

Request for Applications 2013-001

Florida Housing Finance Corporation

Brookside Village

Attachment 1

Certificate of Status

I certify from the records of this office that SP BV APARTMENTS LLC, is a limited liability company organized under the laws of the State of Florida, filed electronically on September 27, 2013.

The document number of this company is L13000137031.

I further certify that said company has paid all 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 noted below.

Authentication Code: 130930090809-700252163607#1

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



Ken Detzner
Ken Detzner
Secretary of State

Attachment 2

Not Applicable

Attachment 3

Attachment 3

APPLICANT: SP BV Apartments LLC, A Florida Limited Liability Company

Member of SP BV Apartments LLC: J. David Page (99.99% Interest)
The sole member, the person or entity.

Manager of SP BV Apartments LLC: SP BV Manager LLC, A Florida Limited Liability Company (0.01% Interest)
The persons and entity associated with this manager are listed below.

MANAGER OF APPLICANT: SP BV Manager LLC, A Florida Limited Liability Company

Officers, Directors, Managers, Members, Partners, and Shareholders of the Manager

Sole Member and Manager of SP BV Manager LLC: SP and MS LLC, A Florida Limited Liability Company

SOLE MEMBER AND MANAGER OF SP BV Manager LLC: SP and MS LLC, A Florida Limited Liability Company

Officers, Directors, Managers, Members, Partners, and Shareholders of the Sole Member and Manager of the Manager

Manager of SP and MS LLC: J. David Page

Members of SP and MS LLC:

J. David Page	80%
Scott Seckinger	10%
Michael Molinari	10%

Approved
FHFC Advance Review

10/9/13

There are no warrant holders, and/or option holders of the proposed Development. This represents every person and entity associated with this LLC. There are no other persons or entities associated with this LLC.

Attachment 3

**DEVELOPER: Southport Development, Inc., a Washington Corporation,
doing business in Florida as Southport Development Services, Inc.**

Officers, Directors, Managers, Members, Partners (general and limited), and Shareholders of the Developer

Officers: J. David Page, President
Stephen W. Page, Vice President
Peter H. Leach, Vice President
Paul Fortino, Vice President
Scott Seckinger, Vice President
Micahel Molinari, Vice President
Stephen W. Page, Secretary
Stephen W. Page, Treasurer

Directors: J. David Page
Stephen W. Page

Managers: NA

Members: NA

Partners: NA

Shareholde J. David Page
Stephen W. Page

There are no warrant holders, and/or option holders of the proposed Development.

Attachment 4



FLORIDA DEPARTMENT OF STATE
Division of Corporations

December 21, 2012

JAYNA PARADISE
PEPPLE CANTU SCHMIDT PLLC
1501 WESTERN AVENUE, SUITE 600
SEATTLE, WA 98101

Qualification documents for SOUTHPORT DEVELOPMENT, INC. doing business in Florida as SOUTHPORT DEVELOPMENT SERVICES, INC. were filed on December 20, 2012 and assigned document number F12000005121. Please refer to this number whenever corresponding with this office.

Your corporation is now authorized to transact business in Florida.

To maintain "active" status with the Division of Corporations, an annual report must be filed yearly between January 1st and May 1st beginning in the year following the file date or effective date indicated above. If the annual report is not filed by May 1st, a \$400 late fee will be added.

A Federal Employer Identification Number (FEI/EIN) will be required when this report is filed. Contact the IRS at 1-800-829-4933 for an SS-4 form or go to www.irs.gov. Please notify this office if the corporate address changes.

Should you have any questions regarding this matter, please contact this office at (850) 245-6052.

Ruby Dunlap
Regulatory Specialist II
New Filing Section
Division of Corporations

Letter Number: 512A00030192

www.sunbiz.org

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314

State of Florida

Department of State

I certify from the records of this office that SOUTHPORT DEVELOPMENT SERVICES, INC. is a Washington corporation authorized to transact business in the State of Florida, qualified on December 20, 2012.

The document number of this corporation is F12000005121.

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 March 29, 2013, and its status is active.

I further certify that said corporation has not filed a Certificate of Withdrawal.

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



Ken Detzner
Secretary of State

Authentication ID: CU7766918687

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

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

Southport Development, Inc., a Washington corporation, is doing business in Florida as Southport Development Services, Inc. per FS 607.1506(1)(b).

UNITED STATES OF AMERICA

The State of  Washington

Secretary of State

I, KIM WYMAN, Secretary of State of the State of Washington and custodian of its seal,
hereby issue this

CERTIFICATE OF EXISTENCE/AUTHORIZATION

OF

SOUTHPORT DEVELOPMENT, INC.

I FURTHER CERTIFY that the records on file in this office show that the above named Profit Corporation was formed under the laws of the State of WA and was issued a Certificate Of Incorporation in Washington on 12/4/2012.

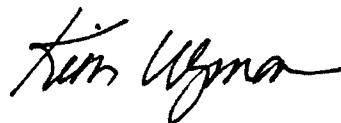
I FURTHER CERTIFY that as of the date of this certificate, SOUTHPORT DEVELOPMENT, INC. remains active and has complied with the filing requirements of this office.

Date: October 16, 2013

UBI: 603-257-377



Given under my hand and the Seal of the State
of Washington at Olympia, the State Capital



Kim Wyman, Secretary of State

Attachment 4

Prior General Development Experience Chart

Brookside Village

Name of Principal with the Required Experience: J. David Page

Name of Developer Entity for which the above Party is a Principal: Southport Development, Inc., a Washington corporation, doing business in Florida as Southport Development Services, Inc.

Name of Development	Location and State	City	Affordable Housing Program that Provided Financing	Total Number of Units	Year Completed
Timiquana Apartments	Jacksonville, FL		4% FL Housing Bonds	100	2004
Gadsden Arms Apartments	Quincy, FL		9% FL Housing Tax Credits	100	2008
La Vista Oaks fka St. James Place	Tampa, FL		4% FL Housing Bonds/SAIL	126	2009
Highland Palms	Avon Park, FL		9% FL Housing Tax Credits/SAIL	52	2009

Attachment 5

**Not Provided
At This Time**

Attachment 6

Not Applicable

Attachment 7

2013 SURVEYOR CERTIFICATION FORM

Name of Development: Brookside Village

1011 Marsh Ave

Development Location: Fort Myers, FL 33905

(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, P.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>26</u> Degrees	<u>39</u> Minutes	<u>30.8</u> Seconds (truncated after 1 decimal place)	W <u>81</u> Degrees	<u>49</u> Minutes	<u>41.7</u> Seconds (truncated after 1 decimal place)
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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 _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)	W _____ Degrees	_____ Minutes	_____ Seconds (truncated after 1 decimal place)
Public Bus Transfer Stop	N <u>26</u> Degrees	<u>38</u> Minutes	<u>52.8</u> Seconds (truncated after 1 decimal place)	W <u>81</u> Degrees	<u>49</u> Minutes	<u>42.1</u> 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, MetraRail 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>0.73</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>Bravo Supermarkets</u> Address - <u>4031 Palm Beach Blvd</u> <u>Fort Myers, FL 33916</u>	N <u>26</u> Degrees	<u>39</u> Minutes	<u>58.2</u> Seconds (truncated after 1 decimal place)	W <u>81</u> Degrees	<u>49</u> Minutes	<u>54.8</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>0.57</u> Miles

Initials of Surveyor MW

2013 SURVEYOR CERTIFICATION FORM

Public School:	Latitude			Longitude		
Name - <u>James Stephens</u> Address - <u>1333 Marsh Ave</u> <u>Fort Myers, FL 33905</u>	N <u>26</u> Degrees	<u>39</u> Minutes	<u>17.6</u> Seconds (truncated after 1 decimal place)	W <u>81</u> Degrees	<u>49</u> Minutes	<u>40.0</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 Public School is:						<u>0 2 6</u> Miles
Medical Facility:	Latitude			Longitude		
Name - <u>Lee County Health Dept</u> Address - <u>3920 Michigan Ave</u> <u>Fort Myers, FL 33918</u>	N <u>26</u> Degrees	<u>38</u> Minutes	<u>52.2</u> Seconds (truncated after 1 decimal place)	W <u>81</u> Degrees	<u>50</u> Minutes	<u>01.0</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:						<u>0 2 0</u> Miles
Senior Center:	Latitude			Longitude		
Name - <u>N/A</u> 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>Walgreens Pharmacy</u> Address - <u>4204 Palm Beach Blvd</u> <u>Fort Myers, FL 33916</u>	N <u>26</u> Degrees	<u>40</u> Minutes	<u>02.4</u> Seconds (truncated after 1 decimal place)	W <u>81</u> Degrees	<u>49</u> Minutes	<u>41.0</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:						<u>0 6 0</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.

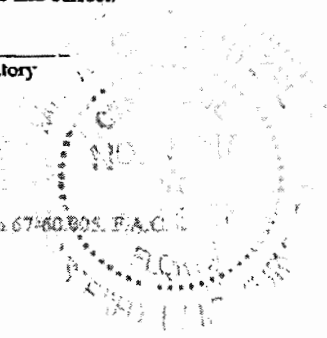
CERTIFICATION - Under penalties of perjury, I declare that the foregoing statement is true and correct.

Mark G. Wentzel
Signature of Florida Licensed Surveyor

5247
Florida License Number of Signatory

Mark G. Wentzel
Print or Type Name of Signatory

Please note: This form may be modified by Florida Housing Finance Corporation per Section 6740.005, F.A.C.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>Sandhnd/SE46 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	Sandhnd/SE46 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
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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 public 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

PURCHASE AND SALE AGREEMENT

(Brookside Village Apartments)

This Purchase and Sale Agreement ("**Agreement**") is entered into by and between Brookside Village, Ltd., a Florida limited partnership ("**Seller**"); and SP BV Apartments LLC, a Florida Limited Liability Company ("**Purchaser**").

1. **Definitions.** The following capitalized terms in this Agreement shall have the following definitions:

1.1. "**Property**" means that certain real property commonly known as Brookside Village Apartments, located at 1005-1021 Marsh Avenue, Ft. Myers, FL 33905, Lee County, Florida legally described on **Exhibit A ("Property")**. As used in this Agreement, Property includes the "**Land,**" "**Improvements,**" and "**Personal Property,**" and "**Intangible Property,**" defined and described on **Exhibit B**.

1.2. "**Purchase Price**" means US Two Million Dollars (\$2,000,000.00).

1.3. "**Effective Date**" means the date that a copy of this Agreement, fully executed by Purchaser and Seller is delivered to both Purchaser and Seller.

1.4. "**Escrow Agent**" means Stewart Title Guaranty Company, 3401 West Cypress Street, Tampa FL 33607, Attn: Stephanie Stewart.

1.5. "**Deposit**" or "**Deposits**" means an initial amount of \$5,000.00, plus any other amounts designated as a Deposit or Deposits in this Agreement.

1.6. "**FHFC**" means Florida Housing Finance Corporation.

1.7. "**Title Company**" Stewart Title Guaranty Company through its agent Pepple Cantu Schmidt PLLC, 2430 Estancia Boulevard, Suite 114, Clearwater, FL 33761.

1.8. "**Contingency Review Period**" means the period of time commencing on the Effective Date and ending on the date which is sixty (60) days after the Effective Date.

1.9. "**Allocation Contingency Period**" means the period of time commencing on the Effective Date and ending on December 31, 2013.

1.10. "**Closing Date**" means February 3, 2014.

2. **Purchase and Sale.** Purchaser hereby agrees to buy, and Seller hereby agrees to sell, the Property on the terms of this Agreement, and subject to the conditions in this Agreement.

3. **Purchase Price.** The Purchase Price shall be payable in full at Closing via wire transfer of collected federal funds.

4. **Deposit.** On or before five (5) business days after the Effective Date, Purchaser shall deposit with Escrow Agent the initial Deposit and the parties shall execute and deliver to Escrow Agent the Escrow Agreement attached hereto as **Exhibit C**. All Deposits shall be held in an interest-bearing account with the Escrow Agent, invested according to Escrow Agent's standard practice (commencing upon Purchaser's delivery to Escrow Agent of a W-9 and any other documents customarily and reasonably required by Escrow Agent's financial institution to open interest-bearing accounts), and disbursed in accordance with the terms, conditions and provisions of this Agreement. All Deposits shall be a credit against the Purchase Price. Interest shall become part of the Deposit.

5. **Property Documents.** Commencing on the Effective Date, Seller agrees to make available to Purchaser at the management office at the Property, the printed and electronic documents and information ("**Property Documents**") relating to the Property in the possession or control of the Seller and/or the Seller's Property Manager, including, but not limited, to those matters described on Exhibit D attached hereto (but only to the extent in Seller's possession or control).

6. **Title Policy.**

6.1. Within two (2) business days after the Effective Date, Purchaser shall order from the Title Company a commitment ("**Title Commitment**") for the issuance of an ALTA Owner's Title Policy ("**Title Policy**") at Closing to Purchaser. Purchaser shall give Seller written notice ("**Purchaser's Title Notice**") on or before the expiration of twenty (20) days after receipt of the Title Commitment and exception documents as to whether the condition of title as set forth in the Title Commitment and/or any survey is or is not satisfactory, in Purchaser's sole discretion. Monetary liens shall be paid by Seller at Closing out of the sales proceeds. In the event that the condition of title is not acceptable, Purchaser shall specify and set forth each of such objections ("**Objections**") in the Purchaser's Title Notice. Seller shall notify Purchaser in writing ("**Seller's Title Response**") within ten (10) days of receipt of Purchaser's Title Notice as to which Objections that Seller will not remove as of the Closing Date ("**Remaining Objections**"). If Seller fails to timely deliver Seller's Title Response, it shall be deemed to be an election by Seller not to cause the Title Company to so remove such objections and all Objections shall be deemed Remaining Objections. If there are any Remaining Objections, Purchaser may, at its option by written notice within five (5) days after Seller's Title Response, (i) accept title subject to the Remaining Objections, in which event the Remaining Objections shall be deemed to be waived for all purposes, or (ii) terminate this Agreement in which event all Deposits shall be returned to Purchaser. Notwithstanding any of the provisions of this Section 6.1 to the contrary, if Purchaser fails to notify Seller that the condition of title as set forth in the Title Commitment and survey is or is not acceptable within the time set forth herein, the parties hereby agree that the condition of title shall be deemed unacceptable, and this Agreement shall terminate and all Deposits shall be returned to Purchaser. Any exceptions permitted on the Title Policy pursuant to this Section 6.1 are referred to herein as "**Permitted Exceptions**". If the Title Company subsequently updates the Title Commitment with additional exceptions to title, the provisions for Purchaser's Title Notice and Seller's Title Response shall be reinstated, with the Purchaser's Title Notice regarding the additional exception(s) being due five (5) business days after the date that Purchaser receives the updated exceptions.

6.2. In the event that the issuance of the Title Policy requires an ALTA Survey ("**Survey**") of the Property, Purchaser shall obtain such Survey and provide it to the Title Company at least ten (10) business days prior to the initial Closing Date.

6.3. Purchaser's obligations hereunder are contingent upon the Title Company, at Closing, being irrevocably and unconditionally committed to issue to Purchaser the Title Policy in accordance with the title requirements listed in this Section 6 (subject only to payment of the premiums for the Title Policy), unless this contingency is not met due to Purchaser's failure to obtain the Survey as required in Section 6.2 or otherwise meet the Title Company's requirements for issuance of the Title Policy. If this contingency is not met on the Closing Date, this Agreement shall automatically terminate, Escrow Agent shall disburse the Deposit to Purchaser and neither party shall have any further liability hereunder, except with respect to Surviving Provisions.

7. **Contingency Review Period.** Purchaser shall have until the expiration of the Contingency Review Period to review all aspects of the Property and this transaction. In the event that Purchaser approves such review, Purchaser shall so notify Seller in writing ("**Purchaser's Approval Notice**") on or before expiration of the Contingency Review Period. In the event that Purchaser does not provide the Purchaser's Approval Notice to Seller on or before the expiration of the Contingency Review Period, this Agreement shall automatically terminate as of the expiration of the Contingency Review Period, in which event all Deposits shall be immediately refunded to Purchaser.

8. **Inspections.** Purchaser and its agents shall be entitled to inspect the Property and conduct tests on the Improvements and the Land at any time or times prior to the Closing, in order to conduct the evaluations described in this Agreement (including without limitation, engineering studies, environmental site assessments, risk assessments, inspections for the presence of lead based paint and lead based paint hazards, evaluation of drainage and flood plain, borings and soil tests). The right granted to Purchaser to conduct the inspections is subject to the rights of any tenants of the Property with respect to any such inspection, and compliance with tenant leases and applicable laws. Any invasive testing shall be subject to Seller's prior written approval of a testing plan. No physical alteration of the Property is permitted, but if any physical alteration occurs, any physical alteration of the Property in connection with Purchaser's study shall be restored by Purchaser immediately upon demand by Seller, at Purchaser's sole expense. Purchaser shall indemnify Seller against any loss, damage or claim resulting from Purchaser's inspections and tests. Purchaser shall not allow any liens to be placed against the Property arising out of such activities, and shall indemnify and hold Seller harmless from and against any liens, costs, expenses (including attorney fees), claims, liabilities, and obligations arising in any way out of such activities by Purchaser, as well as Purchaser's employees and agents. Purchaser shall maintain commercial general liability insurance with respect to Purchaser's activities on the Property. Such liability insurance shall be on an occurrence basis and shall provide combined single limit coverage of not less than \$1,000,000 (per occurrence and in the aggregate) for bodily injury, death and property damage, by water or otherwise, and the deductible amount shall not exceed \$10,000. All policies of insurance to be kept and maintained in force under this Section 8 shall be obtained from good and solvent insurance companies reasonably satisfactory to Seller, and shall name Seller an additional insured. Notwithstanding anything to the contrary contained in this Agreement or in any addenda, amendments or modifications to this Agreement, Purchaser's obligations under this Section 8 shall survive the termination and/or closing of this Agreement, and shall remain in

full force and effect without time limitation until all of such obligations have been fully performed by Purchaser, and all amounts to be paid by Purchaser have been paid.

9. **Allocation Contingency.** Purchaser intends to apply to FHFC for a tax credit allocation ("**Allocation**") for financing the acquisition and rehabilitation of the Property. Purchaser's obligations under this Agreement are expressly contingent upon Purchaser determining, in Purchaser's sole discretion, that Purchaser has obtained the Allocation (the "**Allocation Contingency**"). If Purchaser, in its sole discretion determines that it has not received an Allocation on terms and conditions acceptable to Purchaser, then Purchaser shall have the right to terminate this Agreement by delivering written notice of such termination to Seller prior to the expiration of the Allocation Contingency Period. If Purchaser fails to deliver written notice of such termination to Seller prior to the expiration of the Allocation Contingency Period, then the Allocation Contingency shall be deemed satisfied. If Purchaser fails to terminate this Agreement, as provided in this Section 9, then Purchaser shall deliver to Escrow Agent within five (5) business days after the expiration of the Allocation Contingency Period, an additional Deposit of \$65,000.00, and all deposits shall become non-refundable, except as specifically provided in this Agreement.

10. **Assignment of HAP Contract/HUD Approval.** Seller's and Purchaser's obligations under this Agreement are expressly contingent upon Purchaser obtaining HUD approval ("**HUD Approval**") for an assignment and assumption of the existing Housing Assistance Payments contract ("**HAP Contract**") affecting the Property. Upon execution of this Agreement, Seller shall give notice to HUD of the need for such assignment. Purchaser shall submit an application for HUD Approval within 5 business days after the expiration of the Allocation Contingency Period. Seller agrees to cooperate in such efforts, and to sign documents to accomplish such purposes. If HUD Approval is not obtained on or before the Closing Date on terms and conditions acceptable to Purchaser in its sole discretion, Purchaser may either (i) terminate this Agreement whereupon the Deposit shall be refunded to Purchaser; or (ii) extend the Closing Date for a period of thirty (30) days (the "**Extension Period**"). In the event Purchaser is unable to obtain HUD approval by the expiration of the Extension Period, either Purchaser or Seller may terminate this Agreement upon giving the other party written notice thereof, whereupon the Deposit shall be returned to Purchaser.

11. **Contracts.** Subsequent to delivery of Purchaser's Approval Notice, Seller shall, upon written request from Purchaser, give appropriate notices of termination of any service, supply, security, maintenance, employment or other contracts or arrangements ("**Contracts**") with respect to the Property (other than the Permitted Exceptions), terminating such Contracts as of the Closing Date (or if a Contract cannot be terminated as of the Closing Date, such later date which is the earliest date that such Contract can be terminated in accordance with its terms without a termination fee or charge). In addition, effective as of the Closing Date, Seller shall terminate all property management agreements with respect to the Property.

12. **The Closing and the Closing Date.** The sale and purchase of the Property shall be consummated at a Closing to be held on Closing Date at the offices of the Escrow Agent. Purchaser may select an earlier Closing Date upon five (5) business days' written notice to Seller. Neither party need be physically present at the Closing. The Closing Date may be extended by Purchaser for up to two thirty (30) day periods (each an "**Extension Period**") by Purchaser's delivery to Escrow Agent of an additional Deposit of \$20,000.00 (each, an "**Extension Deposit**") for each extension, which shall be paid on or before the then applicable Closing Date. The Extension Deposits shall be non-refundable but applicable to the Purchase

Price. As used in this Agreement, the term "**Closing**" shall mean the date all of the documents necessary to transfer title to Purchaser are sent for recording with the appropriate County Clerk, and the sales proceeds are available to Seller. Title to and possession of the Property shall transfer to Purchaser at Closing.

13. **Seller's Obligations at the Closing.** At the Closing, Seller shall do the following:

13.1. Deliver to Purchaser and the Title Company (i) special warranty deed (the "**Deed**") conveying to Purchaser fee simple title to the Property, subject only to the Permitted Exceptions (provided, however, that the standard exceptions on the Title Policy shall not be shown on the Deed) on the form attached hereto as Exhibit E; (ii) a Bill of Sale, Assignment, and Assumption Agreement on the form attached hereto as Exhibit F; (iii) a FIRPTA Affidavit; and (iv) all other agreements to be executed by Seller as specified herein. To the extent that the legal description of the Property as shown in the Survey shows a discrepancy with the legal description attached hereto, the Seller shall also deliver a Quit Claim Deed conveying the Property to Purchaser using the legal description shown on the Survey.

13.2. Deliver to the Title Company and Purchaser: (i) such affidavits and other evidence as the Title Company may require so as to enable the Title Company to issue the Title Policy in accordance with this Agreement; and (ii) satisfactory evidence that all necessary corporate, partnership, or other action on the part of Seller has been taken with respect to the execution and delivery of this Agreement and the consummation of the transaction contemplated hereby so that all of said documents are or will be validly executed and delivered and will be binding upon the Seller.

13.3. Deliver to Purchaser all tenant leases affecting the Property which are in effect as of the Closing Date, and a Certified Rent Roll certified by Seller to be correct no earlier than five (5) business days prior to the Closing Date.

13.4. Deliver to Purchaser all documents, records, plans, keys, permits and other items related to the Property in Seller's possession.

13.5. Deliver to Purchaser a letter from Seller's management company addressed to all tenants directing the tenants to make all future payments to Purchaser's management company, and otherwise complying with any legal requirements regarding the transfer of tenant deposits.

13.6. Deliver to Purchaser any state or local tax withholding forms so that Purchaser has no liability for Seller withholding or Seller taxes under state or local law.

13.7. Deliver to Purchaser a certificate, dated as of the date of Closing and executed by Seller, stating that the representations and warranties of Seller contained in this Agreement are accurate in all material respects as of the date of Closing or identifying any representation or warranty which is not, or no longer is, true and correct and explaining the state of facts giving rise to the change. In no event shall Seller be liable to Purchaser for, or be deemed to be in default hereunder by reason of, any breach of representation or warranty which results from any change that (i) occurs between the Effective Date and the date of Closing and (ii) is expressly permitted under the terms of this Agreement or is beyond the reasonable control of Seller to prevent. If the certificate delivered by Seller pursuant to this Section 13.7 indicates

any material adverse change in the representations and warranties made by Seller under Section 15, Purchaser shall have the right to terminate this Agreement by written notice to Seller and shall receive a refund of the entire amount of the Deposits.

13.8. Deliver to Purchaser such additional documents as are necessary to carry out the provisions of this Agreement.

14. **Purchaser's Obligations at the Closing.** At the Closing, Purchaser shall do the following:

14.1. Deliver to Seller the Purchase Price, plus or minus the adjustments or prorations required by this Agreement.

14.2. Deliver to the Title Company and Seller satisfactory evidence that all necessary corporate, partnership, or other action on the part of Purchaser has been taken with respect to the execution and delivery of this Agreement and the consummation of the transaction contemplated hereby so that all of said documents are and will be validly executed and delivered and will be binding upon Purchaser.

14.3. Deliver to Seller executed counterparts of the Bill of Sale, Assignment, and Assumption Agreement.

14.4. Deliver to Seller such additional documents as are necessary to carry out the provisions of this Agreement.

15. **Representations and Warranties of Seller.** Seller represents and warrants to Purchaser the following:

15.1. Seller is duly formed, validly existing and in good standing under the laws of the State of its formation and has all requisite powers and all material governmental licenses, authorizations, consents and approvals to carry on its business as now conducted and to enter into and perform its obligations hereunder and under any document or instrument required to be executed and delivered on behalf of Seller hereunder.

15.2. This Agreement has been duly authorized by all necessary action on the part of Seller, has been duly executed and delivered by Seller, constitutes the valid and binding agreement of Seller and is enforceable in accordance with its terms. The person executing this Agreement on behalf of Seller has the authority to do so.

15.3. The execution and delivery of, and the performance by Seller of its obligations under this Agreement will not contravene, or constitute a default under, any provision of (i) Seller's organizational documents, or (ii) applicable law or regulation or any agreement, judgment, injunction, order, decree or other instrument binding upon Seller or to which the Property is subject.

15.4. Seller has not received any written notice and Seller has no knowledge of, any threatened or actual cancellation or suspension of any certificate of occupancy or other certificate, license or permit for any portion of the Improvements.

15.5. To Seller's knowledge, except as may be contained in the Property Documents, no Hazardous Materials (as hereinafter defined) exist on or under the Property in violation of law. Hazardous Materials means: (a) substances defined as "hazardous substances," "hazardous materials," or "toxic substances" under federal, state or local law; (b) asbestos and any form of urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid or other fluids containing levels of polychlorinated biphenyls; (c) petroleum and/or petroleum products or by-products; and (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or may or could pose a hazard to the health and safety of the occupants of the Property or the owners and/or occupants of the properties adjacent to the Property.

15.6. To Seller's knowledge, except as may be contained in the Property Documents, there currently are no underground storage tanks on the Property. Neither Seller nor anyone acting on its behalf has placed an underground storage tank on the Property nor have any underground storage tanks been placed on the Property during Seller's period of ownership.

15.7. Seller has not received any written notice of any pending or, threatened, judicial, municipal or administrative proceedings affecting the Property, including, without limitation, proceedings for or involving collections, condemnation, eminent domain, alleged building code or environmental or zoning violations, or personal injuries or property damage alleged to have occurred on the Property or by reason of the condition, use of, or operations on, the Property.

15.8. The Contracts constitute all of the Contracts affecting the Property. Seller has not received any written notice of default and Seller has no knowledge of any existing defaults under the Contracts.

15.9. To Seller's knowledge, there is no legal action of any kind or nature affecting the Property which will in any way affect Purchaser following the purchase of the Property.

15.10. The certified rent roll ("**Certified Rent Roll**") to be provided pursuant to this Agreement shall be certified by Seller to be true, correct, and complete, and shall contain for each tenant and each tenant's lease the following information: commencement date of the lease; termination date of the lease; monthly rent; monthly additional rent; security deposits (any amounts previously applied to charges shall also be shown); prepaid rents; any other payments or credits applicable to that lease.

15.11. There are no outstanding agreements, options, rights of first refusal or other rights to purchase the Property currently in effect.

15.12. At all times prior to closing contemplated by this Agreement, Seller and all of its respective Affiliates: (i) shall not be a Prohibited Person; and (ii) shall be in full compliance with all applicable orders, rules, regulations and recommendations promulgated under or in connection with United States Presidential Executive Order 13224 ("**Executive Order**") and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("**Patriot Act**"). The term "**Prohibited Person**" shall mean any person or entity which meets any of the following criteria:

15.12.1. A person or entity listed in the Annex to, or otherwise subject to the provisions of, the Executive Order.

15.12.2. A person or entity owned or controlled by, or acting for or on behalf of, any person or entity that is listed to the Annex to, or is otherwise subject to the provisions of, the Executive Order.

15.12.3. A person or entity with whom a party is prohibited from dealing or otherwise engaging in any transaction by any terrorism or money laundering law, including the Executive Order.

15.12.4. A person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order.

15.12.5. A person or entity that is named as a "specially designated national and blocked person" on the most current list ("*List*") published by the U.S. Department of the Treasury, Office of Foreign Assets Control at its official website (www.ustreas.gov/ofac) or at any replacement website or other replacement official publication of such list.

15.12.6. A person or entity who is an Affiliate of a person or entity listed in this Section 15.12.

15.13. As used in this Agreement, the term "Seller's knowledge," or "to Seller's knowledge," or words of similar effect shall mean the actual knowledge of John Hartman, whom Seller represents is the person(s) with primary responsibility for the management and operation of the Property. Neither such individual(s) nor any party other than Seller shall bear responsibility for any breach of representation.

16. Seller Representations and Warranties. If, after the Effective Date, any event occurs or condition arises that renders any of the Seller's representations and warranties in Section 15 untrue or misleading in any material respect, and Seller has actual knowledge of the same, Seller shall promptly notify Purchaser in writing of such event or condition.

17. Representations and Warranties of Purchaser.

17.1. Purchaser represents and warrants to Seller that Purchaser has been duly organized under the laws of the jurisdiction in which it was formed and is validly existing and in good standing under the laws of said jurisdiction.

17.2. All documents will be validly executed and delivered and will be binding upon Purchaser.

17.3. Purchaser's performance of this transaction shall not conflict with or constitute a default under the terms and conditions of the organizational documents pursuant to which the Purchaser was organized, or any agreement to which Purchaser or any Affiliate thereof is a party or is bound, or any order or regulation of any governmental body having jurisdiction over the Purchaser or any Affiliate thereof.

17.4. At all times prior to closing contemplated by this Agreement, Purchaser and all of its respective Affiliates: (i) shall not be a Prohibited Person; and (ii) shall be in full

compliance with all applicable orders, rules, regulations and recommendations promulgated under or in connection with the Executive Order and the Patriot Act.

18. Seller Covenants. Seller hereby covenants as follows:

18.1. Until the Closing Date, Seller shall maintain the Property in substantially the same condition and quality as such was in at the time of the physical inspection of the Property by Purchaser, except for normal wear and tear, and subject to Section 29.5.

18.2. All accounts, bills and obligations of the Property shall be paid current up to the Closing Date, and there will be no delinquent amounts owing as of the Closing Date.

18.3. Subsequent to the Effective Date, Seller shall not enter into any agreements (or extend any current agreements) with respect to the Property (other than tenant leases in the ordinary course of Property operations) that will extend beyond the Closing Date, without Purchaser's prior written approval, which may be withheld in Purchaser's sole discretion.

18.4. Seller shall continue to operate the Improvements and the Property in the ordinary course of business between the Effective Date and the Closing Date, such operation to include the continuation of maintenance and repair programs.

18.5. Seller shall cause all apartment units on the Property which become vacant more than ten (10) days prior to Closing to be in a "rent ready" condition, and to the extent that any such units are not in rent ready condition on the Closing Date, Purchaser shall receive a credit at Closing equal to \$500.00 for each such unit. One business day prior to Closing, Seller and Purchaser (or their designated representatives) shall inspect the Property and agree upon the number of non "rent ready" units. For purposes of this Section 18.5, the term "rent ready" shall mean cleaned and prepared for occupancy for a new tenant, including the painting or cleaning of walls, the professional cleaning or replacement of carpets, and with all appliances in working condition, consistent with standards for similar units in the market of the Property.

18.6. Seller or Seller's agents will not make any material, physical modifications to the Land, the Buildings or Personal Property without Purchaser's express, prior, written consent, unless such action is required by law, the terms of any lease or other contract or agreement, or because of emergency (as reasonably determined by Seller).

19. Survival.

19.1. The representations and warranties set forth in this Agreement shall be correct on the Closing Date and any claim for a breach of such representations and warranties shall survive for one year after the Closing Date. Any claim for a breach of representation or warranty shall be barred and shall lapse unless a claim is made in writing, with a description of the claim made, on or before the first anniversary of the Closing Date.

19.2. All provisions of this Agreement shall be deemed merged into or waived by the Instruments of Closing, except for those provisions that specifically state that they survive closing or termination (each a "**Surviving Provision**"). If a Surviving Provision states that it survives for a limited period of time, that Surviving Provision shall survive only for the limited time specified. Any claim made in connection with a Surviving Provision shall be barred

and shall lapse unless a claim is made in writing, with a description of the claim made, on or before the limited time specified in such Surviving Provision.

19.3. Any provision of this Agreement providing for the termination hereof, and the return of the Deposits to the Purchaser shall be deemed to terminate all rights and obligations of the parties, except with respect to those provisions that specifically state that they survive termination.

20. Purchaser's Defaults; Seller's Remedies. In the event of a breach by Purchaser of its obligations under this Agreement, which breach is not cured within five (5) days after Purchaser's receipt of written notice of default from Seller specifying the breach (provided, however, that no such cure period shall apply for a breach of the obligation to close by the Closing Date), Seller's sole remedy shall be to terminate this Agreement and retain all Deposits paid, and any earnings thereon, as liquidated damages but not as a penalty. PURCHASER AND SELLER AGREE THAT IT WOULD BE EXTREMELY DIFFICULT OR IMPRACTICAL TO QUANTIFY THE ACTUAL DAMAGES TO SELLER IN THE EVENT OF A BREACH BY PURCHASER, THAT THE AMOUNT OF ALL DEPOSITS PAID IS A REASONABLE ESTIMATE OF SUCH ACTUAL DAMAGES, AND THAT SELLER'S REMEDY IN THE EVENT OF A BREACH BY PURCHASER SHALL BE TO RETAIN ALL DEPOSITS PAID AND ANY EARNINGS THEREON AS LIQUIDATED DAMAGES. Notwithstanding the foregoing, this liquidated damages provision does not limit Purchaser's obligations under the Surviving Provisions. After Closing, in the event of a breach by Purchaser of its obligations under any Surviving Provisions, Seller may exercise any rights and remedies available at law or in equity.

21. Seller's Defaults; Purchaser's Remedies. In the event of a breach by Seller of its obligations under this Agreement, which breach is not cured within five (5) days after Seller's receipt of written notice of default from Purchaser specifying the breach (provided, however, that no such cure period shall apply for a breach of the obligation to close by the Closing Date), Purchaser may elect only one of the following two remedies: (a) terminate this Agreement and receive a refund of all Deposits; or (b) enforce specific performance of this Agreement against Seller, including the right to recover attorneys' fees. After Closing, in the event of a breach by Seller of its obligations under any Surviving Provisions, Purchaser may exercise any rights and remedies available at law or in equity.

22. Closing Costs. Costs of closing the transaction contemplated hereby shall be allocated between Seller and Purchaser as follows:

22.1. Seller shall pay (i) documentary stamps on the deed; and (ii) all other costs and expenses allocated to Seller pursuant to the terms of this Agreement.

22.2. Purchaser shall pay (i) the premium for the owner's Title Policy, and any endorsements; (ii) the cost of recording the Deed; (iii) any escrow fees; (iv) sales tax on the transfer of personal property; and (v) all other costs and expenses allocated to Purchaser pursuant to the terms of this Agreement.

23. Proration of Income and Expenses. At Closing, the following items shall be paid or adjusted or prorated between Seller and Purchaser as specified, as of the Closing Date:

23.1. *Ad valorem* and similar taxes, and assessments, for the then current tax year relating to the Property shall be prorated as of the Closing Date. Subsequent to the

Closing, when the tax rate is fixed for the year in which the Closing occurs, Seller and Purchaser agree to adjust the proration of taxes and, if necessary, to refund or pay, as the case may be, on or before January 1 of the year following the Closing, an amount necessary to effect such adjustments.

23.2. At the Closing, Purchaser shall receive a credit against the cash portion of the Purchase Price equal to the amount of any of the following for which Purchaser will be responsible after the Closing: (i) refundable deposits made by tenants of the Property; (ii) non-refundable deposits made by tenants of the Property that have not been applied to costs incurred; and (iii) any unpaid bills relating to periods prior to the Closing Date for which Purchaser will be responsible. At Closing, Purchaser shall assume Seller's obligations related to the deposits actually credited to Purchaser.

23.3. All rental or other income and all operating expenses for or pertaining to the Property, including but not limited to maintenance, security, management service and similar contractual charges with respect to the Property shall be prorated between Purchaser and Seller as of the Closing Date

23.4. Water, sewer, fuel, electricity, gas and other utilities and services shall be paid by Seller based upon current readings by the utilities to be obtained by Seller contemporaneously with closing. Seller shall arrange for utility services to Seller to be cancelled, in which event, Purchaser shall establish a new account with the utility, and Seller shall be entitled to any deposits on account paid by Seller. If a utility will not cancel Seller's account and replace it with a new Purchaser account, Seller shall at Closing transfer the utility account to Purchaser, in which event: (i) Purchaser shall reimburse Seller at Closing for any utility deposit transferred to Purchaser; and (ii) utility charges for such account shall be prorated between Purchaser and Seller as of the Closing Date.

23.5. If Seller received any payments for entering into any contracts with respect to the Property that will remain in effect after Closing (such as laundry contracts, cable TV contracts, satellite TV contracts, etc.), then the payments received by Seller shall be prorated over the remaining term of such contract, and Purchaser shall receive a credit at Closing for the amount attributable for the unexpired term of the contract. This Section 23.5 shall not apply to ongoing fee or royalty payments that are payable over the term of such contracts; such ongoing fee or royalty payments shall be prorated to the Closing Date as part of the income and expense proration.

23.6. The escrows ("**Escrows**") held with respect to any loan held on the Property (including, without limitation, escrows for taxes, insurance, mortgage insurance premiums, reserve for replacement account, and other reserves and impositions), belong to and at Closing shall remain, the property of the Seller. If required by HUD, at Closing Seller shall transfer the Escrows to Purchaser (and they shall thereafter belong to Purchaser) and Purchaser shall reimburse Seller dollar for dollar for the Escrows at Closing. Prior to the expiration of the Contingency Review Period, Seller shall provide, or shall cause HUD to provide, an accounting of the Escrows, which accounting shall set forth the amounts currently held in such Escrows.

24. Post-Closing Adjustments. Seller and Purchaser agree that, to the extent items are prorated or adjusted at Closing on the basis of estimates, or are not prorated or adjusted at Closing pending actual receipt of funds or compilation of information upon which such proration

or adjustments are to be based, each of them will pay to the other such amounts as may be necessary such that Seller will receive the benefit of all income received for the period prior to the Closing Date and will pay all expenses of the Property attributable to the period prior to the Closing Date and Purchaser will receive all income received for the period from and after the Closing Date and will pay all expenses of the Property attributable to the period from and after the Closing Date. The provisions of this Section 24 shall survive the Closing for ninety (90) days; any claim under this Section 24 shall be barred and shall lapse unless a claim is made in writing, with a description of the claim made, on or before ninety (90) days after Closing.

25. Delinquent Rents. With respect to any monies collected by Purchaser from tenants or other persons owing delinquent rents or other amounts as of the Closing Date, such money shall first be applied to the current rents or obligations of such person and retained by Purchaser and the balance (if any) shall then be delivered to Seller. After the Closing Date, Seller shall be entitled to institute legal actions to recover delinquent rents from tenants; provided, however, that Seller acknowledges that Seller shall have no right to terminate any tenant lease, and Seller shall not have the right to evict any tenant.

26. As-Is Purchase.

26.1. Purchaser is an experienced commercial real estate owner and shall rely solely upon its own evaluation and investigation of the condition and all aspects of the Property. Purchaser acknowledges that this Agreement grants to Purchaser every opportunity which Purchaser may need to fully evaluate the condition and all aspects of the Property. Purchaser has asked for, and has obtained in this Agreement, disclosure of information and documents regarding the Property which are in Seller's possession or control. This does not reduce Purchaser's duty to fully evaluate the Property on its own. Accordingly, except to the extent of the Seller's representations and warranties in this Agreement, Purchaser acknowledges that it is not relying upon any representations of Seller as to the condition of the Property or its suitability for Purchaser's intended use. At Closing, Purchaser shall be deemed to accept the Property "as is" in all respects.

27. Brokerage Commissions. Seller shall indemnify Purchaser against, and hold Purchaser harmless from, any and all claims (and all expenses incurred in defending any such claims or in enforcing this indemnity, including attorneys' fees and court costs) by any broker or finder for a real estate commission or similar fee arising out of or in any way connected with any claimed relationship between such broker or finder and Seller. Purchaser shall indemnify Seller against, and hold Seller harmless from, any and all claims (and all expenses incurred in defending any such claims or in enforcing this indemnity, including attorneys' fees and court costs) by any broker or finder for a real estate commission or similar fee arising out of or in any way connected with any claimed relationship between such broker or finder and Purchaser. The provisions of this Section 27 shall survive the Closing or the termination of this Agreement without time limitation.

28. Tax Deferred Exchange.

28.1. If Purchaser wishes to structure this transaction as part of a 1031 tax deferred exchange, Seller agrees to cooperate in such efforts, and to sign documents to accomplish such purposes; provided, however, that there shall be no material change in the transaction from what would result if there was no tax deferred exchange, and provided that Seller incurs no additional cost, expense, obligation or liability as a result of such tax deferred

exchange. Purchaser acknowledges that Seller shall have no obligation of any kind for the qualification of the transaction for a 1031 tax deferred exchange.

28.2. If Seller wishes to structure this transaction as part of a 1031 tax deferred exchange, Purchaser agrees to cooperate in such efforts, and to sign documents to accomplish such purposes; provided, however, that there shall be no material change in the transaction from what would result if there was no tax deferred exchange, and provided that Purchaser incurs no additional cost, expense, obligation or liability as a result of such tax deferred exchange. Seller further acknowledges that Purchaser shall have no obligation of any kind for the qualification of the transaction for a 1031 tax deferred exchange.

29. Miscellaneous.

29.1. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. This Agreement embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein. No provision hereof may be waived, modified, or amended except by an instrument in writing signed by Purchaser and Seller. This Agreement may be executed in several counterparts and all so executed shall constitute one Agreement, binding on all the parties hereto even though all the parties are not signatories to the original or the same counterpart. Delivery of a facsimile, scanned, or other copy of a signed version of this Agreement has the same effect as delivery of an original. Delivery by electronic transmission such as email or facsimile shall be deemed effective delivery of a copy.

29.2. Any notice, request, demand, instruction or other document required or permitted to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be delivered personally, or by overnight express courier, or by email, or by facsimile transmission, and addressed to the parties at their respective addresses set forth below, and the same shall be effective upon receipt if delivered personally, or by email, or by confirmed facsimile, or via overnight express courier. (If a fax number listed below is inaccurate or is not working, then the date that a notice is required to be delivered shall be extended by one day.) A party may change its address for receipt of notices by service of a notice of such change in accordance herewith.

If to Purchaser: SP BV Apartments LLC
2430 Estancia Blvd, Suite 101
Clearwater, FL 33761
ATTN: Peter Leach
Office: (727) 669-3660
Fax: (727) 669-4233
E-mail: pleach@sphome.com

With a copy to: Pepple Cantu Schmidt PLLC
2430 Estancia Boulevard, Suite 114
Clearwater, Florida 33761
ATTN: David O. Cantu
Office: (727) 724-8585
Fax. No. (727) 726-9272
E-mail: dcantu@pcslegal.com and
awilliams@pcslegal.com

If to Seller:

Brookside Village, Ltd.
2119 NE Coachman Road
Clearwater, FL 33765
ATTN: John C. Hartman
Email: Hartman@bradleyconstruction.com
Office: (727) 442-3117 ext 106
Fax: (727) 442- 9693

29.3. In any legal proceeding arising in connection with this Agreement (including without limitation any arbitration and appellate proceedings as well as any bankruptcy, reorganization, liquidation, receivership or similar proceeding) the substantially non-prevailing party agrees to pay to the substantially prevailing party all reasonable costs and expenses, including attorneys' fees and other legal costs, expended or incurred by the substantially prevailing party in connection therewith (whether incurred before, during, or subsequent to any such action or proceeding).

29.4. Risk of loss or damage to the Property by condemnation, eminent domain, or similar proceedings (or deed in lieu thereof), or by fire or any other casualty, from the Effective Date through the Closing Date will be on Seller, and thereafter will be on Purchaser. Until the Closing Date, Seller shall maintain casualty insurance insuring the Property in an amount equal to the full insurable replacement cost.

29.5. Casualty Loss.

29.5.1. If at any time prior to the Closing Date, any portion of the Property is destroyed or damaged as a result of fire or any other casualty whatsoever, Seller shall give written notice thereof to Purchaser as soon as possible and in any event within five (5) business days after Seller learns of such destruction or damage, and, within thirty (30) days thereafter, shall provide Purchaser with an estimate of the cost of restoring the Property to the condition it was in immediately before such damage or destruction from an independent consultant acceptable to Purchaser and Seller. The Closing Date hereunder shall be postponed, as required, in order for Seller to have the stipulated time to provide such notice and obtain and provide such estimate to Purchaser. If the cost of restoring and repairing the portion of the Property so damaged to substantially its present condition is not more than One Hundred Fifty Thousand Dollars (\$150,000.00), as reasonably estimated by such independent consultant, then Purchaser shall have no right to terminate this Agreement and shall purchase the Property in its damaged condition and be fully responsible for repair thereto, and at the Closing, Seller shall assign to Purchaser all rights of Seller in and to the property insurance (including rent loss coverage) currently maintained by Seller, and Purchaser shall receive a credit against the Purchase Price in the amount of any deductible under such property insurance policy, but without any other claim or offset resulting from such destruction or damage; provided, however, that if the rights of Seller in and to such property insurance are not assignable to Purchaser, then Purchaser shall receive at Closing a credit against the Purchase Price in the amount of an independent third party good faith bid obtained by Purchaser for the restoration of the destruction or damage, less the amount of the insurance policy deductible credited as provided

above. Notwithstanding the foregoing, this Section 29.5 shall not apply to any destruction or damage that is restored by Seller to its present condition on or before the Closing Date.

29.5.2. If the cost of restoring and repairing the portion of the Property so damaged to substantially its present condition is more than One Hundred Fifty Thousand Dollars (\$150,000.00), as reasonably estimated by such independent consultant acceptable to Purchaser and Seller, then Purchaser shall have the option, to be exercised within twenty (20) business days from the date of Purchaser's receipt of such estimate, to terminate this Agreement, in which case the Deposit shall be returned to Purchaser and neither party hereto shall have any further duties, obligations or liabilities to the other, except as specifically provided herein. The Closing Date hereunder shall be postponed, as required, in order for Seller to have the stipulated time to provide such notice and obtain and provide such estimate to Purchaser, and for Purchaser to have the stipulated time to exercise its option to terminate. If Purchaser shall not elect to terminate this Agreement as provided in this Section 29.5.2, then this Agreement shall remain in full force and effect, and Purchaser shall purchase the Property in its damaged condition and be fully responsible for repair thereto, and at the Closing, Seller shall assign to Purchaser all rights of Seller in and to the property insurance (including rent loss coverage) currently maintained by Seller, and Purchaser shall receive a credit against the Purchase Price in the amount of any deductible under such property insurance policy, but without any other claim or offset resulting from such destruction or damage provided, however, that if the rights of Seller in and to such property insurance are not assignable to Purchaser, then Purchaser shall receive at Closing a credit against the Purchase Price in the amount of an independent third party good faith bid obtained by Purchaser for the restoration of the destruction or damage, less the amount of the insurance policy deductible credited as provided above. Seller shall not negotiate for or agree to an award or settlement without the approval of Purchaser. Notwithstanding the foregoing, this Section 29.5 shall not apply to any destruction or damage that is restored by Seller to its present condition on or before the Closing Date.

29.6. If at any time prior to the Closing Date, there shall be a taking by eminent domain proceedings or the commencement of any such proceedings, with respect to the Property, Seller shall promptly give written notice thereof to Purchaser, and, if such taking by eminent domain proceedings would result in a diminution in value of the Property or a cost to restore the Property of more than One Hundred Fifty Thousand Dollars (\$150,000.00) as estimated by an independent consultant acceptable to Purchaser and Seller, Purchaser shall have the right, at Purchaser's sole option, to terminate this Agreement by giving written notice to Seller within thirty (30) days after Purchaser receives written notice of such proceedings, in which event the Deposit shall be returned to Purchaser and neither party hereto shall have any further duties, obligations or liabilities to the other, except as specifically provided herein. If Purchaser does not so terminate this Agreement, the Purchase Price for the Property shall be reduced by the total of any awards or other proceeds received by Seller (directly or indirectly) with respect to any such taking, and at the Closing Seller shall assign to Purchaser all rights of Seller in and to any awards or other proceeds payable by reason of any taking. Seller shall not negotiate for or agree to an award or settlement without the approval of Purchaser. The Closing Date hereunder shall be postponed, as required, in order for the parties to obtain an estimate of the diminution in value or cost to restore and for Purchaser to have the stipulated time to exercise its option to terminate.

29.7. Purchaser shall have the right to assign this Agreement to an Affiliate of Purchaser or the principals of Purchaser, upon written notice to Seller at least five days prior to the Closing Date; provided, however that any such assignment shall not release the original

Purchaser from any obligation or liability under this Agreement arising before or after Closing, including without limitation Surviving Provisions. No other assignment of this Agreement by Purchaser is permitted.

29.8. Seller and Purchaser agree to execute and deliver any instrument, affidavit and statement, and to perform any acts reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act (FIRPTA), IRC Section 1445 and regulations promulgated thereunder.

29.9. This Agreement has been submitted to the scrutiny of all parties hereto and their counsel, if desired, and shall be given a fair and reasonable interpretation in accordance with the words hereof, without consideration or weight being given to its having been drafted by any party hereto or its counsel.

29.10. The parties acknowledge that time is of the essence for each time and date specifically set forth in this Agreement. In computing any period of time pursuant to this Agreement, if the day of the act, event or default from which the designated period of time ends is a Saturday, Sunday or a legal holiday, the period shall end on the next day which is not a Saturday, Sunday or a legal holiday.

29.11. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without regard to its conflict or choice of laws rules.

29.12. EVERY PURCHASER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY ON WHICH A RESIDENTIAL DWELLING WAS BUILT PRIOR TO 1978 IS NOTIFIED THAT SUCH PROPERTY MAY PRESENT EXPOSURE TO LEAD FROM LEAD-BASED PAINT THAT MAY PLACE YOUNG CHILDREN AT RISK OF DEVELOPING LEAD POISONING. LEAD POISONING IN YOUNG CHILDREN MAY PRODUCE PERMANENT NEUROLOGICAL DAMAGE, INCLUDING LEARNING DISABILITIES, REDUCED INTELLIGENCE QUOTIENT, BEHAVIORAL PROBLEMS, AND IMPAIRED MEMORY. LEAD POISONING ALSO POSES A PARTICULAR RISK TO PREGNANT WOMEN. THE SELLER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY IS REQUIRED TO PROVIDE THE PURCHASER WITH ANY INFORMATION ON LEAD-BASED PAINT HAZARDS FROM RISK ASSESSMENTS OR INSPECTIONS IN THE SELLER'S POSSESSION OR CONTROL, IF ANY, AND NOTIFY THE PURCHASER OF ANY KNOWN LEAD-BASED PAINT HAZARDS. A RISK ASSESSMENT OR INSPECTION FOR POSSIBLE LEAD-BASED PAINT HAZARDS IS RECOMMENDED PRIOR TO PURCHASE.

29.13. Radon Gas Disclosure. The following language is required by law in any contract involving the sale or lease of any building within the State of Florida:

"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."

29.14. Energy Efficiency. Purchaser acknowledges receipt of the Florida Building Energy-Efficiency Rating System Brochure.

29.15. As used in this Agreement, "**Affiliate**" means, as to any person or entity: (a) any other person or entity that, directly or indirectly, is in control of, is controlled by or is under common control with such person or entity; or (b) is a director, officer, shareholder, partner, member or associate of such person or entity, or of an Affiliate of such person or entity. "**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of management, policies or activities of a person or entity, whether through ownership of voting securities, by contract or otherwise.

29.16. Neither this Agreement, nor any part thereof, nor any memorandum thereof may be recorded. Recording of any such document by, or at the direction of Purchaser, shall be a material default by Purchaser under this Agreement.

29.17. Intentionally Deleted.

30. **Termination of Offer.** Submission of this Agreement by one party to the other shall constitute an offer to purchase or sell the Property on the terms and conditions set forth herein. This offer shall expire if the other party has not returned two (2) fully executed copies hereof to the other party by 5:00 P.M. Eastern time on the second business day after receipt.

[Signatures on following page]

PURCHASER:

SELLER:

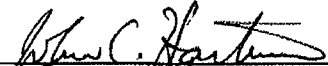
SP BV Apartments LLC, a Florida Limited Liability Company

Brookside Village, Ltd.

By: SP BV Manager LLC, a Florida Limited Liability Company, its Manager

By: J.R.S. Equities, Inc., a Florida corporation, its General Partner

By: SP and MS LLC, a Florida Limited Liability Company, its Manager

By: 

By: 

Name: JOHN C. HARTMAN

Name: Scott Seckwag

Title: PRESIDENT

Title: Vice President

Date: 10-15-13

Date: 10/15/13

EXHIBIT A

Legal Description of Land

A parcel of land in Section 8, Township 44 South, Range 25 East, Lee County, Florida more particularly described as follows: Commence at the southwest corner of the southeast one-quarter of the southeast one-quarter said Section 8, thence N88°47'20"E along the south line of said southeast one-quarter for 30.00 feet to an intersection with the east right-of-way line of Marsh Avenue thence N1°15'15"W along said east right-of-way line for 938.59 feet to an intersection with the northwesterly right-of-way line of Billy's Creek (a 60' right-of-way) as shown on the plat of Arlington as recorded in Plat Book 16 at pages 38 and 39 of the Public Records of Lee County, Florida, and the Point of Beginning of the herein described parcel of land; thence N 69°10'49"E along said northwesterly right-of-way line for 1071.38 feet to an intersection with a line parallel to and 25.00 feet southerly of as measured at right angles to the north line of the southeast one-quarter of said Section 8; thence S88°50'21"W along said parallel line for 1009.51 feet to an intersection with the aforementioned east right-of-way line of Marsh Avenue; thence S1°15'15"E along said east right-of-way line for 360.44 feet to the Point of Beginning.

EXHIBIT B

"Land" means the tracts or parcels of real property lying and being situated in Lee County, Florida, as more particularly described on Exhibit A, together with any and all rights, easements, and appurtenances pertaining thereto, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way.

"Personal Property" means Seller's interest in all of the furniture, fixtures, fittings, apparatus, equipment, machinery, trade names, and other items of tangible and intangible personal property and replacements thereof, if any, affixed or attached to or used in connection with the operation, maintenance, or management of the Improvements, including but not limited to, all permits, warranties, licenses, sweepers, cleaning supplies, tools, office furniture and equipment, stationery, office supplies, and janitorial supplies.

"Intangible Property" means all right, title and interest of Assignor in and to all intangible property owned or held for use in connection with the Property or any business or businesses conducted thereon or with the use thereof, to the extent assignable, including but not limited to, air rights, water rights, permits, development rights, approvals, building and trade names (including but not limited to the name "Brookside Village Apartments"), licenses, warranties, telephone numbers assigned to telephones in the Improvements (other than telephones of tenants), domain names and websites exclusively dedicated to the Improvements, and plans and specifications.

"Improvements" means the apartment building constructed upon the Land, known as Brookside Village Apartments, together with seller's interest in all machinery, air conditioners, fixtures, and equipment used in the general operation of such buildings and improvements, and/or affixed to or located upon the Land on the Effective Date, along with all accessions and additions thereto, and together with the lessor's or landlord's interest in any tenant leases or occupancy agreements covering all or any portion of such buildings and improvements.

EXHIBIT C

ESCROW AGREEMENT

This Escrow Agreement is entered into by and among SP BV Apartments LLC, a Florida Limited Liability Company ("**Purchaser**"), Brookside Village, Ltd., a Florida limited partnership ("**Seller**"), and Stewart Title Guaranty Company ("**Escrow Agent**"):

1. Purchaser and Seller have entered into a Purchase and Sale Agreement with an Effective Date of October 15, 2013 (the "**PSA**") for the purchase and sale of certain real property legally described therein ("**Property**"). All terms not defined in this Escrow Agreement shall have the meaning set forth in the PSA.

2. Pursuant to the provisions of the PSA, Seller and Purchaser have requested that Escrow Agent act as escrow agent under the PSA, and Purchaser has tendered good funds to Escrow Agent in the initial amount of \$5,000.00. All amounts designated as a Deposit or Deposits under the PSA shall collectively hereinafter be referred to as the "**Deposit**".

3. All Deposits shall be held in an interest-bearing account with the Escrow Agent, invested according to Escrow Agent's standard practice (commencing upon Purchaser's delivery to Escrow Agent of a W-9 and any other documents customarily and reasonably required by Escrow Agent's financial institution to open interest-bearing accounts). The wire transfer instructions for Escrow Agent are set forth on Exhibit A attached hereto and made a part hereof.

4. The "**Contingency Expiration Date**" is the date that the Contingency Review Period expires pursuant to the PSA. Seller and Purchaser hereby agree that until the Contingency Expiration Date, the escrow established under this Escrow Agreement shall be a "sole order" escrow for the benefit of Purchaser (meaning that Escrow Agent shall act solely in accordance with the instructions of Purchaser). Without limiting the generality of the foregoing, in the event that on or prior to the Contingency Expiration Date, Purchaser does not deliver to Seller and Escrow Agent the Purchaser's Approval Notice in accordance with the PSA, then Escrow Agent shall refund to Purchaser the Deposit and all accrued interest thereon without any requirement that Escrow Agent first notify or obtain any approval or consent of Seller. In furtherance of the foregoing, in the event Purchaser does not deliver to Seller and Escrow Agent the Purchaser's Approval Notice in accordance with the PSA, Escrow Agent agrees that it shall not be permitted to, and shall not, follow any conflicting instructions given by Seller or any third party as to the disposition of the Deposit and accrued interest thereon but shall instead follow only the instructions of Purchaser in connection therewith. Seller agrees in such instance not to deliver any conflicting instructions to Escrow Agent for any reason and hereby instructs Escrow Agent to act in respect of the Deposit and accrued interest thereon solely in accordance with Purchaser's instructions in the event Purchaser does not deliver to Escrow Agent the Purchaser's Approval Notice in accordance with the PSA, including instructions of Purchaser to return the Deposit and accrued interest thereon to Purchaser.

5. After the Contingency Expiration Date, if either party gives written notice to Escrow Agent demanding payment of the Deposit, Escrow Agent shall give prompt written notice to the other party of such demand. If Escrow Agent does not receive written notice of objection from such other party to the proposed payment within ten (10) days after the giving of such written

notice, Escrow Agent is hereby authorized and directed to make such payment. If Escrow Agent does receive written notice of objection within such 10 day period or if for any other reason Escrow Agent in good faith shall elect not to make such payment, Escrow Agent shall continue to hold such amount until otherwise directed by written notice from all parties to this contract or a final, nonappealable judgment, order or decree of a court.

6. It is agreed that the duties of Escrow Agent are only such as are herein specifically provided, being purely ministerial in nature, and that Escrow Agent shall incur no liability whatever except for willful misconduct or gross negligence, so long as Escrow Agent has acted in good faith. Seller and Purchaser release Escrow Agent from any act done or omitted to be done by Escrow Agent in good faith in the performance of Escrow Agent's duties hereunder.

7. Escrow Agent shall be under no responsibility with respect to any Deposit placed with it other than faithfully to follow the instructions herein contained. Escrow Agent may consult with counsel and shall be fully protected in any actions taken in good faith, in accordance with counsel's advice. Escrow Agent shall not be required to defend any legal proceedings which may be instituted against Escrow Agent in respect to the subject matter of these instructions unless requested to do so by Seller and Purchaser and Indemnified to the satisfaction of Escrow Agent against the cost and expense of such defense. Escrow Agent shall not be required to institute legal proceedings of any kind. Escrow Agent shall have no responsibility for the genuineness or validity of any document or other item deposited with Escrow Agent, and shall be fully protected in acting in accordance with any written instructions given to Escrow Agent hereunder and believed by Escrow Agent to have been signed by the proper parties.

8. Escrow Agent assumes no liability hereunder except that of a stakeholder. If there is any dispute as to whether Escrow Agent is obligated to deliver the Deposit, or as to whom the Deposit is to be delivered, Escrow Agent will not be obligated to make any delivery of the Deposit, but in such event may hold the Deposit until receipt by Escrow Agent of an authorization in writing signed by all of the persons having an interest in such dispute, directing the disposition of the sum, or in the absence of such authorization, Escrow Agent may hold the Deposit until the final determination of the rights of the parties in an appropriate proceeding. However, Escrow Agent shall have the right at any time, but is not required, to bring an appropriate action or proceeding for leave to place the Deposit with the court, pending such determination. Once Escrow Agent has tendered into the registry or custody of any court of competent jurisdiction all money and/or property in its possession under this Escrow Agreement, or has made delivery of the Deposit in any other manner provided for herein, Escrow Agent shall be discharged from all duties and shall have no further liability hereunder as Escrow Agent. In the event Escrow Agent exercises its rights under this paragraph, (i) all costs incurred by Escrow Agent (including but not limited to attorney's fees) shall be borne equally by Seller and Purchaser, and (ii) all obligations of Escrow Agent under the PSA and/or this Escrow Agreement shall terminate (except for liability of Escrow Agent for gross negligence and/or willful neglect as aforesaid).

9. All costs incurred by Escrow Agent as escrow agent under the PSA and/or this Escrow Agreement (except costs or liabilities arising from Escrow Agent's gross negligence and/or willful neglect) shall be borne equally by Seller and Purchaser, and each such party agrees to indemnify and hold harmless Escrow Agent to the extent of such party's respective liability for any loss, costs, claim against Escrow Agent as escrow agent under the PSA and/or this Escrow Agreement (except for Escrow Agent's gross negligence and/or willful neglect).

10. This Escrow Agreement may be executed in counterparts. A facsimile or electronic copy of a signed version of this Escrow Agreement shall have the same effect as an original signed copy.

11. This Escrow Agreement shall be governed by the laws of the state in which the Property is located.

12. Any notice, request, demand, instruction or other document required or permitted to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be delivered personally, or by overnight express courier, or by email, or by facsimile transmission, and addressed to the parties at their respective addresses set forth in the PSA and the same shall be effective upon receipt if delivered personally, or by email, or by confirmed facsimile, or via overnight express courier. (If a fax number listed below is inaccurate or is not working, then the date that a notice is required to be delivered shall be extended by one day.) A party may change its address for receipt of notices by service of a notice of such change in accordance herewith.

[Signatures on following page]

Executed as of 10/15, 2013.

PURCHASER:

SP BV Apartments LLC, a Florida Limited Liability Company

By: SP BV Manager LLC, a Florida Limited Liability Company, its Manager

By: SP and MS LLC, a Florida Limited Liability Company, its Manager

By: [Signature]
Name: Scott Seckinger
Title: Vice President

Date: 10/15/13

SELLER:

Brookside Village, Ltd.

By: J.R.S. Equities, Inc., a Florida corporation, its General Partner

By: [Signature]
Name: John C. Hartman
Title: PRESIDENT

ESCROW AGENT:

STEWART TITLE GUARANTY COMPANY

By: [Signature]
Stephanie Stewart
Title: Director/Underwriting Counsel

Digitally signed by Stephanie Stewart
DN: cn=Stephanie Stewart
Date: 2013.10.16 15:34:33 -04'00'

EXHIBIT A
ESCROW AGENT'S WIRING INSTRUCTIONS



stewart
title guaranty company

3401 W. Cypress Street · Tampa FL 33607
(813) 769 5620 · (813) 769 5623 fax

Wire Instructions

**Wachovia Bank, NA
1530 Heitman Street
Ft. Myers, Florida 33901
1-800-669-4458**

For credit to: Stewart Title Guaranty Company

ABA #063000021

Account #2000050163296

Swift code: PNBUS33

**Please include the following information on the wire
File No.:**

EXHIBIT D

Documents and Information to be Provided by Seller

1. A Certified Rent Roll for the Property and the standard form tenant lease in use at the Property, copies of all tenant leases, and copies of all tenant files. Monthly rent rolls for the past two full calendar years, and monthly rent rolls year to date until the Closing Date.
2. Copies of any real estate or personal property *ad valorem* tax statements for the past two full calendar years, and the current year, including any applicable information on exemptions, abatements, credits, and assessments.
3. All contracts and agreements affecting the Property.
4. All certificates of occupancy and other permits and licenses for the Improvements or any part thereof.
5. A five year loss history of all insurance claims made in connection with the Property.
6. All requests received by Seller from tenants within the prior two (2) full calendar years and year-to-date (or a statement that none have been received).
7. Itemized list of all fixtures and tangible personal property, and an itemization of all leased property.
8. All architectural, mechanical, electrical, plumbing, drainage, construction, and similar plans, specifications and blueprints possessed by Seller relating to the Improvements, and any survey.
9. Any private or governmental acquisition and/or inspection report relating to the Property or any of the Improvements or fixtures and tangible personal property which has been disclosed to Seller. Any environmental reports and any correspondence from any party or governmental entity relating in any respect to the environmental condition of the Property.
10. The utility bills for the past two full calendar years and year-to-date (listing each meter for each of the separate utilities) up to the Closing Date.
11. Operating statements itemizing income and expense items for the Property for the past two full calendar years and year-to-date and copies of general ledgers for the same period.
12. All accounts payable, bills, and other obligations related to the Property.
13. Warranties and guaranties covering any of the fixtures and tangible personal property.
14. A schedule or statement of any personal injury, property damage or other claims (including casualty claims) or any kind known or anticipated by Seller involving the Property or any present or former tenant or guest or invitee of a tenant.
15. The results or reports of any fire inspection in the last two full calendar years and year to date.

16. Copies of all records showing the capital improvements made to the Property in the last five full calendar years, and year to date, specifically by unit, type of improvement and amount. Copies of all requests for draws under any replacement reserve or other source and copies of approved draw requests for the same period.
17. Copies of any prior title policies issued with respect to the Property.
18. Any other document or record with respect to the operation of the Property which is in Seller's possession or control.
19. A complete copy of the Housing Assistance Payments Contracts (the "**HAP Contract**"), any amendments thereto and extensions thereof and any rent or utility adjustments dictated by the U.S. Department of Housing and Urban Development ("**HUD**"), any so-called Land Use Restriction or Tax Regulatory Agreement encumbering the use or occupancy of the premises, and copies of all HUD audits and property inspection reports for the last three (3) years.
20. All audited financial statements with respect to the Property for the last five (5) years.
21. A of the current budget of the Property.
22. A detailed copy of the current payroll schedule (of the Company and the Property Manager) of employees that are paid for directly or indirectly from the Property revenues.

EXHIBIT E

Prepared by and return to:

David O. Cantu
Peppie Cantu Schmidt PLLC
2430 Estancia Blvd., Suite 114
Clearwater, FL 33761

SPECIAL WARRANTY DEED

THIS INDENTURE is made effective on _____, 2014, by Brookside Village, Ltd., a Florida limited partnership ("**Grantor**"), whose mailing address is 2119 NE Coachman Road, Clearwater, FL 33765, and SP BV Apartments LLC, a Florida Limited Liability Company ("**Grantee**"), whose mailing address is 2430 Estancia Blvd., Ste 101, Clearwater, FL 33761.

WITNESSETH:

Grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other valuable consideration to it in hand paid, the receipt whereof is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, and convey unto Grantee and its successors and assigns forever, that certain real property together with all the tenements, hereditaments and appurtenances, with every privilege, right, title, interest, estate, reversion, remainder and easement thereto belonging or in anywise appertaining (the "**Property**") in Lee County, Florida, as more particularly described in **Exhibit A** attached hereto and made a part hereof,

Tax Parcel ID No. 08-44-25-P3-00069.0000.

TO HAVE AND TO HOLD the Property to rely proper use, benefit and behalf of Grantee in fee simple forever.

Grantor covenants with Grantee that at the time of delivery of this deed with respect to the Property, Grantor's interest is free from all liens and encumbrances except for the matters shown in **Exhibit B** attached hereto and made a part hereof, and that Grantor will warrant the title to the Property and will defend the same, against the lawful claims of all persons claiming by, through or under Grantor, but against none other.

[Signatures on following page]

IN WITNESS WHEREOF, Grantor has executed this conveyance on the above date by Grantor's duly authorized officer and has caused by its corporate seal to be affixed hereto.

Signed in the presence of:

GRANTOR:

Brookside Village, Ltd.

By: J.R.S. Equities, Inc., a Florida corporation, Its General Partner

Signature

Printed Name

Signature

Printed Name

By: _____

Name: _____

Title: _____

STATE OF _____)
COUNTY OF _____)

I hereby certify that on this day, before me, an officer duly authorized to administer oaths and take acknowledgements, personally appeared _____, as _____ of J.R.S. Equities, Inc., a Florida corporation, the General Partner of Brookside Village, Ltd., a Florida limited partnership, on behalf of the corporation and partnership. He/She [is personally known to me] [has produced _____ as identification].

Notary Public: _____

Printed Name: _____

My Commission Expires: _____

[NOTARY SEAL]

EXHIBIT A

WARRANTY DEED

Legal Description

A parcel of land in Section 8, Township 44 South, Range 25 East, Lee County, Florida more particularly described as follows: Commence at the southwest corner of the southeast one-quarter of the southeast one-quarter said Section 8, thence N88°47'20"E along the south line of said southeast one-quarter for 30.00 feet to an intersection with the east right-of-way line of Marsh Avenue thence N1°15'15"W along said east right-of-way line for 938.59 feet to an intersection with the northwesterly right-of-way line of Billy's Creek (a 60' right-of-way) as shown on the plat of Arlington as recorded in Plat Book 16 at pages 38 and 39 of the Public Records of Lee County, Florida, and the Point of Beginning of the herein described parcel of land; thence N 69°10'49"E along said northwesterly right-of-way line for 1071.38 feet to an intersection with a line parallel to and 25.00 feet southerly of as measured at right angles to the north line of the southeast one-quarter of said Section 8; thence S88°50'21"W along said parallel line for 1009.51 feet to an intersection with the aforementioned east right-of-way line of Marsh Avenue; thence S1°15'15"E along said east right-of-way line for 360.44 feet to the Point of Beginning.

EXHIBIT B
to
WARRANTY DEED
Permitted Exceptions

EXHIBIT F

BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT

(Brookside Village Apartments)

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned, Brookside Village Ltd., a Florida limited partnership ("**Assignor**") and SP BV Apartments LLC, a Florida Limited Liability Company ("**Assignee**") hereby agree as follows:

1. This Bill of Sale, Assignment and Assumption Agreement is given pursuant to that certain Purchase and Sale Agreement ("**PSA**") dated as of _____, 2013, between Assignor and Assignee (or its predecessor), as amended, providing for, among other things, the conveyance of the Personal Property, the Tenant Leases, the Contracts, and the Intangible Property described herein.

2. Assignor hereby sells, transfers, assigns and conveys to Assignee:

2.1 All right, title and interest of Assignor in and to all furniture, fixtures, fittings, apparatus, equipment, machinery, and other items of tangible personal property and replacements thereof, if any, affixed or attached to or used in connection with the operation, maintenance, or management of the Improvements, including but not limited to appliances, sweepers, cleaning supplies, tools, office furniture and equipment, stationery, office supplies, and janitorial supplies ("**Personal Property**") located on, and used in connection with the management, maintenance, ownership or operation of that certain land and improvements ("**Real Property**") legally described on Exhibit A, but excluding tangible personal property owned by the tenants of the Real Property under the Tenant Leases (as defined below).

2.2 All right, title and interest of Assignor as lessor in and to any leases ("**Tenant Leases**") relating to the leasing of space or units in the Real Property and all of the rights, interests, benefits and privileges of the lessor thereunder, and all prepaid rents and security and other deposits held by Assignor under the Tenant Leases, but subject to all terms, conditions, reservations and limitations set forth in the Tenant Leases and the PSA.

2.3 To the extent assignable, all right, title and interest of Assignor in and to all intangible property ("**Intangible Property**") owned or held for use in connection with the Real Property and/or the Personal Property or any business or businesses conducted thereon or with the use thereof, to the extent assignable, including but not limited to, air rights, water rights, permits, development rights, approvals, building and trade names (including but not limited to the name "Brookside Village"), licenses, warranties, telephone numbers assigned to telephones in the Improvements (other than telephones of tenants), domain names and websites exclusively dedicated to the Improvements, and plans and specifications.

2.4 To the extent assignable, all right, title and interest of Assignor in and to all leases (other than the Tenant Leases), contract rights and agreements ("**Contracts**") related to the Real Property and/or the Personal Property or any business or businesses conducted thereon or with the use thereof, including but not limited to those identified on Exhibit B.

3. Assignor hereby agrees to indemnify Assignee against and hold Assignee harmless from any and all liabilities, losses, claims, damages, costs or expenses, including, without limitation, reasonable attorneys' fees and costs (collectively, the "**Claims**"), originating prior to the Conveyance Date and arising out of the lessor's obligations under the Tenant Leases, and/or Assignor's obligations under the Contracts.

4. As of the Conveyance Date, Assignee hereby assumes all of Assignor's obligations under the Tenant Leases and the Contracts first arising and accruing on and after the Conveyance Date and agrees to indemnify Assignor against and hold Assignor harmless from any and all Claims originating on or subsequent to the Conveyance Date and arising out of the lessor's obligations under the Tenant Leases, and/or Assignor's obligations under the Contracts first arising and accruing on and after the Conveyance Date.

5. Assignor hereby represents and warrants that the property conveyed hereunder is free and clear of all liens, leases and encumbrances (except those expressly approved by Purchaser pursuant to the PSA). Except as provided in the immediately preceding sentence and except for the representations and warranties set forth in the PSA with respect to the property conveyed hereunder (which are hereby incorporated herein by this reference as if herein set out in full and shall inure to the benefit of and shall be binding upon Assignee and Assignor and their respective successors and assigns), the property conveyed hereunder is so conveyed in an "as is" condition.

6. This Bill of Sale, Assignment and Assumption is made subject to the title exceptions approved or deemed approved by Assignee pursuant to the PSA.

7. In the event any action be instituted by a party to enforce this Agreement, the prevailing party in such action shall be entitled to such reasonable attorneys' fees, costs and expenses as may be fixed by the court. In addition to the foregoing award of such reasonable attorneys' fees to the prevailing party, the prevailing party in any lawsuit on this Agreement shall be entitled to its reasonable attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment.

8. This Bill of Sale, Assignment and Assumption Agreement may be executed in one or more identical counterparts, each of which such counterpart shall be deemed an original for all purposes and all such counterparts collectively consisting of one such Bill of Sale, Assignment and Assumption.

9. As of the date above written, Assignee hereby accepts the foregoing Bill of Sale, Assignment and Assumption Agreement and hereby agrees to assume and discharge, in accordance with the terms thereof, all of the burdens and obligations of Assignor relating to the Tenant Leases, Intangible Property, and Contracts first arising and accruing on and after the Conveyance Date.

[Signatures on following page]

Dated effective as of _____, 20____ (the "Conveyance Date").

ASSIGNEE:

SP BV Apartments LLC, a Florida Limited Liability Company

By: SP BV Manager LLC, a Florida Limited Liability Company, its Manager

By: SP and MS LLC, a Florida Limited Liability Company, its Manager

By: _____
Name: _____
Title: _____

ASSIGNOR:

Brookside Village, Ltd.

By: J.R.S. Equities, Inc., a Florida corporation, its General Partner

By: _____
Name: _____
Title: _____

**EXHIBIT A TO
BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT**

Description of Real Property

A parcel of land in Section 8, Township 44 South, Range 25 East, Lee County, Florida more particularly described as follows: Commence at the southwest corner of the southeast one-quarter of the southeast one-quarter said Section 8, thence N88°47'20"E along the south line of said southeast one-quarter for 30.00 feet to an intersection with the east right-of-way line of Marsh Avenue thence N1°15'15"W along said east right-of-way line for 938.59 feet to an intersection with the northwesterly right-of-way line of Billy's Creek (a 60' right-of-way) as shown on the plat of Arlington as recorded in Plat Book 16 at pages 38 and 39 of the Public Records of Lee County, Florida, and the Point of Beginning of the herein described parcel of land; thence N 69°10'49"E along said northwesterly right-of-way line for 1071.38 feet to an intersection with a line parallel to and 25.00 feet southerly of as measured at right angles to the north line of the southeast one-quarter of said Section 8; thence S88°50'21"W along said parallel line for 1009.51 feet to an intersection with the aforementioned east right-of-way line of Marsh Avenue; thence S1°15'15"E along said east right-of-way line for 360.44 feet to the Point of Beginning.

**EXHIBIT B TO
BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT**

List of Contracts

Attachment 9

Not Applicable

Attachment 10



UNITED STATES DEPARTMENT OF COMMERCE
Economics and Statistics Administration
U.S. Census Bureau
Regional Office
Atlanta, GA 30303-2711

September 4, 2013

Ms. Brianne Heffner
Development Associate
2430 Estancia Blvd. Suite 101
Clearwater, FL 33761

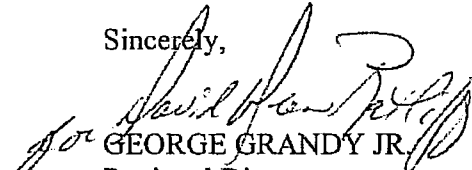
Dear Ms. Heffner:

Re: Site Address – 1011 Marsh Avenue
Fort Myers, FL 33905

Per your request, the Census Tract Number is **3.02** for the property named above.

Please do not hesitate to contact our office if we can be of further assistance.
We can be reached at 404-730-3833.

Sincerely,


GEORGE GRANDY JR.
Regional Director

Attachment 11

Not Applicable

Attachment 12

PNC REAL ESTATE

October 15, 2013

Via Email

Ms. Brianne Heffner
2430 Estancia Blvd., Suite 101
Clearwater, FL 33761

**Re: SP BV APARTMENTS, LLC (the "Partnership")
Brookside Village (the "Property")**

Dear Ms. Heffner,

Thank you for the opportunity to present this letter of intent to make an equity investment in your Partnership, subject to preliminary and final investor approval. This letter of intent, which is being provided on a "Best Efforts" basis, outlines certain terms and conditions that would be the basis of a partnership agreement (the "Partnership Agreement"), to be entered into among the general partner(s) listed below, an equity fund sponsored by PNC Bank, National Association ("PNC"), as the limited partner (the "Limited Partner") and a corporation affiliated with PNC as the special limited partner (the "Special Limited Partner").

In the event the project owner is a limited liability company, the term General Partner shall mean the managing member of the Partnership, the term Limited Partner shall mean the Investment member of the Partnership, and the term Special Limited Partner shall mean the special member of the Partnership.

Based on the information you provided to us, we have prepared this letter of intent under the following terms and assumptions:

1. PARTNERSHIP TAX CREDITS

Anticipated Annual Eligible Tax Credit Amount:	\$500,000
Anticipated dollar amount of housing credit allocation to be purchased:	\$499,950

2. CAPITAL CONTRIBUTIONS TO THE GENERAL PARTNER

- A. The Investment Limited Partner and will purchase 99.99% of the forecasted tax credits at a rate of \$0.95 per allocated tax credit dollar credit (the "Investment Limited Partner's Capital Contribution"), assuming the foregoing material assumptions are accurate and subject to the terms set forth in this letter and the Partnership Agreement to be entered into prior to payment of any installment below. The total Capital Contribution will be rounded to the nearest dollar and is expected to be \$4,749,525 payable in installments. Each installment is due within five (5) business days of the Investment Limited Partner's receipt and approval of documentation evidencing the satisfaction of the installment's and all previous installments' conditions as follows:

- 1) \$1,662,334 or 35% (the "First Installment") paid prior to or simultaneously with the closing of construction financing;
- 2) \$1,187,380 or 25% (the "Second Installment") upon 50% construction completion;
- 3) \$949,905 or 20% (the "Third Installment") upon 75% construction completion;
- 4) \$474,953 or 10% (the "Fourth Installment") upon construction completion;
- 5) \$474,953 or 10% (the "Fifth Installment") upon receipt of IRS Forms 8609, 95% physical occupancy, 100% initial tax credit occupancy, cost certification, permanent loan commencement or conversion, or property stabilization.

Funds from installment one, two and three will be paid prior to construction completion for a total of \$3,799,619.

- B. The Capital Contribution shall be applied by the Partnership first to direct development costs, then to the payment of the development fee (the "Development Fee"). To the extent the Capital Contribution or net cash flow is not sufficient to pay the full Development Fee within ten years of the construction completion date, the General Partner shall be obligated to contribute capital to the Partnership to enable it to pay the remaining balance.

3. DISTRIBUTION OF NET CASH FLOW

- A. Net cash flow, generated by the Property after payment of operating expenses, debt service and replacement reserve deposits, shall be distributed within 45 days of the end of the fiscal year, prior to the first full year of operations, 100% to the General Partner, and beginning in the first full year of operations, as follows:
- i) To the Investment Limited Partner \$75 per unit as a cumulative annual investor services fee, increasing 3% annually;
 - ii) To the Investment Limited Partner as reimbursement for any debts or liabilities owed to the Investment Limited Partner;
 - iii) To the developer as payment of the Development Fee until payment in full of the Development Fee;
 - iv) To the General Partner \$150 per unit, as a cumulative annual partnership management fee, increasing 3% annually;
 - v) To the Investment Limited Partner, to the extent that any Partnership taxable income is allocated to the Investment Limited Partner in any year, cash flow equal to 40% of the taxable income;
 - vi) To the General Partner as reimbursement for operating deficit loans made to the Partnership and owed to the General Partner;
 - vii) Finally, any remaining net cash flow shall be distributed 80% to the General Partner and 20% to the Investment Limited Partner.

4. DISTRIBUTION OF NET CASH PROCEEDS UPON SALE OR REFINANCING

- A. The net cash proceeds upon sale or refinancing shall be distributed in the following order:
- i) To the payment of all debts and liabilities of the Partnership, excluding those owed to Partners, and to the establishment of any required reserves;
 - ii) To the payment of any debts and liabilities owed to the Investment Limited Partner;
 - iii) To the payment of any fees, debts, and liabilities owed to the General Partner and any unpaid partnership management fees for such year;
 - iv) The balance, 80% to the General Partner, and 20% to the Investment Limited Partner.
- B. For a period of one year after the expiration of the initial compliance period, the General Partner may commence marketing the Property or may have the option to purchase the Investment Limited Partner's interest for a purchase price equal the fair market value of the Investment Limited Partner's interest. Fair market value shall be determined in accordance with the Partnership Agreement.

At any time after the year following the initial compliance period, PNC and the General Partner may commence marketing the Property. If PNC receives a bona fide offer to purchase the Property, PNC will forward a copy of the offer to the General Partner. If the General Partner chooses to refuse the offer, the General Partner will purchase the Investment Limited Partner's interest for a purchase price equal to the net proceeds pursuant to Section 5 if the offer had been accepted.

5. DISTRIBUTION OF BENEFITS

Profits, losses and tax credits will be allocated 99.99% to the Investment Limited Partner based on the percentage of limited partner interest to be acquired. In the first year of operations when the net cash flow is allocated 100% to the General Partner, any taxable income will be allocated to the General Partner in the same proportion as the net cash flow distribution.

6. GENERAL PARTNER OBLIGATIONS

A. Construction Completion Obligations

The General Partner and the Developer shall guarantee lien-free construction completion of all improvements substantially in accordance with the approved plans and specifications. The General Partner and the Developer shall fund any development cost overruns through permanent loan(s) commencement/conversion and such overruns will not be reimbursed by the Partnership.

The General Partner shall provide copies of each draw request, change orders and all supporting documentation to the Investment Limited Partner simultaneously with submission to the construction lender. The Investment Limited Partner shall have the right to approve change orders in excess of \$25,000. If the general contractor is not an affiliate of the General Partner, the construction contract shall be a fixed price contract and the general contractor shall be bonded in a manner satisfactory to the Investment Limited Partner.

B. Operating Deficit Guaranty and Operating Reserve Account

The General Partner shall guarantee the funding of any operating deficits for operating or fixed costs for 60 months following the later of the break-even operations or permanent mortgage loan

commencement or conversion in a maximum amount to subject to the Investment Limited Partner's due diligence review. The partnership may also establish an operating reserve if the projections change.

C. Replacement Reserve Account

The Partnership shall deposit monthly into a replacement reserve account no less than \$250 per unit occupied at conversion (the "Replacement Reserve Account"). The Replacement Reserve Account shall be used to fund the replacement of major capital improvements, and disbursements shall require annual notification of anticipated expenditures and prior written approval of unanticipated expenditures.

D. Tax Credit Adjustments

- i) If the annual actual tax credits allocated on the Carryover Allocation or Form(s) 8609 is less than the forecasted tax credits stated in Section 1, then the Capital Contribution shall be reduced in an amount equal to the total tax credit shortfall to the Investment Limited Partner multiplied by the price paid for the tax credits.
- ii) If the annual actual tax credits allocated on Form(s) 8609 is greater than the forecasted tax credits stated in Section 1 (the "Additional Credit"), then the Capital Contribution shall be increased in an amount equal to the Additional Tax Credit multiplied by the price paid for the tax credits, and paid pro rata over the remaining Installments. This adjustment combined with all other upward adjustments shall be limited to 10% of the Capital Contribution.
- iii) For each additional \$1.00 of tax credit delivered in the first years beyond the amount projected in this letter, the ILP shall pay an additional equity amount per tax credit dollar to be determined by Investment Limited Partner during due diligence. The additional capital shall be paid pro rata over the remaining Installments.
- iv) If the amount of actual tax credit in any year after construction completion is less than the amount of forecasted tax credit in Section 2 (except for reasons stated in item 6(D)(i) above), the Capital Contribution shall be reduced by an amount equal to the tax credit shortfall amount multiplied by the price paid for the tax credits, plus the amount of any recapture, interest or penalty (a "Reduction Amount").
- v) If any Reduction Amount cannot be paid from the Capital Contribution, the General Partner shall pay the Reduction Amount. Reduction Amounts not paid upon demand shall accrue interest at the prime rate as published in the Wall Street Journal plus 2%.

E. Net Worth and Guarantee Requirements

All obligations of the General Partner shall be guaranteed by person(s) or entities ("Guarantor(s)") acceptable to the Investment Limited Partner and with sufficient net worth and liquidity.

7. CONDITIONS

A. Property

The Property will be a 50-unit development located in Fort Myers, Lee County, Florida.

B. Tax Credit Allocation

The Partnership may elect to defer the use of tax credits for any individual building which is not 100% tax credit qualified by December 31 of the year in which it is placed in service, at the Investment Limited Partner's discretion. It is assumed that IRS form 8609 will be issued subsequent to the anticipated placed-in-service deadline.

C. Tax Credit Occupancy

The Partnership must comply with the 40/60 minimum set-aside test (a minimum of 40% of the units must be rented to tenants with incomes less than 60% of area median, adjusted for family size).

D. Construction and Permanent Financing

The General Partner shall provide to PNC for its review and approval, copies of the loan commitments and loan documents for all financing sources, which are assumed to be from qualified commercial lenders and qualify for the 9% tax credit applicable percentage.

E. Property Management Agent

- i) The General Partner shall provide or cause the Property management agent to provide management reports to the Investment Limited Partner in a timely manner concerning operations, occupancy and other information essential to the management of the Property.
- ii) Upon the occurrence of certain events, including any material violations, negligence or misconduct or inadequate reporting, the Special Limited Partner will have the option to replace the Property management agent. All Property management agreements will include a termination clause allowing either the General Partner or the Property management agent to terminate the agreement by giving a 30-day advance written notice to the other party.

F. Repurchase Obligations

The Investment Limited Partner shall not be required to advance any unpaid Installments and the General Partner may be required to repurchase the Investment Limited Partner's interest for the invested amount. Conditions for repurchase shall include: construction completion, break-even operations or permanent loan closing(s)/conversion(s) are not achieved or other tax credit compliance conditions are not met in a reasonable time period.

G. Insurance Obligations

The Partnership will provide the following insurance policies: i) an extended ALTA owner's title insurance policy in an amount not less than the permanent mortgage(s), the General Partner's and Investment Limited Partner's capital contributions, with all standard exceptions deleted or approved and with Fairways, non-imputation and other requested endorsements; ii) commercial general liability insurance in the minimum amount of \$5,000,000 naming the Investment Limited Partner as named insured party of which not more than \$2,000,000 is through an umbrella policy; (iii) builder's risk insurance through construction completion, and all risk or fire and extended coverage and, if necessary, earthquake, hurricane and flood insurance, all policies in a minimum amount equal to full replacement value; (iv) workers' compensation as required under state law;

(v) business interruption insurance coverage equal to one full year's gross rental income or as acceptable to the Investment Limited Partner; and (vi) any other insurance as may be necessary or customary.

H. Accountant's Obligations

The General Partner shall provide or cause the Partnership's accountant to provide the following annual reports: i) federal and state tax returns for the previous year (including all supporting documentation necessary to verify the calculation of the tax credit) by February 28th and ii) annual audited Partnership financial statements (including all supporting documentation) by March 1st. Any delays beyond the designated due date may result in a \$100 per day penalty to the Partnership. The Partnership Accountant shall review and approve the basis and benefits calculations prior to the payment of the First Installment.

I. General Partner Removal

The Partnership Agreement shall contain provisions for the removal of the General Partner with cause.

8. DUE DILIGENCE PERIOD

The General Partner grants the Investment Limited Partner the exclusive right to acquire the Partnership interest commencing on the date of the initial execution of this letter of intent and terminating 60 days after receipt of the documents necessary to complete the due diligence review.

Our agreement to make the investment described in this letter of intent is subject to the accuracy of the information you have provided to us and our mutual agreement on the terms of the closing documents and review of customary due diligence which shall include those items specifically referenced in the PNC commitment for construction and term financing sent under separate cover.


This letter of intent does not expire before June 30, 2014.

This letter of intent is not a commitment and is subject to PNC's underwriting, due diligence review, and market conditions at the time a letter of intent is issued following the tax credit award. During the due diligence period, PNC will conduct a due diligence review and negotiate with the General Partner, in good faith, any open terms of this letter of intent. The due diligence period will commence upon receipt by PNC of all Property and Partnership documents identified in the syndication binder. The due diligence review will include, without limitation, the verification of factual representations made by the General Partner, a review of the Property and Partnership documents, a site visit and an evaluation of the following: the experience and expertise of the General Partner, general contractor, architect and Property management agent; Property area market; an appraisal of the Property; the construction schedule; the total development budget; the residual potential of the Property and capital account analysis; Phase I environmental assessment and all subsequent reports and other relevant factors. PNC may also commission consultants to perform market analysis, construction, insurance and environmental reviews. The General Partner and PNC acknowledge that no legally enforceable relationship shall exist between General Partner and PNC unless and until the Acquisition Review Committee of PNC shall have approved the proposed transaction, and the parties shall have executed the Partnership Agreement and the other transaction and financing documents contemplated herein.

Should you have any questions, please do not hesitate to call (706) 653-9566. We look forward to working with you on this and future transactions.

Sincerely,

PNC BANK, N.A.

By: 

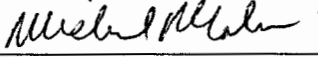
John N. Nunnery
Vice President

cc: Tricia Hurley, File

Agreed and Accepted:

By: SP BV APARTMENTS, LLC
By: SP BV MANAGER, LLC

By: SP and MS LLC

By: 

Name: Michael Molinari

Title: Member

Date: 10/17/2013

Attachment 13



October 15, 2013

Via Email

Ms. Brianne Heffner
2430 Estancia Blvd., Suite 101
Clearwater, FL 33761

**Re: SP BV APARTMENTS, LLC (the "Partnership")
Brookside Village (the "Property")**

Dear Ms. Heffner,

I am pleased to provide you with PNC Bank's (the "Lender") commitment to provide a \$2,300,000 Construction Loan converting to a \$1,700,000 Term Loan (the "Credit Facility") for Brookside Village, a 50-unit affordable housing development located in Fort Myers, Lee County, Florida, subject to the following terms and conditions:

Borrower SP BV APARTMENTS, LLC, a Florida limited partnership (the "Borrower").
The Construction Loan shall be full recourse to the Borrower until conversion to the Term Loan.

Guarantor(s) Guarantees of completion and repayment during the development period shall be provided by persons or entities acceptable to the Lender. A limited recourse guaranty covering typical carve outs and environmental issues will be required during the permanent stage.

Credit Facility Construction: \$2,300,000
Term Loan: \$1,700,000

Term of Loan The Construction Loan period will be two years. Upon satisfaction of all of the conditions for converting the construction loan to the Term Loan provided by Lender the Term Loan will be 15 years. The Term Loan will be based on an amortization of thirty (30) years. The Forward Committed Term Loan is being provided by PNC as an approved Freddie Mac Program Plus Seller/Service.

Interest Rates/
Rate Lock

Construction Loan: LIBOR plus 300bp (floating over term of Construction Loan as LIBOR changes)

Term Loan: Approximately 350 basis points over the 10 Year U.S. Treasury Security. The final permanent interest rate will be determined at the time of rate lock, which will occur prior to the construction loan closing

In order to lock the interest rate for the permanent loan, you must provide us with a refundable rate lock deposit equal to 3% of the loan amount. This deposit will be returned following the conversion of the permanent loan, or it will be retained by Lender in the event that the permanent loan does not close. In addition, Borrower must provide a promissory note to Lender at the time of rate lock in the amount of 5% of the permanent loan amount. This note will be secured by a second deed of trust against the Property. The note will be returned to Borrower upon the funding of the permanent loan and the deed of trust will then be released.

Commitment Fees
(Paid at Closing)

Construction Loan: 1.00%
Term Loan: 1.00%

Collateral

The Credit Facilities shall be secured by a first priority fee mortgage on the land associated with the Project and all improvements to be constructed thereon. First priority assignment of leases, rents and income from the Project. First priority perfected assignment of the construction contract, subcontracts, architectural agreements, plans and specifications, permits and all other construction-related documents. First priority perfected security interest in all other assets of the Borrower related to the Project.

Environmental
Indemnity

The Borrower, Guarantor and other persons or entities specified by Lender shall indemnify and hold the Lender harmless from all liability and costs relating to the environmental condition of the Project and the presence thereon of hazardous materials.

Appraisal Reports
and Debt Service
Coverage

Lender must receive an appraisal report ("Appraisal Report") satisfactory to it in all respects within 90 days prior to the Construction Loan closing date. The Appraisal Report will be ordered by Lender from an appraisal firm selected by Lender which has either the "M.A.I." designation or is State Certified. The maximum loan-to-value based upon achievable restricted rents is 90%, and the debt service coverage ratio shall be consistent with Lender's policies.

Subordinated Debt

In addition to the construction and term loan, subordinated debt will be allowed subject to advance written consent of the Lender. All secondary financing shall be subordinate in all respects to the Lender's loans.

Conversion
Requirements

Before converting to the Term Loan, the Project shall achieve and maintain at a minimum 90% physical occupancy and an annualized 1.15 to 1 debt service coverage on the first mortgage debt and a combined 1.10 to 1 debt service coverage for all debt for a period of 90 consecutive days. Lender may, if necessary, reduce the amount of the Term Loan to that level which produces the required debt service coverage in the event stabilized net operating income is less than projected. The costs of updated third party reports, including an updated appraisal, shall be borne by the Borrower.

Representation
Warranties, and
Documentation

Standard representations and warranties, terms and conditions, and loan documents as are typical in this type of financing as may be required by Lender. Borrower will make usual representations and warranties as of the Construction Loan closing and the date of conversion to the Term Loan and in connection with each advance including, but not limited to, corporate existence, compliance with laws, enforceability, true title to properties, environmental protection, no material litigation, ERISA compliance, insurance, absence of default and absence of material adverse change, and availability of low income housing tax credits.

Closing

Lender's obligation to close the Credit Facilities is subject to the Lender's receipt of all necessary fees and closing costs and review of the following reports and information, all of which are to be in form and substance satisfactory to Lender and which shall be provided no later than ninety (90) days from the date the tax credits are reserved or allocated: plans and specifications and construction contract (providing for payment and performance bonds as may be required by Lender) approved by Lender's inspecting architect; final budget demonstrating adequate funds to develop the Project from sources acceptable to Lender; Phase I environmental report; title insurance; survey; zoning; permits; opinions of counsel; evidence of reservation or allocation of tax credits; market study demonstrating feasibility satisfactory to Lender; financial statements of, and other information relating to the business activities of, sponsor, developer, guarantors and any principal with a material financial ownership interest in the Project or the foregoing parties, (collectively the "Development Parties"), which is satisfactory to Lender; satisfactory progress and performance of other projects developed by the Development Parties and absence of prior default by any of the Development Parties with respect to any credit or equity facility provided by Lender; and such other information which Lender may require or which are customary in similar transactions.

Loan Call Protection The executed loan documents will contain prepayment lockout, defeasance, yield maintenance and/or prepayment penalties.

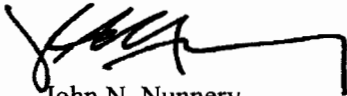
Assignment Borrower may not assign this commitment or any interest therein without the consent of the Lender.

Expiration This firm commitment shall expire automatically the earlier of June 30, 2014 or when the Borrower is informed that it did not receive an allocation of tax credits, unless extended in writing by Lender.

Lender's obligation to provide the requested financing is expressly conditioned on the fact that no information submitted to Lender in connection with the Credit Facilities shall prove to be false or misleading in any material respect, and that no bankruptcy, insolvency, receivership, or any other debtor's relief proceedings shall be commenced by or against the Borrower.

Thank you for the opportunity to be of service to you. Should you have any questions, please do not hesitate to contact me.

Sincerely,



John N. Nunnery
Vice President
PNC Bank, N.A.

Agreed to and accepted:

SP BV APARTMENTS, LLC

By: SP BV Manager, LLC

Its: Managing Member

By: SP and MS LLC

ACCEPTED BY APPLICANT:

SP BV APARTMENTS, LLC

By: Michael Molinari

Michael Molinari