably required by the title insurance company, so as to be able to delete at Closing all of the requirements of Schedule B-Section 1 of the Title Commitment and all of the standard printed exceptions (other than the exception for taxes and assessments for the current year not yet due and payable, and the survey exception, which shall be limited to the specific matters affecting the Property reflected on the Survey) from Schedule B-Section 2 of the Title Commitment, and to insure the gap between the effective date of the Title Commitment and the recording of the deed conveying title to the Property from Seller to Purchaser.

(b) At Closing, Purchaser shall deliver to Seller:

(i) Closing Statement executed in counterpart;

(ii) The Assignment Agreement executed in counterpart;

(iii) The Purchase Price (as adjusted for all credits, adjustments and prorations set forth in this Agreement); and

(iv) Such additional documents or instruments as may be reasonably required or requested by Seller to effectuate the terms, conditions and provisions of this Agreement.

8. Closing/Closing Expenses. Except as otherwise provided herein, the consummation of the transactions described in this Agreement ("Closing") shall take place at the offices of the Purchaser's counsel or by mail on or before the date that is fifteen (15) days after

Purchaser has obtained the last of Purchaser's Governmental Approvals, with all appeal periods having expired with no appeals having been filed (the "Closing Date").

(a) At Closing, Seller shall pay for the cost of state documentary stamps and surtax, if any, on the special warranty deed and for the recording of, and any and all other costs and expenses of obtaining, all title corrective instruments.

(b) At Closing, Purchaser shall pay the per page recording fee for recording the special warranty deed, the costs of the Survey, and all title search fees and other costs pertaining to the Title Commitment and for the title insurance premium, at the Insurance Commissioner's Minimum Promulgated Rate, on the owner's title insurance policy to be issued to Purchaser pursuant to the Title Commitment in an amount equal to the Purchase Price.

9. Prorations. The following items shall be adjusted, apportioned, and allowed as of the Closing Date:

(a) Special Assessment Liens. If, on the Closing Date, the Property or any part thereof, shall be or shall have been affected by any certified, confirmed, and ratified special assessment liens, the same shall be paid and discharged by Seller. Pending liens shall be assumed by Purchaser; provided, however, that once the amount of a pending special assessment lien has been finally determined, the amount of the special assessment lien shall be prorated and Seller shall reimburse Purchaser for any amounts paid by Purchaser which are allocable to the period of time Seller owned the Property within thirty (30) days of Purchaser's delivery to Seller of the proration statement.

(b) Real Estate Taxes. If the Closing shall occur before the tax rate is fixed, the apportionment of taxes shall be based upon the real estate taxes for the previous year. If the Property is not assessed for real estate purposes as a separate parcel, but is part of a larger parcel, the taxes attributable to land shall be prorated on a per acre basis, however no taxes attributable to improvements shall be allocated to the Property which is vacant. If the tax rate is not fixed, or if the Property is not taxed as a separate parcel, as aforesaid, the parties agree to make an appropriate adjustment upon the issuance of the actual statement for the taxable year. Thus, if at the time of Closing, the taxes for the current year have not been finally determined, Seller or Purchaser, as the case may be, agree to pay any balance later found to be due on the re-proration of the actual taxes for the year in which the Closing occurred, within thirty (30) days of the determination thereof.

(c) The provisions of this Section 9 shall survive the Closing.

10. Required Approvals.

(a) Purchaser shall have until the earlier of (i) February 1, 2014 or (ii) five (5) business days after the final scores are issued in writing (the "Finance Approval Deadline") to determine if it will be successful in obtaining approval from the Florida Housing Finance Corporation ("FHFC") for financing sufficient (to be determined by Purchaser) for the purchase of the Property and the construction of the Contemplated Improvements (the "Finance Approval"). If Purchaser does not receive Finance Approval on or before the Finance Approval Deadline, then Purchaser shall be entitled (but Purchaser shall not be obligated) to terminate this Agreement by written notice to Seller delivered on or before the Finance Approval Deadline and upon such termination by Purchaser, the Deposit shall be returned to Purchaser and the parties

shall be relieved of all further liability under this Agreement, except for those obligations which expressly survive termination of this Agreement.

(b) Purchaser shall have until the earlier of (i) April 16, 2014 or (ii) seventy-five (75) days after the Finance Approval is obtained (“Credit Underwriting Approval Deadline”) to obtain credit underwriting approval from FHFC for its project, upon terms acceptable to Purchaser in its sole discretion (“Credit Underwriting Approval”). If Purchaser does not receive Credit Underwriting Approval on or before the expiration of the Credit Underwriting Approval Deadline, then Purchaser shall be entitled (but Purchaser shall not be obligated) to terminate this Agreement by written notice to Seller delivered on or before the Credit Underwriting Approval Deadline and upon such termination by Purchaser, the Deposit shall be returned to Purchaser and the parties shall be relieved of all further liability under this Agreement, except for those obligations which expressly survive termination of this Agreement.

(c) Purchaser's obligation to purchase the Property from Seller is contingent upon the final issuance of all governmental approvals from applicable governmental authorities having jurisdiction over the Property, to permit the construction, completion and operation of the Contemplated Improvements including without limitation: (i) final site plan approval, and (ii) all building and site permits (the “Governmental Approvals”). Purchaser shall have the civil engineer design and permit the Property and Purchaser shall pay for any costs associated therewith (such as civil engineer's fees & permit and/or re-permitting fees). The Governmental Approvals shall remain valid and in full force and effect through the Closing Date. Seller shall not revise or amend the Governmental Approvals without Purchaser's prior written consent.

(d) Final issuance of the Governmental Approvals shall be deemed to occur only when all of the Governmental Approvals have been issued or granted by the applicable governmental and quasi-governmental boards and agencies, all appeal periods have expired and any appeals filed have been finally and favorably determined. If this condition precedent is not satisfied on or before one hundred twenty (120) days after Purchaser has received Credit Underwriting Approval, as described below (the “Approval Deadline”), then either Purchaser or Seller shall be entitled (but neither Purchaser nor Seller shall be obligated) to terminate this Agreement by written notice to the other party and upon such termination, the Deposit shall be returned to Purchaser and the parties shall be relieved of all further liability under this Agreement, except for those obligations which expressly survive termination of this Agreement

11. Closing Conditions. Purchaser's obligation to close this transaction shall be subject to the satisfaction of each of the following conditions on or before the Closing Date to:

(a) Seller shall not be in default under any term, covenant or conditions of this Agreement.

(b) Each of the representations and warranties of Seller set forth in this Agreement shall be true, complete and correct at the date of the Closing as if made at that time, and the Seller shall have delivered its certificate to such effect.

(c) There shall not be a sewer, water, building or other moratoria in effect which would interfere with the immediate construction and occupancy of Purchaser's contemplated improvements.

(d) At the Closing, the First American Title Insurance Company, through its agent Broad and Cassel, shall irrevocably commit to issue to Purchaser an ALTA Owner's Policy

of title insurance, dated as of the date and time of the recording of the deed, in the amount of the Purchase Price, insuring Purchaser as owner of good, marketable and indefeasible fee simple title to the Property, free and clear of liens, and subject only to the Permitted Exceptions (“Title Policy”).

In the event that any of the foregoing conditions precedent to Closing have not been satisfied as of the Closing Date, Purchaser shall have the right to waive any or all of the foregoing conditions and close this transaction or Purchaser shall have the right to terminate the Agreement, and in such event the Deposit and all interest earned thereon shall be refunded to Purchaser and neither party shall have any further rights or obligations hereunder, except those obligations which survive termination of the Agreement.

12. Broker.

Purchaser represents and warrants that they have not dealt with any real estate broker, sales person or finder in connection with this transaction other than Eshenbaugh Land Company (“Broker”). Seller shall pay Broker’s commission in accordance with their separate agreement. Seller shall pay a commission to any other real estate broker whose services were used in connection with this transaction. In the event of any claim by other than Broker for a broker’s or a finder’s fee or commission in connection with the negotiation, execution or consummation of this Agreement or the transactions contemplated hereby, each party shall defend, indemnify and hold harmless the other party from and against any such claim based upon any statement, representation or agreement of such party. The mutual indemnities and representations and warranties of each of Seller and Purchaser in this Section 12 shall survive the Closing.

13. Seller’s Representations and Warranties. Seller represents and warrants to Purchaser and covenants and agrees with Purchaser as follows:

(a) Seller has not entered into any contracts, subcontracts, arrangements, leases, licenses, concessions, easements, or other agreements, either recorded or unrecorded, written or oral, affecting all, or any portion of, or any interest in the Property, which will not have been terminated or expired prior to Closing;

(b) To the best of Seller’s knowledge, there are no: (1) existing or pending improvement or special assessment liens affecting the Property; (2) violations of building codes and/or zoning ordinances or other governmental or regulatory laws, ordinances, regulations, orders or requirements affecting the Property; (3) existing, pending or threatened lawsuits, or appeals of prior lawsuits, affecting the Property; (4) existing, pending or threatened condemnation proceedings affecting the Property; (5) existing, pending or threatened zoning, building or other moratoria, downzoning petitions, proceedings, restrictive allocations or similar matters that could adversely affect the development of the Contemplated Improvements on the Property; or (6) unrecorded easements, restrictions or encumbrances affecting all or any part of the Property;

(c) Seller has not used, manufactured, stored, or released any “Hazardous Materials” (as hereinafter defined) on, in or around the Property, and, to the best of Seller’s knowledge, no other person or entity has ever used, manufactured, stored or released any Hazardous Materials on, in or around the Property, and, to the best of Seller’s knowledge, no Hazardous Materials are present in, on, under or around the Property. As used herein, “Hazardous Materials” shall mean petroleum and petroleum based products and any other substance or material, the use, manufacture, storage, release or presence of which in land, water

or elsewhere in the environment is limited, prohibited or in any other way regulated by any federal, state or local law, ordinance, rule or regulation. Seller further represents and warrants that, to the best of Seller's knowledge, no portion of the Property has ever been used as a landfill or a dump;

(d) There are no agreements currently in effect which prohibit or restrict the sale of the Property;

(e) Seller has the right, power and authority to execute and deliver this Agreement, to perform each and every obligation of Seller hereunder, and to consummate the transactions contemplated by it; neither the execution and delivery of this Agreement, and, to the best of Seller's knowledge, neither the performance or consummation of the obligations and transactions contemplated by it, nor the fulfillment of, nor the compliance with, the terms, conditions and provisions of this Agreement will conflict with, or result in a violation or breach of, any relevant law, or any other instrument or agreement of any nature to which Seller is a party or by which it is bound or may be affected, or constitute (with or without the giving of notice or the passage of time) a default under such an instrument or agreement; no consent, approval, authorization or order of any person is required with respect to the execution or delivery of this Agreement or the performance and consummation of the transactions contemplated by this Agreement;

(f) No commitments or agreements have been or will be made by Seller to any governmental authority, utility company, school board, church or other religious body, any homeowners or homeowners' association, or any other organization, group or individual, relating to the Property which would impose an obligation upon Purchaser to make any contributions or dedications of money, land, or any interest in land, to construct, install or maintain any improvements of a public or private nature on or off the Property, or otherwise impose any obligations or liability on Purchaser or the Property;

(g) The Property is currently zoned R-4, Multi-Family with a permitted density of 120 multifamily residential units under the applicable zoning ordinance affecting the Property;

(h) Intentionally Deleted;

(i) All agreements, documents, studies and other materials delivered to Purchaser pursuant to the provisions of Section 3(a) are, to the best of Seller's knowledge, true, correct and complete copies of all such items;

(j) Seller has received no notice of and to its knowledge there is no violation of any law, regulation, ordinance, order or judgment affecting the Property;

(k) Seller owns the Property in fee simple, subject only to those matters disclosed on the Title Commitment;

(l) There are no contracts in effect with respect to the management brokerage services, maintenance or repair of the Property, or services related to the Property which will not be terminated by the Closing;

(m) Seller is in compliance with the requirements of Executive Order No. 133224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Executive Order") and other similar

requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury (“OFAC”) and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Executive Order and any such rules, regulations, legislation, or orders are collectively called, the “Asset Orders”). Further, Seller covenants and agrees to make its policies, procedures and practices regarding compliance with the Asset Orders, if any, available to Purchaser for its review and inspection during normal business hours and upon reasonable prior notice. Further, neither Seller, nor any beneficial owner of Seller:

(i) is listed on the Specially Designated Nationals and Blocked Person list maintained by the OFAC pursuant to the Executive Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any rules and regulations of OFAC or pursuant to any other applicable Asset Orders (such lists are collectively referred to as the “Lists”)

(ii) is a person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Asset Orders; and

(iii) is owned or controlled by, or acts for or on behalf of, any person or entity on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Asset Orders.

At all times during the term of this Agreement and as of the Closing Date, all of Seller’s representations, warranties and covenants in this Agreement shall be true and correct; no representation or warranty by Seller contained in this Agreement and no statement delivered or information supplied to Purchaser pursuant to this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements or information contained in them or in this Agreement not misleading. In the event that any of the foregoing representations or warranties becomes untrue as a result of an act of a third party which is unrelated to and unaffiliated with Seller then such inaccuracy shall not be deemed to be a breach by the Seller, but such inaccuracy shall permit Purchaser to terminate this Agreement. The provisions of this Section 13 shall survive the Closing for a period of one (1) year.

14. Default. In the event that Purchaser shall fail to perform its obligations hereunder and such failure is through no fault or failure of Seller to comply with its obligations hereunder, Seller may, as its sole, exclusive and absolute remedy, terminate this Agreement and retain, as full and completed agreed upon liquidated damages, the Deposit. If Seller shall refuse to close, despite its obligation to close hereunder, or if any of the representations, warranties and covenants of Seller shall at any time on or before Closing be found to be false or misleading in any material respect, or if Seller is otherwise in default under the terms and provisions of this Agreement, Purchaser may: (i) terminate this Agreement and obtain the return of its Deposit and Seller shall reimburse Purchaser for its costs and expenses in due diligence and pursuit of governmental approvals, or (ii) Purchaser may seek specific performance of Seller’s obligations hereunder, unless specific performance is not available to Purchaser, in which case Purchaser may seek any other remedy available at law or equity.

15. Notice. All notices, consents, approvals, waivers and elections which any party shall be required or shall desire to make or give under this Agreement shall be in writing and shall be sufficiently made or given only when delivered in person, or sent by facsimile with the original simultaneously sent by nationwide overnight delivery service:

To Purchaser:

William T. Fabbri, Executive Vice President
The Richman Group of Florida, Inc.

477 South Rosemary Avenue, Suite 301
West Palm Beach, FL 33401
Telephone: (561) 832-1114
Facsimile: (561) 832-1104
Email: fabbrit@richmancapital.com

With a copy to: Joanne Flanagan, Esq.,
JDF, LLC.
340 Pemberwick Road
Greenwich, Connecticut 06831
Facsimile: (203) 869-9543

And to: Diane D. Karst, Esq.
BROAD AND CASSEL
7777 Glades Road, Suite 300
Boca Raton, Florida 33434
Telephone: (561) 218-8867
Facsimile: (561) 218-8979
E-mail: dkarst@broadandcassel.com

To Seller: Frank Ripa
1409 Tech Blvd., Site I
Tampa, FL 33619
Telephone: (813) 623-6777
Facsimile: (813) 663-6722
E-mail: Fripa@ripatampa.com

With a copy to: Christopher W. Brewer, Esq.
Gardner Brewer Martinez-monfort, P.A.
400 N Tampa St Ste 2600
Tampa, Florida 33602
Telephone: (813) 221-9600
Facsimile: (813) 221-9611
E-mail: Cbrewer@gbmlaw.com

To Escrow Agent: Diane D. Karst, Esq.
BROAD AND CASSEL
7777 Glades Road, Suite 300
Boca Raton, Florida 33434
Telephone: (561) 218-8867
Facsimile: (561) 218-8979
E-mail: dkarst@broadandcassel.com

Notices, consents, approvals, waivers and elections given or made as aforesaid shall be deemed to have been dated, given and received: (i) on the date of actual receipt if transmitted by overnight courier, hand delivery, or U.S. Mail, return receipt requested, if a signed receipt is obtained; (ii) on the date of transmission, if transmitted by telecopier and confirmation of

successful transmission is provided by such telecopier; or (iii) three (3) days after transmittal by regular U.S. Mail.

16. Assignment. Purchaser shall be entitled to assign Purchaser's rights and obligations under this Agreement to any other related entity owned by, controlled by, under common control, or affiliated with, Purchaser. Any other assignment shall require the prior written consent of Seller.

17. Radon Gas Notice. Pursuant to Florida Statutes Section 404.056(5), Seller hereby makes, and Purchaser hereby acknowledges, the following notification:

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. Escrow Agent.

(a) Escrow Agent undertakes to perform only such duties as are expressly set forth in this Agreement. Escrow Agent shall not be deemed to have any implied duties or obligations under or related to this Agreement.

(b) Escrow Agent may: (a) act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine; (b) assume the validity and accuracy of any statement or assertion contained in such a writing or instrument; and (c) assume that any person purporting to give any writing, notice, advice or instructions in connection with the provisions of this Agreement has been duly authorized to do so. Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument deposited in escrow, nor as to the identity, authority, or right of any person executing any instrument; Escrow Agent's duties under this Agreement are and shall be limited to those duties specifically provided in this Agreement.

(c) The parties to this Agreement do and shall indemnify Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or other expenses, fees, or charges of any character or nature, including attorneys' fees and costs, which it may incur or with which it may be threatened by reason of its action as Escrow Agent under this Agreement, except for such matters which are the result of Escrow Agent's gross negligence or willful malfeasance.

(d) If the parties (including Escrow Agent) shall be in disagreement about the interpretation of this Agreement, or about their respective rights and obligations, or about the propriety of any action contemplated by Escrow Agent, Escrow Agent may, but shall not be required to, file an action in interpleader to resolve the disagreement; upon filing such action, Escrow Agent shall be released from all obligations under this Agreement. Escrow Agent shall be indemnified for all costs and reasonable attorneys' fees, including those for appellate matters and for paralegals and similar persons, incurred in its capacity as escrow agent in connection with any such interpleader action; Escrow Agent may represent itself in any such interpleader action and charge its usual and customary legal fees for such representation, and the court shall

award such attorneys' fees, including those for appellate matters and for paralegals and similar persons, to Escrow Agent from the losing party. Escrow Agent shall be fully protected in suspending all or part of its activities under this Agreement until a final judgment in the interpleader action is received.

(e) Escrow Agent may resign upon five (5) calendar days' written notice to Seller and Purchaser. If a successor escrow agent is not appointed jointly by Seller and Purchaser within the five (5) calendar-day period, Escrow Agent may petition a court of competent jurisdiction to name a successor.

(f) Seller and Purchaser acknowledge and agree that Escrow Agent is the law firm representing Purchaser with regard to this Agreement and the transaction which is the subject hereof, and hereby waive any claim against Escrow Agent based upon a conflict of interest as a result of Escrow Agent serving in such dual capacities, excluding only actions by Escrow Agent constituting knowing and intentional misconduct. Seller further agrees that Escrow Agent shall be permitted to represent Purchaser in all aspects of this Agreement and the subject transaction, including, without limitation, any dispute with respect to the Deposit.

(g) The provisions of this Section shall survive the Closing and also the cancellation of this Agreement.

19. General Provisions. The following general terms and conditions apply to this Agreement:

(a) Singular/Plural – Masculine/Feminine. Words used herein in the singular shall include the plural and words in the masculine/feminine/neuter gender shall include words in the masculine/feminine/neuter where the text of this Agreement requires.

(b) Titles. Headings in this Agreement are for convenience only.

(c) Successors. The terms, covenants, and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, and assigns, except as herein limited.

(d) Choice of Law. This Agreement shall be interpreted according to the laws of the State of Florida.

(e) Time. Time is of the essence in the performance of each and every one of the obligations of the parties to this Agreement. Unless otherwise specified, in computing any period of time described herein, the day of the act or event for which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday.

(f) Effective Date. The last date this Agreement is executed by Purchaser and Seller shall be deemed to be the "Effective Date" of this Agreement.

20. Jury Trial Waiver. In the event that it becomes necessary for either party to bring suit to enforce the terms of this Agreement, then each party hereby irrevocably and unconditionally waives any right it may have to a trial by jury.

21. Entire Agreement; Construction; Severability. This Agreement integrates and supersedes all other agreements and understandings of every character of the parties and comprises the entire agreement between them. This Agreement may not be changed, except in writing signed by the parties. No waiver of any rights or obligations hereunder shall be deemed to have occurred unless in writing signed by the party against whom such waiver is asserted and no waiver shall be deemed a waiver of any other or subsequent right or obligations. The parties acknowledge that the parties and their respective counsel have reviewed and revised this Agreement and, therefore, the normal rule of construction of contracts that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement and any exhibits or amendments thereto. If any portion of this Agreement is held to be invalid or inoperative, the remainder of it shall be deemed valid and operative, and effect shall be given to the intent manifested by the portion held invalid or inoperative to the extent possible.

22. Seller Cooperation. Seller shall promptly join in all applications for building permits, certificates or other agreements, and permits for sewer, water, or other utility services, other instruments or other permits or approvals, the granting of or entry into which, by any governmental or quasi-governmental authority having jurisdiction over the Property, is, in Purchaser's reasonable opinion, necessary to permit the development, construction, use or occupancy of the Contemplated Improvements.

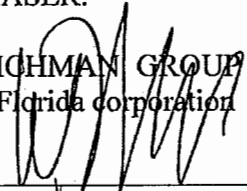
23. Moratoria. If at the time of Closing, there is a water, sewer, building or other moratoria in effect with respect to the Property which would interfere with the immediate construction of the Contemplated Improvements, then at Purchaser's option (by written notice to Seller), the Closing Date may be extended to the earlier of: (i) twenty (20) days from the date the moratoria is lifted; or (ii) six (6) months from the scheduled Closing.

24. Signatures/Counterparts. Handwritten signatures to this Agreement transmitted by telecopy or electronic transmission (for example, through use of a portable document format or 'PDF' file) shall be valid and effective to bind the party so signing, it being expressly agreed that each party to this Agreement shall be bound by its own telecopied or electronically transmitted handwritten signature and shall accept the telecopied or electronically transmitted handwritten signature of the other party to this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

IN WITNESS WHEREOF, each of the parties have set their seals upon the dates indicated hereinbelow, and the parties executing this Agreement hereby represent to the other that they have full and complete authority to execute the same on behalf of the entities for which they sign.

PURCHASER:

THE RICHMAN GROUP OF FLORIDA,
INC., a Florida corporation

By:  _____

William T. Fabbri
Executive Vice President

Date: 6 - 22 - 13

SELLER:

KING INVESTMENTS, LLC
a Florida limited liability company

By: _____

Print Name _____

Title _____

Date: _____

IN WITNESS WHEREOF, each of the parties have set their seals upon the dates indicated hereinbelow, and the parties executing this Agreement hereby represent to the other that they have full and complete authority to execute the same on behalf of the entities for which they sign.

PURCHASER:

THE RICHMAN GROUP OF FLORIDA,
INC., a Florida corporation

By: _____

William T. Fabbri
Executive Vice President

Date: _____

SELLER:

KING INVESTMENTS, LLC
a Florida limited liability company

By: Frank Ripa

Print Name FRANK RIPA

Title MEMBER

Date: 6/24/13

CONSENT OF ESCROW AGENT

Broad and Cassel has joined in the execution of this Agreement in order to acknowledge its agreement to act as Escrow Agent in accordance with the terms and provisions of this Agreement, subject to collection.

ESCROW AGENT:

BROAD AND CASSEL


By: 
Print Name James J. Wheeler
Title Partner
Date: 10-10-2013

Exhibit "A"

A PORTION OF TRACTS 15, 18, 19, 30 AND 31, ZEPHYRHILLS COLONY COMPANY LANDS SUBDIVISION OF SECTION 3, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA, AS RECORDED IN PLAT BOOK 2, PAGE 6 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA, BEING FURTHER DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 3 AND PROCEED S. 00°09'35" E., ALONG THE WEST BOUNDARY OF SAID NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 3, A DISTANCE OF 25.00 FEET; THENCE N. 89°58'02" E., PARALLEL WITH THE NORTH BOUNDARY OF SAID NORTHEAST 1/4 OF THE NORTHEAST 1/4, A DISTANCE OF 145.00 FEET; THENCE S. 00°09'35" E., A DISTANCE OF 305.27 FEET TO A POINT ON THE NORTH BOUNDARY OF SAID TRACT 15; THENCE S. 89°58'28" E., ALONG THE NORTH BOUNDARY OF SAID TRACT 15, A DISTANCE OF 517.22 FEET TO THE NORTHEAST CORNER OF SAID TRACT 15; THENCE S. 00°12'20" E., ALONG THE EAST BOUNDARY OF SAID TRACT 15, A DISTANCE OF 175.00 FEET FOR A POINT OF BEGINNING; THENCE S 00°12'20" E, ALONG THE EAST BOUNDARY OF SAID TRACTS 15 AND 31, A DISTANCE OF 816.86 FEET TO THE SOUTHEAST CORNER OF SAID TRACT 31; THENCE N 89°52'25" W, ALONG THE SOUTH BOUNDARY OF SAID TRACTS 31 AND 30, A DISTANCE OF 919.81 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF FORT KING HIGHWAY; THENCE N 25°26'12" W, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 243.11 FEET; THENCE N 64°33'48" E, DEPARTING SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 99.12 FEET; THENCE N 25°26'12" W, A DISTANCE OF 35.00 FEET; THENCE N 64°33'48" E, A DISTANCE OF 82.42 FEET; THENCE N 25°26'12" W, A DISTANCE OF 52.00 FEET; THENCE N 64°33'48" E, A DISTANCE OF 71.65 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 848.00 FEET AND A CHORD WHICH BEARS N 59°03'23" E, A DISTANCE OF 162.76 FEET; THENCE ALONG THE ARC OF SAID CURVE LEFT, A DISTANCE OF 163.01 FEET TO A POINT OF TANGENCY; THENCE N 53°32'52" E, A DISTANCE OF 420.82 FEET; THENCE S 36°27'02" E, A DISTANCE OF 149.36 FEET; THENCE N 53°33'05" E, A DISTANCE OF 327.19 FEET TO THE POINT OF BEGINNING.

THE ABOVE PARCEL CONTAINING 568,511 SQUARE FEET OR 13.05 ACRES, MORE OR LESS.

Attachment

9

2013 LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION - FEE WAIVER FORM

Name of Development: Fort King Colony Apartments Phase II
Fort King Road, Fort King Road and Calliope Lane, Zephyrhills

Development Location: _____
(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site where the Development Location Point is located.)

On or before the Application Deadline, the City/County of Zephyrhills, pursuant to
(Name of City or County)

Ordinance #1003-08, waived the following fees: _____
(Reference Official Action, cite Ordinance or Resolution Number and Date)
Transportation Impact Fee

Amount of Fee Waiver: \$ 189,154.00

No consideration or promise of consideration has been given with respect to the fee waiver. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. This fee waiver is effective as of the Application Deadline referenced above, and is provided specifically with respect to the proposed Development.

CERTIFICATION

I certify that the foregoing information is true and correct and that this commitment is effective at least through June 30, 2014.


Signature

Jim Drumm
Print or Type Name

City Manager
Print or Type Title

NOTE TO LOCAL GOVERNMENT OFFICIAL: Waivers that are not specifically made for the benefit of this Development but are instead of general benefit to the area in which the Development is located will NOT qualify as a contribution to the Development. Further, the fact that no impact fees or other fees are levied by a local jurisdiction for ANY type of development DOES NOT constitute a "Local Government Contribution" to the proposed Development. Similarly, if such fees ARE levied by the local jurisdiction but the nature of the proposed Development exempts it (e.g., typically, a Rehabilitation Development is not subject to impact fees), for purposes of this form, no "Local Government Contribution" exists and no points will be awarded.

This certification must be signed by the chief appointed official (staff) responsible for such approvals, Mayor, City Manager, County Manager/Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. To be considered for points, the amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

If the Application is not eligible for automatic points, this contribution will not be considered if the certification contains corrections or 'white-out' or if the certification is altered or retyped. The certification may be photocopied.

Please note: This form may be modified by Florida Housing Finance Corporation per Section 67-60.005, F.A.C.

Attachment

10

Not Applicable

Attachment

11

Not Applicable

Attachment

12

The Richman Group Affordable Housing Corporation

340 Pemberwick Rd.
Greenwich, CT 06831
(203) 869-0900
FAX (203) 869-1034

October 15th, 2013

William T. Fabbri
Fort King Colony Apartments Phase II, Ltd.
477 S. Rosemary Avenue, Suite 301
West Palm Beach, FL 33401

Re: Firm Commitment for Fort King Colony Apartments Phase II

Dear Mr. Fabbri:

The Richman Group Affordable Housing Corporation is the sponsor of investment partnerships which provide equity capital for multi-family apartment complexes that are eligible for low-income housing tax credits pursuant to Section 42 of the Internal Revenue Code of 1986 ("Low-Income Housing Tax Credits") by investing in limited partnerships that own such apartment complexes. Accordingly, The Richman Group Affordable Housing Corporation is a Housing Credit Syndicator as such term is defined in Rule 67.48.002(67), F.A.C.

Set forth below is a firm commitment for the acquisition of a 99.99% limited partnership interest in Fort King Colony Apartments Phase II, Ltd. (the "Partnership") by an affiliated limited partnership ("Investor") of The Richman Group Affordable Housing Corporation. Fort King Colony Phase II GP, LLC (the "General Partner") is the General Partner of the Partnership. The Partnership will construct a multi-family apartment complex located in Zephyrhills, Florida (the "Apartment Complex"). The anticipated Eligible Housing Credit Request Amount is \$1,510,000.

1. Percentage of Anticipated Amount of Credit Allocations Being Purchased: The percentage of the anticipated amount of Low-Income Housing Tax Credits being purchased is 99.99%.

2. Anticipated Housing Credit Allocation: The total amount of Low-Income Housing Tax Credits that Investor anticipates will be allocated to the Partnership over 10 years is \$15,100,000 (the "Anticipated Housing Credit Allocation").

3. Syndication Rate: The syndication rate is 88% (the "Syndication Rate"), calculated by dividing the "Total Amount of Equity Being Provided" (as such term is defined below), by the product of the Anticipated Housing Credit Allocation and 99.99%.

4. Equity Pay-In Schedule: The Investor will make an equity contribution to the Partnership in accordance with the following schedule:

Installment No. 1:
Paid prior to or simultaneous with the closing of construction financing \$2,657,334 (20%)

Installment No. 2:
Paid upon the completion of construction and receipt of all certificates of occupancy \$8,636,336 (65%)

Installment No. 3:
Paid upon the later of the following: \$1,993,001 (15%)

(1) Receipt of final Low-Income Housing Credit Certification, and

(2) Receipt of form 8609

The total amount of equity being provided by the Investor is ("Total Amount of Equity Being Provided"): \$13,286,671

5. Total Amount of Equity Being Provided Prior to Completion of Construction: The total amount paid prior to the completion of construction (including Installments No.1) is: \$2,657,334 (20%)

6. Commitment Expiration: This commitment shall expire on July 30, 2014.

7. Adjuster Clause: The amount stated above is based upon the Anticipated Housing Credit Allocation stated above. The actual amount of Low-Income Housing Tax Credits that are allocated may in fact change after the determination of eligible and qualified basis. Accordingly, the Total Amount of Equity Being Provided may be adjusted to correspond to the amount of Low-Income Housing Tax Credits that are actually allocated to the Partnership. If the final amount of Low-Income Housing Tax Credits is greater or less than the anticipated Housing Credit Allocation, the Total Amount of Equity Being Provided shall be adjusted so that the ratio of the Total Amount of Equity Being Provided divided by the Low-Income Housing Tax Credits actually allocated is equal to the Syndication Rate.

8. Cash Flow Distribution: Cash flow of the Partnership after expenses and debt service will be distributed, to the extent available, according to the following priority:

First: To repay any credit adjusters due to the Investor, then to repay any loans made by the Investor, then to pay any operating deficit loans made by the General Partner and then to pay deferred development fee.

Second: Remaining amounts split 10% to the Investor and 90% to the General Partner, with the General Partner's share of such cash flow payable as a Partnership Administration Fee.

9. Sale or Re-Finance: Upon the sale of the Apartment Complex or a refinancing of the permanent mortgage loan, proceeds will be allocated in accordance with the following priority:

First: Expenses of the sale and/or refinancing and satisfaction of underlying financing, plus any other third-party obligations and debts;

Second: Return of any credit adjusters due to the Investor, followed by repayment on the outstanding balance of any operating deficit loans previously made by the General Partner (See Guarantees); and

Third: Balance of proceeds split 10% to the Investor, 90% to the General Partner.

10. Guarantees: The General Partner shall guarantee the following:

(A) Against recapture of the Low-Income Housing Tax Credits for 15 years. Causes for recapture shall include (i) failure of General Partner to maintain required insurance coverage, and (ii) failure of General Partner to rent to qualified tenants. However, the obligation to maintain the required insurance coverage is limited to the ability of the Partnership to fund the premium of such insurance coverage either through operating income and/or operating deficit loans (subject to limitation as described in (C) below); provided however, that if the Partnership is unable to pay the insurance premium, the General Partner must notify the Investor of its inability to provide insurance at least 30 days prior to the expiration of the Partnership's insurance coverage. If the General Partner fails to notify Investor of its inability to pay the insurance premium, then the liability for recapture of Low-Income Housing Tax Credits shall continue.

The General Partner shall further guarantee against recapture of the Low-Income Housing Tax Credits which is due to foreclosure of the mortgage loan which could have been prevented by the General Partner funding its operating deficit loan obligation as described in (C) below.

(B) The payment in full of all costs and expenses of the acquisition and rehabilitation of the Apartment Complex in excess of the proceeds of all the construction period sources of funds.

(C) The funding of operating deficits until breakeven operations is achieved and the funding of any operating deficiencies for a five (5) year period from the later of breakeven operations or funding of the permanent mortgage loan. A further assurance will be an agreement by the managing agent of the Apartment Complex (the "Managing Agent") to defer and accrue the management fee, if necessary, to prevent a default under the permanent mortgage loan.

(D) Repurchase of the Investor's interest in the Partnership if the Partnership fails to place the Apartment Complex in service by December 31, 2015.

11. Representations and Warranties: The General Partner shall provide standard and customary representations and warranties to the Investor.

12. Duties and Obligations: The General Partner shall be obligated to assume standard and customary duties and obligations.

13. Legal Opinions: The General Partner shall cause the attorneys for the Partnership to provide standard and customary legal opinions.

14. Accountants and Financial Reporting: The "Accountants" for the Partnership shall be Reznick, Fedder and Silverman. Their fee shall be subject to the General Partner's review. Financial information will be required to be submitted to the Investor by the 45th day after the end of each quarter, for the first three Calendar quarters of each year. Such financial information may be unaudited and may be prepared by the Managing Agent. Annual audited financial statements and tax information will be required to be submitted to the Investor by the General Partner by February 25 of each year.

15. Removal Rights: The Investor shall have the right to remove the General Partner for cause.

16. Indemnity Agreement: The General Partner shall indemnify Investor and its officers, directors and affiliates for any untrue statement of a material fact or omission to state a material fact necessary to make any such statements, in light of the circumstances under which they were made, by the General Partner or their agents set forth in any document delivered by the General Partner or their agents in connection with the acquisition of the Apartment Complex and the investment by the Investor in the Partnership.

17. Title insurance: The General Partner shall provide, at Partnership expense, title insurance in favor of the Partnership in an amount not less than the sum of (1) all mortgage loans, and (2) the Total Amount of Equity Being Provided.

18. Reserve Requirements: The Partnership will be required to make an annual minimum deposit to a reserve for replacements in an amount equal to the greater of (i) \$300 per unit per year or

(ii) the amount utilized in the under underwriting of the mortgage loans by the lenders. Additionally, to the extent not required by the lenders, the Partnership shall make monthly deposits of insurance and taxes to a segregated Partnership bank account.

19. Hazard and Liability Insurance: The Partnership shall deliver evidence of hazard insurance equal to the replacement cost of the apartment complex. The hazard insurance must include endorsements for inflation adjustment and code upgrade coverage. Liability insurance shall be in the amount of at least \$5,000,000.

If the above is acceptable to the General Partner, please execute this firm commitment and return it to the Investor. This letter shall be governed by and construed in accordance with the internal laws of the State of Connecticut.

Sincerely,

The Richman Group Affordable Housing Corporation

By: 

Jason Wilber
Vice President

Agreed to and accepted as of October 15, 2013

FORT KING COLONY APARTMENTS PHASE II, LTD.,
a Florida limited partnership

By: Fort King Colony Phase II GP, LLC, a Florida limited liability company, its general partner

By: TRG Member of FL II, LLC, a Florida limited liability company, its sole member

By: 

William T. Habri
Executive Vice President



Citi Community Capital

TERM SHEET

Multifamily Rental Developments with Rent Restrictions New Construction

Fort King Colony Apartments Phase II

October 11, 2013

NOTE: This Term Sheet constitutes a brief summary of certain, but not all, transaction terms and conditions for discussion purposes only. The summary that follows is subject to credit approval and does not constitute an offer or commitment.

In connection with this Term Sheet, CITI will be acting solely as a principal and not as your agent, advisor or fiduciary. CITI has not assumed a fiduciary responsibility with respect to this Term Sheet, and nothing in this transaction or in any prior relationship between you and CITI will be deemed to create an advisory, fiduciary or agency relationship between us in respect of this Term Sheet. You should consider carefully whether you would like to engage an independent advisor to represent or otherwise advise you in connection with this Term Sheet, if you have not already done so.

PRELIMINARY LOAN TERMS

Transaction

Summary:

Citibank, N.A. (together with its affiliates, "CITI") proposes to fund a construction and permanent loan (the "Loan") to the Borrower (defined below) in connection with the acquisition and rehabilitation of the Property described below.

There will be two separate phases to the financing. Acquisition, construction and stabilization must be completed during the construction phase (the "Construction Phase") as further described below. After the work has been completed and the Property has stabilized, the Borrower will submit a request to convert to the permanent phase (the "Permanent Phase").

Construction financing will be provided as a conventional construction loan to accommodate monthly loan draws. Payments during the Construction Phase will be interest only.

Property:

A to be built property containing 118 units located in Zephyrhills, Pasco County, Florida. The property is commonly referred to as "Fort King Colony Apartments Phase II".

Set-Asides:

90% of the units are reserved for individuals or families whose income is no greater than 60% of Area Median Income ("AMI") and 10% of the units are reserved for individuals or families whose income is no greater than 40% of AMI

Borrower:

Fort King Colony Apartments Phase II, Ltd., a single asset entity which must be acceptable to CITI in all respects.

- LIHTC Investor/
Syndicator:** The Low Income Housing Tax Credit (“LIHTC”) Investor / Syndicator, the upper tier investor(s) and, the terms and conditions of the operating or partnership agreement, must be acceptable to CITI in all respects including, particularly, as to the timing and conditions to funding capital contributions.
- Guarantor(s):** The Richman Group Development Corporation. The Guarantor(s)’ financial condition(s) must be acceptable to CITI in all respects.
- Subordinate Debt:** If applicable, the sources of subordinate debt and the subordinate loan documents must be acceptable to CITI in all respects. All subordinate debt must fund prior to Loan funding unless CITI approves other arrangements.
- Availability of Funds:** The specific amounts and timing of funding from the subordinate loans or grants must be acceptable to CITI in all respects. In addition, CITI will require that the funds be properly assigned to CITI and the documentation relative to these sources must be acceptable to CITI.
- Loan Security:** First lien on land and any improvements, UCC filings for fixtures; assignment of all leases and rents; and, a first priority collateral assignment of all contracts, management agreements, and other agreements and all permits relating to the Property. All income and rent restrictions will be subordinate to the CITI security instrument.
- Recourse:** During the Construction Phase (described below), the Loan will be fully recourse to the Borrower and to the Guarantor(s).
- Guarantees,
Construction Phase:** During the Construction Phase, Completion and Repayment Guarantees are required from the Borrower and the Guarantor(s).
- Permanent Phase
Guarantees:** None, except for industry standard carve outs (“Carve Outs”). Carve Outs to include guarantees against fraud, misrepresentation, bankruptcy and environmental issues.
- Environmental
Indemnity:** Borrower and Guarantor(s) will be liable for CITI’s standard environmental indemnity.
- Closing:** Closing is subject to full satisfaction of CITI’s standard due diligence, underwriting and credit approval processes, and the execution and delivery of all required loan documents, delivery of opinions, payment of fees and other customary requirements.
- Closing Date (est.):** To be determined

CONSTRUCTION PHASE

- Construction Phase
Loan Amount:** An amount, currently estimated to be \$12,650,000, but in any event, an amount not to exceed 80% of costs budgeted for the Construction Phase.
- Term:** 24 months, plus two 6-month extension(s) options. Fees for the extension(s) are indicated below under “Fees & Expenses”.

Construction Phase

Interest Rate: Variable rate equal to one month LIBOR plus a spread of 2.50% (“Construction Phase Interest Rate”). Rate adjusts monthly. Currently, one month LIBOR is trading at approximately 0.17%, for an all-in rate of 2.67%. Pricing is based on current market conditions and is subject to change.

Availability: Loan proceeds will be advanced to Borrower on a “draw down” basis upon receipt of a written request from Borrower, supported by documentation acceptable to CITI. Borrower will be required to submit a loan budget worksheet with each draw request tracking all Property sources and uses of funds. Draw requests are limited to one per month.

Loan in Balance: The loan must remain “in balance” during the Construction Phase. “In balance” means that (1) the funds available during the Construction Phase (from the Loan and all other debt, equity sources and Net Operating Income as reviewed and approved by CITI) are sufficient to complete the construction or rehabilitation of the Property and all other expenses reasonably expected to be necessary to achieve stabilization, final equity pay-in, and (2) the sources available at final stabilization are sufficient to pay down the Construction Phase loan amount.

Amortization: None. Payments on the Loan during the Construction Phase will be interest only.

Prepayment and Yield Maintenance:

Voluntary prepayment of Loan principal amounts during the Construction Phase, including those as a result of a Borrower default, may be made without prepayment fee or penalty unless the Construction Phase Loan Amount is reduced to less than the Permanent Phase Loan Amount (as defined below).

If the prepayment reduces the Loan amount to an amount less than the Permanent Phase Loan Amount, the Borrower shall pay the greater of: (i) 1% of the amount of the Loan prepaid below 100% of the Permanent Phase Loan Amount; or (ii) CITI’s standard yield maintenance amount on the amount of the Loan prepaid below 100% of the Permanent Phase Loan Amount.

In the event that a Loan prepayment resulting from a Loan resizing, as determined by CITI in its sole discretion, reduces the Loan amount to an amount less than the Permanent Phase Loan Amount, the Borrower shall pay the greater of: (i) 1% of the amount of the Loan prepaid below 90% of the Permanent Phase Loan Amount; or (ii) CITI’s standard yield maintenance amount on the amount of the Loan prepaid below 90% of the Permanent Phase Loan Amount.

Notwithstanding any of the above, in the event the amount of such prepayment would cause the Loan amount to fall below 50% of the Permanent Phase Loan Amount, the Borrower shall be required to repay the Loan in full plus the greater of: (i) 1% of the amount of the Loan repaid below 90% of the Permanent Phase Loan Amount; or (ii) CITI’s standard yield maintenance amount on the amount of the Loan repaid below 90% of the Permanent Phase Loan Amount.

If Borrower prepays Loan principal amounts through the application of insurance proceeds or a condemnation award, no prepayment fee shall be payable to CITI.

Interest Reserve: Calculated at the Construction Phase Interest Rate noted above, plus a cushion acceptable to CITI at time of final Credit approval. Currently, CITI is underwriting with a cushion of 1.50%. The Interest Reserve will be sized based on an analysis of the projected draw schedule for the Loan during the Construction Phase.

Budget and Contingencies: The budget for the Construction Phase, including all budget line items, is subject to CITI approval. The budget shall include a hard cost contingency of no less than 5% of budgeted hard costs for new construction projects or, 10% for renovation projects. The budget shall include a soft cost contingency of no less than 5% of budgeted soft costs, excluding 1) soft costs incurred prior to or in connection with closing; 2) interest reserve and bank fees; 3) capitalized operating reserve deposits and other costs that may be due in connection with Conversion for which specific sources are identified; and 4) developer fees.

General Contractor and Bonding Requirements: The general contractor and the construction contract must be acceptable to CITI. CITI will require payment and performance bonds equal to 100% of the construction contract amount. Surety issuing bonds must have an A.M. Best rating of “A/XIV” and must be acceptable to CITI in all other respects. In lieu of bonds, CITI will consider accepting a letter of credit (“LC”) equal to 10% of the initial construction contract amount. LC provider must be rated “A” or better.

Retainage: Construction contract will provide for retainage of 10% of each construction pay application until completion of construction. After CITI’s review of the construction contract and plan and specification review report, CITI will consider reducing the 10% retainage to 5% upon the Property’s achievement of 50% completion. All retained amounts will be released upon final, lien-free completion of construction, as approved by CITI.

PERMANENT PHASE

Est. Maximum Permanent Phase Loan Amount: An amount currently estimated to be in the maximum amount of \$2,200,000 or such other loan amount supported by CITI’s underwriting of the Property at the time of Conversion in accordance with CITI’s underwriting requirements including those listed below.

Minimum Permanent Phase Loan Amount: 50% of the Maximum Permanent Phase Loan Amount.

Permanent Phase Interest Rate: Fixed rate equal to the 10-year Treasury yield plus a spread of 3.79%, with a floor of 6.50%. Currently, 10-year Treasury is trading at approximately 2.71%, for an all-in rate of 6.50%. Pricing is based on current market conditions and is subject to change. The rate will be committed at the time of closing of the Construction Phase financing.

Minimum DSC: 1.15

Maximum LTV: 80%

Permanent Phase Term: 15 years

Amortization: 30 years

Yield Maintenance

Period: From Closing until 6 months prior to the end of the Permanent Phase.

Replacement Reserve: Upon Conversion, the Borrower will be required to fund a Replacement Reserve at a level of \$300/unit/year for the first five years following Conversion. Five years following Conversion (and each subsequent five years thereafter), the Replacement Reserve level will be determined by a Physical Needs Assessment acceptable to CITI.

Taxes and Insurance: Commencing upon Conversion, real estate taxes and insurance premiums must be escrowed with the loan servicer (the “Servicer”) on a monthly prorated basis at an amount sufficient to enable the Servicer to pay (at least 30 days before due) all taxes, assessments, insurance premiums or other similar charges affecting the Property.

**Conversion to
Permanent Phase
Requirements:**

Conversion requirements include completion of construction and 90% physical occupancy of Project for three consecutive calendar months. CITI will review the Property’s net operating income to determine the maximum Permanent Phase Loan Amount based on the Debt Service Coverage and Loan-to-Value.

OTHER

**Appraisal, Environmental,
Plan/Cost Reviews:**

Appraisal, and Plan/Cost Review reports will be commissioned and reviewed by CITI. CITI may rely upon environmental reports commissioned by Borrower if report is current (within 12 months) and CITI has been provided evidence of acceptable E&O insurance coverage carried by Borrower’s environmental consultant and a reliance letter in form acceptable to CITI. Appraisal, environmental condition and plan/cost reviews must be acceptable to CITI in all respects.

**Property Tax
Abatements, Incentives:**

All documentation related to any tax abatement or tax incentives must be acceptable to CITI in all respects.

Developer Fee:

Any developer fee paid prior to conversion to the Permanent Phase shall be pre-approved by CITI in its sole discretion. Prior to closing, CITI will review the terms of the LIHTC equity limited partnership agreement and provide its consent of the LIHTC equity Developer Fee pay-in schedule.

FEES & EXPENSES

Application Deposit:

\$25,000, which amount shall be due and payable upon acceptance of a Loan Application. This fee is applicable toward third party reports, loan underwriting and processing (in the minimum amount of \$5,000), and CITI’s initial legal fees. Applicant is responsible for the payment of all reasonable costs incurred in connection with the underwriting, processing and/or closing of the Loan (including CITI legal fees).

Origination Fee:

A non-refundable Origination Fee equal to 1.00% of the Construction Phase Loan Amount and 1.00% of the Permanent Phase Loan Amount (the “Origination Fee”) shall be earned in full by CITI upon the closing of the Loan, and is due and payable at that time.

CITI Legal Fees (est): Estimated fees of CITI’s counsel for the initial closing is \$45,000 and assumes no significant negotiation over CITI’s form documents. A portion of the Application Fee will be applied to initial CITI counsel fees. Applicant agrees to make a supplemental deposit to cover CITI’s counsel fees once the drafting of legal documentation commences, if requested.

Course of Construction Inspections (est): TBD

Construction Term Extension Fee: An extension fee equal to 0.25% of the Construction Phase Loan Amount is payable prior to the first extension and an extension fee equal to 0.50% of the Construction Phase Loan Amount is payable prior to the second extension.

Other Costs: Applicant is responsible for costs of survey, title insurance policy, hazard insurance policy, tax escrow fee and all other normal and customary Loan closing expenses.

This Term Sheet is an indication of our proposal to finance the Property. It is understood and agreed that this Term Sheet does not, in any manner, constitute a commitment to lend. The financing documents evidencing the loan will be in separate documents and will contain terms and conditions that may be in addition to or in substitution of those set forth in this Term Sheet.

Should you have any questions, please don't hesitate to call me at (561) 347-3254.

Sincerely,
Citibank, N.A.



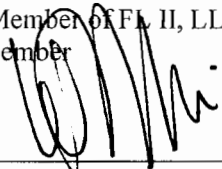
Barry B. Krinsky
Vice President

Agreed to and accepted by:

FORT KING COLONY APARTMENTS PHASE II, LTD., a Florida limited partnership

By: Fort King Colony Phase II GP, LLC, a Florida limited liability company
Its: General partner

By: TRG Member of FL II, LLC, a Florida limited liability company
Its: Sole member

By: 

William T. Fabbri
Executive Vice President

10 - 14 - 13

The provision of information in this Term Sheet is not based on your individual circumstances and should not be relied upon as an assessment of suitability for you of a particular product or transaction. Even if CITI possesses information as to your objectives in relation to any transaction, series of transactions or trading strategy, this will not be deemed sufficient for any assessment of suitability for you of any transaction, series of transactions or trading strategy.

This Term Sheet is provided for information purposes and is intended for your use only. Except in those jurisdictions where it is impermissible to make such a statement, CITI hereby informs you that this Term Sheet should not be considered as a solicitation or offer to sell or purchase any securities or other financial products. This Term Sheet does not constitute investment advice and does not purport to identify all risks or material considerations which should be considered when undertaking a transaction. CITI makes no recommendation as to the suitability of any of the products or transactions mentioned. Any trading or investment decisions you take are in reliance on your own analysis and judgment and/or that of your advisors and not in reliance on us.

CITI often acts as (i) a market maker; (ii) an issuer of financial instruments and other products; and (iii) trades as principal in many different financial instruments and other products, and can be expected to perform or seek to perform investment banking and other services for the issuer of such financial instruments or other products. The author of this Term Sheet may have discussed the information contained herein with others within or outside CITI and the author and/or such other Citi personnel may have already acted on the basis of this information (including by trading for CITI's proprietary accounts or communicating the information contained herein to other customers of CITI). CITI, CITI's personnel (including those with whom the author may have consulted in the preparation of this Term Sheet), and other customers of CITI may be long or short the financial instruments or other products referred to in this Term Sheet, may have acquired such positions at prices and market conditions that are no longer available, and may have interests different from or adverse to your interests.

CITI is required to obtain, verify and record certain information that identifies each entity that enters into a formal business relationship with CITI. CITI will ask for your complete name, street address, and taxpayer ID number. CITI may also request corporate formation documents, or other forms of identification, to verify information provided.

Although Citibank, N.A. (together with its subsidiaries and branches worldwide, "Citibank") is an affiliate of CITI, you should be aware that none of the financial instruments or other products mentioned in this term sheet (unless expressly stated otherwise) are (i) insured by the Federal Deposit Insurance Corporation or any other governmental authority, or (ii) deposits or other obligations of, or guaranteed by, Citibank or any other insured depository institution.

IRS Circular 230 Disclosure: CITI and its employees are not in the business of providing, and do not provide, tax or legal advice to any taxpayer outside of CITI. Any statements in this term sheet regarding tax matters were not intended or written to be used, and cannot be used or relied upon, by any taxpayer for the purpose of avoiding tax penalties. Any such taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Attachment

13