

*In the opinion of Bond Counsel, assuming continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds (as defined herein) is excluded from gross income for federal income tax purposes, except that such exclusion shall not apply to interest on any Bond for any period during which such Bond is held by a person who is a "substantial user" of the Development or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended. However, interest on the Bonds is an item of tax preference for purposes of the federal alternative minimum tax on individuals and corporations. See "TAX TREATMENT" herein for a description of certain other federal tax consequences of ownership of the Bonds. It is also the opinion of Bond Counsel that the Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.*

**\$16,840,000**  
**FLORIDA HOUSING FINANCE CORPORATION**  
**VARIABLE RATE DEMAND MULTIFAMILY**  
**MORTGAGE REVENUE BONDS**  
**2003 SERIES O**  
**(Wellesley Apartments)**  
 CUSIP: 34073J JU 4

**\$15,935,000**  
**FLORIDA HOUSING FINANCE CORPORATION**  
**VARIABLE RATE DEMAND MULTIFAMILY**  
**MORTGAGE REVENUE BONDS**  
**2003 SERIES P**  
**(Wexford Apartments)**  
 CUSIP: 34073J JT 7

**Dated: Date of Delivery****Due: August 1, 2035**

The Florida Housing Finance Corporation ("Florida Housing") is issuing \$16,840,000\* of its Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series O (Wellesley Apartments) (the "Series O Bonds") and \$15,935,000 of its Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series P (Wexford Apartments) (the "Series P Bonds"). The Series O Bonds and the Series P Bonds together are referred to herein as the "Bonds".

The Series O Bonds and the Series P Bonds are being issued by the Florida Housing Finance Corporation ("Florida Housing") pursuant to two separate Trust Indentures (the "Series O Indenture" and the "Series P Indenture" respectively and together the "Indentures") both dated as of July 1, 2003, by and between Florida Housing and the Trustee, for the purpose of providing funds to make a loan to TWC Twenty-Two, Ltd., a Florida limited partnership, in the case of the Series O Bonds (the "Wellesley Borrower") and to TWC, Sixty-Seven, Ltd., a Florida limited partnership, in the case of the Series P Bonds (the "Wexford Borrower"). Together, the Wellesley Borrower and the Wexford Borrower are collectively referred to herein as the "Borrower" or "Borrowers". The loan to the Wellesley Borrower will be used to provide financing for a 312-unit multifamily rental housing development to be located in Orange County (Orlando), Florida. The loan to the Wexford Borrower will be used to provide financing for a 324-unit multifamily rental housing development to be located in Hillsborough County (Tampa), Florida.

Each series of Bonds will initially bear interest at the respective rate determined by the Underwriter on or prior to the Closing Date from and including the Closing Date to and including the first Tuesday following the Closing Date and thereafter will bear interest at separate variable rates determined weekly (each a "Weekly Interest Rate" and together the "Weekly Interest Rates") by Citigroup Global Markets Inc., the initial Remarketing Agent. The Bonds are issuable as fully registered bonds, without coupons, in the minimum denomination of \$100,000 or any integral multiple of \$5,000 above such amount during a Weekly Interest Rate Period. Each series of Bonds will be issued in book-entry only form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive certificates representing their interest in Bonds.

The principal of each Bond will be payable upon the presentation and surrender of such Bond, when due, at the principal corporate trust office of Wells Fargo Bank Minnesota, N.A., as trustee (the "Trustee"). During any Weekly Interest Rate Period, interest on each Bond will be payable on the first Wednesday of each month commencing on August 6, 2003. For so long as such Bonds are registered in the name of Cede & Co., the Trustee will make all payments of principal of and interest on Bonds to DTC which, in turn, is obligated to remit such principal and interest to DTC Participants (as defined herein) for subsequent disbursement to the Beneficial Owners (as defined herein) of Bonds.

The interest rate on each series of Bonds may be converted to a Term Interest Rate in such event, the Bonds will be subject to mandatory tender as set forth in the Indenture and further described herein. THIS OFFICIAL STATEMENT PROVIDES INFORMATION WITH RESPECT TO THE BONDS ONLY IN THE WEEKLY INTEREST RATE PERIOD.

Each series of Bonds is a limited obligation of Florida Housing payable solely from and secured by a pledge of revenues, including payments on the respective Loan (as herein defined) and other amounts held in certain funds or accounts established under the related Indenture. Payments of principal of and interest on each series of Bonds, including any payments to be made with respect to an optional or mandatory redemption of a series of Bonds and payment of the purchase price of a series of Bonds tendered for purchase and not remarketed, will be secured by separate irrevocable direct-pay letters of credit (each a "Letter of Credit" and together "Letters of Credit") issued to the Trustee for the benefit of the registered Bondholder(s) of such Bonds by

## CITIBANK, N.A.

Each Letter of Credit shall be effective as of the day of closing and will expire on July 30, 2013, unless it expires earlier in accordance with its terms, and is subject to a 7-year extension under certain conditions. Each Letter of Credit may be replaced by an Alternate Letter of Credit as permitted by each Indenture. Unless a Letter of Credit is extended before its expiration date or an Alternate Letter of Credit is provided, Bonds secured by such Letter of Credit shall be subject to mandatory redemption prior to the expiration date of the Letter of Credit. THIS OFFICIAL STATEMENT PROVIDES CERTAIN INFORMATION WITH RESPECT TO EACH SERIES OF BONDS ONLY IN THE WEEKLY INTEREST RATE PERIOD AND ONLY WHILE SUCH BONDS ARE SECURED BY THE LETTER OF CREDIT PROVIDED BY CITIBANK, N.A.

EACH SERIES OF BONDS IS A LIMITED OBLIGATION OF FLORIDA HOUSING, PAYABLE SOLELY OUT OF THE REVENUES, RECEIPTS AND OTHER MONEYS PLEDGED THEREFOR UNDER THE RELATED INDENTURE. THE BONDS ARE NOT A DEBT, EITHER GENERAL OR SPECIAL, OF THE STATE, ANY LOCAL GOVERNMENT OR OF ANY OTHER POLITICAL SUBDIVISION OF THE STATE; AND NEITHER THE STATE, ANY LOCAL GOVERNMENT NOR ANY OTHER POLITICAL SUBDIVISION OF THE STATE WILL BE LIABLE FOR THE PAYMENT OF THE BONDS. NEITHER THE FAITH AND CREDIT NOR TAXING POWER OF THE STATE, ANY LOCAL GOVERNMENT OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS. EACH SERIES OF BONDS IS PAYABLE, AS TO PRINCIPAL PREMIUM (IF ANY) AND INTEREST, SOLELY OUT OF THE RELATED TRUST ESTATE WHICH IS THE SOLE ASSET OF FLORIDA HOUSING PLEDGED THEREFOR, AND THEN ONLY TO THE EXTENT PROVIDED IN THE RELATED INDENTURE. NEITHER THE MEMBERS OF THE BOARD OF DIRECTORS OF FLORIDA HOUSING NOR ANY PERSONS EXECUTING THE BONDS SHALL BE LIABLE PERSONALLY ON THE BONDS BY REASON OF THEIR ISSUANCE. FLORIDA HOUSING HAS NO TAXING POWER.

During any Weekly Interest Rate Period, Bondholders and Direct Participants (as defined herein) have the option to demand the purchase of their Bonds upon not less than seven (7) days notice (a "Tender Notice") given to the Trustee, at a price equal to one-hundred percent (100%) of the principal amount thereof plus accrued and unpaid interest thereon to the date of purchase.

Each series of Bonds will be subject to optional redemption, mandatory tender and redemption and purchase in lieu of redemption prior to their stated maturity date at the prices, on the terms and upon the occurrence of the events described herein. See "THE BONDS - Mandatory Tender for Purchase of Bonds" and "Redemption Provisions." In addition, under each Indenture, the maturity of the related series of Bonds may be accelerated upon the occurrence of certain events. See "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE - Default and Remedies."

ALTHOUGH THIS OFFICIAL STATEMENT PROVIDES INFORMATION CONCERNING TWO BOND ISSUES, INVESTORS ARE ADVISED THAT THE TWO SERIES OF BONDS ARE SEPARATE, DISTINCT AND INDEPENDENT AS ARE THE DEVELOPMENTS FOR WHICH EACH SERIES OF BONDS IS ISSUED. EACH DEVELOPMENT PROVIDES COLLATERAL ONLY FOR THE SERIES OF BONDS FOR WHICH IT IS ISSUED AND SHALL NOT PROVIDE SECURITY FOR NOR BE CROSS-DEFAULTED AGAINST THE OTHER SERIES OF BONDS.

**This cover page contains certain information for general reference only. It is not a summary of the security or terms of this issue. Potential investors are advised to read this entire Official Statement to obtain information essential to the making of an informed investment decision with respect to Bonds.**

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**Price of all Bonds 100%**

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*Each series of the Bonds is offered when, as and if issued and received by the Underwriter, subject to the approval as to their validity by Greenberg Traurig, P.A., Miami, Florida and Edwards & Carstarphen, Miami, Florida, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for Florida Housing by its Special Counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida and by its Disclosure Counsel, Clyne & Self, P.A., West Palm Beach, Florida, for Citibank, N.A., by its Legal Department, for the Borrower by Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A., Miami, Florida, for Citibank Federal Savings Bank, by its counsel Rogers Towers, P.A., Jacksonville, Florida, and for the Underwriter by Gray, Harris & Robinson, P.A., Tampa, Florida. Certain Matters will be passed upon for Florida Housing by WLJ Capital, University Park, Florida, as its Senior Financial Advisor. It is anticipated that the Bonds will be available for delivery through DTC in New York, New York, on or about July 30, 2003.*

Dated: July 29, 2003

**Citigroup**

No dealer, broker, salesperson or other person has been authorized by Citigroup Global Markets Inc. (the “Underwriter”), either Borrower or Florida Housing to give any information or to make any representations, other than those contained herein, in connection with the offering of either series of the Bonds described herein, and, if given or made, such other information or representation must not be relied upon as having been authorized by Florida Housing, either Borrower or the Underwriter. This Official Statement does not constitute an offer to sell nor the solicitation of any offer to buy nor shall there be any sale of either series of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed to be a contract with the purchasers of either series of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly described herein, are intended solely as such and are not to be construed as representations of fact.

Florida Housing has supplied information in this Official Statement under the captions “FLORIDA HOUSING”, “DISCLOSURE REQUIRED BY SECTION 517.051(1), FLORIDA STATUTES” and “NO LITIGATION – As to Florida Housing,” but is not responsible for any other information contained in this Official Statement. All other information set forth herein has been obtained from sources other than Florida Housing which are believed to be reliable but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by Florida Housing or the Underwriter. Florida Housing has made no independent verification of any of the information contained herein. The information and expression of opinions contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Florida Housing, either Borrower or any other party described herein since the date hereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Citibank, N.A. has not provided or approved any information in this Official Statement, except with respect to the description under the caption “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Credit Bank,” and neither takes any responsibility for any other information contained in this Official Statement. Citibank, N.A. makes no representation as to the contents of this Official Statement, the suitability of either series of the Bonds for any investor, the feasibility or performance of the either multifamily housing development described herein or compliance with any securities, tax or other laws or regulations.

This Official Statement is submitted in connection with the sale of each series of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. Florida Housing has no plans to make or cause to be made any secondary market disclosure regarding Florida Housing or either Borrower subsequent to the distribution of this Official Statement unless otherwise required to do so by law.

NEITHER SERIES OF THE BONDS HAS BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. NEITHER SERIES OF THE BONDS HAS BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF EITHER SERIES OF THE BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN FLORIDA HOUSING OR THE UNDERWRITER AND ANY ONE OR MORE HOLDERS OF EITHER SERIES OF THE BONDS.

## ADDRESSES FOR PRINCIPAL PARTIES

Issuer	Florida Housing Finance Corporation 227 North Bronough Street, Suite 5000 Tallahassee, Florida 32301 Attention: Executive Director Telephone: 850-488-4197 Facsimile: 850-414-5479
Each Borrower	c/o The Wilson Company 655 N. Franklin Street, Suite 2200 Tampa, Florida 33602 Attention: Debra F. Koehler Telephone: 813-281-8888 Facsimile: 813-281-5657
Trustee, Tender Agent, Paying Agent and the Registrar	Wells Fargo Bank Minnesota, N.A. 7077 Benneval Road, Suite 400 Jacksonville, Florida 32216 Attention: Corporate Trust Services Telephone: (904) 332-9667 Facsimile:(904) 332-9673
Credit Enhancer	Citibank, N.A. c/o Citibank Community Development 1 Court Square – 45 <sup>th</sup> Floor Long Island City, New York 11120 Attention: Andrew Ditton Telephone: 718-248-4611 Facsimile: 718-248-4722
Remarketing Agent	Citigroup Global Markets Inc. 390 Greenwich Street, 5 <sup>th</sup> Floor New York, New York 10013 Attention: Short-Term Tax-Exempt Trading Telephone: 212-723-7082 Facsimile: 212-723-8809

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**\$16,840,000**  
**FLORIDA HOUSING FINANCE CORPORATION**  
**VARIABLE RATE DEMAND MULTIFAMILY**  
**MORTGAGE REVENUE BONDS**  
**2003 SERIES O**  
**(Wellesley Apartments)**

**\$15,935,000**  
**FLORIDA HOUSING FINANCE CORPORATION**  
**VARIABLE RATE DEMAND MULTIFAMILY**  
**MORTGAGE REVENUE BONDS**  
**2003 SERIES P**  
**(Wexford Apartments)**

## **INTRODUCTION**

This Official Statement, including the cover page hereof, sets forth information concerning the sale by the Florida Housing Finance Corporation (“Florida Housing”) of \$16,840,000 aggregate principal amount of its Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series O (Wellesley Apartments) (the “Series O Bonds”) and \$15,935,000 aggregate principal amount of its Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series P (Wexford Apartments) (the “Series P Bonds”). Reference to a “Bond” or “Bonds” herein shall refer to both series of the Bonds equally, unless the context clearly indicates otherwise.

Both series of Bonds will be issued pursuant to Sections 420.501-420.530, Florida Statutes, as amended, known as the Florida Housing Finance Corporation Act (the “Act”). Each of the Series O Bonds and Series P Bonds will be secured by, and issued pursuant to the terms of, separate Trust Indentures each dated as of July 1, 2003 (each an “Indenture”, together, the “Indentures”), between Florida Housing and Wells Fargo Bank Minnesota, N.A., as trustee (together with any successor trustee or co-trustee serving as such under each Indenture, the “Trustee”). Each Indenture provides that during the Weekly Interest Rate Period the holder of any Bond may require the Trustee to purchase such Bond at certain times and under certain circumstances for a Purchase Price equal to the principal amount of the Bond plus accrued interest to the date of purchase. See “THE BONDS - Purchase of Bonds on Demand of Bondholder”.

The proceeds of the sale of the Series O Bonds will be used to make a loan to TWC Twenty-Two, Ltd., a Florida limited partnership (the “Wellesley Borrower”). The proceeds of the sale of the Series P Bonds will be used to make a loan to TWC Sixty-Seven, Ltd., a Florida limited partnership (the “Wexford Borrower”). Together, the Wexford Borrower and the Wellesley Borrower are referred to as the “Borrowers”. The loan to the Wellesley Borrower will be used to provide financing for a 312-unit multifamily rental housing development to be located in Orange County (Orlando), Florida (the “Wellesley Development”). See “THE DEVELOPMENT AND THE PRIVATE PARTICIPANTS – The Wellesley Development” herein. The loan to the Wexford Borrower will be used to provide financing for a 324-unit multifamily rental housing development to be located in Hillsborough County (Tampa), Florida (the “Wexford Development”). See “THE DEVELOPMENT AND THE PRIVATE PARTICIPANTS – The Wexford Development” herein. The Wellesley Development and the Wexford Development are each a “Development” and together constitute the “Developments”.

Each Development will be occupied by and held open for occupancy by persons or families of low income as required by State law and by Section 142(d) of the Internal Revenue Code of 1986, as amended, pursuant to separate Land Use Restriction Agreements, each dated as of July 30, 2003 (the “Land Use Restriction Agreement(s)” or “Regulatory Agreement(s)”) by and among Florida

Housing, the Trustee and the respective Borrowers. The proceeds of each series of Bonds will be loaned to each Borrower, respectively, pursuant to separate Loan Agreements both dated as of July 1, 2003 (each a "Loan Agreement", together, the "Loan Agreements") among Florida Housing, the Trustee and the Wellesley Borrower or the Wexford Borrower, as the case may be.

To provide credit enhancement for the Bonds, Citibank, N.A. (the "Credit Bank") at the request of and for the account of Citibank Federal Savings Bank (the "Bank") will issue and deliver to the Trustee two separate irrevocable direct-pay letters of credit (each a "Letter of Credit", together the "Letters of Credit") pursuant to separate Reimbursement Agreements between the Bank and each Borrower, both dated as of July 1, 2003 (each a "Reimbursement Agreement", together the "Reimbursement Agreements"). Under each Letter of Credit, the Trustee will be entitled to draw up to an amount sufficient to pay one hundred percent (100%) of the principal amount of Bonds of the related series Outstanding on the date of the draw (whether at maturity, upon earlier redemption or purchase by the Bank in lieu thereof, mandatory purchase or purchase on demand), plus 35 days interest on such Bonds calculated at the maximum interest rate of twelve percent (12%) per annum so long as Bonds of such series bear interest at the Weekly Interest Rate. Each Borrower agrees in its respective Reimbursement Agreement to reimburse the Bank for drawings made under each Letter of Credit and to make certain other payments to the Bank.

Each Borrower will also enter into a separate land use restriction agreement with Florida Housing (each a "SAIL LURA", together the SAIL LURAS") in connection with a loan to each Borrower from Florida Housing under its State Apartment Incentive Loan Program (each a "SAIL Loan", together, the "SAIL Loans"). See "THE DEVELOPMENTS AND THE PRIVATE PARTICIPANTS", herein. Each SAIL LURA requires that a total of 100% of the units in the respective Development be occupied by low income tenants. Each Development will be subject to additional affordable housing restrictions as a result of the Borrower's participation in the Low Income Housing Tax Credit Program (the "LIHTC Program"). See "THE DEVELOPMENT AND THE PRIVATE PARTICIPANTS – Additional Restrictive Covenants" herein.

Citibank, Federal Savings Bank will provide additional construction and permanent financing for the Wellesley Development in the form of a subordinate mortgage loan in an amount not to exceed \$1,100,000 (the "Wellesley Subordinate Mortgage Loan"). See "THE DEVELOPMENTS AND THE PRIVATE PARTICIPANTS – The Wellesley Development – Additional financing for the Wellesley Development.

EACH SERIES OF BONDS IS A LIMITED OBLIGATION OF FLORIDA HOUSING, PAYABLE SOLELY OUT OF THE REVENUES, RECEIPTS AND OTHER MONEYS PLEDGED THEREFOR UNDER THE APPLICABLE INDENTURE. THE BONDS ARE NOT A DEBT, EITHER GENERAL OR SPECIAL, OF THE STATE, ANY LOCAL GOVERNMENT OR OF ANY OTHER POLITICAL SUBDIVISION OF THE STATE; AND NEITHER THE STATE, ANY LOCAL GOVERNMENT NOR ANY OTHER POLITICAL SUBDIVISION OF THE STATE WILL BE LIABLE FOR THE PAYMENT OF THE BONDS. NEITHER THE FAITH AND CREDIT NOR TAXING POWER OF THE STATE, ANY LOCAL GOVERNMENT OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS. EACH SERIES OF BONDS IS PAYABLE, AS TO PRINCIPAL PREMIUM (IF ANY) AND INTEREST, SOLELY



OUT OF THE RELATED TRUST ESTATE WHICH IS THE SOLE ASSET OF FLORIDA HOUSING PLEDGED THEREFOR, AND THEN ONLY TO THE EXTENT PROVIDED IN THE APPLICABLE INDENTURE. NEITHER THE MEMBERS OF THE BOARD OF DIRECTORS OF FLORIDA HOUSING NOR ANY PERSONS EXECUTING THE BONDS SHALL BE LIABLE PERSONALLY ON THE BONDS BY REASON OF THEIR ISSUANCE. FLORIDA HOUSING HAS NO TAXING POWER.

Citigroup Global Markets Inc., will serve as the initial remarketing agent (the “Remarketing Agent”) for each series of the Bonds pursuant to separate Remarketing Agreements, both dated as of July 1, 2003 (each a “Remarketing Agreement”, together, the “Remarketing Agreements”), among the Remarketing Agent, Florida Housing and the respective Borrower. Pursuant to each Remarketing Agreement, the Remarketing Agent will use its best efforts to remarket such Bonds as the Bondholders thereof have tendered for purchase or are required to tender for purchase to the Tender Agent pursuant to each Indenture.

There follows in this Official Statement brief descriptions of each series of Bonds, the sources of payment for such Bonds, Florida Housing, the Bank, each Borrower, each Development, the Underwriter and Remarketing Agent, together with summaries of the Indentures, the Loan Agreements, the Regulatory Agreements, the Reimbursement Agreements, the Letters of Credit and the Remarketing Agreements. The summaries of documents contained herein do not purport to be complete and are qualified in their entirety by reference to such documents. Copies of the Indentures, the Loan Agreements, the Regulatory Agreements, the Reimbursement Agreements, the Letters of Credit and the Remarketing Agreements are available for inspection at the Principal Corporate Trust Office of the Trustee. Certain terms used in this Official Statement and not otherwise defined have the meanings ascribed thereto in “APPENDIX B -- SELECTED DEFINITIONS,” or if not defined therein, as set forth in the Indentures.

## **THE BONDS**

### **Authorization and Terms of Bonds**

The Series O Bonds and the Series P Bonds will be dated the Closing Date and shall mature (subject to prior redemption) on August 1, 2035. Each series of Bonds will be issued in fully registered form in the minimum denomination of \$100,000 or any integral multiple of \$5,000 above such amount. The principal of and premium, if any, on each Bond will be payable upon the presentation and surrender of such Bond, when due, at the Principal Corporate Trust Office of the Trustee. Interest on each Bond will be payable, during a Weekly Interest Rate Period on the first Wednesday of each month, commencing on August 6, 2003. Payment of interest on each Bond shall be made to the person appearing on the bond registration books of the Trustee as the Bondholder thereof on the applicable Record Date, such interest to be paid by check mailed on the Interest Payment Date to such Bondholder’s address as it appears on the registration books or at such other address furnished to the Trustee in writing by such Bondholder not later than the Record Date. Upon written request of a Bondholder of at least \$1,000,000 principal amount of Bonds, such notice to be given at least three (3) Business Days prior to the applicable Record Date, interest shall be paid by wire transfer in immediately available funds at an account maintained in the United States at such wire address as such Bondholder shall specify in its written notice. If and to the extent there shall

be a default in the payment of the interest due on an Interest Payment Date, such defaulted interest shall be paid to the Bondholders in whose name any such Bonds are registered at the close of business on the fifth (5<sup>th</sup>) Business Day next preceding the date of payment of such defaulted interest.

Each series of the Bonds when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York, (“DTC,” together with any successor securities depository, the “Securities Depository”). DTC will act as Securities Depository for the Bonds so purchased. Individual purchases will be made only in book-entry form. Purchasers will not receive physical certificates representing their beneficial ownership interests in the Bonds. So long as the Bonds are registered in the name of Cede & Co., payment of principal of, premium, if any, and interest on each series of the Bonds will be payable to DTC or its nominee. DTC in turn will remit such payments to DTC Participants for subsequent disbursement to the Beneficial Owners. See “BOOK-ENTRY ONLY SYSTEM.”

### **Determination of Interest Rate on the Bonds**

(a) **Determination of Weekly Interest Rate.** During a Weekly Interest Rate Period, the Series O Bonds and the Series P Bonds shall bear interest at the Weekly Interest Rate which shall be determined by the Remarketing Agent for each series of Bonds not later than 4:00 p.m. (New York City time) generally on Tuesday of each week unless such Tuesday is not a Business Day, in which case it will be the next succeeding Business Day (the “Rate Determination Date”) during such Weekly Interest Rate Period. The rate on each series of Bonds will be adjusted during the Weekly Interest Rate Period on Wednesday of each week whether or not a Business Day. During a Weekly Interest Rate Period, interest on each series of the Bonds shall be computed upon the basis of a 365/366-day year for the number of days actually elapsed. The Weekly Interest Rate for each series of Bonds shall be the rate determined by the Remarketing Agent (on the basis of examination of obligations comparable to the Bonds known to the Remarketing Agent to have been priced or traded under then prevailing market conditions) to be the minimum interest rate which, if borne by Bonds of such series, would enable the Remarketing Agent to sell Bonds of such series on such day at a price equal to the principal amount thereof plus accrued interest; provided, however, that if for any reason the Weekly Interest Rates cannot be determined, the Weekly Interest Rate for the next succeeding week shall be the latest BMA Index Rate published on or immediately before the Rate Determination Date, or in the event the BMA Index Rate is no longer published the last Weekly Interest Rate determined by the Remarketing Agent for such series of Bonds. In no event however, shall the rate of interest on either series of Bonds exceed at any time twelve percent (12%) per annum. The first Weekly Interest Rate determined for any Weekly Interest Rate Period shall apply to the period commencing on the first day of the Weekly Interest Rate Period and ending on the next succeeding Tuesday. Thereafter, each Weekly Interest Rate shall apply to the period commencing on a Wednesday and ending on the next succeeding Tuesday, unless the Weekly Interest Rate Period shall end on a day other than Tuesday, in which event the last Weekly Interest Rate for such Weekly Interest Rate Period shall apply to the period commencing on the Wednesday preceding the last day of such Weekly Interest Rate Period and ending on such last day.

(b) **Adjustment to Term Interest Rate Period.** The Wellesley Borrower and the Wexford Borrower, as applicable, by written direction to the Trustee and the Remarketing Agent, and with notice to Florida Housing and the written consent of the Bank, accompanied by an

Approving Opinion, may elect that the Interest Rate Period for the Series O Bonds and the Series P Bonds shall be a Term Interest Rate Period, and shall determine the duration of the Term Interest Rate Period (which may be any period of one year or any multiple of one year or the period of time remaining to the final maturity Bonds of such series). Such direction shall specify (1) the effective date of such Term Interest Rate Period which shall be (A) an Interest Payment Date (or the Business Day next succeeding such Interest Payment Date if the adjustment is from a Weekly Interest Rate Period and such Interest Payment Date is not a Business Day) not less than forty-five (45) days following the date of receipt by the Trustee of such direction, (B) the Interest Payment Date which is the day next succeeding the last day of the then current Term Interest Rate Period (or the Business Day next succeeding such Interest Payment Date if such Interest Payment Date is not a Business Day) which is not less than forty-five (45) days following the date of receipt by the Trustee of such direction, or (C) any date on which any of the Bonds may be optionally redeemed pursuant to the Indenture which is not less than forty-five (45) days following the date of receipt by the Trustee of such direction; and (2) the last day of such Term Interest Rate Period. A Borrower may not adjust to a Term Interest Rate Period unless (i) the related Letter of Credit has been modified to provide interest coverage sufficient to maintain the rating on the applicable series of Bonds, and (ii) the remaining term of such Letter of Credit is at least equal to the length of such Term Interest Rate Period.

(c) **Notice of Adjustment to Term Interest Rate Period.** The Trustee shall give notice by mail of the respective Term Interest Rate Period for the Series O Bonds and/or the Series P Bonds, as the case may be, to the affected Bondholders, the Bank, the Credit Bank and the applicable Borrower not less than thirty (30) days prior to the effective date of such Term Interest Rate Period. Such notice shall state (1) that the interest rate on the applicable series of Bonds will be adjusted to or continue to be a Term Interest Rate, (2) the effective date of such Term Interest Rate Period, (3) the day by which the Term Interest Rate for such Term Interest Rate Period shall be determined, (4) the manner by which such Term Interest Rate may be obtained, (5) the Interest Payment Dates after such effective date, (6) that such series of Bonds shall be purchased on such effective date pursuant to its respective Indenture, (7) the procedures such for purchase, (8) the redemption provisions that will pertain to such series of Bonds during such Term Interest Rate Period, and (9) to the extent provided to the Trustee in writing, the rating which is expected to be assigned to such series of Bonds on such date. THIS OFFICIAL STATEMENT PROVIDES INFORMATION WITH RESPECT TO THE BONDS ONLY IN THE INITIAL WEEKLY INTEREST RATE PERIOD.

### **Purchase of Bonds on Demand of Bondholder**

**Purchase During Weekly Interest Rate Period.** During any Weekly Interest Rate Period, any Bond or portion thereof in Authorized Denominations shall be purchased at the option of the Bondholder thereof or, with respect to Book-Entry Bonds, at the option of the Direct Participant, on any Business Day, at a price of one hundred percent (100%) of the principal amount thereof, plus accrued interest to the Purchase Date, upon (1) delivery to the Trustee at its Principal Corporate Trust Office by 5:00 p.m. (New York City time) on any Business Day, an irrevocable notice in writing which states the name of the registered Bondholder of such Bond or Direct Participant for such Bond, payment instructions with respect to the Purchase Price of such Bond, the principal amount of such Bond and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to the Tender Agent, and (2) (A) if the Bonds are not Book-Entry Bonds, delivery of such Bond to the

Tender Agent at its Principal Corporate Trust Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Bondholder thereof with the signature guaranteed in accordance with the guidelines set forth by one of the nationally recognized medallion signature programs, at or prior to 11:00 a.m. (New York City time), on the date specified in such notice, or (B) if the Bonds are Book-Entry Bonds, upon confirmation by DTC to the Trustee that a Direct Participant with respect to Book-Entry Bonds has an ownership interest in such Book-Entry Bonds at least equal to the amount specified in the Tender Notice, the transfer on the registration books of DTC of the beneficial ownership interest in such Book Entry Bonds tendered for purchase to the account of the Trustee, or to the account of a Direct Participant acting on behalf of the Trustee.

**Generally.** If moneys sufficient to pay the Purchase Price of Bonds to be purchased pursuant to the Indenture shall be held by the Trustee or the Tender Agent on the date such Bonds are to be purchased, any Bonds to be so purchased which are not delivered by the Bondholders thereof to the Tender Agent or transferred on the registration books of DTC, as applicable, on the date specified for purchase thereof will be deemed to have been delivered for purchase or transferred on the registration books of DTC, as applicable, on such date and to have been purchased. The former Bondholders of or Direct Participants for such Bonds will thereafter have no rights with respect to such Bonds except to receive payment of the Purchase Price thereof upon surrender of such Bonds to the Tender Agent or the transfer, on the registration books of DTC, of the beneficial ownership interest in such Book-Entry Bonds.

### **Mandatory Tender for Purchase of Bonds**

On the first day of each Interest Rate Period, or while the Bonds bear interest at a Weekly Interest Rate, on the effective date of an Alternate Letter of Credit (each a “Purchase Date”), the Bondholder or Direct Participant of any Bond shall tender such Bond for purchase as described below under “Purchase and Remarketing of Bonds,” and such Bond shall be purchased or deemed purchased as provided in the Indenture at a price equal to the principal amount thereof plus accrued and unpaid interest thereon (the “Purchase Price”). Subject to the Indenture, payment of the Purchase Price of such Bonds shall be made by 3:00 p.m. (New York City time) in the same manner as payment of interest on such series of Bonds, to the Bondholder of record, or Direct Participant with respect to Book-Entry Bonds on the Purchase Date. If Bonds are not Book-Entry Bonds, the Bondholder shall deliver such Bonds no later than 11:00 a.m. (New York City time) on the Purchase Date to the Tender Agent at its Principal Corporate Trust Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, with the signature guaranteed in accordance with the guidelines set forth by one of the nationally recognized medallion signature programs. If the Bonds of a series are Book-Entry Bonds, the tendering Direct Participant shall transfer, on the registration books of DTC, the beneficial ownership interest in such Book-Entry Bonds tendered for purchase to the account of the Trustee or a Direct Participant acting on behalf of the Trustee.

## **Purchase and Remarketing of Bonds**

**Generally.** The Trustee shall purchase, but only from the sources listed below, Bonds which are required to be purchased or which are tendered pursuant to the Indenture at the option of the Bondholders thereof by 3:00 p.m. (New York City time) on the date such Bonds are required to be purchased at the Purchase Price as provided in the applicable Indenture. Funds for the payment of such Purchase Price shall be derived from the following sources in the order of priority indicated:

- (i) the proceeds of the sale of such series of Bonds (but only such remarketing proceeds as are received from purchasers of such series of Bonds pursuant to the applicable Indenture) furnished to the Trustee by the Remarketing Agent; provided, however, that such proceeds shall not have been derived from Florida Housing, the Borrower or any general partner or guarantor thereof;
- (ii) moneys furnished to the Trustee representing the proceeds of a draw under the applicable Letter of Credit. Where the mandatory tender relates to the delivery of an Alternate Letter of Credit, the Trustee shall draw first on the existing Letter of Credit for such series; and
- (iii) money provided by or on behalf of the applicable Borrower.

**Remarketing of Bonds.** The Remarketing Agent shall determine the rate of interest to be borne by each series of Bonds and shall furnish to the Trustee in a timely manner all information necessary for the Trustee, to carry out its duties under the Indenture, including, but not limited to, the interest rate applicable to each series of Bonds. Pursuant to the Remarketing Agreement, the Remarketing Agent shall use its best efforts to sell any Bonds tendered for purchase to new purchasers.

**Delivery of Remarketed Bonds.** The Trustee shall hold all Bonds delivered to it in trust for the benefit of the respective Bondholders thereof or for the benefit of the Direct Participants until moneys representing the Purchase Price of such Bonds shall have been delivered to or for the account of or to the order of such Bondholders or Direct Participants. The Trustee shall hold all moneys for the purchase of each Series of Bonds in trust in accounts established pursuant to the Series O Indenture and the Series P Indenture, as applicable, in non-commingled funds for the benefit of the person or entity that shall have so delivered such moneys until Bonds of a series purchased with such moneys shall have been delivered to or for account of such person or entity. Bonds purchased with moneys obtained by drawing on the related Letter of Credit (“Bank Bonds”), at the written direction of the Bank shall be held by the Trustee or registered in the name of the Bank or its nominee on the registration books of DTC. The proceeds of any remarketing of Bank Bonds shall be delivered to the Trustee and transferred to the Bank. Upon receipt by the Trustee of funds representing the proceeds of the remarketing of Bank Bonds, Bonds of the applicable series in place of such Bank Bonds so purchased shall be made available for pick-up by the Remarketing Agent for subsequent delivery to the purchasers thereof, or the ownership interest shall be transferred to the new Direct Participants on the books of DTC. Prior to or simultaneously with such delivery, the

proceeds of such remarketing shall have been or shall be delivered to the Trustee and transferred to the Bank, and the Trustee shall have received written confirmation from the Bank of the reinstatement of the related Letter of Credit.

If any Bond is tendered after a notice of redemption is given for such Bond, the Remarketing Agent will, prior to remarketing such tendered Bond, give the redemption notice to the purchaser of any such Bond or to DTC, if a Book-Entry Bond is tendered and the purchaser (including a Direct Participant) shall acknowledge receipt of such redemption notice.

**Draws Upon the Letter of Credit.** The Trustee shall draw on a Letter of Credit in an amount necessary and in sufficient time to provide the balance of the funds needed to purchase tendered Bonds of the related series. The Trustee shall take into account remarketing proceeds related to such series actually received from the Remarketing Agent, as provided in the Indenture.

**Delivery of Proceeds of Sale.** The proceeds from a remarketing by the Remarketing Agent shall be transferred to the Trustee, no later than 12:15 p.m. (New York City time) on the Purchase Date and, upon receipt thereof, the Trustee shall immediately apply such proceeds to the payment of the Purchase Price of Bonds of the related series to the Bondholders or Beneficial Bondholders of such series of Bonds thereof pursuant to the Indenture by making Bonds of such series available for delivery to the Remarketing Agent which are registered pursuant to the instructions of the Remarketing Agent or directing the transfer on the registration books of DTC pursuant to the instructions of the Remarketing Agent or, in the case of the remarketing of Bonds of a series which constitute Bank Bonds, as provided in the Indenture. In making payments to the Bank for Bank Bonds, the Trustee may conclusively assume that the Bank has not been repaid from any other sources. To the extent that the Bank is repaid with proceeds of the sale of Bank Bonds by the Remarketing Agent, new Bonds of the related series will be registered and delivered (or ownership interests transferred) as provided in the applicable Indenture.

**Unclaimed Moneys.** The Trustee shall, at the end of the fifth Business Day after the Purchase Date, transfer all remaining funds representing Undelivered Bonds pursuant to the provisions of the related Indenture to the Trustee for deposit by the Trustee into a segregated account for such series of Bonds to be designated the “Unclaimed Moneys Account.” The Trustee shall hold funds on deposit in the Unclaimed Moneys Account in trust uninvested for the payment of the Purchase Price thereof to the former Bondholders of such Bonds as required by the provisions of the applicable Indenture. Upon receipt by the Trustee of an Undelivered Bond, the Trustee shall pay such Purchase Price to the party entitled to such payment as soon as practicable. Any such moneys so held in trust by the Trustee shall be held uninvested until paid to the person entitled thereto.

Whenever the Bonds are not Book-Entry Bonds, all references in this section to the Trustee shall instead mean the Tender Agent, as the context may require.

## **Transfer of Bonds**

Any Bond registered with the Bond Registrar may be transferred upon surrender thereof by the Bondholder or his duly authorized attorney, to the Trustee, accompanied by a written instrument of transfer, duly executed in a form approved by the Trustee. Transfer of a Bond shall not be permitted by the Trustee after the Record Date prior to the next succeeding Interest Payment Date or after any notice of redemption for such Bonds has been issued and prior to such redemption.

## **Redemption Provisions**

(a) **Terms of Redemption.** Bonds of each series shall be subject to redemption prior to maturity as set forth below, provided, however, that no optional redemption may occur without the written consent of the Bank.

(i) **Mandatory Redemption to the Extent of Excess Proceeds.** Bonds of each series shall be subject to redemption in whole or in part on the earliest practicable Interest Payment Date for which notice of redemption may be given after the earlier of the applicable Completion Date or the date three years after the Closing Date (unless extended in accordance with the related Loan Agreement), at a price equal to the principal amount of Bonds redeemed plus interest accrued thereon to the date fixed for redemption, without premium, in a principal amount as nearly equal as possible to, but not more than, the amount transferred by the Trustee from the related Project Fund to the Redemption Account of the related Revenue Fund following such Completion Date or the date three years (or such later date as provided in the Indenture) after the Closing Date, as provided in the related Indenture.

(ii) **Mandatory Redemption Upon Failure to Renew or Replace the Letter of Credit or a Reduction in the Amount of the Letter of Credit.** Bonds of each series shall be redeemed in whole, at a redemption price equal to one hundred percent (100%) of the Outstanding principal amount thereof plus accrued interest to the redemption date, without premium, on the earliest practicable date for which notice of redemption may be given, in the event that (1) the related Letter of Credit is not renewed or a notice of expected delivery of an Alternate Letter of Credit is not delivered to the Trustee at least sixty (60) days prior to the scheduled expiration of the related Letter of Credit; (2) such Alternate Letter of Credit is not actually delivered on a Business Day at least thirty (30) days prior to such expiration date; or (3) the Trustee receives notice from the Bank of nonreinstatement of the interest amount of the related Letter of Credit.

(iii) **Mandatory Redemption Upon Occurrence of Extraordinary Events.** Bonds of each series shall be redeemed in whole or in part on any Interest Payment Date at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the date of redemption, upon receipt by the Trustee of a written notice from the related Borrower pursuant to provisions of the applicable Loan Agreement having to do with any insurance or condemnation awards resulting from the damage, destruction or condemnation of the related Development, as set forth in more detail in the related Loan Agreement.

(iv) **Mandatory Redemption Upon Default Under the Loan Agreement.** Bonds of each series shall be subject to redemption in whole at a price equal to the principal amount of Bonds redeemed plus interest accrued thereon to the redemption date, without premium, on the earliest practicable date, but in any event not less than five (5) days prior to the termination of the related Letter of Credit, for which notice of redemption may be given (A) at the request or with the consent of the Bank following receipt of notice of an Event of Default under the related Loan Agreement (including by reason of an Event of Default under the related Reimbursement Agreement) other than those referred to in (a)(ii) above or (B) upon an Acceleration Default; provided, that neither series of Bonds shall be subject to redemption under the provisions described in this section if the Event of Default under a Loan Agreement consists solely of failure of a Borrower to reimburse the principal amount of a draw on its respective Letter of Credit to pay principal of the related series of Bonds in connection with a purchase of such Bonds in lieu of redemption pursuant to the respective Indenture. See “THE BONDS – Redemption Provisions – Purchase in Lieu of Redemption.”

(v) **Mandatory Redemption From Amounts Transferred from Principal Reserve Fund.** Bonds of each series shall be subject to redemption in part at a price equal to the principal amount of such Bonds redeemed plus interest accrued thereon to the redemption date, without premium, on the earliest practicable date for which notice of redemption can be given, on any Interest Payment Date in an amount equal to the amount which has been transferred from the related Principal Reserve Fund on such Interest Payment Date to the Redemption Account pursuant to the related Indenture.

(vi) **Optional Redemption During Weekly Interest Rate Period.** On any Interest Payment Date during a Weekly Interest Rate Period, Bonds of each series may be redeemed in whole or in part by the Trustee, at the option of Florida Housing, but only upon the written request of the related Borrower pursuant to the applicable Loan Agreement, and with the prior written consent of the Bank, at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the date of redemption.

(b) **Notice of Redemption.** Notice of redemption shall be mailed to the registered Bondholders of any Bonds designated for redemption, at their addresses on the registration books maintained by the Trustee, not less than thirty (30) days nor more than sixty (60) days before such redemption date; or, in the case of a redemption described in (a)(ii)(2) and (a)(iv) above, on the last Business Day not less than fifteen (15) days prior to the redemption date; or, in the case of a redemption described in (a)(ii)(3) above, on the Business Day not less than three (3) days prior to the redemption date; provided that the date fixed for such redemption shall not be more than five (5) days after receipt of notice by the Trustee of nonreinstatement. Each notice of redemption shall state the redemption date, the place or places of redemption, if less than all of either series of the Bonds are to be redeemed, the distinctive number of the such Bonds to be redeemed, and in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each such Bond the principal thereof or of said specified portion of the principal thereof in the case of a Bond to be redeemed in part only, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered. Neither failure to



receive such notice nor any defect therein shall affect the sufficiency of such redemption. The notice of redemption may be withdrawn by the Trustee in the case of a redemption described in (a)(ii) above if an Alternate Letter of Credit is actually delivered to the Trustee.

At the same time that it sends notice of redemption to Bondholders, the Trustee shall also send a copy of the notice by first class mail or by overnight delivery to the Tender Agent, the Securities Depositories and an Information Service (as those terms are defined in the Indenture). Failure to provide notice to the Tender Agent, the Securities Depositories or an Information Service shall not affect the validity of proceedings for the redemption of either series of Bonds.

THE TRUSTEE, AS LONG AS THE BOOK-ENTRY ONLY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

**(c) Selection of Bonds for Redemption.** Whenever provision is made in the Indenture for the redemption of less than all of either series of Bonds, the Trustee will select the Bonds to be redeemed from all Outstanding Bonds of a series by lot in any manner that the Trustee in its sole discretion shall deem appropriate and fair; provided that, so long as moneys are available therefor in the related Revenue Fund or related Project Fund from sources other than a drawing on a Letter of Credit, the Trustee will redeem outstanding Bank Bonds prior to redeeming other Bonds of such series; and provided, further, that all Bonds of a series remaining Outstanding shall be in Authorized Denominations.

**(d) Redemption in Part.** Upon the surrender of any Bond of a series redeemed in part only, Florida Housing shall execute and the Trustee shall authenticate and deliver to the Bondholder thereof, at the expense of the particular Borrower, a new Bond or Bonds of the same series of Authorized Denominations equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

**(e) Effect of Redemption.** Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, the Bonds of a series (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds of a series (or portions thereof) so called for redemption shall become due and payable, interest on the Bonds of a series so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Bondholders of such Bonds shall have no rights in respect thereof except to receive payment of said principal and interest accrued to the date fixed for redemption from such moneys held by the Trustee for such purpose, and such moneys shall be pledged to such payment.

(f) **Purchase in Lieu of Redemption.** Notwithstanding anything to the contrary provided in the Indenture, if the Bonds of either series are subject to redemption as described in (a)(ii) or (a)(iv) above, the Bonds of such series shall either (i) be redeemed as described in (a)(ii) or (a)(iv) above or (ii) be purchased in lieu of redemption pursuant to the Indenture if the Bank shall have given written notice to the Trustee, with a copy to the Remarketing Agent, not later than 12:00 noon, New York time, on or before the third Business Day immediately preceding the date otherwise scheduled for such redemption to the effect that the Bank desires that the Bonds of such series be purchased and not redeemed. If such a notice is given by the Bank, then (1) the date otherwise scheduled for redemption shall be the Purchase Date for all purposes hereof, (2) such series of Bonds shall not be redeemed but shall be purchased at the Purchase Price on such Purchase Date in the name of the Bank, (or as the Bank shall otherwise direct) for the account of the Bank, by a drawing on the respective Letter of Credit by the Trustee, and the Trustee or Tender Agent shall deliver such Bonds to the Bank or as otherwise directed by the Bank, and (3) after the consummation of the purchase of such Bonds in accordance with the description of Indenture provisions in this subsection, the rights of the Bondholders and the benefits and security of the Indenture shall not be deemed to be adversely affected by the giving of any notice of redemption pursuant to the Indenture. The Bondholders shall deliver to the Tender Agent such Bonds and the other documents required to be so delivered pursuant to the Indenture on or prior to the Purchase Date.

#### **BOOK-ENTRY ONLY SYSTEM**

*The information in this section has been obtained from sources that Florida Housing, the Trustee and the Underwriter believe to be reliable, but none of Florida Housing, the Trustee or the Underwriter takes responsibility for the accuracy hereof. The Beneficial Owners should confirm the following information with DTC or the DTC participants.*

So long as Cede & Co. is the registered Bondholder of the Bonds, as nominee of DTC, references herein to the Bondholders (other than as set forth under “TAX MATTERS”) shall mean Cede & Co. and shall not mean the Beneficial Bondholders.

FLORIDA HOUSING, THE TRUSTEE, THE TENDER AGENT AND THE UNDERWRITER SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR ANY BENEFICIAL OWNER, WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT; (B) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL AND INTEREST DUE ON THE BONDS; (C) THE DELIVERY OF ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE BONDS UNDER THE INDENTURE; (D) THE SELECTION BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS; (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS REGISTERED OWNER OF THE BONDS; OR (F) ANY OTHER MATTER.

DTC will act as securities depository for each series of the Bonds. Each series of the Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each issue of each series of the Bonds, each in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in either series of the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for either series of the Bonds is discontinued.

To facilitate subsequent transfers, all bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in

beneficial ownership. DTC has no knowledge of the actual Beneficial Bondholders; DTC's records reflect only the identity of the Direct Participants to whose accounts such bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Florida Housing as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and distributions on each series of the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Agent, or City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Tender Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of any Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in such Bonds are

transferred by Direct Participants on DTC's records and followed by a book-entry credit of Tendered Bonds to the account of, or as directed by, the Tender Agent.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

Florida Housing may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository) for either or both series of the Bonds. In that event certificates for the affected series of the Bonds will be printed and delivered.

## **SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**

### **Generally**

ALTHOUGH THIS OFFICIAL STATEMENT PROVIDES INFORMATION CONCERNING TWO BOND ISSUES, INVESTORS ARE ADVISED THAT THE TWO SERIES OF BONDS ARE SEPARATE, DISTINCT AND INDEPENDENT AS ARE THE DEVELOPMENTS FOR WHICH EACH SERIES OF BONDS IS ISSUED. EACH DEVELOPMENT PROVIDES COLLATERAL ONLY FOR THE SERIES OF BONDS FOR WHICH IT IS ISSUED AND SHALL NOT PROVIDE SECURITY FOR NOR BE CROSS DEFAULTED AGAINST THE OTHER SERIES OF BONDS.

EACH SERIES OF BONDS IS A LIMITED OBLIGATION OF FLORIDA HOUSING, PAYABLE SOLELY OUT OF THE REVENUES, RECEIPTS AND OTHER MONEYS PLEDGED THEREFOR UNDER THE RELATED INDENTURE. THE BONDS ARE NOT A DEBT, EITHER GENERAL OR SPECIAL, OF THE STATE, ANY LOCAL GOVERNMENT OR OF ANY OTHER POLITICAL SUBDIVISION OF THE STATE; AND NEITHER THE STATE, ANY LOCAL GOVERNMENT NOR ANY OTHER POLITICAL SUBDIVISION OF THE STATE WILL BE LIABLE FOR THE PAYMENT OF THE BONDS. NEITHER THE FAITH AND CREDIT NOR TAXING POWER OF THE STATE, ANY LOCAL GOVERNMENT OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS. EACH SERIES OF BONDS IS PAYABLE, AS TO PRINCIPAL PREMIUM (IF ANY) AND INTEREST, SOLELY OUT OF THE RELATED TRUST ESTATE WHICH IS THE SOLE ASSET OF FLORIDA HOUSING PLEDGED THEREFOR, AND THEN ONLY TO THE EXTENT PROVIDED IN THE RELATED INDENTURE. NEITHER THE MEMBERS OF THE BOARD OF DIRECTORS OF FLORIDA HOUSING NOR ANY PERSONS EXECUTING THE BONDS SHALL BE LIABLE PERSONALLY ON THE BONDS BY REASON OF THEIR ISSUANCE. FLORIDA HOUSING HAS NO TAXING POWER.

Each series of Bonds is payable only from (i) amounts available under its respective Letter of Credit, (ii) amounts payable under its respective Loan Agreement, and (iii) other moneys and securities including the respective Loan from time to time pledged under the related Indenture including all amounts held in any fund or account established pursuant to the particular Indenture and proceeds of any temporary investment of moneys held under the particular Indenture (excluding any moneys in the Cost of Issuance Fund, Rebate Fund, the Replacement Reserve Fund, the Tax and

Insurance Escrow Fund and Administrative Expenses Fund established under such Indenture and moneys used to pay the Purchase Price of such Bonds and moneys in the related Unclaimed Moneys Account). Under each Indenture, Florida Housing will pledge to the Trustee, and the Bank, to the extent of its interest therein, as security for the payment of the related series of Bonds and the performance by Florida Housing of its obligations under such Indenture, all of the foregoing moneys and securities, as well as all of the right, title and interest of Florida Housing in and to each Loan Agreement (except Florida Housing's Reserved Rights).

### **The Wellesley Letter of Credit**

With respect to the Wellesley Development, the Letter of Credit, in the amount of \$17,033,776, expires July 30, 2013 by its terms or, if such date is not a Business Day, then on or before the first (1st) succeeding Business Day (the "Expiration Date") (the "Wellesley Letter of Credit") and may be extended for an additional 7-year extension pursuant to the terms of the Reimbursement Agreement. The Wellesley Letter of Credit will be delivered to the Trustee by the Credit Bank and shall be effective upon the Closing Date. Under the Wellesley Letter of Credit, the Trustee will be entitled to draw up to an amount sufficient to pay (a) the principal or Purchase Price of the Series O Bonds and (b) up to 35 days' interest on the Series O Bonds computed at the maximum interest rate of twelve percent (12%) per annum on the principal thereof, so long as the Series O Bonds bear interest at the Weekly Interest Rate.

Under the Wellesley Letter of Credit, the Credit Bank will make payments in an amount that will be sufficient to pay the interest on the Series O Bonds when and as due and the Purchase Price equal to the unpaid principal of and interest accrued on Series O Bonds tendered for purchase, including any payments to be made with respect to an optional or mandatory redemption of the 2003 Series O Bonds. The obligation of the Credit Bank to make timely payments sufficient to pay the principal of and interest on the Series O Bonds under the Wellesley Letter of Credit during its term is irrevocable. Under the terms of the Reimbursement Agreement pertaining to the Wellesley Letter of Credit, the Wellesley Borrower must reimburse the Bank for all sums paid under the Wellesley Letter of Credit.

### **The Wexford Letter of Credit**

With respect to the Wexford Development, the Letter of Credit, in the amount of \$16,522,965, expires July 30, 2013 by its terms or, if such date is not a Business Day, then on or before the first (1st) succeeding Business Day (the "Expiration Date") (the "Wexford Letter of Credit") and may be extended for an additional 7-year term pursuant to the terms of the Reimbursement Agreement. The Wexford Letter of Credit will be delivered to the Trustee by the Credit Bank and shall be effective upon the Closing Date. Under the Wexford Letter of Credit, the Trustee will be entitled to draw up to an amount sufficient to pay (a) the principal or Purchase Price of the Bonds and (b) up to 35 days' interest on the Series P Bonds computed at the maximum interest rate of twelve percent (12%) per annum on the principal thereof, so long as the Series P Bonds bear interest at the Weekly Interest Rate.

Under the Wexford Letter of Credit, the Credit Bank will make payments in an amount that will be sufficient to pay the interest on the Series P Bonds when and as due and the Purchase Price equal to the unpaid principal of and interest accrued on Series P Bonds tendered for purchase,

including any payments to be made with respect to an optional or mandatory redemption of the 2003 Series P Bonds. The obligation of the Credit Bank to make timely payments sufficient to pay the principal of and interest on the Series P Bonds under the Wexford Letter of Credit during its term is irrevocable. Under the terms of the Reimbursement Agreement pertaining to the Wexford Letter of Credit, the Wexford Borrower must reimburse the Bank for all sums paid under the Wexford Letter of Credit.

The terms “Letter of Credit” or “Letters of Credit” shall mean both the Wexford Letter of Credit and the Wellesley Letter of Credit unless the context requires a different meaning. The forms of the Letters of Credit are attached hereto as appendices H and I.

### **Alternate Letters of Credit**

At all times there shall be provided and continuously available to the Trustee, as beneficiary, an irrevocable letter of credit (whether in the form of a letter of credit or any other credit instrument) meeting the requirements of the respective Loan Agreement. Each Borrower shall have the right at any time, whether or not in connection with the adjustment of the interest on the Bonds of the related series to a Term Interest Rate or the pending expiration of any then outstanding Letter of Credit, to provide to the Trustee a substitute or alternate letter of credit (an “Alternate Letter of Credit”) that meets the requirements of the respective Loan Agreements, and the Trustee has been directed pursuant to the respective Indenture to accept any such Alternate Letter of Credit.

The following requirements shall apply to any Alternate Letter of Credit provided under either Loan Agreement: (i) any Alternate Letter of Credit shall be for a term commencing not later than the expiration date of the term of the prior Letter of Credit; (ii) each Alternate Letter of Credit shall be issued by a national banking association organized under the National Banking Act, or any successor law, or a banking corporation organized under the laws of any state of the United States, or a savings association or corporation or savings bank organized under the laws of the United States or any state thereof, or a branch or agency of a foreign banking corporation or association licensed in one of the states of the United States, (iii) each Alternate Letter of Credit delivered to the Trustee must be accompanied by one or more Opinions of Counsel to the effect, singly or together, that the Alternate Letter of Credit is a valid and binding obligation of the provider thereof, enforceable against such provider in accordance with its terms, except as limited by applicable reorganization, insolvency, liquidation, readjustment of debt, moratorium or other similar laws affecting the enforcement of the rights of creditors generally as such laws may be applied in the event of a reorganization, insolvency, liquidation, readjustment of debt or other similar proceeding of or moratorium applicable to such provider and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law); and (iv) each Alternate Letter of Credit delivered to the Trustee shall be accompanied by a written statement from the Rating Agency, to the effect that (a) if the Bonds are in a Weekly Interest Rate Period or the effective date of the Alternate Letter of Credit will be on the first day of a new Term Interest Rate Period, the prospective rating of the Bonds will be at least “A” (or its equivalent), or (b) if the Bonds are in a Term Interest Rate Period, stating that the delivery of the Alternate Letter of Credit will not, in and of itself, result in a lowering or withdrawal of the rating on the related series of Bonds.

## **Loan Agreements and Notes**

The loan of the proceeds of each series of Bonds to the related Borrower is evidenced by a separate Loan Agreement (each a “Loan Agreement”, together, the “Loan Agreements”) and a promissory note, (each a Note” together, the “Notes”), which are each respectively secured by a mortgage and security agreement (each a “Mortgage” together, the “Mortgages”). The Notes and the Mortgages will be assigned by Florida Housing to the Trustee (excluding Florida Housing’s Reserved Rights) to be held and administered subject to the provisions of separate Intercreditor Agreements (each an “Intercreditor Agreement” together, the “Intercreditor Agreements”).

## **FLORIDA HOUSING**

### **Purpose**

Florida Housing is a public body corporate and politic within the Department of Community Affairs of the State of Florida (the “State”), organized and existing under and pursuant to the Constitution and laws of the State, established in 1997 as the successor to the Florida Housing Finance Agency (the “Agency”), a state agency and instrumentality of the Florida Department of Community Affairs pursuant to the Act. The Act reconstituted the Agency as the “Florida Housing Finance Corporation.” The Legislature declared its intent that Florida Housing constitute “an entrepreneurial public corporation organized to provide and promote the public welfare by administering the governmental function of financing or refinancing housing and related facilities in Florida.” Effective January 1, 1998, pursuant to the Act, all assets and liabilities, including any outstanding contractual obligations of the Agency, were transferred to Florida Housing as legal successor in all respects to the Agency. All references to “Florida Housing” shall refer to the Florida Housing Finance Agency or the Florida Housing Finance Corporation as the context requires. The Corporation is authorized to borrow money through the issuance of notes and bonds to fulfill its public purpose as set forth in the Act, including the provision of financing for affordable multifamily and single family housing throughout the State for persons or families of low, middle or moderate income as well as for certain targeted populations.

### **Structure**

In accordance with the Act, the powers of Florida Housing are vested in nine members, one of whom is an ex-officio voting member and eight of whom are appointed by the Governor of the State of Florida and are subject to confirmation by the State Senate. The Chairman and Vice Chairman are elected annually by Florida Housing from among its members. Florida Housing is authorized to employ an Executive Director, technical experts and other officers, agents and employees, permanent and temporary. Florida Housing’s Chairman and Members are set forth below:



<u>Name</u>	<u>Position</u>	<u>Term Expires</u>	<u>Occupation</u>
Cesar E. Calvet	Chair	November 13, 2004	Mortgage Banker, SunTrust Bank
Terry N. Santini	Vice Chair	November 13, 2006	Certified Public Accountant
William George Evans	Member	November 13, 2006	Vice President, Capital Partners LLC
Dewitt Jackson (Jack) Maxwell	Member	November 13, 2006	Vice-President Fisk Electric Company
Zully Ruiz	Member	November 13, 2004	President, Zully Ruiz Enterprises, Inc.
Robert Jay Taylor	Member	November 13, 2006	President, Taylor & Fulton, Inc., Agriculture
Sandra Terry	Member	November 13, 2004	Laurel Civic Association
Lynn Stultz*	Member	November 13, 2004	Financial Consultant, Stultz Financial Group
Colleen Castille	Ex-Officio Member	-----	Secretary, Florida Department of Community Affairs

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\*Subject to Senate Confirmation.

Orlando Cabrera became Executive Director of the Florida Housing Finance Corporation on February 24, 2003. Governor Jeb Bush appointed Mr. Cabrera as a citizen representative on Florida Housing's Board of Directors in December 2000 and he was most recently its Chairman prior to being named Executive Director. Before joining Florida Housing, Mr. Cabrera was a partner with Holland & Knight, LLP where he practiced in that law firm's Miami office. Mr. Cabrera practiced law in South Florida, mostly as a real estate, land use and corporate transactional lawyer.

Mr. Cabrera was Chairman of the City of Miami's Community Development and Housing Committee. He also served as general counsel and as a director on the Board of Directors of the Latin Builders Association in Miami-Dade County and as a director of the National Council of State Housing Boards. He is also currently serving on the North Florida Fannie Mae Partnership Advisory Board.

Mr. Cabrera is a member of The Florida Bar, the Illinois State Bar Association, the State Bar of Wisconsin, the American Bar Association, the Cuban American Bar Association, the Interamerican Bar Association and the Dade County Bar Association. Mr. Cabrera is also admitted to practice in Illinois and Wisconsin. He earned his Bachelor of Arts degree in 1984 from the University of Michigan and his law degree in 1989 from the University of Wisconsin Law School.

Barbara E. Goltz began working as Florida Housing's Chief Financial Officer on September 18, 2000. Prior to accepting her position at Florida Housing, Ms. Goltz was involved in the senior

management of the Florida Lottery from 1987 until 2000. Her management roles at the Florida Lottery included: Director of Games Accounting from 1987 to 1989; Director of Financial Management from 1989 to 1993, Assistant Secretary of Finance and Administration from 1993 to 1998; Assistant Secretary of Finance and Budget from 1998 to 1999; and the Assistant Secretary of Finance beginning in 1999. In her most recent role as Assistant Secretary of Finance, Ms. Goltz was responsible for advising the Secretary of the Lottery on financial matters. She has also previously held management positions with the Department of Education and public accounting positions. Ms. Goltz has been a Certified Public Accountant since 1973. She received a Bachelor of Science degree in Accounting from Florida State University in 1968.

T.D. Wayne Conner became the Deputy Development Officer for the Multifamily Mortgage Revenue Bond Program in January, 2001. Mr. Conner began working for Florida Housing in October, 1997 and served as its Financial Administrator for Multifamily Bonds until his appointment as Deputy Development Officer. Prior to joining Florida Housing, Mr. Conner held various positions in the mortgage banking and auditing industries. As Senior Vice-President with a mortgage banking company, he was responsible for warehousing, shipping and delivery of mortgage loans. Additionally, he was responsible for accounting and Treasury functions within the mortgage banking industry. Mr. Conner holds a Bachelor of Science Degree in Accounting from Florida State University, is a Certified Public Accountant, and is a designated Certified Cash Manager.

The office of Florida Housing is located at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, telephone (850) 488-4197.

Florida Housing currently has approximately 130 employees. These employees administer numerous housing programs. Florida Housing has developed and implemented a number of single and multifamily mortgage revenue programs in the past.

Florida Housing neither has nor will assume responsibility for the accuracy or completeness of any information herein, which has been furnished by others.

### **THE CREDIT BANK**

*The following information is provided by the Credit Bank. Neither the Underwriter, Florida Housing nor either the Borrower makes any representation as to its accuracy:*

Citibank, N.A. ("Citibank") was originally organized on June 16, 1812, and now is a national banking association organized under the National Bank Act of 1864. Citibank is a wholly-owned subsidiary of Citicorp, a Delaware corporation, and is Citicorp's principal subsidiary. Citicorp is an indirect wholly-owned subsidiary of Citigroup Inc. ("Citigroup"), a Delaware holding company. The obligations of Citibank under the Letter of Credit will not be guaranteed by Citicorp or Citigroup. As of March 31, 2003, the total assets of Citibank and its consolidated subsidiaries represented approximately 69% of the total assets of Citicorp and its consolidated subsidiaries.

Citibank is a commercial bank that, along with its subsidiaries and affiliates, offers a wide range of banking and trust services to its customers throughout the United States and the world.

As a national bank, Citibank is a regulated entity permitted to engage only in banking and activities incidental to banking. Citibank's earnings may be affected by certain monetary policies

of the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”). Citibank is primarily regulated by the Office of the Comptroller of the Currency (the “Comptroller”), which also examines its loan portfolios and reviews the sufficiency of its allowance for credit losses.

Citibank’s deposits at its U.S. branches are insured by the Federal Deposit Insurance Corporation (the “FDIC”) and are subject to FDIC insurance assessments. The Letter of Credit is not insured by the FDIC or any other regulatory agency of the United States or any other jurisdiction. Citibank may, under certain circumstances, be obligated for the liabilities of its affiliates that are FDIC-insured depository institutions. Citibank’s FDIC-insured depository affiliates include: Citibank Delaware; Citibank, Federal Savings Bank; Citibank (Nevada), National Association; Citibank (New York State); Citibank (South Dakota), National Association; Citibank (West), fsb; Citicorp Trust Bank, fsb; Universal Financial Corp.; Associates Capital Bank, Inc.; California Commerce Bank; and Citibank USA, National Association.

Legislation enacted as part of the Omnibus Budget Reconciliation Act of 1993 provides that deposits in U.S. offices and certain claims for administrative expenses and employee compensation against a U.S. insured depository institution which has failed will be afforded a priority over other general unsecured claims, including deposits in non-U.S. offices and claims under non-depository contracts in all offices, against such an institution in the “liquidation or other resolution” of such an institution by any receiver. Such priority creditors (including the FDIC, as the subrogee of insured depositors) of such FDIC-insured depository institution will be entitled to priority over unsecured creditors in the event of a “liquidation or other resolution” of such institution.

As conservator or receiver for an insured depository institution, the FDIC also may disaffirm or repudiate any burdensome contract to which such institution is a party. The FDIC has not taken the position that such repudiation would impair the right of a holder of an unsecured obligation, such as the Letter of Credit, to claim principal and interest accrued through the date of appointment of a conservator or receiver. (The amount paid on such a claim would depend on the amount of assets in the receivership and the relative priority of the claim.) Disaffirmance or repudiation could, at a minimum, expose holders of the Letter of Credit to reinvestment risk.

As conservator or receiver, the FDIC is also empowered to enforce most types of contracts, including the Letter of Credit, pursuant to their terms notwithstanding any acceleration provisions therein, and may transfer to a new obligor any of Citibank’s assets or liabilities, including the Letter of Credit, without the approval or consent of Citibank’s creditors.

The FDIC is authorized to settle all uninsured and unsecured claims in the insolvency of an insured bank by making a final settlement payment at a percentage rate reflecting an average of the FDIC’s receivership recovery experience and constituting full payment and disposition of the FDIC’s obligation to uninsured and unsecured creditors.

The Basel Committee on Banking Supervision (the “Basel Committee”), consisting of central banks and bank supervisors from 13 countries, is developing a new set of risk based capital standards, on which it has received significant input from Citibank and other major banking organizations. The Basel Committee intends to finalize the capital standards by the fourth quarter of 2003 and implement a new framework by year-end 2006. The U.S. banking regulators are expected to issue an advance notice of proposed rule making in July 2003 to address issues in advance of issuing their proposed rules incorporating the new Basel standards. The final version of

these rules will apply to Citibank and other large U.S. banks and bank holding companies. Citibank is assessing the impact of the proposed new capital standards, participating in efforts to refine the standards and monitoring the progress of the Basel initiative.

In January 2003, FASB issued final accounting guidance in its Interpretation No. 46 which will require the consolidation of certain types of special purpose vehicles that previously were recorded as off-balance sheet exposures. During 2003, the federal bank regulatory agencies are expected to issue guidance clarifying how this new requirement will be incorporated into the risk-based capital framework. Citibank is monitoring the status and progress of regulatory adoption of this new rule.

The Annual Report on Form 10-K of Citicorp and its subsidiaries for the year ended December 31, 2002 (the "2002 10-K"), and Quarterly Report on Form 10-Q for the quarter ended March (the "March 2003 10-Q"), sets forth certain data relative to the consolidated financial position of Citibank and its subsidiaries as of March 31, 2003 and December 31, 2002.

The Consolidated Balance Sheets of Citibank as of December 31, 2002 and as of December 31, 2001 are set forth on page 46 of the 2002 10-K and as of March 31, 2003 and December 31, 2002 are set forth on page 39 of the March 2003 10-Q. Consolidated Balance Sheets of Citibank subsequent to March 31, 2003 will be included in the Form 10-Q's (quarterly) and Form 10-K's (annually) subsequently filed by Citicorp with the Securities and Exchange Commission (the "SEC"), which will be filed not later than 45 days after the end of the calendar quarter or 90 days after the end of the calendar year to which the report relates, or on Form 8-K with respect to certain interim events. For further information regarding Citibank, reference is made to the March 2003 10-Q and to any subsequent reports on Forms 10-K, 10-Q or 8-K filed by Citicorp with the SEC, which are incorporated herein by reference. Copies of such material may be obtained, upon payment of a duplicating fee, by writing to the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at (800) SEC-0330 for further information on the operation of the public reference rooms. In addition, such reports are available at the SEC's web site (<http://www.sec.gov>).

In addition, Citibank submits quarterly to the Comptroller certain reports called "Consolidated Reports of Condition and Income for a Bank With Domestic and Foreign Offices" ("Call Reports"). The Call Reports are on file with and publicly available at the Comptroller's offices at 250 E Street, S.W., Washington, D.C. 20219 and are also available on the web site of the FDIC (<http://www.fdic.gov>). Each Call Report consists of a Balance Sheet, Income Statement, Changes in Equity Capital and other supporting schedules at the end of and for the period to which the report relates. The Call Reports are prepared in accordance with regulatory instructions issued by the Federal Financial Institutions Examination Council. While the Call Reports are supervisory and regulatory documents, not primarily accounting documents, and do not provide a complete range of financial disclosure about Citibank, the reports nevertheless provide important information concerning the financial condition and results of operations of Citibank. Citibank's Call Report as of the close of business on March 31, 2003 is incorporated herein by reference. Any subsequent Call Reports filed by Citibank with the Comptroller are incorporated herein by reference.

Any of the above reports incorporated herein by reference are available upon request, without charge, by writing or calling Citigroup Document Services, 140 58<sup>th</sup> Street, Brooklyn, New York 11220, (718) 765-6460.

## **CERTAIN BONDHOLDERS' RISKS**

Purchase of either series of Bonds involves certain investment risks. To identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto) in order to make a judgment as to whether the Bonds of either series are an appropriate investment. Certain of the risks associated with the purchase of the Bonds are described below. Such risks should not affect the payment of principal of and interest on the Bonds if the Credit Bank fulfills its obligations under the Letters of Credit. However, upon any inability or refusal of the Credit Bank to fulfill its obligations under either Letter of Credit, payment of principal and interest under the Bonds of the affected series would be subject to various risks described below. The following list of possible factors, while not setting forth all the factors which must be considered, contains some of the factors which should be considered prior to purchasing either series of the Bonds. THIS DISCUSSION OF RISK FACTORS IS NOT, AND IS NOT INTENDED TO BE, COMPREHENSIVE OR EXHAUSTIVE.

ALTHOUGH THIS OFFICIAL STATEMENT PROVIDES INFORMATION CONCERNING TWO BOND ISSUES, INVESTORS ARE ADVISED THAT THE TWO SERIES OF BONDS ARE SEPARATE, DISTINCT AND INDEPENDENT AS ARE THE DEVELOPMENTS FOR WHICH EACH SERIES OF BONDS IS ISSUED. EACH DEVELOPMENT PROVIDES COLLATERAL ONLY FOR THE SERIES OF BONDS FOR WHICH IT IS ISSUED AND SHALL NOT PROVIDE SECURITY FOR NOR BE CROSS-DEFAULTED AGAINST THE OTHER SERIES OF BONDS.

### **General**

The Bonds and the obligations of Florida Housing under the Indentures are limited obligations of Florida Housing to be paid and satisfied solely from the revenues and assets pledged therefor under the Indentures, including receipts to be derived by Florida Housing under the Loan Agreement, and by a first mortgage lien on the Development. The inability of a Borrower to construct and fully lease up its respective Development would prevent such Borrower from achieving the forecasted revenues and could adversely affect that Borrower's ability to make payments under its Loan Agreement.

No representations or assurances can be made that the receipts derived from the operation of either Development, as presently estimated or otherwise, will be realized by the Borrower for that Development, Florida Housing, or the Trustee on behalf of the Bondholders, or any other party, in amounts necessary to pay the principal of, premium, if any, and interest on the Bonds of either series. The estimates of revenues and expenses associated with each Development are subject to change due to social and economic shifts in the market area of such Development, as well as other unforeseeable circumstances.

Principal and interest on each series of the Bonds is payable solely from the sources described above and do not constitute a general obligation of Florida Housing, the State of Florida or any political subdivision thereof. No property other than the particular Development is pledged to pay the principal of or interest on the series of Bonds related to that Development. Florida Housing has no taxing power.

## **Limited Liability**

EACH SERIES OF BONDS IS A LIMITED OBLIGATION OF FLORIDA HOUSING, PAYABLE SOLELY OUT OF THE REVENUES, RECEIPTS AND OTHER MONEYS PLEDGED THEREFOR UNDER THE RELATED INDENTURE. THE BONDS ARE NOT A DEBT, EITHER GENERAL OR SPECIAL, OF THE STATE, ANY LOCAL GOVERNMENT OR OF ANY OTHER POLITICAL SUBDIVISION OF THE STATE; AND NEITHER THE STATE, ANY LOCAL GOVERNMENT NOR ANY OTHER POLITICAL SUBDIVISION OF THE STATE WILL BE LIABLE FOR THE PAYMENT OF THE BONDS. NEITHER THE FAITH AND CREDIT NOR TAXING POWER OF THE STATE, ANY LOCAL GOVERNMENT OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS. EACH SERIES OF BONDS IS PAYABLE, AS TO PRINCIPAL PREMIUM (IF ANY) AND INTEREST, SOLELY OUT OF THE RELATED TRUST ESTATE WHICH IS THE SOLE ASSET OF FLORIDA HOUSING PLEDGED THEREFOR, AND THEN ONLY TO THE EXTENT PROVIDED IN THE RELATED INDENTURE. NEITHER THE MEMBERS OF THE BOARD OF DIRECTORS OF FLORIDA HOUSING NOR ANY PERSONS EXECUTING THE BONDS SHALL BE LIABLE PERSONALLY ON THE BONDS BY REASON OF THEIR ISSUANCE. FLORIDA HOUSING HAS NO TAXING POWER.

## **Performance of the Developments**

No assurance can be given as to the future performance of either Development. If there is a default by a Borrower under its Loan Agreement, including the failure by such Borrower to pay on the date due any amounts required to be paid by such Borrower under its Loan Agreement, the Credit Bank may give notice to the Trustee that it elects to accelerate the Loan concerning that particular Development. Upon receipt of such notice, the Trustee is required pursuant to the relevant Indenture to call the Bonds of the related series for mandatory redemption and immediately demand payment under the particular Letter of Credit, which amounts will be applied to pay the principal of and interest on the relevant series of the Bonds. No premium will be paid on the Bonds of either series in the event of the mandatory redemption of such Bonds. See "THE BONDS -- Redemption Provisions -- Redemption Upon Default Under the Loan Agreements."

## **Non-Payment under Credit Facility**

Prospective purchasers of the Bonds of either series should analyze the credit and liquidity qualifications of the Credit Bank in making any investment decision regarding such Bonds. In the event the Credit Bank is unable to pay the principal of and interest on such Bonds as such payments become due, such Bonds will be payable solely from moneys received by the Trustee pursuant to the Loan Agreement for such series of the Bonds.

Simultaneously with the delivery of each series of the Bonds, each respective Borrower will enter into a swap agreement (the "Swap") with the Credit Bank, pursuant to which the Credit Bank will agree to pay to such Borrower an amount based upon a variable interest rate in exchange for such Borrower paying to the Credit Bank an amount based upon a fixed interest rate. In the event the Credit Bank defaults in its obligation to pay principal of and interest on the Bonds of either series, the relevant Swap may be terminated and such Borrower may be required to pay the Credit

Bank a termination fee, thereby diminishing the amount of funds such Borrower may have available to pay to the Trustee for the benefit of the Bondholders.

## **Real Estate Risks**

***Normal Risks.*** Normal risks attending any investment in real estate include possible adverse use of adjoining land, fire or other casualty, condemnation, increased taxes, changes in demand for such facilities, increases in utility rates, adverse general and local economic conditions, energy shortages, a decline in property values in the geographic area of either Development, increases in operating costs due to inflation, non-compliance of tenants with the terms of their leases, unfavorable governmental regulation (such as enactment of rent controls), force majeure and uninsurable risks, construction strikes and decrease in the relative popularity of real estate investments as contrasted with other investments. These risks and many others cannot be controlled by the Borrower and may have a substantial bearing on the profitability and financial feasibility of either Development, and which may affect the realizable value of the real estate and other collateral securing payment of the Bonds issued for such Development.

***Failed Completion.*** In the event that either Development is not completed, the Bonds issued for such Development may be subject to mandatory redemption.

***Competing Facilities.*** There are other comparable apartment properties that will compete with each Development for tenants. In addition, competing owners, including affiliates of each Borrower, may develop, construct, acquire and/or operate other facilities that could compete with each Development for tenants and Florida Housing may issue bonds for financing such other developments. There is no assurance that the tenants will not choose other competing projects over either Development. Any competing facilities could adversely affect rental rates, absorption and ultimately occupancy of either Development, the revenues generated by either Development and, consequently, may result in the risk of a mandatory redemption of the Bonds of either series prior to maturity. See “THE BONDS -- Redemption Provisions -- Redemption Upon Default Under the Loan Agreements” herein.

The Wellesley Development will compete with six other multifamily properties in Orange County, Florida and the Wexford Development will compete with five other multifamily properties in Hillsborough County, Florida developed or being developed by principals common to the Wellesley Borrower and the Wexford Borrower Section “THE DEVELOPMENT AND THE PRIVATE PARTICIPANTS”, herein.

***Management of the Developments.*** The successful operation of each Development will depend, to a large extent, upon the management services provided by Wilson Management Company and upon the ability of each Borrower to lease the units, keeping its respective Development substantially occupied through the term of the Bonds issued for such Development. There is no assurance that Wilson Management Company will operate either Development on a profitable basis. There can be no assurance that either Development will be operated in a manner which will provide sufficient moneys to pay principal and interest on its particular Loan and to operate and maintain its Development. See “THE DEVELOPMENTS AND THE PRIVATE PARTICIPANTS” herein.

***Requirements of Tax-Exempt Financing and LIHTC Program.*** The economic feasibility of both Developments will depend, in large part, upon the Developments being substantially occupied. Each Borrower will be required, as a condition to preserving exclusion from federal income taxation of the interest on the Bonds issued for such Development, to maintain at least 40% of the units in such Development for occupancy by low income tenants. To meet this requirement, each Borrower has committed to set aside a minimum of 85% of the units in the Development for occupancy by tenants whose median income is at or below 60% of area median gross income. Further, in connection with the SAIL Loans, each Borrower has agreed to set aside a total of 100% in each Development for occupancy by low income tenants. Additionally, in connection with the LIHTC Program, each Borrower has agreed to set aside 100% of the residential rental units in its Development for occupancy by tenants whose median income is at or below 60% of area median gross income. Requirements of the Code, Florida Housing, the SAIL Loans and the LIHTC Program require that units of each Development be set aside for persons of low and moderate income and that rents be set at prescribed levels. These restrictions may have an adverse impact on either Development. There can be no assurance that either Borrower will be able to rent units to comply with these requirements, which may adversely affect net operating income, or at rentals which will enable it to make timely payments on its respective Note. See “APPENDIX E -- SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENTS” attached hereto.

***Effect of Increases in Operating Expenses.*** It is impossible to predict future increases in operating expenses. Substantial increases in operating expenses will affect future net operating income of the Developments and the ability of the Borrowers to meet its debt service obligations and reimbursement obligations to the Bank.

***Environmental Matters.*** There are potential risks relating to environmental liability associated with the ownership of any property, including both Developments. If hazardous substances are found to be located on either Development, the owners of such Development, including the Borrower for such Development, may be held liable for costs and other liabilities relating to such hazardous substances. In the event of foreclosure of either Development or active participation in the management of either Development by the Trustee on behalf of the Bondholders, the Trustee (and, indirectly, the Bondholders) may be held liable for costs and other liabilities related to hazardous substances, if any, on the site of such Development on a strict liability basis and such costs may exceed the value of such Development.

The above-listed risks, while not comprehensive or exhaustive, may adversely affect the occupancy and revenues generated by the Developments and consequently, may affect the risk of a mandatory redemption of either series of the Bonds prior to maturity. See “THE BONDS -- Redemption Provisions” herein.



## Other Risks

***Equity Funding.*** The availability of equity proceeds to either Borrower from its Tax Credit Limited Partner is governed by such Borrower's partnership agreement and related documents of such Borrower, which contain certain conditions precedent to funding and potential adjustments to equity proceeds. The failure to satisfy the conditions precedent to funding and to obtain amounts under either Partnership Agreement may result in a default under the various Loan Documents for that Development and the exercise of remedies thereunder. There is no guaranty that these conditions will be met.

***Forecasted Information.*** Information with regard to each Development has been obtained from the respective Borrowers. Much of that information involves predictions with regard to future events; no guarantee can be made that such future events will in fact come to pass.

***Limited Property Value and Enforceability of Remedies.*** The fair market value of either Development may be less than the amount of the Bonds issued therefor outstanding at any point in time. No assurance can be given that, in the event of a default and foreclosure, sufficient proceeds would be realized to pay all claims of the holders of the then outstanding Bonds issued for such Development. The Bonds of each series are payable from the payments to be made under its respective Loan Agreement. Pursuant to the Indentures, the Bonds are secured by an assignment to the Trustee of the separate Mortgages encumbering the respective Developments. The practical realization of value from either Development upon any default will depend upon the exercise of various remedies specified by the particular Loan Agreement, Mortgage and Indenture. These and other remedies may, in many respects, require judicial actions, which are often subject to discretion and delay. Under existing law (including particularly the Federal Bankruptcy Code), the remedies specified by the Loan Agreements, the Mortgages or the Indentures may not be readily available or may be limited. A court may decide not to order the specific performance of some or all of the covenants contained in the Loan Agreements, the Mortgages or the Indentures. The various legal opinions to be delivered concurrently with the delivery of the Bonds of each series will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings and decisions affecting remedies, and by bankruptcy, reorganization or other laws affecting the enforcement of creditors' rights generally.

***Uninsured Losses.*** Each Borrower has arranged for comprehensive insurance coverage which is customary for apartment properties of a similar nature. There are certain types of losses which are not insured or insurable, such as "force majeure." Should such a catastrophic casualty occur, such Borrower would suffer a loss for which insurance benefits would not be available. Further, there is no assurance that insurance proceeds where available will be sufficient to repay the Bonds of either series.

***Loss of Tax Exemption.*** Each Borrower has covenanted and agreed to comply with the provisions of the Code relating to the exclusion from gross income of the interest payable on its respective series of Bonds for federal income tax purposes and the financing documents contain provisions and procedures designed to assure compliance with such covenant. However, each Borrower's covenant to comply with the requirements of the Code is nonrecourse to such Borrower

and such Borrower's liability is limited to the revenues from and assets comprising its respective Development. Consequently, interest on the Bonds of either series may become includable in gross income for purposes of federal income taxation retroactive to the date of issuance of such Bonds by reason of the related Borrower's failure to comply with the requirements of the Code and Florida Housing and the Trustee may not have adequate remedies available to them to mitigate the adverse economic effects to the owners of the Bonds of the affected series.

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## THE DEVELOPMENTS AND THE PRIVATE PARTICIPANTS

*The following information concerning the Developments and the private participants has been provided by representatives of the Borrowers and other private participants and has not been independently confirmed or verified by the Underwriter or Florida Housing. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.*

### The Wellesley Development

**Plan of Financing** The total permanent project costs of the Wellesley Development is estimated by the Wellesley Borrower to be \$26,554,892 not including interim sources or uses of funds. The sources and uses of funds for the Wellesley Apartments are projected by the Wellesley Borrower to be as follows:

#### **Sources of Funds:**

Bond Proceeds	\$16,840,000*
Tax Credit Limited Partner's Contribution <sup>1</sup>	6,432,783
Deferred Developer Fees	182,109
Wellesley Subordinate Mortgage	
Loan Proceeds	1,100,000
SAIL Loan Proceeds <sup>2</sup>	<u>2,000,000</u>
Total Sources:	<u>\$26,554,892</u>

#### **Uses of Funds:**

Project Fund	\$16,840,000
Cost of Issuance Account <sup>3</sup>	460,197
Replacement Reserve Fund	62,400
Borrower Equity Account	9,010,186
Deferred Developer Fees	<u>182,109</u>
Total Uses:	<u>\$26,554,892</u>

(1) Of this amount, \$2,573,113 will be provided as part of the Borrower's equity contribution at closing. The balance is expected to be funded during and after construction as certain conditions are met. See "Tax Credit Limited Partner's Contribution" below.

(2) SAIL Loan Proceeds will be funded during construction, not more than pro rata with other construction funding .

(3) Costs of Issuance include, among other things, legal fees, financial advisor fees, fees of the Trustee, Underwriter's fees and expenses, Rating Agency fees, printing costs and certain miscellaneous expenses.

**The Development.** The Wellesley Development will be a residential rental project to be located on the along the east side of Good Homes Road, just north of the East-West expressway, Orlando, Orange County, Florida. The Wellesley Development will encompass approximately 23.15 acres and will comprise twelve three story walk-up residential buildings containing a total of 312 units, as well as a leasing center/clubhouse building with a swimming pool, laundry facility, exercise room, trash compactor, and tot lot.

The construction of the Wellesley Development is expected to be completed by October 31, 2004. The unit mix is as follows:

<b>Type of Unit</b>	<b>Number of Units</b>	<b>Approximate Square Feet</b>
1 BR/1 BA	60	685
2 BR/2 BA	156	982
3 BR/2 BA	<u>96</u>	<u>1,144</u>
<b>TOTAL</b>	<b><u>312</u></b>	<b><u>304,116</u></b>

Unit amenities will include: refrigerators, range/ovens and central air conditioning. The interior finish will include marble window sills, pantry in kitchen area, laundry hook-ups for full size washer and dryer, cable or satellite TV hook-ups and window treatments. The Wellesley Development will also contain a community center, swimming pool, tot lot and outdoor recreation facility. The Wellesley Development will contain a minimum of 622 parking spaces, including 13 handicapped spaces. The Wellesley Development is designed to conform with all local codes, the Federal Fair Housing Act, and Americans with Disabilities Act (“ADA”) requirements.

**Except to the extent expressly set forth herein, no representation is made that the Wellesley Borrower has substantial funds available for the Wellesley Development. Accordingly, neither the Wellesley Borrower’s financial statements nor those of its partners are included in this Official Statement. No assurance can be given that the Wellesley Development will be constructed or that it will be constructed and operated in accordance with the plans anticipated as of the date of this Official Statement.**

The Wellesley Development will be developed by the Wellesley Borrower (or an affiliate as described below), whose sole general partner is TWC Twenty-Two Partners, Ltd., a Florida limited partnership, whose sole general partner is TWC Twenty-Two, Inc., a Florida corporation. TWC Twenty-Two, Inc., is owned by TWC Holding Company, a Florida corporation. TWC Holding Company has experience in developing 8,798 affordable housing units in Florida, as shown below. Any previous experience of TWC Holding Company is no assurance that the Wellesley Development will be successful. Investors should evaluate the Wellesley Development and its credit enhancements for determining the risks associated with repayment of the Bonds.

The Wellesley Borrower will enter into a development agreement with TWC Twenty-Two Development, Inc., a newly formed Florida corporation (the “Wellesley Developer”), pursuant to which The Wellesley Developer will be responsible for certain development services in connection with the Wellesley Development and for which it will receive a development fee. Affiliates of the Wellesley Borrower have voting control over the Wellesley Developer.

### **Additional Funding for the Wellesley Development**

The Wellesley Borrower has applied for and has been approved to receive a SAIL Loan in the amount of \$2,000,000 from Florida Housing under its State Apartment Incentive Loan Program (the “Wellesley SAIL Loan”). The Wellesley SAIL Loan is expected to close simultaneously with the Bond Closing. The Wellesley SAIL Loan funds will be used to finance a portion of the costs

of the Wellesley Development. The Wellesley SAIL Loan documentation, together with the restrictions contained in the Regulatory Agreement related to the Wellesley Development, the Extended Low Income Housing Agreement related to the Wellesley Development, and the SAIL Land Use Restriction Agreement related to the Wellesley Development, place various restrictions on the rents that may be charged for units in the Wellesley Development and on the income levels of tenants. See THE DEVELOPMENTS AND THE PRIVATE PARTICIPANTS- Additional Restrictive Covenants” and “BONDHOLDERS RISKS” herein and “APPENDIX D - SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENTS” attached hereto.

In addition to the Wellesley SAIL Loan the Wellesley Development will be encumbered by the Wellesley Subordinate Mortgage in the amount of \$1,100,000 securing repayment of the Wellesley Subordinate Mortgage Loan from Citibank, Federal Savings Bank, to the Wellesley Borrower as additional funding for the Wellesley Development.

### **The Wexford Development**

**Plan of Financing** The total permanent project costs of the Wexford Development is estimated by the Wexford Borrower to be \$25,029,452 not including interim sources or uses of funds. The sources and uses of funds for the Wexford Apartments are projected by the Wexford Borrower to be as follows:

#### ***Sources of Funds:***

Bond Proceeds	\$15,935,000
Tax Credit Limited Partner’s Contribution <sup>1</sup>	6,321,296
Deferred Developer Fees	773,156
SAIL Loan Proceeds <sup>2</sup>	<u>2,000,000</u>
Total Sources:	<u>\$25,029,452</u>

#### ***Uses of Funds:***

Project Fund	\$15,935,000
Cost of Issuance Account <sup>3</sup>	442,610
Replacement Reserve Fund	64,800
Borrower Equity Account	7,813,618
Deferred Developer Fee	<u>773,156</u>
Total Uses:	<u>\$25,029,452</u>

(1) Of this amount, \$2,528,518 will be provided as part of the Borrower’s equity contribution at closing. The balance is expected to be funded during and after construction as certain conditions are met. See “Tax Credit Limited Partner’s Contribution” below.

(2) SAIL Loan Proceeds will be funded during construction, not more than pro rata with other construction funding .

(3) Costs of Issuance include, among other things, legal fees, financial advisor fees, fees of the Trustee, Underwriter’s fees and expenses, Rating Agency fees, printing costs and certain miscellaneous expenses.

**The Wexford Development.** The Wexford Development will be a residential rental project to be located on the northeast corner of Hillsborough Avenue and Lenox Drive in Tampa, Hillsborough County, Florida. The Development will encompass approximately 27.18 acres and will comprise twelve three story walk-up residential buildings containing a total of 324 units, as well as a leasing center/clubhouse building with a swimming pool, exercise room, trash compactor and tot lot.

The construction of the Wexford Development is expected to be completed by October 31, 2004. The unit mix is as follows:

<b>Type of Unit</b>	<b>Number of Units</b>	<b>Approximate Square Feet</b>
1 BR/1 BA	60	685
2 BR/2 BA	162	982
3 BR/2 BA	<u>102</u>	<u>1,144</u>
<b>TOTAL</b>	<b><u>324</u></b>	<b><u>316,872</u></b>

Unit amenities will include: refrigerators, range/ovens and central air conditioning. The interior finish will include marble window sills, pantry in kitchen area, laundry hook-ups for full size washer and dryer, laundry facility, cable or satellite TV hook-ups and window treatments. The Wexford Development will also contain a community center, swimming pool, tot lot and outdoor recreation facility. The Wexford Development will contain a minimum of 673 parking spaces, including 13 handicapped spaces. The Wexford Development is designed to conform with all local codes, the Federal Fair Housing Act, and Americans with Disabilities Act (“ADA”) requirements.

**Except to the extent expressly set forth herein, no representation is made that the Wexford Borrower has substantial funds available for the Wexford Development. Accordingly, neither the Wexford Borrower’s financial statements nor those of its partners are included in this Official Statement. No assurance can be given that the Wexford Development will be constructed or that it will be constructed and operated in accordance with the plans anticipated as of the date of this Official Statement.**

The Wexford Development will be developed by the Wexford Borrower (or an affiliate as described below), whose sole general partner is TWC Sixty-Seven Partners, Ltd., a Florida limited partnership, whose sole general partner is TWC Sixty-Seven, Inc., a Florida corporation (“TWC Sixty-Seven, Inc.”). TWC Sixty-Seven, Inc., is owned by TWC Holding Company, a Florida corporation. TWC Holding Company has experience in developing 8,798 affordable housing units in Florida, as shown below. Any previous experience of TWC Holding Company is no assurance that the Wexford Development will be successful. Investors should evaluate the Wexford Development and its credit enhancements for determining the risks associated with repayment of the Bonds.

The Wexford Borrower will enter into a development agreement with TWC Sixty-Seven Development, Inc., a newly formed Florida corporation (the “Wexford Developer”), pursuant to which Wexford Developer will be responsible for certain development services in connection with the Wexford Development and for which it will receive a development fee. Affiliates of the Wexford Borrower have voting control of the Wexford Developer.

### **Additional Funding for the Wexford Development**

The Wexford Borrower has applied for and has been approved to receive a SAIL Loan in the amount of \$2,000,000 from Florida Housing under its State Apartment Incentive Loan Program (the “Wexford SAIL Loan”). The Wexford SAIL Loan is expected to close simultaneously with the

Bond Closing. The Wexford SAIL Loan funds will be used to finance a portion of the costs of the Wexford Development. The Wexford SAIL Loan documentation, together with the restrictions contained in the Regulatory Agreement related to the Wexford Development, the Extended Low Income Housing Agreement related to the Wexford Development, and the land use restriction agreement related to the Wexford Development, place various restrictions on the rents that may be charged for units in the Wexford Development and on the income levels of tenants. See THE DEVELOPMENTS AND THE PRIVATE PARTICIPANTS- Additional Restrictive Covenants” and “BONDHOLDERS RISKS” herein and “APPENDIX D - SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENTS” attached hereto.

### **Additional Restrictive Covenants**

*Code and State Law Restrictions.* The Regulatory Agreements for each Development impose certain requirements on the Developments with respect to the tax-exempt status of each series of the Bonds under the Code and certain other State law requirements which include, among other requirements, a set aside of at a total of 85% of the units for rental to persons or families having incomes at or below 60% of the area median income, adjusted for family size and determined in accordance with Section 142(d) of the Code. See “SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENTS” herein for a description of the requirements affecting the operation of the Developments in order to assure compliance with the Code, State law and to meet Florida Housing’s requirements.

*Extended Low-Income Housing Agreements.* In connection with the low income housing tax credits anticipated to be allocated to each Borrower in connection with the each Development, each Borrower will execute an Extended Low-Income Housing Agreement in accordance with the requirements of Section 42 of the Code (the “Extended Low-Income Housing Agreements”). The Extended Low-Income Housing Agreements will extend the low-income housing tax credit income targeting and rent restrictions for each Development under Section 42 of the Code for at least 15 years beyond the initial 15 year compliance period, subject only to a few exceptions. The Extended Low-Income Housing Agreements will be executed by each Borrower and Florida Housing before the end of the first year of the credit period (as defined in Section 42 of the Code) and recorded in the public land records as a covenant running with the land (to the extent the owners of the land join in the execution of the Extended Low-Income Housing Agreement). The Extended Low-Income Housing Agreements for the Developments will, among other things, require that up to 100% of the completed and occupied residential rental units in each Development be occupied by tenants whose gross income is at or below 60% of area median gross income and that the units be rent-restricted under Section 42(g)(2) of the Code throughout the Extended Use Period as defined in the Code.

Under the Code, the extended use period for a particular Development terminates prior to its expiration date if said Development is acquired by foreclosure. Notwithstanding the foregoing, the Code requires that any termination of the extended use period due to foreclosure not permit (i) the eviction or termination of tenancy of an existing tenant without cause or (ii) any increase in the gross rent of any such units before the close of a three year period following such foreclosure.

*Tax Credit Limited Partner's Contribution.* Concurrently with the issuance of each series of the Bonds, each Borrower expects to sell to Wachovia Affordable Housing Community Development Corporation, or an affiliate thereof (the "Tax Credit Limited Partner") a 99.99% limited partnership interest in such Borrower. Pursuant to the sale, the tax credit equity, which is expected to total approximately \$6,321,296, with respect to the Wexford Development and approximately \$6,426,059, with respect to the Wellesley Development, will be paid in stages during and after construction. The funding levels and the timing of the funding are subject to numerous adjustments and conditions which could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from either Borrower's current projections and neither Florida Housing nor the Underwriter make any representation as to the availability of such funds.

*SAIL Land Use Restriction Agreements.* Upon the closing of the respective SAIL Loans, each Borrower shall execute a separate SAIL LURA. The Wellesley SAIL LURA will require that Wellesley Borrower set aside not less than 4% of the units in the Wellesley Development for very-low income persons or households whose incomes are 30% or less of the median annual gross income and 96% of the units in the Wellesley Development for low-income persons or households whose incomes are 60% or less of the median annual gross income for either (i) the county in the State of Florida in which the Wellesley Development is located, (ii) the State, or (iii) the metropolitan statistical area in which the Wellesley Development is located, whichever is the greatest. These set-aside restrictions exclude any exempt management units.

The Wexford SAIL LURA will require that the Wexford Borrower set aside not less than 3% of the units in the Wexford Development for very-low income persons or households whose incomes are 30% or less of the median annual gross income and 97% of the units in the Wexford Development for low-income persons or households whose incomes are 60% or less of the median annual gross income for either (i) the county in the State of Florida in which the Wexford Development is located, (ii) the State, or (iii) the metropolitan statistical area in which the Wexford Development is located, whichever is the greatest. These set-aside restrictions exclude any exempt management units. Each SAIL LURA will require that the foregoing percentage requirements be met for a period of 50 years.

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## List of Developments

The following is a list of multifamily properties developed or being developed by the principals common to each Borrower, but does not include information concerning either Development which is the subject of this Official Statement.

<b>Name of Community</b>	<b>Florida County</b>	<b>Number of Units</b>	<b>Completion Date</b>
Waterford at Cypress Lake	Hillsborough	450	06/94
Wedgewood	Volusia	300	12/95
Woodbury	Manatee	270	12/95
Woodhill	Orange	450	11/96
Worthington	Palm Beach	300	12/96
Woodbridge	Hillsborough	236	08/97
Woodcrest	St. Johns	90	09/97
Windchase	Seminole	352	05/98
Mar Lago Village	Broward	216	11/98
Wellington	Pinellas	352	02/99
Wentworth	Orange	264	02/99
Willow Lake	Orange	428	03/99
Westchase	Lee	352	07/99
Windsor Park	Palm Beach	240	09/99
Whispering Pines	St. Johns	192	12/99
Windermere	Hillsborough	352	01/00
Westbrook	Orange	234	02/00
Wentworth II	Orange	264	04/00
Woodridge	Orange	254	08/00
Windermere II	Hillsborough	252	10/00
Waverly	Palm Beach	260	05/01
Westchester	Hillsborough	376	10/01
Windsong	Columbia	180	09/01
Weston Oaks	Pasco	200	09/01
Wyndham Place	Seminole	260	02/02
Westwood	Lee	288	01/02
Walden Park	Osceola	300	11/02
Windsong II	Columbia	152	01/03
Whispering Woods	St. Johns	200	07/03
Westminister	Pinellas	270	02/03
Wilmington	Polk	200	07/03
Wyngate*	Pinellas	264	04/04**
<b>TOTAL</b>		<b>8,798</b>	

\* Under Construction

\*\* Anticipated completion date

## **The Manager**

Each Development will be managed by Wilson Management Company, a Florida corporation (“WMC”), an affiliate of each Borrower. WMC manages 8,534 affordable-housing units in Florida, and will manage an additional 264 units of affordable housing upon their completion (not including any units which are the subject of this Official Statement). WMC also manages an extensive portfolio of office space.

## **The Construction Contractor**

The Construction Contractor for each Development is Wilson Construction Company, Inc. (“Wilson Construction”). Wilson Construction is a Florida corporation and is a wholly-owned subsidiary of TWC Holding Company. Wilson Construction has extensive experience in the construction of affordable housing. Wilson Construction has constructed most of the multi-family communities that are owned and managed by affiliates of the Borrowers. This portfolio includes more than 8,700 apartment units in Florida.

## **TAX TREATMENT**

Section 142(d) of the Code provides that interest on certain governmental obligations, such as the Bonds, substantially all of the proceeds of which are to be used to provide financing for projects for “residential rental property,” shall be exempt from federal income tax if, among other things, at all times during the Qualified Development Period either 20% or more of the units are set aside for tenants having incomes of 50% or less of Area Median Gross Income or 40% or more of the units are set aside for tenants having incomes of 60% or less of Area Median Gross Income.

Under the Code and Treasury Regulations, the failure to satisfy the foregoing requirements on a continuous basis, unless corrected within a reasonable period of time of not less than sixty (60) days after such noncompliance is first discovered or should have been discovered, will cause loss of the tax-exempt status of such Bonds as of the date of issuance of such Bonds, irrespective of the date such noncompliance actually occurred.

Florida Housing has established requirements, procedures and safeguards which it believes to be sufficient to ensure compliance with the requirements of Section 142(d) of the Code and the Treasury Regulations with respect to each Development. Such requirements, procedures, and safeguards are incorporated into the Loan Agreements, the Indentures and the Regulatory Agreements.

Section 148 of the Code provides that interest on Bonds will not be excludable from gross income for federal income tax purposes unless, among other things (a) the investment of the proceeds of such Bonds meets certain arbitrage requirements and (b) certain “excess” earnings on such investments are rebated to the United States of America (collectively the “Arbitrage Restrictions”). The Trustee, Florida Housing and the Borrowers have entered into a separate Arbitrage Rebate Agreement in connection with each series of Bonds regarding the Arbitrage Restrictions. In the event of non-compliance by the Trustee, Florida Housing or a particular Borrower with the Arbitrage Restrictions, interest on the Bonds of the affected series would be taxable for federal income tax purposes retroactively from the date of issuance of such Bonds. Each

Borrower has also covenanted to comply with certain other applicable provisions of the Code which are required as a condition to the exclusion from gross income of interest on Bonds of the related series for federal income tax purposes. The Code includes requirements which Florida Housing and each Borrower must continue to meet after the issuance of Bonds of the related series in order that interest on such Bonds not be included in gross income for federal income tax purposes. Florida Housing's or a Borrower's failure to meet these requirements may cause interest on the Bonds of the affected series to be included in gross income for federal income tax purposes retroactive to their date of issuance. Florida Housing and each Borrower have covenanted in the Indentures and the Loan Agreements, respectively, to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on Bonds of the related series.

In the opinion of Bond Counsel, assuming continuing compliance by Florida Housing and a Borrower with certain tax covenants, interest on the Bonds of the related series is excluded from gross income for federal income tax purposes under existing statutes, regulations, rulings and court decisions, except for interest on any Bonds for any period during which such Bonds are held by a person who is a "substantial user" of the facilities financed by such Bonds or a "related person" within the meaning of Section 147(a) of the Code. Interest on the Bonds is an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations.

Bond Counsel is further of the opinion that the Bonds and the interest thereon are exempt from taxation under the laws of the State, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Bonds. Prospective purchasers of Bonds should be aware that the ownership of the Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry such Bonds or, in the case of a financial institution, that portion of the Holder's interest expense allocable to interest on such Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies, (iii) the inclusion of interest on the Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of interest on the Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year and (v) the inclusion in gross income of interest on the Bonds by recipients of certain Social Security and Railroad Retirement benefits.

#### **DISCLOSURE REQUIRED BY SECTION 517.051(1), FLORIDA STATUTES**

Rule 3E-400.003, Rules of Government Securities, promulgated by the Florida Department of Banking and Finance, Division of Securities, under Section 517.051(1), Florida Statutes ("Rule 3E-400.003"), requires Florida Housing to disclose each and every default as to the payment of principal and interest with respect to obligations issued or guaranteed by Florida Housing after December 31, 1975. Rule 3E-400.003 further provides, however, that if Florida Housing in good faith believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted.

The Bonds do not constitute a general debt, liability or obligation of Florida Housing, but are instead secured by amounts on deposit under the Indenture and by other security discussed herein. The Bonds are not being offered on the basis of the financial strength of Florida Housing. Accordingly, Florida Housing, in good faith, believes that disclosure of any such default on bonds with respect to which Florida Housing was merely a conduit issuer and which are secured solely by payments of the Borrower under a loan agreement, lease agreement or installment sale agreement, would not be considered material by a reasonable investor in the Bonds.

Florida Housing is aware of a number of defaults under conduit issues for multi-family housing for which Florida Housing served as issuer. Since Florida Housing is not obligated to pay debt service on such issues except from payments made by the various borrowers under their agreements, and such defaults in no way impact the Bonds, specific disclosures relating to such defaults have been omitted. Florida Housing is not, and since December 31, 1975, has not been in default as to principal and interest on single-family or homeownership bonds issued by Florida Housing.

### **CONTINUING DISCLOSURE**

Each Borrower has agreed, in accordance with Florida Housing's requirements, to undertake all responsibilities for any continuing disclosure to Owners as described below, despite the fact each series of the Bonds may be currently exempt. Florida Housing shall have no liability to the Owners or any other person with respect to S.E.C. Rule 15c2-12. With respect to all undertakings entered into by either Borrower after the effective date of the Rule, each Borrower has indicated that it has complied on a timely basis with such undertakings.

Each Borrower has covenanted for the benefit of Owners and Beneficial Owners of the Bonds of their respective series to provide certain financial information and operating data relating to such Borrower by not later than one hundred twenty (120) days following the end of such Borrower's fiscal year (which currently would be December 31 for the Borrower) (the "Annual Report"), commencing with the report for the Borrowers' 2003 fiscal years, and to provide notices of the occurrence of certain enumerated events, if material. The Annual Report will be filed by the Trustee, on behalf of each Borrower, with each Nationally Recognized Municipal Securities Information Repository. In addition, each Borrower has agreed to provide notices of certain significant events to be filed with the Municipal Securities Rulemaking Board. The Continuing Disclosure Agreements are set forth in APPENDIX G hereto.

## LEGAL MATTERS

The Bonds of each series are offered when, as and if issued and received by the Underwriter, subject to prior sale, to withdrawal or modification of the offer, without notice and to the approval of legality by Greenberg Traurig, P.A., Miami, Florida, and Edwards & Carstaphen, Miami, Florida, Bond Counsel. Certain legal matters will be passed upon for Florida Housing by its Special Counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, and by its Disclosure Counsel, Clyne & Self, P.A., West Palm Beach, Florida, for the Credit Bank by its legal department, for the Borrower by Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A., Miami, Florida, and for the Underwriter by Gray, Harris & Robinson, P.A., Tampa, Florida. Certain legal matters will be passed upon for the Bank by its counsel, Rogers Towers, P.A., Jacksonville, Florida. Certain matters will be passed upon for Florida Housing by WLJ Capital, University Park, Florida, as its Senior Financial Advisor.

The various legal opinions to be delivered concurrently with the delivery of each series of the Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering the legal opinion, the opinion giver does not become an insurer or guarantor of an expression of professional judgment of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

## SENIOR FINANCIAL ADVISOR

WLJ Capital, University Park, Florida is serving as Senior Financial Advisor to Florida Housing with respect to the planning, structuring and sale of each series of the Bonds. The Senior Financial Advisor assisted in the preparation of this Official Statement and in other matters relating to the planning, structuring and issuance of each series of the Bonds and provided other advice. The Senior Financial Advisor will not bid on or otherwise engage in any underwriting activities with regard to the issuance and sale of each series of the Bonds. The Senior Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement and is not obligated to review or ensure compliance with continuing disclosure undertakings.

## NO LITIGATION

**As to Florida Housing.** There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body for which service of process has been effected on Florida Housing or, to the knowledge of Florida Housing, threatened against or affecting Florida Housing, or to its knowledge, any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Official Statement, the validity or enforceability of the Bonds, the exclusion of interest on the Bonds from the gross income of the owners of the Bonds for federal income tax purposes or the validity or enforceability of the Bonds, the Indenture, the Loan Agreement, the Note or any other agreement or instrument to which Florida Housing is a party and which is used or contemplated for use in the transactions contemplated by this Official Statement.

**As to the Wellesley Borrower.** There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body for which service of

process has been effected on the Wellesley Borrower or, to the knowledge of the Wellesley Borrower, threatened against or affecting the Wellesley Borrower, or to its knowledge, any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by this Official Statement, the exclusion of interest on the Series O Bonds from the gross income, for federal income tax purposes, of the owners of the 2003 Series O Bonds or the validity or enforceability of the 2003 Series O Bonds, the Wellesley Indenture, the Wellesley Loan Agreement, the Wellesley Note or any other agreement or instrument to which the Wellesley Borrower is a party and which is used or contemplated for use in the transactions contemplated by this Official Statement.

**As to the Wexford Borrower.** There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body for which service of process has been effected on the Wexford Borrower or, to the knowledge of the Wexford Borrower, threatened against or affecting the Wexford Borrower, or to its knowledge, any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by this Official Statement, the exclusion of interest on the Series P Bonds from the gross income, for federal income tax purposes, of the owners of the Series P Bonds or the validity or enforceability of the Series P Bonds, the Wexford Indenture, the Wexford Loan Agreement, the Wexford Note or any other agreement or instrument to which the Wexford Borrower is a party and which is used or contemplated for use in the transactions contemplated by this Official Statement.

## **ENFORCEABILITY OF REMEDIES**

The remedies available to the Trustee and the Owners of either series of the Bonds upon an Event of Default under a particular Loan Agreement, Regulatory Agreement or Indenture are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, including specifically the Federal Bankruptcy Code (Title 11 of the United States Code), the remedies provided for under the Federal Bankruptcy Code, a particular Loan Agreement, Regulatory Agreement or Indenture may not be readily available or may be limited.

In addition, each Loan Agreement and Regulatory Agreement provide that the obligations of the particular Borrower contained in such agreements (other than certain obligations to Florida Housing and the Trustee individually and not on behalf of the Owners of affected Bonds) will be limited obligations payable solely from the income and assets of such Borrower, and no partner of either Borrower shall have any personal liability for the satisfaction of any obligation of such Borrower under such agreements or of any claim against such Borrower arising out of such agreements or Indentures.

The various legal opinions to be delivered in connection with the delivery of each series of the Bonds, the Indentures, the Loan Agreements, the Regulatory Agreements and the Security Instruments will be qualified to the extent that the enforceability of certain legal rights related to either series of the Bonds, an Indenture, a Loan Agreement and a Regulatory Agreement are subject to limitations imposed by such things as the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or a court of equity), including judicial limitations on rights to specific performance and bankruptcy, insolvency and reorganization.

## **RATINGS**

It is a condition to closing that Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc. ("S&P") assign the rating set forth on the cover hereof to each series of the Bonds. Such ratings expresses only the views of such rating agency. An explanation of the significance of the ratings may be obtained from such rating agency at 55 Water Street, New York, New York 10041 (telephone 212-438-2000). There is no assurance that such ratings for either series of the Bonds will continue for any given period of time or will not be revised or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. None of Florida Housing, the Underwriter or either Borrower has undertaken any responsibility to bring to the attention of the holders of either series of the Bonds any proposed downward revision or withdrawal of a rating of either series of the Bonds, or to oppose any such proposed downward revision or withdrawal. Any such downward revision in or withdrawal of such rating may have an adverse effect on the market price of the affected series of the Bonds.

## **UNDERWRITING**

The Bonds of each series are being purchased by the Underwriter for a price of 100% of the principal amount thereof. As consideration for their purchase of each series of the Bonds and their efforts expended in connection with the Remarketing of either series of the Bonds, the Underwriter will be paid an aggregate fee equal to \$90,617 with respect to the Series O Bonds and \$86,421 with respect to the Series P Bonds from which the Underwriter will pay certain expenses. The Underwriter has committed to purchase all of the Bonds of each series if any of such Bonds are purchased, and to use its best efforts to sell each series of the Bonds. The Bonds of each series are being offered for sale at the prices set forth on the cover page of this Official Statement, which prices may be lowered by the Underwriter from time to time without notice. The Bonds of either series may be offered and sold to dealers, including the Underwriter and dealers acquiring Bonds for their own account or any account managed by them, at prices lower than the public offering prices.

The Underwriter is an affiliate of Citibank, N.A., the Credit Bank.

## **MISCELLANEOUS**

Copies of the Indentures, the Loan Agreements, the Regulatory Agreements and the Reimbursement Agreements are on file at the office of the Trustee and are available for inspection upon request.

This Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between Florida Housing or the Borrower and the purchasers or holders of any of the Bonds of either series.

Florida Housing makes no representations with respect to any information in this Official Statement other than the information under the heading "FLORIDA HOUSING", "DISCLOSURE REQUIRED BY SECTION 517.051(1), FLORIDA STATUTES" and "NO LITIGATION -- As to Florida Housing."

The execution and delivery of this Official Statement has been duly authorized by Florida Housing.

**FLORIDA HOUSING FINANCE  
CORPORATION**

By: \_\_\_\_\_  
Title: Executive Director



**APPENDIX A**

**PROPOSED FORM OF BOND COUNSEL OPINION**

## APPENDIX A

### PROPOSED FORM OF BOND COUNSEL OPINIONS

*On the date of issuance of the Bonds in definitive form, Greenberg Traurig, P.A., and Edwards & Carstarphen, Bond Counsel, propose to render an approving opinion for each series in substantially the following form:*

July \_\_, 2003

Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000  
Tallahassee, Florida

Re:     \$ \_\_\_\_\_ Florida Housing Finance Corporation Variable Rate Demand  
Multifamily Mortgage Revenue Bonds, 2003 Series [O][P]  
([Wellesley][Wexford] Apartments)

Ladies and Gentlemen:

We have acted as bond counsel to Florida Housing Finance Corporation (“Florida Housing”) in connection with the issuance on this date of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series [O][P] ([Wellesley][Wexford] Apartments) (the “Bonds”). Florida Housing is a public corporation and public body corporate and politic established within the Department of Community Affairs of the State of Florida by the Florida Housing Finance Corporation Act, Sections 420.501-420.517, Florida Statutes, as amended and supplemented (collectively, the “Act”). In our capacity as bond counsel, we have examined the Constitution and laws of the State of Florida (the “State”), including the Act, a record of proceedings relating to the adoption on October 11, 2002, and June 20, 2003, of resolutions of Florida Housing (collectively, the “Resolution”) authorizing, among other things, the original issuance and sale of the Bonds and other proofs submitted to us relating thereto.

The Bonds are being issued pursuant to a Trust Indenture dated as of July 1, 2003 (the “Indenture”), between Florida Housing and Wells Fargo Bank Minnesota, N.A., as trustee (the “Trustee”). Any capitalized term used herein and not otherwise defined herein shall have the meaning ascribed to it in the Indenture. The Bonds are being issued for the purpose of providing funds, together with other funds, to finance a loan by Florida Housing to [TWC Twenty-Two,

Ltd.][TWC Sixty-Seven, Ltd.], a Florida limited partnership (the “Borrower”), pursuant to the terms of a Loan Agreement dated as of July 1, 2003 (the “Agreement”), among Florida Housing, the Trustee, and the Borrower, for the acquisition and construction of a multifamily rental housing development to be located in [Orange][Hillsborough] County, Florida (the “Development”) for low and moderate income residents, as determined by Florida Housing, within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”).

The Bonds are payable from revenues arising from the pledge and assignment by Florida Housing to the Trustee of certain payments to be made by the Borrower under the Loan Agreement. Credit enhancement and liquidity support for the Bonds will be provided by Citibank, N.A., in accordance with the terms of a direct pay letter of credit dated as of the date hereof (the “Credit Enhancement Instrument”).

The Bonds are limited obligations of Florida Housing payable solely from the revenues pledged under the Indenture and other moneys pledged and assigned under the Indenture. The Bonds are not an obligation either general or special, of the State of Florida, or any local government thereof, and neither the State of Florida nor any local government thereof shall be liable thereon. Neither the faith, credit, revenues nor the taxing power of the State of Florida or any local government thereof shall be pledged to the payment of the principal of, premium, if any, or interest on the Bonds. Florida Housing has no taxing power.

In connection with the issuance of the Bonds, we have examined such documents, instruments, proceedings and opinions as we have deemed relevant in rendering this opinion. Based upon such examination, we are of the opinion, as of this date, that:

1. Florida Housing is a public corporation and public body corporate and politic established within the Department of Community Affairs of the State of Florida. Pursuant to the Act, Florida Housing is empowered to authorize the issuance of the Bonds in the manner contemplated by the Indenture and the Loan Agreement and to perform its obligations under the Indenture and the Loan Agreement.
2. The Bonds, the Indenture and the Loan Agreement are valid and binding obligations of Florida Housing and are enforceable against Florida Housing in accordance with their terms.
3. Under existing statutes, regulations, rulings and court decisions, interest on the Bonds is excluded from gross income for federal income tax purposes except for interest on any Bond for any period during which such Bond is held by a “substantial user” of the Project or a “related person” within the meaning of Section 147(a) of the Code. Interest on the Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

4. The Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined therein.

In rendering the opinion in paragraph number 3 above, we are relying, without independent investigation, upon certifications, representations and warranties by Florida Housing and the Borrower as to compliance with the requirements of the Code that must be met on and after the issuance of the Bonds in order that interest on the Bonds not be included in gross income for federal income tax purposes. Failure to meet such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. Florida Housing and the Borrower have covenanted in the Indenture and the Loan Agreement, respectively, to comply with such requirements and to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds.

This opinion is qualified to the extent that the enforceability of the Bonds, the Resolution and the Indenture, respectively, may be limited by general principles of equity which may permit the exercise of judicial discretion, and by bankruptcy, insolvency, moratorium, reorganization or similar laws relating to the enforcement of creditors' rights generally, now or hereafter in effect.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

We express no opinion herein with respect to any disclosure or offering document prepared or distributed in connection with the offering of the Bonds.

Respectfully submitted,

## APPENDIX B

### SELECTED DEFINITIONS

*Certain capitalized words and terms used but not elsewhere defined in this Official Statement shall have the following meanings which meanings shall apply to each series of the Bonds, each Borrower, each Development or each set of Loan Documents as the context shall require:*

“Acceleration Default” means an Event of Default described as such in the Loan Agreement.

“Act of Bankruptcy” means, as to the Borrower, any of the following: (a) the commencement by the Borrower of a voluntary case under the federal bankruptcy laws, as amended, or any other applicable federal or state bankruptcy, insolvency or similar laws; (b) the filing of a petition with a court having jurisdiction over the Borrower to commence an involuntary case against the Borrower under the federal bankruptcy laws, as now in effect or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar laws, and such petition is not discharged within 90 days of the filing thereof; (c) the Borrower admits in writing its inability to pay its debts generally as they become due; (d) a receiver, trustee or liquidator of the Borrower is appointed in any proceeding brought against the Borrower; (e) assignment by the Borrower of all or substantially all of its assets for the benefit of its creditors; or (f) the entry by the Borrower into an agreement of composition with its creditors.

“Additional Payments” means the payments required to be made by a Borrower pursuant to Section 4.2 (b) through (e), 4.3 and 4.4 of the respective Loan Agreements.

“Alternate Letter of Credit” means an alternate irrevocable letter of credit or similar credit facility delivered to the Trustee pursuant to the Loan Agreement, and meeting the requirements thereof.

“Amortization Start Date” means, for the Series O Bonds (the Wellesley Development) the first Wednesday of the 36<sup>th</sup> month after the month in which the Closing Date occurs, which date is August 2, 2006. For the Series P Bonds (the Wexford Development) “Amortization Start Date” means the first Wednesday of the 24<sup>th</sup> month after the month in which the Closing Date occurs, which date is August 3, 2005.

“Approving Opinion” means an opinion of Bond Counsel that an action being taken (i) is authorized by the Act and the Indenture, and (ii) will not adversely affect the tax-exempt status of the Bonds.

“Authorized Denomination” means (i) during any Weekly Interest Rate Period, \$100,000 or any integral multiple of \$5,000 above such amount (ii) during any Term Interest Rate Period, \$5,000 or any integral multiple thereof, and (iii) during any period where the Bonds are Bank Purchased Bonds, the principal amount of the Bonds then Outstanding.

“Available Moneys” means (1) moneys derived from drawings under the Letter of Credit that are not commingled with any other moneys, (2) moneys held by the Trustee (other than in the Rebate Fund, the Administrative Expense Fund, the Florida Housing Cost of Issuance Account of the Cost of Issuance Fund, the Tax and Insurance Escrow Fund, the Replacement Reserve Fund or

the Unclaimed Moneys Account) and subject to a first-priority perfected lien under the Indenture for a period of at least 365 days and not commingled with any moneys so held for less than said period and during which period no petition in bankruptcy was filed by or against, and no receivership, insolvency, assignment for the benefit of creditors or other similar proceeding has been commenced by or against, the Borrower or any general partner of the Borrower unless such petition or proceeding was dismissed and all applicable appeal periods have expired without an appeal having been filed, and the investment earnings thereon, that are not commingled with any other moneys, (3) any moneys as to which an opinion of nationally-recognized counsel experienced in bankruptcy matters is delivered to the Trustee and the Rating Agency to the effect that the payment of such moneys to the Bondholders would not constitute transfers avoidable under 11 U.S.C. §547(b) and recoverable from the Bondholders under 11 U.S.C. §550(a) should Florida Housing or the Borrower be the debtor in a case under the Bankruptcy Code or (4) Bond proceeds.

“Bank” means Citibank, Federal Savings Bank, a federal savings bank, its successors and assigns.

“Bank Bonds” shall have the meaning ascribed thereto in the Indenture.

“Bank Purchased Bonds” means Bonds purchased by the Bank in lieu of redemption in accordance with the Indenture, until such Bonds have been remarketed with a Letter of Credit in effect with respect thereto in accordance with the terms of the Indenture.

“Beneficial Bondholders” means those individuals, partnerships, corporations or other entities for whom the Direct Participants have caused DTC to hold Book-Entry Bonds.

“BMA Index Rate” means the rate published in The Bond Market Association Municipal Swap Index, produced by Municipal Market Data, a Thomson Financial Services Company.

“Bond Counsel” means any attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, selected by Florida Housing, and duly admitted to practice law before the highest court of any state of the United States of America but shall not include counsel for the Borrower.

“Bondholder” or “Owner” when used with respect to a Bond, means the person in whose name such Bond is registered.

“Book-Entry Bonds” means the Bonds registered in the name of the nominee of DTC, or any successor securities depository for the Bonds, as the registered owner thereof pursuant to the terms and provisions of the Indenture.

“Borrower” as the context may require means either TWC Sixty-Seven, Ltd., a Florida limited partnership (the “Wexford Borrower”), or TWC Twenty-Two, Ltd., a Florida limited partnership (the “Wellesley Borrower”) or any entity which is the surviving, resulting or transferee entity in any merger, consolidation or transfer of assets permitted under a Loan Agreement and also means, unless the context otherwise requires, an assignee of a Loan Agreement as permitted thereby and by a Regulatory Agreement.

“Business Day” means any day other than (i) a Saturday or Sunday, (ii) a day on which commercial banks in New York, New York, or Florida Housing or cities in which the Principal Corporate Trust Office of the Trustee or the Tender Agent, the Principal Office of the Remarketing Agent or the office of the Credit Bank at which demands for payment under the Letter of Credit are to be presented are authorized or required by law to close or (iii) a day on which the New York Stock Exchange is closed.

“Closing Date” means the date of initial issuance and delivery of the Bonds.

“Code” means the Internal Revenue Code of 1986 and the Regulations thereunder, or any successor thereto. Reference to any particular Code section shall, in the event of such successor Code, be deemed to be reference to the successor to such Code section.

“Completion Date” means the date on which the Borrower provides to the Trustee a certificate to the effect that the Development is substantially complete, in accordance with the requirements of the Loan Agreement.

“Costs of Issuance” means all items of expense directly or indirectly payable by, or reimbursable to Florida Housing or the Borrower and related to the authorization, issuance, sale and delivery of the Bonds, including but not limited to the costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of the Trustee including fees and charges of its counsel, including in-house counsel, legal fees and charges, fees and disbursements of consultants and professionals, rating agency fees, fees and expenses of the Bank, including legal fees of counsel to the Bank, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds which constitutes a “cost of issuance” within the meaning of Section 147(g) of the Code.

“Costs of Issuance Fund” means the fund by that name established pursuant to the Indenture.

“Costs,” “Costs of the Development” or “Development Costs” means and shall be deemed to include all of the costs of constructing, developing, and equipping the Development, to the extent permitted by the Act including, if appropriate, but not limited to the payment or reimbursement to (or to the order of) the Borrower of the following:

(a) (i) the initial or acceptance fee and first year annual fee of the Trustee, the Tender Agent and any paying agent and the fees and expenses (including reasonable counsel fees) of Florida Housing, the Trustee, the Tender Agent, the Remarketing Agent and any paying agent during the construction period; (ii) legal, underwriting, financial consulting, rating agency and accounting fees and expenses and printing and engraving costs incurred in connection with the authorization, sale and issuance of the Bonds, the execution of the Indenture and the preparation of all other documents in connection therewith; and (iii) all fees, costs and expenses incurred with respect to the preparation of this Agreement, the Indenture, the Bonds, the Regulatory Agreement, the Official Statement with respect to the Bonds and all other documents in connection therewith; provided that Bond proceeds used to pay or reimburse costs described in this paragraph (a) shall not exceed two percent (2%) of the face amount of the Bonds;

(b) the fees of the Credit Bank and the Bank and its counsel attributable to the cost of providing the Letter of Credit during the construction period;

(c) such amounts, if any, as shall be necessary to reimburse the Borrower in full for all advances and payments made by it in connection with (i) the preparation of plans and specifications for the Development (including any preliminary study or planning of the Development or any aspect thereof) and (ii) the construction and installation of the Development;

(d) labor, services, materials and supplies used by or furnished to the Borrower to improve the site and to construct the Development, as provided in the plans, specifications and work orders therefor; payment of the costs of acquiring, constructing, and installing utility services or other related facilities; payment of the costs of acquiring all real and personal property deemed necessary to construct the Development; and payment of the miscellaneous expenses incidental to any of the foregoing items;

(e) the fees, if any, of architects, engineers, financial consultants, legal counsel and supervisors expended in connection with the construction of the Development, including any developer fee;

(f) during the construction period, the premiums of all title insurance and other insurance required to be taken out and maintained with respect to any part of the Development to the extent such amounts are not paid by any contractor which constructs or installs any portion of the Development;

(g) taxes, assessments and other charges, if any, that may become payable during the construction period with respect to the Development, or reimbursement thereof, if paid by the Borrower;

(h) expenses incurred in seeking to enforce any remedy against any contractor or subcontractor in respect of any default under a contract relating to the acquisition, construction or installation of the Development;

(i) interest required to be paid on the Bonds during the construction period, including reimbursement of amounts drawn under the Letter of Credit to pay such interest; and

(j) any other costs permitted by the Act.

“Credit Bank” means Citibank, N.A., and any other commercial bank, savings bank or association or other financial institution issuing a Letter of Credit then in effect.

“Determination of Taxability” means, with respect to the Bonds only, (i) a determination by the Commissioner or any District Director of the Internal Revenue Service, (ii) a private ruling or Technical Advice Memorandum issued by the National Office of the Internal Revenue Service in which Florida Housing and the Borrower were afforded the opportunity to participate, (iii) a determination by any court of competent jurisdiction, or (iv) receipt by the Trustee, at the request of Florida Housing and either the Borrower or the Bank, of an opinion of Bond Counsel, in each case to the effect that the interest on the Bonds is includable in gross income for federal income tax purposes of the owners thereof or any former owner thereof, other than an owner who is a “substantial user” (as such term is defined in Section 147(a) of the Code) of the Development or a



Related Person; provided, however, that no such Determination of Taxability under clause (i) or (iii) will be deemed to have occurred if Florida Housing is contesting such determination, has elected to contest such determination in good faith and is proceeding with all applicable dispatch to prosecute such contest until the earliest of (a) a final determination from which no appeal may be taken with respect to such determination, (b) abandonment of such appeal by Florida Housing, or (c) one year from the date of initial determination.

“Development” means either the Wexford Development or the Wellesley Development, as the case may be, and shall be the multifamily rental housing development located on the real property site described in the Regulatory Agreement, consisting of those facilities, including real property, structures, buildings, fixtures or equipment situated thereon, as may at any time exist, the construction of which facilities is to be financed, in whole or in part, from the proceeds of the sale of the Bonds or the proceeds of any payment by the Borrower pursuant to the Loan Agreement, and any real property, structures, buildings, fixtures or equipment acquired in substitution for, as a renewal or replacement of, or a modification or improvement to, all or any part of the facilities described in the Loan Agreement, except such portions of the real property site and the facilities related to commercial uses.

“Direct Participants” means those broker-dealers, banks and other financial institutions from time to time for which DTC holds the Bonds as securities depository.

“DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the New York Banking Law, or any successor securities depository for the Bonds.

“Event of Default” means any of the events specified in the Indenture.

“Fees and Expenses” means the fees, advances, out-of-pocket expenses, costs and other charges payable by the Borrower from time to time pursuant to the Loan Agreement.

“Florida Housing Fee” means the program administration fee owed to Florida Housing from the Borrower, accruing from the date of issuance of the Bonds, equal to 31 basis points (0.31%) per annum of the aggregate principal amount of the Bonds outstanding as of the date of issue and each February 1 and August 1 thereafter (prior to any principal reduction on such dates), which includes the amounts stated in subparts (a) and (d) of the definition of Trustee’s Fees, the Audit Expense, the Rebate Analyst’s Fee and the amounts stated in subpart (b) of the definition of Florida Housing Servicer’s Fee, payable semiannually in arrears on each February 1 and August 1, commencing February 1, 2004 (subject to proration and an aggregate annual minimum fee of \$15,000); *provided, however*, that such fee shall be subject to adjustment in the event of an increase in the fees payable to the Trustee, the Florida Housing Servicer for compliance or financial monitoring, the auditor or the Rebate Analyst; and *provided, further*, that such fee does not include amounts due, if any, for extraordinary services and expenses of Florida Housing, the Trustee, the Florida Housing Servicer, Bond Counsel, Special Counsel to Florida Housing or the Trustee’s counsel to be paid by the Borrower pursuant to the Loan Agreement.

“Florida Housing Servicer” means AmeriNational Community Services, Inc., and its successors and assigns acting on behalf of Florida Housing to originate and service the Loan on behalf of Florida Housing and monitor the Development.

“Florida Housing Servicer’s Fee” means the following fees and expenses: (a) payable directly by the Borrower to the Florida Housing Servicer: (i) during construction of the Development, an on-site inspection fee of \$128.00 per hour for services rendered, but not in excess of \$1,330 per disbursement, (ii) during construction of the Development, an in-house review fee not in excess of \$1,637 per disbursement, and (iii) a fee for (A) extraordinary services rendered after completion of underwriting and up to the later of (x) the date of issuance of the Bonds or (y) the first disbursement for construction, and (B) for extraordinary services provided after Development completion, of \$133.00 per hour, and (b) the annual compensation payable to the Florida Housing Servicer from the Florida Housing Fee and deposited in the Administrative Expense Fund (or credited to the Florida Housing Servicer) in an amount equal to 0.78% per annum of the Outstanding principal amount of the Bonds as of each scheduled Interest Payment Date, which shall include .04% per annum for compliance monitoring (subject to an annual minimum compliance monitoring fee of \$2,148.30), .015% per annum for financial monitoring (subject to an annual minimum financial monitoring fee of \$1,535) and .023% per annum for permanent servicing (subject to an annual minimum permanent servicing fee of \$2,823) payable in arrears on each February 1 and August 1 in equal installments of one-half (½) of such amount commencing on the first February 1 or August 1 following the issuance of the first certificate of occupancy on any unit in the Development.

“Government Obligations” means direct obligations of, or obligations the full and timely payment of the interest on and principal of which are unconditionally guaranteed by, the United States of America, including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America and including any receipt, certificate or any other evidence of an ownership interest in such an obligation or in specified portions thereof (which may consist of specified portions of interest thereon).

“Indenture” as to each Development means the Indenture dated as of July 1, 2003 between Florida Housing and the Trustee concerning a specific series of the Bonds, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture.

“Inducement Date” as to each series of the Bonds means October 11, 2002.

“Intercreditor Agreement” as to each series of the Bonds means the Intercreditor Agreement dated as of July 1, 2003, among Florida Housing, the Trustee and the Bank, and in the event any substitute Letter of Credit is delivered, an intercreditor agreement between the issuer of such Letter of Credit, Florida Housing and the Trustee.

“Interest Account” means the account by that name in the Revenue Fund established pursuant to either Indenture.

“Interest Payment Date” means (i) during a Weekly Interest Rate Period the first Wednesday of each month, commencing on August 6, 2003, and (ii) February 1 and August 1 during a Term Interest Rate Period.

“Interest Rate Period” means either a Weekly Interest Rate Period or a Term Interest Rate Period.

“Letter of Credit” as to each series of the Bonds means (i) initially, that certain Irrevocable Letter of Credit issued by the Credit Bank, naming the Trustee as beneficiary and delivered on the Closing Date, or any extension or renewal thereof, and (ii) in the event of delivery of an Alternate Letter of Credit, such Alternate Letter of Credit.

“Letter of Credit Account” means the account by the name established pursuant to the Indenture.

“Loan” means the loan made by Florida Housing to the Borrower pursuant to the Loan Agreement for the purpose of financing the Development.

“Loan Agreement” or “Agreement” means that certain Loan Agreement among the Trustee, Florida Housing and the Borrower, dated as of July 1, 2003, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof and of the Indenture.

"Low-Income Tenants" means individuals or families whose incomes do not exceed 60% or less of the area median gross income, adjusted for family size, as determined by Section 142(d) of the Code, for the County. In no event, however, shall occupants of a dwelling unit be considered to be of low income if all the occupants are students (as defined in Section 151(e)(4) of the Code), no one of whom is entitled to file a joint federal income tax return and that if, upon any recertification, such tenant's gross income exceeds 140% of the applicable income limit for a Low-Income Tenant of the same family size, such tenant shall cease to qualify as a Low-Income Tenant. Notwithstanding the foregoing, so long as the next vacant unit of comparable or smaller size is rented to a Low-Income Tenant, the fact that such tenant's gross income exceeds 140% of the applicable income limit shall not place the Property in non-compliance. Said income requirements shall be adjusted for family size in accordance with income limits published, from time to time, by HUD. The method of determining low income in effect at the date of issuance of the Bonds shall be determinative, even if such method is subsequently changed.

“Mortgage” shall mean the Mortgage and Security Agreement dated as of July 30, 2003 by the Borrower for the benefit of Florida Housing securing the obligations of the Borrower under the Loan Agreement, as such mortgage may be originally executed or as from time to time supplemented and amended.

“Outstanding,” when used as of any particular time with reference to Bonds, means (excluding Bonds disqualified under the provisions of the Indentures) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under the Indenture except (1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation; (2) Bonds with respect to which liability of Florida Housing shall have been discharged in accordance with the Indenture, including Bonds (or portions of Bonds) referred to in the Indenture; (3) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to the Indenture; and (4) Bonds which are deemed tendered but not delivered pursuant to the Indenture.

“Permitted Investments” means, if and to the extent permitted by law and by any policy guidelines promulgated by Florida Housing:

- (a) Government Obligations;

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

- (i) Farmers Home Administration (FMHA) - Certificates of beneficial ownership;
- (ii) Federal Housing Administration Debentures (FHA);
- (iii) General Services Administration - Participation certificates;
- (iv) Government National Mortgage Association (GNMA or “Ginnie Mae”) - guaranteed mortgage backed bonds and GNMA guaranteed pass-through obligations (participation certificates);
- (v) U.S. Maritime Administration - Guaranteed Title XI financing;
- (vi) U.S. Department of Housing and Urban Development (HUD) - Development notes and local authority bonds; and
- (vii) Any other agency or instrumentality of the United States of America;

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit United States of America government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

- (i) Federal Home Loan Bank System - Senior debt obligations (consolidated debt obligations);
- (ii) Federal Home Loan Mortgage Corporation (FHLMC or “Freddie Mac”) - Participation certificates (mortgage-backed securities) and senior debt obligations;
- (iii) Fannie Mae - mortgage-backed securities and senior debt obligations (excluding stripped mortgage securities which are valued greater than par on the portion of the unpaid principal);
- (iv) Student Loan Marketing Association (SLMA or “Sallie Mae”) - Senior debt obligations;
- (v) Resolution Funding Corp. (REFCORP) - Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form;
- (vi) Federal Farm Credit System - Consolidated system wide bonds and notes; and
- (vii) Any other agency or instrumentality of the United States of America;

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, and having a rating by S&P of AAAm-G or AAAm and by Moody's of Aaa;

(e) Certificates of deposit issued by a state or national bank or a state or federal savings and loan; provided that such certificates of deposit shall be either (i) continuously and fully insured by the FDIC; or (ii) have a maturity of not greater than 365 days and have the highest short-term letter and numerical ratings of Moody's and S&P;

(f) Savings accounts or money market deposits that are fully insured by FDIC;

(g) Investment agreements, including guaranteed investment contracts acceptable to the Bank;

(h) Commercial paper of "prime" quality rated in the highest rating category by Moody's and S&P, which commercial paper is limited to issuing corporations that are organized and operating within the United States;

(i) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest long-term rating categories assigned by such agencies;

(j) Federal funds or banker's acceptances which are eligible for purchases by members of the Federal Reserve System, drawn on any bank the short-term obligations of which are rated in the highest rating category by Moody's and S&P; provided that the maturity cannot exceed 270 days;

(k) Repurchase agreements with maturities of either (A) 30 days or less, or (B) less than one year, provided that the collateral is marked-to-market daily, entered into with financial institutions such as banks or trust companies organized under state or federal law, insurance companies, or government bond dealers reporting to, or trading with, and recognized as a primary dealer by, the Federal Reserve Bank of New York and a member of SPIC, or with a dealer or parent holding company that is rated A or better by Moody's and S&P. The repurchase agreement must be in respect of Government Obligations or obligations described in paragraph (b) above, which, exclusive of accrued interest, shall be maintained at least 100% of par. In addition, repurchase agreements shall meet the following criteria: (i) the third party (who shall not be the provider of the collateral) has possession of the repurchase securities and the Government Obligations; (ii) failure to maintain the requisite collateral levels shall require liquidation; and (iii) the third party having possession of the securities has a perfected, first priority security interest in the securities; and

(l) Any other debt or fixed income security specified by Florida Housing (except securities of Florida Housing and any agency, department, commission or instrumentality thereof) and rated in the highest rating category by Moody's and S&P, including prerefunded municipal obligations or any other investment or account at a state or national bank acceptable to the Bank.

In connection with the purchase of any Permitted Investment, Florida Housing, with the consent of the Bank, may enter into agreements, including forward purchase agreements, with the seller thereof.

“Person” means an individual, corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“Principal Account” means the account by that name in the Revenue Fund established pursuant to the Indenture.

“Principal Corporate Trust Office” means with respect to the Trustee, the office of the Trustee at 7077 Boneval Road, Suite 400, Jacksonville, Florida 32216, Attention: Corporate Trust Department, or such other or additional offices as may be specified to Florida Housing by the Trustee in writing, and with respect to the Tender Agent or the Bond Registrar, the office of the Tender Agent or the Bond Registrar, as applicable, at which at any particular time its corporate trust business shall be principally administered.

“Project Fund” means the fund by that name established pursuant to the Indenture.

“Principal Reserve Fund” means the Fund by that name established by the Indenture.

“Purchase Date” means the date on which any Bond is required to be purchased pursuant to the Indenture.

“Purchase Price” means that amount equal to 100% of the principal amount of any Bond purchased pursuant to the Indenture, plus accrued and unpaid interest thereon to but not including the Purchase Date or the date on which such Bond is deemed purchased in accordance with the Indenture.

“Note” means the Promissory/Mortgage Note from either Borrower to Florida Housing evidencing the particular Loan from Florida Housing to such Borrower.

“Qualified Project Costs” means costs paid with respect to the Development which are Qualified Project Costs within the meaning of the Borrower’s Proceeds Certificate delivered by a Borrower on the Closing Date that are (i) properly chargeable to a capital account (or would be so chargeable with a proper election by the Borrower or but for a proper election by the Borrower to deduct such costs) in accordance with general Federal income tax principles and in accordance with United States Treasury Regulations Section 1.103-8(a)(1), (ii) are paid with respect to a qualified residential rental project or projects within the meaning of Section 142(d) of the Code, (iii) are paid after the earlier of 60 days prior to the date of a resolution of Florida Housing to reimburse costs of the Development with proceeds of Bonds or the date of issue of the Bonds, and (iv) if the costs of the Development were previously paid and are to be reimbursed with proceeds of the Bonds such costs were (A) costs of issuance of the Bonds, (B) preliminary capital expenditures (within the meaning of United States Treasury Regulations Section 1.150-2(f)(2)) with respect to the Development (such as architectural, engineering and soil testing services) incurred before commencement of acquisition or construction of the Development that do not exceed twenty percent (20%) of the issue price of the Bonds (as defined in United States Treasury Regulations Section 1.148-1), or (C) were capital expenditures with respect to the Development that are paid on the date the Development is placed in service (but no later than three (3) years after the expenditure is paid).

"Qualified Project Period" means that period beginning on the later of the first day on which at least ten percent (10%) of the units in each Development are first occupied or the date the Bonds are issued and ending on the later of (i) the date which is fifteen (15) years after the date on which at least fifty percent (50%) of the units in the Development are first occupied, or (ii) the first day on which no tax-exempt private activity bond (as that term is defined in Section 142(d)(2) of the Code) issued with respect to the Development remains outstanding; or (iii) the date on which any assistance provided with respect to the Development Property under Section 8 of the United States Housing Act of 1937, as amended, terminates. Notwithstanding the foregoing requirements, the Qualified Project Period shall be extended to the date that is fifty (50) years from the first day on which at least fifty percent (50%) of the units in the Development are initially occupied.

"Rate Determination Date" means with respect to a Weekly Interest Rate Period, Tuesday of each week, or if such Tuesday is not a Business Day the next succeeding Business Day; provided, however, that upon any adjustment to a Weekly Interest Rate Period from a Term Interest Rate Period, the first Rate Determination Date shall be the Business Day next preceding the effective date of such Weekly Interest Rate Period.

"Rating Agency" means S&P, for so long as S&P maintains a rating on the Bonds, or any other nationally recognized securities rating agency that maintains a rating on the Bonds.

"Rebate Fund" means the fund by that name created pursuant to the Indenture.

"Record Date" means, during a Weekly Interest Rate Period, the Business Day immediately preceding the applicable Interest Payment Date, and, during any Term Interest Rate Period, the fifteenth day of the month prior to an Interest Payment Date.

"Redemption Account" means the account by that name established pursuant to the Indenture.

"Replacement Reserve Fund" means the fund by that name established pursuant to the Indenture.

"Replacement Reserve Fund Requirement" means an annual minimum amount equal to \$200 per unit of the Development payable one-twelfth (1/12) each month (after giving credit for the amount, if any, to be escrowed on the Closing Date), commencing on the earliest to occur of (i) the Amortization Start Date, (ii) the first day of the month following the month in which occupancy of 90% of the units in the Development occurs (as determined by the Florida Housing Servicer), or (iii) July 29, 2006, subject to increase at the direction of the Florida Housing Servicer, based upon a physical needs assessment requested by the Florida Housing Servicer.

"Reserved Rights" means those certain rights of Florida Housing to indemnification and to payment or reimbursement of fees and expenses of Florida Housing, including the Florida Housing Fee as well as the fees and expenses of counsel (including Bond Counsel), assumption fees and indemnity payments, its right to give and receive notices and to enforce notice and reporting requirements and restrictions on transfer of ownership, its right to inspect and audit the books, records and premises of the Borrower and of the Development, its right to legal fees and related expenses, its right to enforce the terms of the Regulatory Agreement including the Borrower's

covenant to comply with applicable federal tax law and State law (including the Act and the rules and regulations of Florida Housing thereunder), its rights to approve or withhold approval of disbursements from the Project Fund through the Florida Housing Servicer or any other rights to approve construction disbursements, its right to receive notices and reports, and its right to give or withhold consent to amendments, changes, modifications and alterations to the Indenture, the other documents to which Florida Housing is a party and such other matters where, under the Indenture or under any other documents, Florida Housing's consent or approval is required.

"Revenue Fund" means the fund by that name established pursuant to the Indenture.

"Revenues" means all amounts received by Florida Housing or the Trustee for the account of Florida Housing pursuant or with respect to the Loan Agreement or the Letter of Credit, including, without limiting the generality of the foregoing, Loan Repayments (including both timely and delinquent payments, any late charges, and paid from whatever source), prepayments, and all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to the Indenture, but not including any Additional Payments.

"Securities Depositories" means The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax-(516) 227-4039 or 4190; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depositories, or no such depositories, as Florida Housing may indicate in a written certificate of Florida Housing delivered to the Trustee.

"State" means the State of Florida.

"Supplemental Indenture" means any indenture duly authorized and entered into between Florida Housing and the Trustee, supplementing, modifying or amending the Indenture; but only if and to the extent that such Supplemental Indenture is specifically authorized under the Indenture.

"Tender Agent" means the Trustee, or any successor tender agent appointed pursuant to the Indenture.

"Trustee" means Wells Fargo Bank Minnesota, N.A., a national banking association organized and existing under and by virtue of the laws of the United States having a corporate trust office in Jacksonville, Florida, or its successor as Trustee under the Indenture as provided therein.

"Trustee's Annual Fee" means the portion of the Florida Housing Fee allocable to the annual ongoing trust administration fee of the Trustee equal to .0275% (2.75 basis points) per annum of the principal amount of the Bonds Outstanding payable (subject to an annual minimum amount of \$3,000) by the Borrower as provided in the Loan Agreement, computed and payable semiannually on each February 1 and August 1.

"Trustees Fees" means the ongoing compensation and expenses payable to the Trustee as follows:

- (a) the Trustee's Annual Fee;



- (b) the reasonable fees and charges of the Trustee for necessary extraordinary services rendered by it and extraordinary expenses incurred by it under this Indenture as and when the same become due, including reasonable counsel fees (including fees prior to litigation, at trial, insolvency proceedings or for appellate proceedings); provided, further, that the Trustee shall not be required to undertake any such extraordinary services unless provision for payment of extraordinary expenses satisfactory to the Trustee shall have been made;
- (c) for purposes of the Loan Agreement, indemnification of the Trustee by the Borrower; and
- (d) the annual fee of the Trustee, as Dissemination Agent, which is included as part of the Florida Housing's Fee and shall be \$250 per year.

“Unclaimed Moneys Account” means the account by that name established pursuant to the Indenture.

“Weekly Interest Rate” means a variable interest rate on the Bonds established weekly in accordance with the Indenture.

“Weekly Interest Rate Period” means each period during which Weekly Interest Rates are in effect.

## APPENDIX C

### SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURES

*The following is a brief summary of certain provisions of the Indentures and applies equally for each Development, each Borrower and each series of Bonds unless the context requires otherwise. The summary does not purport to be complete or definitive, and is qualified in its entirety by reference to the Indentures, a copies of which are on file with the Trustee. Capitalized terms used in the sections which appear under this caption and which are not otherwise defined are used herein with the meanings given them in the Indentures.*

#### **Revenues and Funds**

Each Indenture provides for the creation and establishment of the following funds and accounts: the Costs of Issuance Fund, the Project Fund, including therein a Project Account and a Capitalized Funds Account, the Revenue Fund, including therein the Interest Account, the Principal Account, the Redemption Account and the Letter of Credit Account, the Rebate Fund, the Principal Reserve Fund, the Administrative Expenses Fund, the Tax and Insurance Escrow Fund and the Replacement Reserve Fund.

#### **Project Fund**

The Trustee will establish a “Project Fund” and within such fund (a) a Project Account from which the Trustee will make payments to pay the Costs of the Development only upon (i) satisfaction of the conditions set forth in the Loan Agreement and (ii) receipt by the Trustee of a requisition (upon which the Trustee, the Bank and Florida Housing will rely and will be protected in relying) signed by an Authorized Borrower Representative, and approved by the Bank and the Florida Housing Servicer, and (b) a Capitalized Funds Account, from which the Trustee will automatically transfer amounts to pay interest on the Bonds and other administrative expenses until the funds in such account are fully utilized.

#### **Revenue Fund**

All Revenues (except those derived from interest earnings on moneys in the Cost of Issuance Fund, the Rebate Fund, the Principal Reserve Fund, the Administrative Expenses Fund, the Tax and Insurance Escrow Fund, the Replacement Reserve Fund and the Project Fund, which will be retained in the respective fund) shall be promptly deposited in the Revenue Fund. On or before any date on which interest or principal (whether at maturity, or by redemption or acceleration) is due, the Trustee will transfer funds from the Revenue Fund and deposit into the following respective funds and accounts, the following amounts, in the following order of priority, the requirements of each such fund or account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any fund or account or subsequent in priority:

First: to the Interest Account, the aggregate amount of interest becoming due and payable on the next succeeding Interest Payment Date on all Bonds then Outstanding until the balance in said account is equal to said aggregate amount of interest.

Second: to the Principal Account, the amount paid by the Borrower, if any, and designated as or attributable to principal on the Bonds in its most recent repayment under the Loan Agreement equal to the aggregate amount of principal due on the next principal payment date.

Third: to the Redemption Account, the aggregate amount of principal and premium, if any, next coming due by acceleration or redemption as permitted or required under the Indenture.

Fourth: to the Administrative Expense Fund, amounts paid by the Borrower for administrative expenses in accordance with the Loan Agreement.

Fifth: to the Tax and Insurance Escrow Fund, amounts paid by the Borrower for taxes and insurance in accordance with the Loan Agreement.

Sixth: to the Replacement Reserve Fund, amounts paid by the Borrower to satisfy the Replacement Reserve Fund Requirement pursuant to the Loan Agreement.

Seventh: to the Principal Reserve Fund, amounts paid by Borrower in accordance with the Principal Reserve Schedule as (defined in the Indentures).

Eighth: to the Redemption Account, the aggregate amount of principal and premium, if any, next coming due by virtue of an optional redemption of the Bonds.

Any partial payment of the amounts due from the Borrower shall be applied in accordance with the priority set forth above.

### **Letter of Credit Account**

The Trustee shall create within the Revenue Fund a separate account called the “Letter of Credit Account” to which all moneys drawn under the Letter of Credit (other than to pay the Purchase Price on the Bonds) shall be deposited into and disbursed from the Letter of Credit Account. None of the Borrower, any partner of the Borrower, or Florida Housing shall have any right, title, or interest in or to the Letter of Credit Account. The Letter of Credit Account shall be established and maintained by the Trustee and held in trust apart from all other moneys and securities held under the Indenture or otherwise, and over which the Trustee shall have the exclusive and sole right of withdrawal for the exclusive benefit of the Bondholders with respect to which such drawing was made.

The Trustee shall draw moneys under the Letter of Credit in accordance the terms thereof in an amount necessary to make timely payments of principal of and interest on the Bonds, other than Bonds owned by or for the account of the Borrower or the Bank, when due whether at maturity, redemption, acceleration, an Interest Payment Date, or otherwise. In addition, the Trustee shall draw moneys under the Letter of Credit in accordance with the terms thereof to the extent necessary to make timely payments required to be made pursuant to the Indenture to pay the purchase price of Bonds tendered for optional or mandatory tender, other than Bonds owned by or for the account of

the Borrower or the Bank. The Trustee shall draw moneys under the Letter of Credit as described in this paragraph prior to the transfer or disbursement of moneys from any other fund or account under the Indenture.

### **Rebate Fund**

The Trustee will establish within the Rebate Fund such accounts as instructed by the Borrower as shall be necessary to comply with the arbitrage requirements of the Code. The Trustee shall remit part or all of the balances in the Rebate Fund to the United States of America as directed in writing by the Borrower. Except as otherwise provided in the Indenture, moneys held in the Rebate Fund are pledged to secure payment of the amounts, if any, required to be paid to the United States pursuant to the provisions of the Code, and no other person, including Bondholders, has any rights in or claim to such moneys.

### **Administrative Expense Fund**

The Trustee shall deposit into the Administrative Expense Fund all moneys transferred from the Capitalized Funds Account pursuant to the Indenture and payments made by the Borrower under the Loan Agreement, attributable to the Fees and Expenses.

On any date on which any amounts are required to pay any portion of the Florida Housing Fee or any Fees and Expenses, such amounts shall be withdrawn by the Trustee from the Administrative Expense Fund for payment of such portion of the Florida Housing Fee and Fees and Expenses to the appropriate party.

### **Principal Reserve Fund**

The Trustee shall deposit each of the following amounts into the Principal Reserve Fund:

- (1) All of the monthly payments made by the Borrower in accordance with the Principal Reserve Schedule attached to the Note as such schedule may be amended; and
- (2) Investment income earned on amounts on deposit in the Principal Reserve Fund.

During a Weekly Interest Rate Period, the Trustee shall transfer all amounts on deposit in the Principal Reserve Fund (rounded downward to the nearest multiple of \$100,000) to the Redemption Account on the tenth Business Day prior to each Interest Payment Date.

On the Interest Payment Date (or the next Business Day, if such Interest Payment Date is not a Business Day) following receipt by the Trustee of investment income on moneys in the Principal Reserve Fund, the Trustee shall pay such investment income to the Borrower, provided that there is no deficiency in the Interest Account, the Redemption Account, the Principal Reserve Fund, the Administrative Expense Fund, the Replacement Reserve Fund, the Tax and Insurance Escrow Fund or the Rebate Fund, and that no default exists under the Loan Documents or the Indenture; provided,

however, if a deficiency exists in the Interest Account, the Redemption Account, the Principal Reserve Fund, the Administrative Expense Fund, the Replacement Reserve Fund, the Tax and Insurance Escrow Fund or the Rebate Fund, the Trustee shall transfer such investment income to extent necessary to eliminate any such deficiency in the Rebate Fund, the Interest Account, the Redemption Account, the Administrative Expense Fund, the Replacement Reserve Fund, the Tax and Insurance Escrow Fund and/or the Principal Reserve Fund in that order of priority, prior to any payment to the Borrower.

### **Replacement Reserve Fund**

The Trustee shall deposit into the Replacement Reserve Fund amounts required to be transferred to the Replacement Reserve Fund pursuant to the Indenture. The Trustee shall make disbursements from the Replacement Reserve Fund upon receipt of a written requisition executed by the Borrower (unless the Borrower is in default under any of the Loan Documents), the Bank and the Florida Housing Servicer. No disbursements from the Replacement Reserve Fund shall be made for any purpose other than for capital expenditures which shall include, without limitation, building structural repairs, roof replacement, kitchen appliance replacement, carpet replacement, major building system replacement (*i.e.*, electrical, plumbing, HVAC), major painting, and roof repair or any other uses consented to by Florida Housing or the Florida Housing Servicer and the Bank.

### **Tax and Insurance Escrow Fund**

The Trustee shall deposit moneys into the Tax and Insurance Escrow Fund pursuant to the Indenture. The Trustee shall, at the request of the Borrower with the written approval of the Florida Housing Servicer and the Bank, disburse moneys from the Tax and Insurance Escrow Fund to make payments when due for amounts required by the Loan Agreement in connection with real estate taxes, fire or property insurance for the Development, or other similar payments in the following order of priority: (i) insurance for the Development; and (ii) real estate taxes for the Development. Each request for a disbursement shall be made in the form of a written requisition from the Borrower.

### **Investment of Moneys**

Except as otherwise provided in the Indenture, all moneys in any of the funds or accounts established pursuant to the Indenture will be invested by the Trustee in Permitted Investments as directed by Written Request of the Borrower, approved in writing by the Bank. Notwithstanding any other provision in the Indenture, in the absence of written investment instructions delivered to the Trustee by noon of the Business Day preceding the day when investments are to be made, the Trustee will invest available funds in the Permitted Investments described in clause (d) of the definition of Permitted Investments. The Indenture contains various limitations with respect to investments, including maturity and yield limitations and restrictions on the specific types of Permitted Investments in which moneys held in various funds and accounts may be invested.

## Payment of the Bonds

Pursuant to the Indenture, Florida Housing will punctually pay, or cause to be paid, the principal of, premium, if any, and interest on, the Bonds, in accordance with the terms of the Bonds and the Indenture, but solely from the Revenues and other assets pledged therefor under the Indenture. The payments, revenues, securities and receipts assigned for payment of the Bonds, as well as the security and terms and conditions for payment, are described in the Sections entitled “THE BONDS” and “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.” The Indenture provides that the Trustee will draw upon the Letter of Credit to make timely payments of the Bonds.

## Default and Remedies

(a) **Events of Default.** Each of the following shall constitute an “Event of Default” under the Indenture:

(i) Payment of interest on the Bonds is not made when and as the same becomes due and payable.

(ii) Payment of the principal or Purchase Price of, or premium, if any, on the Bonds is not made when and as the same becomes due and payable whether at maturity, by proceedings for redemption, by declaration or otherwise.

(iii) Florida Housing fails to observe or perform any covenant, agreement or condition contained in the Bonds or the Indenture which is to be performed by Florida Housing, and the failure to perform continues for 60 days after written notice specifying such default and requiring the same to be remedied has been given to Florida Housing, the Bank and the Borrower by the Trustee or to Florida Housing, the Bank, the Borrower and the Trustee by the Bondholders of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of all Bonds then Outstanding.

(b) **Acceleration.** During the continuance of an Event of Default, subject to the Intercreditor Agreement, the Trustee may, and upon the written request of the Bondholders of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds at the time Outstanding, or upon the occurrence of an Event of Default described in (a) (i) or (ii) above, the Trustee shall, immediately upon such occurrence, by notice in writing to Florida Housing, the Borrower and the Bank, declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything contained in the Indenture or in the Bonds to the contrary notwithstanding. Upon any such declaration the Trustee shall immediately draw upon any then existing Letter of Credit in accordance with the terms thereof and apply the amount so drawn to pay the principal of and interest on the Bonds so declared to be due and payable. Interest on the Bonds will cease to accrue as of the date of acceleration. The Trustee shall notify the Bondholders of the date of acceleration and the cessation of accrual of interest on the Bonds in the same manner as for a notice of redemption.

The preceding paragraph, however, is subject to the condition that if, at any time after the principal of the Bonds has been so declared due and payable, and before any judgment or decree for the payment of the moneys due has been obtained or entered as hereinafter described, and before the Letter of Credit has been drawn upon in accordance with its terms and honored, there has been deposited with the Trustee Available Moneys in a sum sufficient to pay all the principal of the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal as provided in the Loan Agreement, and the reasonable fees and expenses of the Trustee, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) has been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate has been made therefor, then, and in every such case, the Bondholders of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to Florida Housing and to the Trustee, may, on behalf of the Bondholders, rescind and annul such declaration and its consequences and waive such default; but no such rescission and annulment will extend to or will affect any subsequent default, or will impair or exhaust any right or power consequent thereon. Notwithstanding any other provision of the Indenture, the Trustee may not exercise any remedy upon an Event of Default under the Indenture without the written consent of the Bank, so long as the Letter of Credit is in effect and the Credit Bank has not wrongfully failed to make a payment thereunder. The Trustee may exercise any and all remedies under the Indenture and the Loan Agreement (except acceleration or foreclosure of the Mortgage) to collect any fees, expenses and other amounts due from the Borrower without obtaining the consent of the Bank.

(c) **Application of Revenues and Other Funds after Default.** If an Event of Default occurs and is continuing, all Revenues and any other funds then held or thereafter received by the Trustee under any of the provisions of the Indenture and otherwise available for this purpose shall be applied by the Trustee to: (1) payment of any expenses necessary in the opinion of the Trustee to protect the interest of the Bondholders and payment of reasonable charges and expenses of the Trustee and its counsel; and (2) payment of the principal of and interest then due on the Bonds, all as more specifically set forth in the Indenture.

(d) **Institution of Legal Proceedings by Trustee.** If one or more of the Events of Default happens and is continuing, the Trustee in its discretion may, and upon the written request of the Bondholders of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds then Outstanding and upon being indemnified to its satisfaction therefor shall, proceed to protect or enforce its rights or the rights of the Bondholders under the Act, the Indenture or the Loan Agreement by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained therein, or in aid of execution of any power therein granted or for the enforcement of any other legal or equitable remedy.

(e) **Right of Bank and Bondholders to Direct Proceedings.** The Bank (so long as the Letter of Credit and any drawing thereunder is in full force and effect and has not been wrongfully dishonored), and the Bondholders of a majority in aggregate principal amount

of the Bonds then Outstanding will have the right to direct the method of conducting all remedial proceedings taken by the Trustee, provided that such direction will not be otherwise than in accordance with law and the provisions of the Indenture, and that the Trustee will have the right to decline to follow any direction which in the opinion of the Trustee could subject the Trustee to personal liability or would be unjustly prejudicial to Bondholders not parties to the direction or for which it has not been provided adequate indemnity in accordance with the Indenture. In the event of a conflict between the directions of the Bank and those of the Bondholders with respect to an Event of Default, the directions of the Bank will prevail so long as the Letter of Credit and any drawing thereunder is in full force and effect and has not been wrongfully dishonored.

(f) **Limitation on Bondholder's Right to Sue.** No Bondholder of any of the Bonds will have any right to institute any suit, action or proceeding in equity or at law for the protection or enforcement of any right or remedy under the Indenture, the Loan Agreement, the Act or any other applicable law with respect to such Bonds, unless (1) such Bondholder previously has given to the Trustee written notice of an Event of Default as provided in the Indenture; (2) the Bondholders of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds then Outstanding will have made written request upon the Trustee to exercise the powers granted or to institute any such suit, action or proceeding in its own name; (3) there also has been offered to the Trustee reasonable indemnity in accordance with the Indenture against the costs, expenses and liabilities to be incurred in compliance with such request; and (4) the Trustee has refused or failed to comply with such request within 60 days after such written request has been received and tender of indemnity has been made. Such notification, request and tender of indemnity and refusal or omission are conditions precedent to the exercise by any Bondholder of any remedy under the Indenture or under law. No Bondholder has any right in any manner whatever by its action to affect, disturb or prejudice the security of the Indenture, or the right of the other Bondholders or to enforce any rights under the Indenture, the Loan Agreement, the Act or other applicable laws, except in the manner provided in the Indenture, and all proceedings at law or in equity will be instituted, had and maintained in the manner provided in the Indenture, and for the benefit of all Bondholders of Outstanding Bonds.



## The Trustee

(a) **Generally.** The Trustee shall, prior to an Event of Default under the Indenture and after the curing of all Events of Default under the Indenture, perform only the duties as are expressly and specifically set forth in the Indenture. During the existence of an Event of Default which has not been cured, the Trustee is required to exercise the rights and powers vested in it by the Indenture and to use the same degree of care and skill in the exercise of such rights and powers as a prudent person would exercise or use under similar circumstances in the conduct of such person's own affairs.

(b) **Removal.** The Trustee may be removed at any time upon 30 days' prior written notice to the Trustee (i) by Florida Housing upon notice to the Bank, (ii) by Florida Housing at the request of the Bank, for cause, or (iii) by an instrument or concurrent instruments in writing delivered to Florida Housing, the Bank, the Trustee and the Borrower, signed by the owners of not less than 66.7% in aggregate principal amount of the Bonds then Outstanding, which written instrument shall designate a successor Trustee approved by Florida Housing and the Bank. Such removal shall not be effective until a successor Trustee satisfying the requirement of the Indenture is appointed and has accepted its appointment.

(c) **Resignation.** The Trustee may resign by giving written notice by first class mail, postage prepaid, to Florida Housing and the Bondholders. Such resignation will take effect only upon the appointment of a successor Trustee, and the acceptance of such appointment by successor Trustee.

(d) **Successor Trustee.** If the Trustee resigns, or is removed or dissolved or is taken under the control of any public officer or officers or of a receiver appointed by a court, or otherwise becomes incapable of acting under the Indenture, a successor may be appointed by Florida Housing. Every Trustee must be a trust company or bank authorized to accept and exercise corporate trust powers, have a principal corporate office in Florida, have a combined capital and surplus of not less than fifty million dollars (\$50,000,000) and be subject to supervision or examination by federal or state authority and be able to comply with the provisions of the Indenture.

## **Modification of the Indenture**

(a) **With Consent of Bondholders.** Exclusive of supplemental indentures for the purposes set forth in (b) below, and with the prior written consent of the Bank and the consent of the Bondholders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding, Florida Housing and the Trustee may, from time to time, enter into supplemental indentures for the purpose of adding to, changing or eliminating any of the provisions of the Indenture or supplement thereto; provided, however, that no supplemental indenture is permitted to (A) extend the fixed maturity of any Bond, or reduce the amount of principal thereof, or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the Bondholders of each Bond so affected or (B) reduce the percentage of Bonds the consent of the Bondholders of which is required to effect any such modification or amendment or (C) permit the creation of any lien on the Revenues and other assets pledged under the Indenture prior to or on a parity with the lien created by the Indenture or deprive the Bondholders of the lien created by the Indenture on such Revenues and other assets (except as permitted therein), without the consent of the Bondholders of all of the Bonds Outstanding. Promptly after the execution by Florida Housing and the Trustee of any supplemental indenture, the Trustee will mail a notice of such supplemental indenture to each rating agency then rating the Bonds and to the Borrower and Bondholders.

(b) **Without Consent of Bondholders.** Florida Housing and the Trustee may enter into indentures supplemental to the Indenture and may amend the Indenture with the prior written consent of the Bank (except with respect to clause (v) below for which no consent is required) for any one or more of the following purposes:

(i) to add to the covenants and agreements of Florida Housing in the Indenture other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds, or to surrender any right or power in the Indenture reserved to or conferred upon Florida Housing;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in the Indenture, or in regard to matters or questions arising under the Indenture, as Florida Housing may deem necessary or desirable and not inconsistent with the Indenture;

(iii) to modify the Indenture to permit qualification thereof under the Trust Indenture Act of 1939 or any similar federal statute at the time in effect, and to add such other terms, conditions and provisions as permitted by said Act or similar federal statute;

(iv) to conform to the terms and provisions of any Alternate Letter of Credit or to obtain a rating on the Bonds;

(v) to preserve the status of the interest on the Bonds as excludable from the gross income for federal income tax purposes and exempt from State of Florida intangible taxes; or

(vi) to modify, alter, amend or supplement the Indenture in any other respect, including amendments that would otherwise be described in paragraph (a) above if (1) such amendment will take effect on a Purchase Date following the purchase of all Outstanding Bonds, or (2) notice of the proposed Supplemental Indenture is given to Bondholders (in the same manner as notices of redemption are given) at least thirty (30) days before the effective date thereof and, on or before such effective date, the Bondholders have the right to demand purchase of their Bonds pursuant to the Indenture.

## **Defeasance**

The Bonds may be paid by Florida Housing in any of the following ways, provided that Florida Housing also pays or causes to be paid any other sums payable under the Indenture by Florida Housing:

- (i) by paying or causing to be paid with Available Moneys the principal of, interest and premium, if any, on the Bonds, as and when the same become due and payable;
- (ii) by depositing with the Trustee, in trust, at or before maturity, money or securities in the necessary amount (as provided in the Indenture) to pay or redeem with Available Moneys all Bonds then Outstanding; or
- (iii) by delivering to the Trustee, for cancellation by it, the Bonds then Outstanding.

If Florida Housing also pays or causes to be paid all other sums payable under the Indenture by Florida Housing, and if, after payment of all amounts due to Florida Housing and the Trustee under the Indenture, the Trustee has transferred any moneys remaining in any funds or accounts (other than the Rebate Fund or moneys held for particular Bondholders) to the Bank, then and in that case, at the election of Florida Housing (evidenced by a Written Certificate of Florida Housing, filed with the Trustee, signifying the intention of Florida Housing to discharge all such indebtedness and the Indenture), and notwithstanding that any Bonds have not been surrendered for payment, the Indenture and the pledge of Revenues and other assets made under the Indenture and all covenants, agreements and other obligations of Florida Housing under the Indenture will cease, terminate, become void and be completely discharged and satisfied except only as provided in the Indenture. In such event, upon Written Request of Florida Housing, the Trustee will cause an accounting for such period or periods as may be requested by Florida Housing to be prepared and filed with Florida Housing and will execute and deliver to Florida Housing all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee will pay over, transfer, assign or deliver to the Bank all moneys or securities or other property held by it pursuant to the Indenture which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

## APPENDIX D

### SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENTS

*The following is a brief summary of certain provisions of the Loan Agreements and applies equally for each Development, each Borrower and each series of Bonds unless the context requires otherwise. The summary does not purport to be complete or definitive, and is qualified in its entirety by reference to the Loan Agreements, a copies of which are on file with the Trustee. Capitalized terms used in the sections which appear under this caption and which are not otherwise defined are used herein with the meanings given them in the Loan Agreements.*

Pursuant to each Loan Agreement, Florida Housing will loan the proceeds derived from the sale of each series of Bonds to the particular Borrower for its use in financing its Development. All rights of Florida Housing under each Loan Agreement (except for its Reserved Rights) will be assigned to the Trustee under the Indenture for the benefit of the Bondholders.

Each Borrower is obligated under its Loan Agreement to repay its Loan by paying to the Trustee the principal of, premium, if any, and interest on its particular series of Bonds at the times, in the manner, and in the amounts such that the Trustee will at all times have funds sufficient to pay the total amount of principal, premium, if any, and interest owing on the Bonds on any applicable Interest Payment Date, redemption date or principal payment date established under the Indenture, including any date of acceleration of the maturity of the Bonds and to make principal payments in accordance with the Principal Reserve Schedule. The Borrower is obligated to repay the Loan irrespective of any rights of setoff, recoupment or counterclaim it might otherwise have against Florida Housing or the Trustee. The Borrower is not permitted to suspend or discontinue any payments or terminate the Loan Agreement for any cause except as provided in the Loan Agreement. The Trustee is required to draw on the Letter of Credit to pay all amounts of principal and interest due on the Bonds, and any amounts so drawn will satisfy the corresponding obligation of the Borrower to repay the Loan.

#### **Special Covenants**

(a) **Maintenance of Existence.** The Borrower has agreed that during the term of the Loan Agreement it will not dissolve or otherwise dispose of all or substantially all of its assets and will not combine or consolidate with or merge into another entity or permit one or more other entities to consolidate with or merge into it; provided, however, that, subject to the Regulatory Agreements, the Borrower may combine, consolidate with, or merge into another entity existing under the laws of one of the states of the United States, or permit one or more other entities to consolidate with or merge into it, or sell or otherwise transfer to another entity all or substantially all of its assets as an entirety and thereafter dissolve, provided that the surviving, resulting or transferee entity, as the case may be, (1) assumes and agrees in writing to pay and perform all of the obligations of the Borrower under the Loan Agreement and (2) qualifies to do business in the State; and provided further that the Bank has approved such transaction in writing.

(b) **Insurance; Maintenance and Repair.** The Borrower has agreed to insure the Development or cause the Development to be insured during the term of the Loan Agreement for such amounts and for such occurrences as are required under the Mortgage. The Borrower will, at its own expense, maintain the Development during the term of the Loan Agreement in a reasonably safe condition and in good repair and operating condition, ordinary wear and tear excepted.

(c) **Tax Exempt Status of the Bonds.** The Borrower has covenanted that it will not use or permit the use of any funds in such manner as would cause the interest on the Bonds to become subject to federal income taxation pursuant to the Code.

(d) **Letter of Credit.** The Borrower covenants to provide the Letter of Credit or an Alternate Letter of Credit throughout the term of the Loan Agreement. The Alternate Letter of Credit must be for a term commencing not later than the expiration of the prior Letter of Credit.

## **Default and Remedies**

(a) **Events of Default.** Each of the following which occurs and continues is an “Event of Default” under the Loan Agreement:

(i) The occurrence of an Event of Default described in clauses (ii)-(iv) below or the failure of the Credit Bank or the Borrower to consent to any amendment to the Indenture, Regulatory Agreement or the Loan Agreement relating to the tax-exempt status of interest on the Bonds, but in each such case only if, as set forth in a written opinion of Bond Counsel delivered to the Trustee and the Credit Bank, such default would be likely to result in interest on the Bonds becoming includable in the gross income of Bondholder for federal income tax purposes or a Determination of Taxability (an “Acceleration Default”);

(ii) Borrower’s failure to pay any amounts required to be paid under the Loan Agreement at the times specified therein;

(iii) Borrower’s failure to observe and perform any other covenant, condition or agreement which Borrower is required to observe or perform pursuant to the Loan Agreement, which continues for a period of thirty (30) days after written notice specifying the failure and requesting that it be remedied is delivered to the Borrower and the Credit Bank by Florida Housing or the Trustee, unless Florida Housing and the Trustee shall, with the consent of the Credit Bank, agree in writing to an extension of such time prior to its expiration, provided, however, that if the failure stated in the notice cannot be corrected within such period, but is correctable, Florida Housing and the Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted within such period and diligently pursued until the default is corrected;

(iv) The making of any representation or warranty by the Borrower in the Loan Agreement or in any document executed in connection therewith which is false or misleading in any material respect when made;

(v) The occurrence of any event which is an event of default under the Reimbursement Agreement, and receipt by the Trustee from the Credit Bank of written notice of such default and a request that it be treated as an Event of Default under the Loan Agreement, or receipt by the Trustee of a written notice of nonreinstatement of the interest amount of the Letter of Credit from the Credit Bank; or

(vi) An Act of Bankruptcy.

(b) **Remedies.** The Loan Agreement provides for the following remedial steps, after giving notice to the Credit Bank and subject to the right of the Credit Bank to cure any such default,

provided, however, that the Credit Bank is not obligated to cure any default, whenever an Event of Default has occurred and is continuing:

(i) Subject to the Intercreditor Agreement, the Trustee, upon (A) an Acceleration Default, (B) an Event of Default described in clause (a)(v) above, or (C) at the request or with the consent of the Credit Bank, any other Event of Default described under the Loan Agreement, by written notice to the Borrower (with a copy to the Credit Bank), will immediately declare the unpaid balance of the Loan to be immediately due and payable.

(ii) Florida Housing and the Trustee may have access to, and may inspect, examine and make copies of the books and records and any and all accounts, data and federal income tax and other tax returns of the Borrower.

(iii) Subject to the Intercreditor Agreement, Florida Housing or the Trustee, after notice to the Credit Bank, may take whatever action at law or in equity as may be necessary or desirable to collect the payments and other amounts then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under the Loan Agreement.

(iv) Subject to the Intercreditor Agreement, the Trustee may, after notice to the Credit Bank, institute any action or proceeding at law or in equity for the collection of any sums due and unpaid, and may prosecute any such action or proceeding to judgment or final decree against the Borrower and collect in the manner provided by law the moneys adjudged or decreed to be payable; provided that, notwithstanding anything to the contrary in the Loan Agreement or the Intercreditor Agreement, the Trustee and Florida Housing may institute any action or proceeding at law, or in equity for the collection of their fees, expenses and indemnification.

## APPENDIX E

### SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENTS

*The following is a brief summary of certain provisions of the Regulatory Agreements and applies equally for each Development, each Borrower and each series of the Bonds unless the context requires otherwise. The summary does not purport to be complete or definitive, and is qualified in its entirety by reference to the Regulatory Agreements, a copies of which are on file with the Trustee. Capitalized terms used in the sections which appear under this caption and which are not otherwise defined are used herein with the meanings given them in the Regulatory Agreements.*

Covenants and Restrictions on Use of the Property. Florida Housing and the Borrower have declared their understanding and intent that, during the Term of the Regulatory Agreement, the Development is to be owned, managed and operated, as a “qualified residential rental project” as such phrase is utilized in Section 142(d) of the Code. To that end, and for the Term of the Regulatory Agreement, the Borrower has represented, covenanted and agreed as follows:

(a) that the Development is being constructed for the purpose of providing multi-family rental housing units made available for rental to members of the general public (including Low-Income Tenants), and the Borrower shall own, manage and operate the Development as a qualified residential rental project in accordance with Section 142(d) of the Code and Treasury Regulations promulgated thereunder, as the same may be amended from time to time throughout the Qualified Project Period;

(b) that all of the units in the Development will be similarly constructed and each such unit will contain complete facilities for living, sleeping, eating, cooking and sanitation for a single person or a family;

(c) that during the Term of the Regulatory Agreement, (i) none of the units in the Development shall at any time be utilized on a transient basis; (ii) none of the units in the Development shall ever be leased or rented for a period of less than six (6) months; (iii) neither the Development nor any portion thereof shall ever be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, sanitarium, nursing home, rest home, trailer court or park, or health club or recreational facility (other than recreational facilities that are available only to tenants and their guests without charge for their use and that are customarily found in multifamily rental housing projects); (iv) none of the occupants of such units shall be provided services customarily found in hotels such as room service for food and beverages, maid service, furnishing and laundering of linens or valet service;

(d) that during the Term of the Regulatory Agreement, (i) the units in the Development shall be leased and rented or made available for rental on a continuous basis to members of the general public; (ii) at least forty percent (40%), in accordance with the Code, of the occupied units in the Development shall be leased and rented or made available for rental on a continuous basis to Low-Income Tenants; and (iii) the Borrower shall not give preference in renting units in the Development to any particular class or group of persons, other than Low-Income Tenants as

provided in the Regulatory Agreement; provided, however, that an insubstantial number of units in the Development, not to exceed five (5) units, may be occupied by maintenance, security or managerial employees of the Borrower or its property manager, which employees must be reasonably necessary for operation of the Development;

(e) that during the Term of the Regulatory Agreement, no part of the Development will at any time be owned or used by a cooperative housing corporation;

(f) that the Development consists of one or more discrete edifices or other man-made construction, each consisting of an independent foundation, outer walls and roof, all of which are (i) owned by the same person for federal tax purposes, (ii) located on a common tract of land or two or more tracts of land which are contiguous except for being separated only by a road, street, stream or similar property, and (iii) financed by the Loan or otherwise pursuant to a common plan of financing as provided in the Regulatory Agreement;

(g) that during the Term of the Regulatory Agreement, the Development will not include a unit in a building where all units in such building are not also included in the Development;

(h) that during the Term of the Regulatory Agreement, the Borrower will not convert the Development to condominium ownership;

(i) that during the Term of the Regulatory Agreement, no unit in the Development shall be occupied by the Borrower or a "related person" within the meaning of the Code at any time unless such person(s) resides in a unit in a building or structure which contains at least five (5) units and unless the resident of such unit is a resident manager or other necessary full-time employee (e.g., maintenance and security personnel) and no more than 5 units are so occupied;

(j) that after fifty percent (50%) of the units in the Development are first occupied, the Borrower shall prepare and submit to Florida Housing, a certificate in recordable form for purposes of the calculation of the commencement and termination of the Qualified Project Period as extended by the Regulatory Agreement;

(k) that substantially all (at least 95%) of the sum of the aggregate amount disbursed from the net proceeds of the Bonds will be used to finance the acquisition of equipment or the acquisition, construction or rehabilitation of buildings that qualify as multi-family construction rental housing or facilities related and/or subordinate thereto or for other qualifying costs pursuant to the Code;

(l) that the Borrower shall not discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, handicap or national origin in the lease, use or occupancy of the Development or in connection with the employment or application for employment of persons for the operation and management of the Development; provided, however, that nothing in the Regulatory Agreement shall be deemed to preclude the Borrower from discrimination based on income or reported tenant problems relating to the applying tenant or tenants in renting units set aside for Low-Income Tenants in compliance with the requirements of the Code;

(m) that Florida Housing reserves the right to approve all advertisements with respect to the Development for compliance and consistency with current Florida Housing policies and that the



Borrower will withdraw from circulation advertisements determined by Florida Housing to violate or be inconsistent with its policies;

(n) that the Borrower shall submit an annual report to the Secretary of the Department of Treasury as required by Section 142(d)(7) of the Code and deliver a copy thereof to Florida Housing and to the Trustee; and

(o) prior to leasing of any unit, the Borrower must obtain Florida Housing's approval for the management company selected to manage the Development. The Compliance Staff of Florida Housing must be advised of any change in the Borrower's selection of a management company and any such new management company must be approved by Florida Housing prior to the firm assuming responsibility for the Development. In addition, the Borrower must keep the Compliance Staff of Florida Housing informed of the progress of completion of the Development and advised as to the expected opening date of the Development. The Borrower or an authorized representative must attend a Florida Housing Compliance Training Workshop prior to the leasing of any unit.

Low-Income Tenants. In order to satisfy the requirements of the Act and the Code, the Borrower has further represented, covenanted and agreed that, during the Qualified Project Period:

(a) Commencing with the first day on which at least ten percent (10%) of the units in the Development are occupied, at least forty percent (40%) of the completed and occupied units in the Development shall be occupied by Low-Income Tenants, prior to the satisfaction of which no additional units shall be rented or leased to any other tenants, and after initial rental occupancy of such units by Low-Income Tenants, at least forty percent (40%) of the occupied units in the Development at all times shall be rented to and occupied (or held available for rental by, if previously rented to and occupied by a Low-Income Tenant) by Low-Income Tenants as required by Section 142(d) of the Code. For purposes of satisfying the above requirements, commencing with the date of delivery of the Bonds, the determination of income will be made both on the date the Low-Income Tenant first occupies a unit in the Development and on a continuing basis. Increases in a Low-Income Tenant's income of up to one hundred forty percent (140%) of the applicable limit (adjusted for family size) will not result in disqualification. In the event that a Low-Income Tenant's income increases to a level more than one hundred forty percent (140%) of the applicable limit (or if a Low-Income Tenant's family size decreases so that a lower maximum income applies to the Low-Income Tenant), that Low-Income Tenant may no longer be counted toward satisfaction of the low-income requirement. The fact that such tenant's gross income exceeds one hundred forty percent (140%) of the applicable limit shall not place the Development in non-compliance so long as the next residential unit of comparable or smaller size in the Development which becomes vacant shall be rented to a Low-Income Tenant. Said income requirements shall be adjusted for family size in accordance with income limits published, from time to time, by the United States Department of Housing and Urban Development.

Notwithstanding the foregoing, the Wellesley Borrower has agreed to increase the requirements of the Code and has agreed that at least four percent (4%) of the units (13 units) in the Wellesley Development shall be occupied or reserved for occupancy by persons or families having incomes at or below thirty percent (30%) of the median income for Orange County, Florida or for the State of Florida, whichever is greater, adjusted for family size and determined in accordance with Section 142(d) of the Code (the "Area Median Income") and at least eighty-one percent (81%) of the units (253 units) in the Wellesley Development shall be occupied or reserved for occupancy

by persons or families having incomes at or below sixty percent (60%) of the Area Median Income for a total set-aside of eighty-five percent (85%) of the units.

Notwithstanding the foregoing, the Wexford Borrower has agreed to increase the requirements of the Code and has agreed that at least three percent (3%) of the units (10 units) in the Wexford Development shall be occupied or reserved for occupancy by persons or families having incomes at or below thirty percent (30%) of the median income for Hillsborough County, Florida or for the State of Florida, whichever is greater, adjusted for family size and determined in accordance with Section 142(d) of the Code (the "Area Median Income") and at least eighty-two percent (82%) of the units (265 units) in the Wexford Development shall be occupied or reserved for occupancy by persons or families having incomes at or below sixty percent (60%) of the Area Median Income for a total set-aside of eighty-five percent (85%) of the units.

Further, each Borrower has agreed that the units within each Development shall be rented to Family Households (as defined in the Regulatory Agreements). Additionally, each Borrower has committed to accommodate large families by including within the total set-aside units for each Development, a minimum of thirty percent (30%) of such units with three or more bedrooms.

The Borrower has also agreed to extend the Qualified Project Period beyond the period of time provided for in the Code to the date that is fifty (50) years from the day on which at least fifty percent (50%) of the units in the Development are initially occupied.

Sale or Transfer of Development. Except as otherwise set forth in the Regulatory Agreement, the Borrower shall not enter into a sale, lease, exchange, assignment, conveyance, transfer or other disposition of all or substantially all of the Development and Borrower's principals shall not enter into a sale, exchange, assignment, conveyance, transfer or other disposition of all or a controlling interest in the Borrower (collectively, a "Disposition") without the prior written consent of Florida Housing. The Development shall not be transferred by the Borrower to the person or any "related person" of the person from which it was acquired (within the meaning of the Code) before five (5) years from the date of the recording of the Regulatory Agreement. The Borrower has agreed that any Disposition of the Development by Borrower in violation of the Regulatory Agreement shall be null, void and without effect, shall cause a reversion of title to the transferor, and shall be ineffective to relieve the Borrower of its obligations under the Commitment, the Regulatory Agreement, the Mortgage, the Loan Agreement and any other document, agreement or instrument evidencing or securing the transferor's obligations thereunder.

Enforcement. If the Borrower defaults in the performance of its obligations under the Regulatory Agreement or breaches any covenant, agreement or warranty of the Borrower set forth in the Regulatory Agreement, and if such default remains uncured for a period of thirty (30) days after written notice thereof shall have been given by the Trustee, Florida Housing, the Credit Bank or the Florida Housing Servicer to the Borrower (or for an extended period approved in writing by Bond Counsel, if such default stated in such notice can be corrected, but not within such thirty (30) day period, and if the Borrower or any Guarantor commences such correction within such thirty (30) day period, and thereafter diligently pursues the same to completion within such extended period), or an event of default occurs under the Loan Agreement, then Florida Housing or the

Trustee may terminate all rights of the Borrower under the Regulatory Agreement as may be deemed most effective by Florida Housing to enforce the obligations of the Borrower with respect to the Development.

Florida Housing shall have the right to enforce the Regulatory Agreement and require curing of defaults in such shorter periods than specified above as Bond Counsel may determine necessary to maintain the tax-exempt status of interest on the Bonds. Subject to the notice and opportunity to cure provisions of the Regulatory Agreement, Florida Housing shall be entitled to take any actions on behalf of the Borrower necessary to cure any default under the Regulatory Agreement, and shall be entitled to reimbursement from the Borrower of its costs with respect thereto.

#### Term of Agreement.

(a) The Regulatory Agreement shall become effective upon its execution and delivery, and shall remain in full force and effect until the later of (i) the payment in full of the Bonds or (ii) the expiration of the Qualified Project Period (as extended by the Regulatory Agreement), it being expressly agreed and understood that the provisions thereof may survive the repayment in full of the Bonds, if such repayment occurs prior to the later of such events. Upon the termination of the Regulatory Agreement, upon request of any party thereto, Florida Housing, the Trustee, the Borrower and any successor party hereto shall execute a recordable document prepared by Florida Housing or its counsel further evidencing such termination.

(b) Notwithstanding the foregoing, the Regulatory Agreement will be binding upon the Borrower and any of its successors and assigns and upon Florida Housing and any of its successors for so long as there is an amount outstanding under the Note.

(c) Notwithstanding the foregoing, the Regulatory Agreement shall automatically terminate in the event of involuntary noncompliance with the provisions of the Regulatory Agreement caused by fire or other casualty, seizure, requisition, change in a federal law or an action of a federal agency that prevents Florida Housing from enforcing the provisions of the Regulatory Agreement, or condemnation or a similar event (as determined by Bond Counsel) or, foreclosure or deed in lieu of foreclosure or similar event (as determined by Bond Counsel), but then only if (i) within a reasonable period, either the Bonds are retired or amounts received as a consequence of such event are used to provide a project which meets the requirements of the Regulatory Agreement, or (ii) the proceeds received as a result of such event are used to finance a development that complies with the provisions of the Regulatory Agreement and any other applicable requirements of Section 142(d) of the Code and of the Treasury Regulations adopted pursuant thereto. Upon a termination of the Regulatory Agreement pursuant to the preceding sentence, Florida Housing, the Trustee and the Borrower (and any successor to any of the foregoing) shall execute a recordable document further evidencing such termination. In the case of foreclosure or transfer of title by deed in lieu of foreclosure or similar event (as determined by Bond Counsel), such termination will cease to be in effect (and the Regulatory Agreement shall have lien priority relating back to the date it is first recorded) if at any time during the remainder of the Qualified Project Period, the Borrower or an Affiliated Party to the Borrower obtains an ownership interest in the Development for federal tax purposes.

(d) Notwithstanding any other provisions of the Regulatory Agreement, the entire Regulatory Agreement, or any of the provisions or sections thereof, may be terminated upon agreement by Florida Housing, the Trustee and the Borrower if there shall have been received an opinion of Bond Counsel that such termination will not adversely affect the exemption from federal income taxation of the interest on the Bonds.

## APPENDIX F

### SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENTS

*The following is a brief summary of certain provisions of the Reimbursement Agreements and applies equally for each Development, each Borrower and each series of the Bonds unless the context requires otherwise. The summary does not purport to be complete or definitive, and is qualified in its entirety by reference to the Reimbursement Agreements, a copies of which are on file with the Trustee. Capitalized terms used in the sections which appear under this caption and which are not otherwise defined are used herein with the meanings given them in the Reimbursement Agreements.*

The Borrower and the Bank have executed, or will execute, on or prior to the Closing Date, a Reimbursement Agreement, dated as of July 1, 2003, which inter alia, sets the terms and conditions whereby the Borrower is required to repay the Bank any amounts drawn by the Trustee under the Letter of Credit and grants the Bank security interests in the Development. Pursuant to the Indenture, the Trustee may not make a disbursement from the Project Fund without obtaining the consent of the Bank to such disbursement. The Reimbursement Agreement sets forth the conditions under which the Bank shall give its consent to such disbursement. Among such conditions are (i) compliance with plans and specifications approved by the Bank, (ii) compliance with a budget approved from time to time by the Bank, (iii) the occurrence of an Event of Default under the Reimbursement Agreement, and (iv) delivery of certain invoices, lien releases and other documents by suppliers of labor and materials to the Development.

The Bank does not assure that these procedures will insure that the Development will remain on budget or that the proceeds of the Bonds will be sufficient to fund the costs of construction of the Development, and the Bank undertakes no duty to the Trustee or to any Bondholder to insure that the Borrower or the Development complies with plans, specifications, budgets or other project-related documents.

Pursuant to the Reimbursement Agreement, the Bank has caused the Credit Bank to issue the Letter of Credit. The Borrower agrees to reimburse the Bank for any payments made by the Credit Bank to the Trustee on behalf of the Bondholders under the Letter of Credit.

The obligations of the Borrower under the Reimbursement Agreement are secured by liens in favor of the Bank upon the Development and related tangible and intangible personal property and a security interest in certain rights of the general partners of the Borrower. Among the liens in favor of the Bank that secure obligations of the Borrower under the Reimbursement Agreement is a second priority mortgage, security agreement and fixture filing on the Development (the "Second Mortgage"). The Second Mortgage contains an absolute assignment of rents from the Development. Bonds tendered for purchase, not remarketed and purchased with the proceeds of a drawing upon the Letter of Credit will be subject to a security interest in favor of the Bank.

The occurrence of any one or more of the following will constitute an "Event of Default" under the Reimbursement Agreement:

(a) Failure by the Borrower (i) to make, or cause to be made, when due and payable or required, any payment or deposit required to be made under the Reimbursement Agreement, or (ii) as and when required under the terms of the Reimbursement Agreement, to reimburse the Bank in respect of any Drawing under the Letter of Credit or to make any payment under the Swap.

(b) Failure by the Borrower or the General Partner to pay or deposit any amount (other than an amount described in subparagraph a. above) when due under any Letter of Credit document, and the expiration of five (5) Business Days after written notice of such failure by the Bank to the Borrower.

(c) (i) Failure by the Borrower (1) to perform any obligation other than (A) one involving the payment of money or (B) any other obligation that is expressly addressed in another subsection of the section of the Reimbursement Agreement that defines Events of Default, or (2) to comply with any other term or condition (other than one that is expressly addressed in another subsection of such event of default section) applicable to the Borrower under any Letter of Credit Document, and the expiration of thirty (30) days after written notice of such failure by the Bank to the Borrower (or such longer period as the Bank may approve in writing in its sole and absolute discretion if such failure cannot be reasonably cured within such thirty (30) day period and if the Borrower commences to cure the failure within the ten (10) Business Days after receipt of notice of such failure from the Bank, and at all times diligently pursues the cure to completion).

(d) Any representation or warranty by the Borrower or the General Partner (i) contained in the Reimbursement Agreement or any of the other Letter of Credit Documents, (ii) contained in any certificate delivered in connection with the Letter of Credit Documents or (iii) made in writing to the Bank concerning the financial condition or creditworthiness of the Borrower or the General Partner, shall prove to have been false or misleading in any material respect when made.

(e) A Determination of Taxability shall occur.

(f) An "Event of Default" or "Default" (as defined in the applicable document) shall occur under any of the Security Documents, any of the Issuer Security Documents, the Indenture, the Loan Agreement, the Regulatory Agreement, the Subordinate Loan Documents or the Partnership Agreement after expiration of all applicable notice and cure periods.

(g) The failure by the Borrower or any ERISA Affiliate of the Borrower to comply in all respects with ERISA, or the occurrence of any other event (with respect to the failure of the Borrower or any ERISA Affiliate to pay any amount required to be paid under ERISA or with respect to the termination of, or withdrawal of the Borrower or any ERISA Affiliate from, any employee benefit or welfare plan subject to ERISA) the effect of which is to impose upon the Borrower (after giving effect to the tax consequences thereof) for the payment of any amount in excess of Fifty Thousand Dollars (\$50,000).

(h) Any payment obligation of the Borrower under the Reimbursement Agreement or any other Letter of Credit Document, or any other material term of the Reimbursement Agreement or any other Letter of Credit Document, shall at any time for any reason

cease to be valid and binding on the Borrower, or the validity or enforceability thereof shall be contested or denied by the Borrower, the General Partner or any Governmental Authority.

(i) The Borrower or the General Partner shall become insolvent, or there shall be a change in the assets, liabilities or financial position of any such Person which might have a material adverse effect upon the ability of such Person to perform such Person's obligations under the Reimbursement Agreement, any other Letter of Credit Document or any Related Document.

(j) The Borrower or the General Partner, (i) is unable or admits in writing its inability to pay its monetary obligations as they become due, (ii) makes a general assignment for the benefit of creditors, or (iii) applies for, consents to or acquiesces in the appointment of, a trustee, receiver or other custodian for itself or its property or any part thereof, or in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian is appointed for the Borrower or the General Partner, or the property of such Person, or any part thereof, and such appointment is not discharged within ninety (90) days.

(k) Commencement of any case under the Bankruptcy Code, Title 11 of the United States Code, or commencement of any other bankruptcy, arrangement, reorganization, receivership, custodianship or similar proceeding under any federal, state or foreign law ("Insolvency Proceeding") by or against the Borrower or the General Partner; provided that if any such case or other bankruptcy, arrangement, reorganization, receivership, custodianship or similar proceeding is commenced against any such Person, such case or other bankruptcy, arrangement, reorganization, receivership, custodianship or similar proceeding is not dismissed within sixty (90) days after its commencement.

(l) The dissolution or liquidation of the Borrower or the General Partner except for an administrative dissolution which is reinstated within 60 days after such dissolution; provided, however, upon the expiration of the tax credit compliance period, the partnership interest of the Investor in the Borrower may be transferred to the General Partner or its affiliate as permitted by the Reimbursement Agreement.

(m) Commencement of any action or proceeding which seeks as one of its remedies the dissolution of the Borrower or the General Partner, if such action or proceeding is not dismissed within thirty (30) days after its commencement.

(n) All or any part of the property of the Borrower is attached, levied upon or otherwise seized by legal process, and such attachment, levy or seizure is not quashed, stayed or released within thirty (30) days of the date thereof.

(o) Except as otherwise permitted pursuant to the Reimbursement Agreement, the Borrower fails to pay when due any monetary obligation (other than pursuant to this Agreement), whether such obligation be direct or contingent, to any Person in excess of One Hundred Thousand Dollars (\$100,000), and such failure continues beyond the expiration of any applicable cure or grace periods.

(p) Any material litigation or proceeding is commenced before any Governmental Authority against or affecting the Borrower or the General Partner, or the property of the Borrower or the General Partner, or any part thereof, and such litigation or proceeding is not defended diligently and in good faith by the Borrower or the General Partner, as applicable.

(q) A final judgment or decree for monetary damages in excess of \$25,000 or a monetary fine or penalty (not subject to appeal or as to which the time for appeal has expired) is entered against the Borrower or the General Partner by any Governmental Authority, and such judgment, decree, fine or penalty is not paid and discharged or stayed within 10 days thereof if entered prior to completion of the Improvements, or within thirty (30) days after completion of the Improvements.

(r) A final, unappealable and uninsured money judgment or judgments in the aggregate sum of Fifty Thousand Dollars (\$50,000) or more shall be rendered against the Borrower or the General Partner, or against any of their respective assets, that is not paid within ten (10) days after it becomes final if prior to the completion of the Improvements, or thirty (30) days after it becomes final thereafter; or any levy of execution, writ or warrant of attachment, or similar process, is entered or filed against the Borrower or the General Partner, or against any of their respective assets (that is likely to have a material adverse effect upon the ability of the Borrower or the General Partner to perform their respective obligations under this Agreement, any other Letter of Credit Document or any Related Document), and such judgment, writ, warrant or process shall remain unsatisfied, unsettled, unvacated, unhanded and unstayed for a period of thirty (30) days or in any event later than five (5) Business Days prior to the date of any proposed sale thereunder.

(s) The Borrower shall fail to perform or observe any term, covenant or condition contained in the Reimbursement Agreement relating to the maintenance of insurance, the protections of liens of the First Mortgage and Second Mortgage, or the disposition of insurance and condemnation proceeds.

(t) Except as otherwise permitted under the Reimbursement Agreement, the occurrence of any transfer of the Property or interests in the Property or in Borrower, unless (i) prior to such transfer the Bank has delivered to the Borrower the written consent of the Bank to such transfer or (ii) such transfer relates to the execution and delivery and exercise of a purchase option and right to first refusal after the 15-year tax credit compliance period and the Borrower receives the written consent of the Bank, which consent shall not be unreasonably withheld.

(u) Without the prior written consent of the Bank, except as expressly provided in the Reimbursement Agreement: (i) the General Partner shall cease to be the general partner of the Borrower, regardless of whether the General Partner continues to be a Partner; or (ii) the General Partner's interest in the Borrower as a general partner shall fail to constitute a majority of the aggregate equity interests in the Borrower of all general partners; or (iii) the General Partner's interest in the Borrower shall be reduced for any reason other than as necessary to accommodate the sale of tax credits.

(v) Except as the Partnership Agreement may be amended without the Bank's consent as provided in the Reimbursement Agreement, should any of the Related Documents be amended, or any material term thereof waived, without the Bank's prior written consent.



(w) Inability of the Borrower to satisfy any condition for the receipt of a Disbursement under the Reimbursement Agreement and failure to resolve the situation to the satisfaction of the Bank for a period in excess of thirty (30) days after written notice from the Bank unless (i) such inability shall have been caused by conditions beyond the control of the Borrower, including, without limitation, acts of God or the elements, fire, strikes, labor disputes, delays in delivery of material and disruption of shipping; (ii) the Borrower shall have made adequate provision, acceptable to the Bank, for the protection of materials stored on-site or off-site and for the protection of the Improvements to the extent then constructed against deterioration and against other loss or damage or theft; (iii) the Borrower shall furnish to the Bank satisfactory evidence that such cessation of construction will not adversely affect or interfere with the rights of the Borrower under labor and materials contracts or subcontracts relating to the rehabilitation or operation of the Improvements; and (iv) the Borrower shall furnish to the Bank satisfactory evidence that the completion of the Improvements can be accomplished by the Completion Date.

(x) Construction or rehabilitation of the Improvements is abandoned or halted prior to completion for any period of twenty (20) consecutive days for any cause other than as described in the preceding paragraph.

(y) The Borrower shall fail to keep in force and effect any material permit, license, consent or approval required under the Reimbursement Agreement, or any Governmental Authority with jurisdiction over the Development orders or requires that construction or rehabilitation of the Improvements be stopped, in whole or in part, or that any required approval, license or permit be withdrawn or suspended, and the order, requirement, withdrawal or suspension remains in effect for a period of thirty (30) days.

(z) Failure by the Borrower to achieve Stabilization on or before the date set forth in the Reimbursement Agreement.

(aa) Except as permitted under the Second Mortgage and the Reimbursement Agreement, the termination, assignment, delegation or transfer by Investor of any of its interests or obligations in respect of the Partnership Agreement.

(bb) Should a default on the part of the Borrower under the Swap occur and not be cured in the manner provided therein, resulting in a termination of the Swap by the Swap Provider, or should an "Early Termination" of the Swap occur (as defined therein) at the Borrowers' request, unless (i) the Letter of Credit has been released without an unreimbursed drawing thereunder or (ii) the Borrower has, within thirty (30) days after such termination, entered into a replacement swap agreement or hedge agreement with a counterparty reasonably acceptable to the Bank (which may be the Swap Provider), providing for a fixed rate not greater than the fixed rate provided under the existing Swap.

Upon the occurrence of an Event of Default specified in paragraphs (a) through (bb) above, the Bank may elect to do any or all of the following:

(a) The Bank may give notice to the Trustee of the occurrence of such Event of Default and request the Trustee to accelerate the Borrower's obligations under the Loan Agreement and call all Bonds for redemption in accordance with the Indenture;

(b) The Bank, whether or not the Trustee draws upon the Letter of Credit to redeem Bonds as a result of such Event of Default, (i) shall have all the rights and remedies provided in the Reimbursement Agreement and in the other Letter of Credit Documents, including, without limitation, the right to enforce any Liens granted under the Reimbursement Agreement and the Security Documents; and (ii) shall have the option to declare all sums then owing to the Bank under the Reimbursement Agreement or any of the Letter of Credit Documents immediately due and payable by the Borrower to the Bank.

(c) The Bank shall have the right, to the extent permitted by law, to impound and take possession of books, records, notes and other documents evidencing the Borrower's accounts, accounts receivable and other claims for payment of money arising in connection with the Development, and to make direct collections on such accounts, accounts receivable and claims for the benefit of the Bank.

(d) The Bank shall have the right to set off and apply against and on account of any obligations and liabilities of the Borrower to the Bank arising under or connected with the Reimbursement Agreement, any and all deposits and other amounts held or owing by the Bank to or for the credit or account of the Borrower.

(e) The Bank shall have the right to cure any default under any of the Related Documents and the Subordinate Loan Documents (provided however that the Bank shall have no obligation to do so).

(f) The Bank shall have the right (but not the obligation) to purchase in lieu of redemption, in accordance with the Indenture, all of the outstanding Bonds, other than the Pledged Bonds. Upon such purchase by the Bank, the Bank shall have the right to cause the Remarketing Agent to remarket such Bonds. Upon any such purchase in lieu of redemption by the Bank, the Borrower shall immediately, upon written demand by the Bank, reimburse the Bank for the full amount of any drawing under the Letter of Credit made by the Trustee to effectuate such purchase in lieu of redemption, and such amount so drawn under the Letter of Credit shall immediately become due and payable under the Reimbursement Agreement.

(g) The Bank shall have the right to cause an independent contractor selected by the Bank to enter into possession of the Property and to perform any and all work and labor necessary for the completion of the construction or rehabilitation of the Development substantially in accordance with the Plans and Specifications and to perform the Borrower's obligations under the Reimbursement Agreement. All sums expended by the Bank for such purposes shall be deemed to have been disbursed to and borrowed by the Borrower and shall be secured by the Security Documents.

The Bank's obligation to approve further disbursements shall abate (i) during the continuance of any condition or event which, with the lapse of time or the giving of notice, or both, would constitute an Event of Default; (ii) after any disclosure to the Bank of any fact or circumstance that, absent such disclosure, would cause any representation or warranty of the Borrower to fail to be true and correct in all material respects, unless and until the Bank elects to permit further Disbursements notwithstanding such event or circumstance; and (iii) upon the occurrence of any Event of Default.

All remedies of the Bank provided for in the Reimbursement Agreement are cumulative and shall be in addition to any and all other rights and remedies available under the other Letter of Credit Documents or any other document or by law or equity. No exercise by the Bank of any right or remedy shall in any way constitute a cure or waiver of any Event of Default under the Reimbursement Agreement, or invalidate any act done pursuant to any notice of default, or prejudice the Bank in the exercise of any other right or remedy available to the Bank. No failure on the part of the Bank to exercise, and no delay in exercising, any right or remedy shall operate as a waiver or otherwise preclude enforcement of any of its rights and remedies, nor shall any single or partial exercise of any right or remedy preclude any further exercise thereof or of any other right or remedy. The Bank need not resort to any particular right or remedy before exercising or enforcing any other.

The Bank and the Borrower may agree at any time to alter, modify or amend the terms of the Reimbursement Agreement or the other Letter of Credit Documents, including the events which constitute "Events of Default" listed therein, without notice to or consent of any Bondholder, the Issuer or the Trustee. Furthermore, the Bank may unilaterally waive any Event of Default which may occur under the Reimbursement Agreement, without notice to or consent of any other person. Accordingly, there should be no expectation on the part of any Bondholder that the occurrence of an Event of Default under the Reimbursement Agreement will necessarily result in implementation of remedies by the Bank or in the call of any or all of the Bonds for redemption, mandatory tender or acceleration under the Indenture.

## APPENDIX G-1

### FORM OF CONTINUING DISCLOSURE AGREEMENT

*(Wellesley Apartments)*

This Continuing Disclosure Agreement (the “Disclosure Agreement”) is executed and delivered by TWC TWENTY-TWO, LTD., a Florida limited partnership (the “Borrower”) and WELLS FARGO BANK MINNESOTA, N.A., as dissemination agent (the “Dissemination Agent”) in connection with the issuance of \$16,840,000\* FLORIDA HOUSING FINANCE CORPORATION VARIABLE RATE DEMAND MULTIFAMILY MORTGAGE REVENUE BONDS, 2003 SERIES O (WELLESLEY APARTMENTS) (the “Bonds”) under a Trust Indenture dated as of July 1, 2003 (the “Indenture”) between the Florida Housing Finance Corporation (“Florida Housing”) and WELLS FARGO BANK MINNESOTA, N.A., as trustee (the “Trustee”). The proceeds of the Bonds are being loaned by Florida Housing to the Borrower pursuant to a Loan Agreement dated as of July 1, 2003 between Florida Housing and the Borrower (the “Loan Agreement”). Pursuant to Section 5.10 of the Loan Agreement, the Borrower and the Dissemination Agent covenant and agree as follows:

1. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report prepared by the Borrower pursuant to, and as described in, Sections 2 and 3 of this Disclosure Agreement.

“Business Day” shall mean a day on which commercial banks located in Jacksonville, Florida are required or permitted by law to be open for the purpose of conducting a commercial banking business.

“Disclosure Representative” shall mean Debra F. Koehler, Senior Vice President of the general partner of the general partner of the Borrower or his or her designee, or such other person as the Borrower shall designate in writing to the Dissemination Agent from time to time.

“Holder” shall mean the registered holder of any Bond as reflected on the Bond register maintained in accordance with the Indenture.

“Listed Events” shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

“National Repository” shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean each National Repository and each State Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (“SEC”) under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Repository” shall mean any public or private repository or entity designated by the state in which the Florida Housing is located as a state repository for the purpose of the Rule.

2. Provision of Annual Reports.

(a) Not later than the 120 days after the end of the Borrower’s fiscal year (currently December 31), commencing with fiscal year 2003, the Borrower shall provide an Annual Report to the Dissemination Agent, together with sufficient copies of such Annual Report for filing with each Repository. If the Dissemination Agent has not received the Annual Report by such date, the Dissemination Agent shall notify the Borrower in writing by facsimile transmission, confirmed by telephone.

(b) The Dissemination Agent shall, as soon as practical, but in no event later than the fourteenth (14th) Business Day following receipt of an Annual Report, provide such Annual Report to each Repository.

(c) If an Annual Report is not filed on or before the date required in any year, the Dissemination Agent shall send a notice to each Repository and the Municipal Securities Rulemaking Board in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) identify each year prior to the date for providing the Annual Report the name and address of each National Repository and each State Repository, if any, that is listed on the website of the SEC or any successor public information source established by the SEC; and

(ii) provide a written report to the Borrower stating that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

3. Content of Annual Reports. The Annual Report prepared by Borrower shall contain or incorporate by reference the following:

The certified audited financial statements of the Borrower for the prior fiscal year, including income statement, balance sheet, and cash flows of operations of Wellesley Apartments (the “Property”), prepared in accordance with generally accepted accounting principals as promulgated from time to time by the Financial Accounting Standards Board. The Borrower shall also include in each Annual Report the Property’s current occupancy levels, current monthly rental rates and the current expenditures for monthly maintenance, taxes and property insurance.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Borrower is an “obligated person” (as defined by the Rule), which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Borrower shall clearly identify each such other document so incorporated by reference. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package.

The Dissemination Agent shall have no duty or obligation to review the content of the Annual Report for compliance with this Agreement or the Rule, but shall file the Annual Report in the form it is received by the Dissemination Agent.

4. Reporting of Listed Events.

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following events:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults;
- (iii) Unscheduled draws on debt service reserves, if any, reflecting financial difficulty;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulty;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the bonds;
- (vii) Modifications to rights of security holders;
- (viii) Bond calls (not including mandatory scheduled redemption not contingent upon the occurrence of an event);
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds; and
- (xi) Rating changes (including those relating to the Bonds, credit enhancers, the Borrower, reserve fund surety bonds, providers of guaranteed investment contracts, and other entities directly or indirectly securing payment of the Bonds).

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any of the Listed Events, provide the Borrower with notice (by facsimile transmission confirmed by telephone), and request that the Borrower promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f). The Dissemination Agent shall not be deemed to have actual knowledge of those items listed in clauses (ii), (vi), (vii), (x), and (xi) without the Dissemination Agent having received written notice of such event. For purposes of providing notice to the Borrower, the Dissemination Agent shall assume that the unscheduled draws described in clauses (iii) and (iv) reflect financial difficulty.

(c) Whenever the Borrower obtains knowledge of the occurrence of a Listed Event, because of notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Borrower shall as soon as possible determine if such event is required by the Rule to be disclosed.

(d) If the Borrower has determined that a Listed Event is required to be disclosed, the Borrower shall promptly prepare a written notice describing the Listed Event and provide the same to the Dissemination Agent along with instructions to file the same pursuant to subsection (f) below.

(e) If the Borrower determines that a Listed Event is not required to be disclosed, the Borrower shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been provided with a written notice describing the Listed Event and instructed by the Borrower to report the occurrence of a Listed Event, the Dissemination Agent shall file the notice with the Municipal Securities Rulemaking Board, the Repositories and send a copy to Florida Housing. The foregoing notwithstanding, notice of a Listed Event described in subsections (a)(viii) and (ix) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Holders of affected Bonds pursuant to the Indenture.

5. Successors. If the Borrower's obligations under the Loan Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the Borrower and the original Borrower shall have no further responsibility hereunder.

6. Amendment, Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Borrower and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall agree to any amendment so requested by the Borrower) if in the opinion of counsel expert in federal securities law matters affecting governmental bonds acceptable to the Borrower and the Dissemination Agent, (i) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Borrower, or the type of business it conducts, (ii) this Disclosure Agreement, as amended, would have complied with the Rule at the time the Bonds were issued, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances, and (iii) the amendment does not materially impair the interests of the Holders.

7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Borrower shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

8. Default. In the event of a failure of the Borrower or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and at the request of the Holders of at least 25% in aggregate principal amount of the Bonds, shall), or any Holder may, take such action as permitted hereby. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture or the Loan Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Borrower or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance. Anything herein to the contrary notwithstanding, the Dissemination Agent shall not be required to bring any enforcement action unless provision has been made to the satisfaction of the Dissemination Agent for payment of all fees and expenses of the Dissemination Agent and its counsel in connection with such action.

9. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent has entered into this Disclosure Agreement solely in its capacity as Dissemination Agent under this Disclosure Agreement and the Indenture. Article IX of the Indenture is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were contained in the Indenture. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Borrower agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Borrower under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Neither the Dissemination Agent nor the Trustee shall have any obligation to make disclosure about the Bonds, the Borrower, or any other matter except as expressly provided herein. The fact that the Dissemination Agent and the Trustee, or any affiliate thereof, may have any fiduciary or banking relationship with Florida Housing, the Borrower, any manager of the Property financed with the Bonds or any person with whom Florida Housing or the Borrower contracts in connection with such Property, apart from the relationship created by the Indenture and this Disclosure Agreement, shall not be construed to mean (whether or not an Event of Default has occurred or is continuing under the Indenture) that (i) the Dissemination Agent or the Trustee has actual knowledge of any event or condition except in its capacity as Trustee under the Indenture when deemed pursuant to the Indenture to have such actual knowledge or except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement, or (ii) the Dissemination Agent or the Trustee has any duties or obligations under the Indenture or the Disclosure Agreement other than those expressly set forth in the Indenture and the Disclosure Agreement and in the capacity of agent to the Borrower.



10. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of Florida Housing, the Borrower, the Dissemination Agent, the Participating Underwriters, and Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

11. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

12. Notice. Any notice or other communication required or permitted to by this Disclosure Agreement must be in writing unless expressly provided otherwise herein, and to the following addresses or telecopier numbers (with telephone confirmation using the phone number given), or such other addresses or telecopier/phone numbers designated in a notice to the other party hereto:

If to the Dissemination  
Agent:

Wells Fargo Bank Minnesota, N.A.  
7077 Benneval Road, Suite 400  
Jacksonville, Florida 32216  
Attention: Corporate Trust Services  
Telephone: (904) 332-9667  
Facsimile: (904) 332-9673

If to the Borrower:

c/o The Wilson Company  
655 N. Franklin Street, Suite 2200  
Tampa, Florida 33602  
Attention: Debra F. Koehler  
Telephone: 813-281-8888  
Facsimile: 813-281-5657

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE TO  
CONTINUING DISCLOSURE AGREEMENT**

*(Wellesley Apartments)*

Dated: July 1, 2003

**TWC TWENTY-TWO, LTD.**, a Florida limited partnership

By: TWC TWENTY-TWO PARTNERS, LTD,  
a Florida limited partnership, its general partner

By: \_\_\_\_\_  
Debra F. Koehler, Senior Vice President

**WELLS FARGO BANK MINNESOTA, N.A.**,  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

## EXHIBIT A

### NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Florida Housing Finance Corporation

Name of Bond Issue: Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series O  
(Wellesley Apartments)

Name of Borrower: TWC Twenty-Two, Ltd.

Date of Issuance: July \_\_, 2003

NOTICE IS HEREBY GIVEN that TWC Twenty-Two, Ltd. (the "Borrower") has not provided an Annual Report with respect to the above-named Bonds as required by Section 2 of the Continuing Disclosure Agreement dated July 1, 2003 between the Borrower and Wells Fargo Bank Minnesota, N.A., as Dissemination Agent. [The Borrower anticipates that the Annual Report will be filed by \_\_\_\_\_.]

Dated: \_\_\_\_\_

**WELLS FARGO BANK MINNESOTA, N.A.,** as  
Dissemination Agent

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

cc: Borrower

**APPENDIX G-2**  
**FORM OF CONTINUING DISCLOSURE AGREEMENT**

*(Wexford Apartments)*

This Continuing Disclosure Agreement (the “Disclosure Agreement”) is executed and delivered by TWC SIXTY-SEVEN, LTD., a Florida limited partnership (the “Borrower”) and WELLS FARGO BANK MINNESOTA, N.A., as dissemination agent (the “Dissemination Agent”) in connection with the issuance of \$16,335,000\* FLORIDA HOUSING FINANCE CORPORATION VARIABLE RATE DEMAND MULTIFAMILY MORTGAGE REVENUE BONDS, 2003 SERIES P (WEXFORD APARTMENTS) (the “Bonds”) under a Trust Indenture dated as of July 1, 2003 (the “Indenture”) between the Florida Housing Finance Corporation (“Florida Housing”) and Wells Fargo Bank Minnesota, N.A., as trustee (the “Trustee”). The proceeds of the Bonds are being loaned by Florida Housing to the Borrower pursuant to a Loan Agreement dated as of July 1, 2003 between Florida Housing and the Borrower (the “Loan Agreement”). Pursuant to Section 5.10 of the Loan Agreement, the Borrower and the Dissemination Agent covenant and agree as follows:

1. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report prepared by the Borrower pursuant to, and as described in, Sections 2 and 3 of this Disclosure Agreement.

“Business Day” shall mean a day on which commercial banks located in Jacksonville, Florida are required or permitted by law to be open for the purpose of conducting a commercial banking business.

“Disclosure Representative” shall mean Debra F. Koehler, Senior Vice President of the general partner of the Borrower or his or her designee, or such other person as the Borrower shall designate in writing to the Dissemination Agent from time to time.

“Holder” shall mean the registered holder of any Bond as reflected on the Bond register maintained in accordance with the Indenture.

“Listed Events” shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

“National Repository” shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean each National Repository and each State Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (“SEC”) under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Repository” shall mean any public or private repository or entity designated by the state in which the Florida Housing is located as a state repository for the purpose of the Rule.

2. Provision of Annual Reports.

(a) Not later than the 120 days after the end of the Borrower’s fiscal year (currently December 31), commencing with fiscal year 2003, the Borrower shall provide an Annual Report to the Dissemination Agent, together with sufficient copies of such Annual Report for filing with each Repository. If the Dissemination Agent has not received the Annual Report by such date, the Dissemination Agent shall notify the Borrower in writing by facsimile transmission, confirmed by telephone.

(b) The Dissemination Agent shall, as soon as practical, but in no event later than the fourteenth (14th) Business Day following receipt of an Annual Report, provide such Annual Report to each Repository.

(c) If an Annual Report is not filed on or before the date required in any year, the Dissemination Agent shall send a notice to each Repository and the Municipal Securities Rulemaking Board in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) identify each year prior to the date for providing the Annual Report the name and address of each National Repository and each State Repository, if any, that is listed on the website of the SEC or any successor public information source established by the SEC; and

(ii) provide a written report to the Borrower stating that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

3. Content of Annual Reports. The Annual Report prepared by Borrower shall contain or incorporate by reference the following:

The certified audited financial statements of the Borrower for the prior fiscal year, including income statement, balance sheet, and cash flows of operations of Wexford Apartments (the “Property”), prepared in accordance with generally accepted accounting principals as promulgated from time to time by the Financial Accounting Standards Board. The Borrower shall also include in each Annual Report the Property’s current occupancy levels, current monthly rental rates and the current expenditures for monthly maintenance, taxes and property insurance.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Borrower is an “obligated person” (as defined by the Rule), which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Borrower shall clearly identify each

such other document so incorporated by reference. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package.

The Dissemination Agent shall have no duty or obligation to review the content of the Annual Report for compliance with this Agreement or the Rule, but shall file the Annual Report in the form it is received by the Dissemination Agent.

4. Reporting of Listed Events.

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following events:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults;
- (iii) Unscheduled draws on debt service reserves, if any, reflecting financial difficulty;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulty;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the bonds;
- (vii) Modifications to rights of security holders;
- (viii) Bond calls (not including mandatory scheduled redemption not contingent upon the occurrence of an event);
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds; and
- (xi) Rating changes (including those relating to the Bonds, credit enhancers, the Borrower, reserve fund surety bonds, providers of guaranteed investment contracts, and other entities directly or indirectly securing payment of the Bonds).

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any of the Listed Events, provide the Borrower with notice (by facsimile transmission confirmed by telephone), and request that the Borrower promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f). The Dissemination Agent shall not be deemed to have actual knowledge of those items listed in clauses (ii), (vi), (vii), (x), and (xi) without the Dissemination Agent having received written notice of such event.

For purposes of providing notice to the Borrower, the Dissemination Agent shall assume that the unscheduled draws described in clauses (iii) and (iv) reflect financial difficulty.

(c) Whenever the Borrower obtains knowledge of the occurrence of a Listed Event, because of notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Borrower shall as soon as possible determine if such event is required by the Rule to be disclosed.

(d) If the Borrower has determined that a Listed Event is required to be disclosed, the Borrower shall promptly prepare a written notice describing the Listed Event and provide the same to the Dissemination Agent along with instructions to file the same pursuant to subsection (f) below.

(e) If the Borrower determines that a Listed Event is not required to be disclosed, the Borrower shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been provided with a written notice describing the Listed Event and instructed by the Borrower to report the occurrence of a Listed Event, the Dissemination Agent shall file the notice with the Municipal Securities Rulemaking Board, the Repositories and send a copy to Florida Housing. The foregoing notwithstanding, notice of a Listed Event described in subsections (a)(viii) and (ix) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Holders of affected Bonds pursuant to the Indenture.

5. Successors. If the Borrower's obligations under the Loan Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the Borrower and the original Borrower shall have no further responsibility hereunder.

6. Amendment, Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Borrower and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall agree to any amendment so requested by the Borrower) if in the opinion of counsel expert in federal securities law matters affecting governmental bonds acceptable to the Borrower and the Dissemination Agent, (i) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Borrower, or the type of business it conducts, (ii) this Disclosure Agreement, as amended, would have complied with the Rule at the time the Bonds were issued, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances, and (iii) the amendment does not materially impair the interests of the Holders.

7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Borrower shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

8. Default. In the event of a failure of the Borrower or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and at the request of the Holders of at least 25% in aggregate principal amount of the Bonds, shall), or any Holder may, take such action as permitted hereby. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture or the Loan Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Borrower or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance. Anything herein to the contrary notwithstanding, the Dissemination Agent shall not be required to bring any enforcement action unless provision has been made to the satisfaction of the Dissemination Agent for payment of all fees and expenses of the Dissemination Agent and its counsel in connection with such action.

9. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent has entered into this Disclosure Agreement solely in its capacity as Dissemination Agent under this Disclosure Agreement and the Indenture. Article IX of the Indenture is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were contained in the Indenture. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Borrower agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Borrower under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Neither the Dissemination Agent nor the Trustee shall have any obligation to make disclosure about the Bonds, the Borrower, or any other matter except as expressly provided herein. The fact that the Dissemination Agent and the Trustee, or any affiliate thereof, may have any fiduciary or banking relationship with Florida Housing, the Borrower, any manager of the Property financed with the Bonds or any person with whom Florida Housing or the Borrower contracts in connection with such Property, apart from the relationship created by the Indenture and this Disclosure Agreement, shall not be construed to mean (whether or not an Event of Default has occurred or is continuing under the Indenture) that (i) the Dissemination Agent or the Trustee has actual knowledge of any event or condition except in its capacity as Trustee under the Indenture when deemed pursuant to the Indenture to have such actual knowledge or except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement, or (ii) the Dissemination Agent or the Trustee has any duties or obligations under the Indenture or the Disclosure Agreement other than those expressly set forth in the Indenture and the Disclosure Agreement and in the capacity of agent to the Borrower.

10. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of Florida Housing, the Borrower, the Dissemination Agent, the Participating Underwriters, and Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

11. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.



12. Notice. Any notice or other communication required or permitted to by this Disclosure Agreement must be in writing unless expressly provided otherwise herein, and to the following addresses or telecopier numbers (with telephone confirmation using the phone number given), or such other addresses or telecopier/phone numbers designated in a notice to the other party hereto:

If to the Dissemination

Agent:

Wells Fargo Bank Minnesota, N.A.  
7077 Benneval Road, Suite 400  
Jacksonville, Florida 32216  
Attention: Corporate Trust Services  
Telephone: (904) 332-9667  
Facsimile:(904) 332-9673

If to the Borrower:

c/o The Wilson Company  
655 N. Franklin Street, Suite 2200  
Tampa, Florida 33602  
Attention: Debra F. Koehler  
Telephone: 813-281-8888  
Facsimile: 813-281-5657

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE TO  
CONTINUING DISCLOSURE AGREEMENT**  
*(Wexford Apartments)*

Dated: July 1, 2003

**TWC SIXTY-SEVEN, LTD.**, a Florida limited partnership

By: TWC SIXTY-SEVEN PARTNERS, LTD., a  
Florida limited partnership, its general  
partner

By: \_\_\_\_\_  
Debra F. Koehler, Senior Vice President

**WELLS FARGO BANK MINNESOTA, N.A.**, as  
Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Florida Housing Finance Corporation

Name of Bond Issue: Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series P  
(Wexford Apartments)

Name of Borrower: TWC Sixty-Seven, Ltd.

Date of Issuance: July \_\_, 2003

NOTICE IS HEREBY GIVEN that TWC Sixty-Seven, Ltd. (the "Borrower") has not provided an Annual Report with respect to the above-named Bonds as required by Section 2 of the Continuing Disclosure Agreement dated July 1, 2003 between the Borrower and Wells Fargo Bank Minnesota, N.A., as Dissemination Agent. [The Borrower anticipates that the Annual Report will be filed by \_\_\_\_\_.]

Dated: \_\_\_\_\_

**WELLS FARGO BANK MINNESOTA, N.A.,** as  
Dissemination Agent

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

cc: Borrower

**SPECIMEN**  
**(Wellesley)**

[CITIBANK, N.A., LETTERHEAD]

IRREVOCABLE LETTER OF CREDIT

LETTER OF CREDIT NUMBER: **[LOC #]**

DATE: \_\_\_\_\_, 2003

Wells Fargo Bank Minnesota, N.A., as Trustee  
7077 Bonneval Road, Suite 400  
Jacksonville, Florida 32216

Ladies and Gentlemen:

At the request and for the account of our customer, Citibank, Federal Savings Bank, with respect to its customer, TWC Twenty-Two, Ltd., a Florida limited partnership (the "Borrower"), we, Citibank, N.A. (the "Bank") hereby establish this irrevocable direct-pay letter of credit (the "Letter of Credit") in the amount of \$17,033,776.00 (the "Initial Stated Amount") and, as the same may from time to time be reduced and thereafter reinstated as hereinafter provided, the "Stated Amount"), consisting of (i) the amount of \$16,840,000.00 (as reduced and thereafter reinstated from time to time as hereinafter provided, the "Principal Component"), which may be drawn upon with respect to payment of the unpaid principal amount of, or portion of, the purchase price corresponding to the principal of the Bonds (as hereinafter defined), as certified to the Bank by the Trustee, and (ii) the amount of \$193,776.00 (as reduced and thereafter reinstated from time to time as hereinafter provided, the "Interest Component"), which may be drawn upon with respect to the payment of up to 35 days' accrued interest on the Bonds or portion of the purchase price representing accrued interest on the Bonds, in each case assuming a maximum interest rate of 12% per annum and computed on the basis of the actual number of days elapsed over a year of 365 or 366 days (the "Maximum Rate"), as such components are certified to the Bank by you as Trustee under that certain Indenture, dated as of July 1, 2003 (the "Indenture"), by and between you, as Trustee, and Florida Housing Finance Corporation (the "Issuer"), pursuant to which the Issuer has issued \$16,840,000.00 in aggregate principal amount of its Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series \_\_\_\_ (Wellesley Apartments) (the "Bonds"). This Letter of Credit is effective immediately and expires with the close of our business at the office of our Servicer, Citicorp North America, Inc., located at 3800 Citigroup Center, Building B, 3rd Floor, Tampa, Florida 33610 on the expiration date described below.

Subject to the other provisions of this Letter of Credit, you or your transferee may obtain the funds available under this Letter of Credit by presentment to us of your sight draft or drafts drawn on Citibank, N.A., at the office of our Servicer (the "Servicer") set forth below. Each draft presented to the Bank must be accompanied by your certification substantially in the form of one or more of the Annexes described below and attached hereto, as may be applicable to the type of drawing you are making (each such demand and presentation, a "Drawing"). You must comply with all of the instructions in brackets in preparing each such certification.

1. Annex A (Interest Drawing With Reinstatement Request). If you are demanding funds with respect to a scheduled interest payment on the Bonds in accordance with the Indenture, and such amount is to be reinstated immediately following the Drawing, your draft or drafts should be accompanied by your Annex A certification.

2. Annex B (Redemption Drawing Without Reinstatement Request). If you are demanding funds with respect to the payment of principal and interest on Bonds in connection with a partial redemption of Bonds in accordance with the Indenture, which amount is not to be reinstated following the Drawing, your draft or drafts should be accompanied by your Annex B certification.

3. Annex C (Liquidity Drawing). If you are demanding funds with respect to the payment of the Purchase Price on the Bonds in connection with a purchase of Bonds in accordance with the Indenture (a "Liquidity Drawing"), your draft or drafts should be accompanied by your Annex C certification.

4. Annex D (Final Drawing). Any draft constituting your final Drawing under this Letter of Credit must be accompanied by your Annex D certification. Only one draft accompanied by an Annex D certification may be presented for payment against this Letter of Credit; upon any such presentation, no further draft may be drawn and presented hereunder.

With respect to each Drawing other than a Liquidity Drawing, for which the Servicer has received a draft as described above, your remittance instructions and one or more of the Annexes described above, other than Annex C, prior to 10:00 a.m., Tampa, Florida time, on a Business Day (as defined below), we will make payment in immediately available funds by 12:00 noon, Tampa, Florida time, on the following Business Day. If the Servicer has received such items after 10:00 a.m., Tampa, Florida time, on a Business Day, the Bank will make payment in immediately available funds by 12:00 noon, Tampa, Florida time, on the second Business Day thereafter. In the case of a Liquidity Drawing, where the Servicer has received a draft as described above, your remittance instructions and the Annex C certification (by telefax transmission only to the attention of the "Standby Unit" with telephone confirmation at the numbers provided below) prior to 12:45 p.m., Tampa, Florida time, on a Business Day, the Bank will make payment in immediately available funds by 2:45 p.m., Tampa, Florida time, on the same Business Day. If the Servicer receives such items after 12:45 p.m., Tampa, Florida time, on a Business Day, the Bank will make payment in immediately available funds by 12:00 noon., Tampa, Florida time, on the following Business Day.

Drafts honored by the Bank under this Letter of Credit shall not exceed the Stated Amount available to you under this Letter of Credit, as such amount may be reduced and reinstated from time to time. Each draft honored by the Bank will reduce the Stated Amount available under this Letter of Credit.

However, in the case of a draft or drafts accompanied by your certification substantially in the form of Annex A and presented in full compliance with the terms and conditions of this Letter of Credit, the Stated Amount of this Letter of Credit shall, on the date each draft is honored by the Bank, automatically be reinstated by the Bank, by an amount equal to the amount of that Drawing.

In addition, upon receipt by the Servicer of a certificate substantially in the form of Annex G attached hereto from you, the principal and/or interest components of the Stated Amount shall be automatically reinstated in the amounts that have been paid to the Bank as shown on such Annex G.

Each draft presented for payment against this Letter of Credit and each accompanying certification must be dated the date of its establishment, and may be presented only on a Business Day. As used in this Letter of Credit, "Business Day" shall mean any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions in New York, New York are authorized or required to close. Drafts must be marked conspicuously "Drawn under Citibank, N.A. Irrevocable Letter of Credit No. [LOC #]." Your draft(s) and accompanying certification(s), on your letterhead purportedly signed by one of your officers, should be submitted by either (i) courier or registered mail to the Servicer at the address specified below; or (ii) via telefax to the attention of "Standby Unit" at facsimile telephone number (813) 604-7187 under telephone confirmation to telephone number (813) 604-7243 or (813) 604-7212.

Other than the foregoing provisions for drawing documents, communications with respect to this Letter of Credit shall be in writing and shall be addressed to Citibank, N.A., c/o Citicorp North America, Inc., 3800 Citigroup Center, Tampa, Florida 33610, Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor, specifically referring to the number and date of this Letter of Credit.

If a demand for payment made by you hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, the Bank through the Servicer shall give you prompt notice that the purported demand was not effected in accordance with this Letter of Credit, stating the reasons therefor and that the Bank is holding the drawing documents at your disposal or is returning them to you, as the Bank may elect. Upon being notified that the purported demand was not effected in conformity with this Letter of Credit, you may attempt to correct any such nonconforming demand for payment if, and to the extent that, you as Trustee are entitled (without regard to the provisions of this sentence) and able to do so under the terms of the Letter of Credit.

By paying you an amount demanded in accordance with this Letter of Credit, the Bank makes no representation as to the correctness of the amount demanded or your calculations and representations on the certificates required of you by this Letter of Credit.

This Letter of Credit shall expire on the earliest of (i) July 30, 2013, the Initial Expiration Date, (ii) when any draft accompanied by your certification substantially in the form of Annex D to this Letter of Credit is honored and paid by the Bank, (iii) the day on which this Letter of Credit is surrendered by the Trustee to the Bank, accompanied by a certificate substantially in the form of Annex F to this Letter of Credit, (iv) two Business Days following the first day of the first Term Interest Rate Period under the Indenture (the "Term Interest Rate Date") as certified by you in substantially the form of Annex I to this Letter of Credit submitted by you to the Servicer, or (v) the date specified as the expiry date in paragraph 4 of a Notice of Event of Default under Reimbursement Agreement from Citibank, Federal Savings Bank, substantially in the form of Annex H to this Letter of Credit, addressed to you with a copy sent to the Servicer.

Payments of Drawings under this Letter of Credit shall be made from funds of the Bank and not from any moneys provided to the Bank by the Borrower, the Issuer or any party related to the Borrower or the Issuer.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein (including, without limitation, the Bonds), except only the Annexes and drafts referred to herein and the ISP98 mentioned below; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such Annexes and drafts.

This Letter of Credit is transferable any number of times, but only in the amount of the full unutilized balance hereof and not in part. Transfer shall be effected against the presentation to the Servicer of (a) this Letter of Credit accompanied by (b) a Transfer Request purportedly signed by one of your officers, in the form of Annex E attached hereto and (c) payment of a transfer fee of \$1,000.00. Upon presentation and payment, we shall effect a transfer of this Letter of Credit to your designated transferee.

This Letter of Credit shall be governed by and construed in accordance with the International Standby Practice, International Chamber of Commerce Publication 590 (the "ISP98"), and, as to matters not addressed by the ISP98, shall be governed and construed in accordance with the laws of the State of New York and applicable United States Federal law.

Should you have occasion to communicate with us regarding this Letter of Credit, please direct your correspondence to the Servicer, Citicorp North America at 3800 Citigroup Center, Tampa, Florida 33610 Attn. Standby Unit, 3<sup>rd</sup> Floor, Bldg. B, or such other office as we may advise from time to time, making specific reference to the Letter of Credit number indicated above.

Very truly yours,

CITIBANK, N.A.

By:\_\_\_\_\_

Name:

Title:

By:\_\_\_\_\_

Name:

Title:

Annex A  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Interest Drawing With Reinstatement Request)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Drawing for Interest Due on Scheduled Interest Payment Date

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of Wells Fargo Bank Minnesota, N.A. (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series \_\_\_\_ (Wellesley Apartments) in the amount of \$16,840,000.00 (the "Bonds").

2. We hereby make demand under the Letter of Credit, by our presentment of the sight draft accompanying this Certificate, for payment of \$\_\_\_\_\_ representing accrued and unpaid interest on the Bonds (excluding Pledged Bonds) with respect to a scheduled interest payment.

3. The amount of the draft accompanying this Certificate does not exceed the amount available on the date hereof to be drawn under the Letter of Credit in respect of interest accrued on the Bonds. This amount was computed in accordance with the terms and conditions of the Bonds and the Indenture. The date specified in paragraph 4 below is not earlier than the date upon which the payment hereby demanded is required to be made under the terms and conditions of the Bonds and the Indenture. The Letter of Credit has not terminated prior to the time of the delivery of this Certificate and the accompanying draft.

4. We request that the payment hereby demanded be made no later than 12 noon, Tampa, Florida time, on \_\_\_\_\_ [if this certificate and an accompanying draft are delivered at or before 10:00 a.m., Tampa, Florida time, then insert a date which is the next Business Day; if this certificate and an accompanying draft are delivered after 10:00 a.m., Tampa, Florida time, insert a date which is a Business Day and is no earlier than the second succeeding Business Day following the date those documents are delivered]. Please [deposit/wire transfer] the amount hereby demanded to our account number \_\_\_\_\_ [insert account number] with \_\_\_\_\_ [insert name and address of banking institution to receive funds].



5. Please reinstate the Letter of Credit by the amount specified in paragraph 2 of this Certificate in accordance with the terms set forth in the Letter of Credit; following such reinstatement, the Stated Amount shall be the same as it was immediately prior to this Drawing.

6. The amount demanded hereby is not being made in respect of any Bonds currently registered in the name of the Borrower or held by us for the account of the Borrower and for the benefit of the Bank as Pledged Bonds, as defined in and upon the terms and subject to the conditions set forth in the Pledge, Security and Custody Agreement, dated as of \_\_\_\_\_ 1, 200\_, among the Borrower, you and us.

IN WITNESS WHEREOF, we have executed and delivered this Certificate as Trustee as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Annex B  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Redemption Drawing Without Reinstatement Request)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Drawing for Partial Redemption of the Bonds

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of \_\_\_\_\_ (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series \_\_\_\_ (Wellesley Apartments) in the amount of \$16,840,000.00 (the "Bonds").

2. We hereby make demand under the Letter of Credit for payment of \$\_\_\_\_\_, of which \$\_\_\_\_\_ shall be with respect to the principal of certain of the Bonds (excluding Pledged Bonds), and \$\_\_\_\_\_ shall be with respect to interest to be paid on the Bonds (excluding Pledged Bonds), which total amount is due with respect to a partial redemption of Bonds pursuant to the Indenture.

3. The amount of the draft accompanying this Certificate does not exceed the amount available on the date hereof to be drawn under the Letter of Credit and was computed in accordance with the terms and conditions of the Bonds and the Indenture. The date specified in paragraph 4 below is not earlier than the date upon which the payment hereby demanded is required to be made under the terms and conditions of the Bonds and the Indenture. The Letter of Credit has not terminated prior to the time of the delivery of this Certificate and the accompanying draft.

4. We request that the payment hereby demanded be made no later than 12 noon, Tampa, Florida time, on \_\_\_\_\_ [if this certificate and an accompanying draft are delivered at or before 10:00 a.m., Tampa, Florida time, insert a date which is the next Business day; if this certificate and an accompanying draft are delivered after 10:00 a.m., Tampa, Florida time, insert a date which is a Business Day and is no earlier than the second succeeding Business Day following the date those documents are delivered]. Please [deposit/wire transfer] the amount hereby demanded to our account number \_\_\_\_\_ [insert account number] with \_\_\_\_\_ [insert name and address of banking institution to receive funds].

5. Upon application of the amount with respect to principal of the Bonds set forth in paragraph 2 of this Certificate, there shall be outstanding \$\_\_\_\_\_ principal amount of the Bonds and the Stated Amount of the Letter of Credit shall be \$\_\_\_\_\_.

6. The amount demanded hereby is not being made in respect of any Bonds currently registered in the name of the Borrower or held by us for the account of the Borrower and for the benefit of the Bank as Pledged Bonds, as defined in and upon the terms and subject to the conditions set forth in the Pledge, Security and Custody Agreement, dated as of \_\_\_\_\_ 1, 200\_, among the Borrower, you and us.

IN WITNESS WHEREOF, we have executed and delivered this Certificate as Trustee as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Annex C  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Liquidity Drawing)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Drawing for Purchase of Bonds

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of \_\_\_\_\_ (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series \_\_\_\_ (Wellesley Apartments) in the amount of \$16,840,000.00 (the "Bonds").

2. We hereby make demand under the Letter of Credit for payment of \$\_\_\_\_\_, of which \$\_\_\_\_\_ shall be with respect to the principal of certain of the Bonds (excluding Pledged Bonds), and \$\_\_\_\_\_ shall be with respect to interest to be paid on the Bonds (excluding Pledged Bonds), which total amount is due with respect to the payment of all or a portion of the purchase price of Bonds (excluding Pledged Bonds) pursuant to the Indenture.

3. The amount of the draft accompanying this Certificate does not exceed the amount available on the date hereof to be drawn under the Letter of Credit and was computed in accordance with the terms and conditions of the Bonds and the Indenture. The date specified in paragraph 4 below is not earlier than the date upon which the payment hereby demanded is required to be made under the terms and conditions of the Bonds and the Indenture. The Letter of Credit has not terminated prior to the time of the delivery of this Certificate and the accompanying draft.

4. The executed original of this certificate and the accompanying draft is delivered to you, by telefax transmission to the attention of the "Standby Unit" with telephone confirmation at the numbers provided in the Letter of Credit, on or before 12:45 p.m., Tampa, Florida time of a Business Day, and we request that the payment hereby demanded be made no later than 2:45 p.m., Tampa, Florida time, on the same Business Day. Please [deposit/wire transfer] the amount hereby demanded to our account number \_\_\_\_\_ [insert account number] with \_\_\_\_\_ [insert name and address of banking institution to receive funds].

5. The amount demanded hereby is not being made in respect of any Bonds currently registered in the name of the Borrower or held by us for the account of the Borrower and for the benefit of the Bank as Pledged Bonds, as defined in and upon the terms and subject to the conditions set forth in the Pledge, Security and Custody Agreement, dated as of \_\_\_\_\_ 1, 200\_, among the Borrower, you and us. We hereby certify that Bonds in an aggregate outstanding principal amount equal to the amount demanded hereby with respect to principal shall be recorded as Pledged Bonds on the bond register or, if the Bonds are held in a book-entry system, the registration requirements for such Bonds set forth in the Indenture will be satisfied.

IN WITNESS WHEREOF, we have executed and delivered this Certificate as Trustee as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Annex D  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Final Drawing)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Final Drawing and Termination

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of Wells Fargo Bank Minnesota, N.A. (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series \_\_\_\_ (Wellesley Apartments) in the amount of \$16,840,000.00 (the "Bonds").

2. We hereby make demand for payment of \$\_\_\_\_\_ of which \$\_\_\_\_\_ shall be with respect to the principal of the Bonds (excluding Pledged Bonds), and \$\_\_\_\_\_ shall be with respect to interest, if any, on the Bonds (excluding Pledged Bonds).

3. This Drawing is being made as a result of the (check applicable circumstance)

- ☐ maturity, acceleration, or redemption
- ☐ purchase in lieu of redemption

of all outstanding Bonds in accordance with the terms and conditions of the Bonds and the Indenture.

4. The amount of the draft accompanying this Certificate does not exceed the amount available on the date hereof to be drawn under the Letter of Credit. This amount was computed in accordance with the terms and conditions of the Bonds and the Indenture. The date specified in paragraph 5 below is not earlier than the date upon which the payment hereby demanded is required to be made under the terms and conditions of the Bonds and the Indenture. The Letter of Credit has not terminated prior to the delivery of this Certificate and the accompanying draft.

5. The sight draft accompanying this Certificate constitutes the final Drawing under the Letter of Credit and upon payment of such draft, the Letter of Credit is canceled. We request that the payment hereby demanded be made no later than 12 noon, Tampa, Florida time, on

\_\_\_\_\_ [if this certificate and an accompanying draft are delivered at or before 10:00 a.m., Tampa, Florida time, insert a date which is a Business Day and which is the next Business Day; if this certificate and an accompanying draft are delivered after 10:00 a.m., Tampa, Florida time, insert a date which is a Business Day and is no earlier than the second succeeding Business Day following the date these documents are delivered]. Please [deposit/wire transfer] the amount hereby demanded to our account \_\_\_\_\_ number \_\_\_\_\_ [insert account number] with \_\_\_\_\_ [insert name and address of banking institution to receive funds].

6. The amount demanded hereby is not being made in respect of any Bonds currently registered in the name of the Borrower or held by us for the account of the Borrower and for the benefit of the Bank as Pledged Bonds, as defined in and upon the terms and subject to the conditions set forth in the Pledge, Security and Custody Agreement, dated as of \_\_\_\_\_ 1, 200\_, among the Borrower, you and us.

IN WITNESS WHEREOF, we have executed and delivered this Certificate as Trustee as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Annex E  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Request for Full Transfer under Letter of Credit  
Relinquishing all Rights as Beneficiary)

Date: \_\_\_\_\_

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Citibank, N.A. Letter of Credit No. [LOC #] \_\_\_\_\_ (the "Letter of Credit")  
Applicant: \_\_\_\_\_ [insert name of transferring Trustee]  
Current Balance: US \$ \_\_\_\_\_ [insert current Stated Amount]

Ladies and Gentlemen:

Reference is made to the Letter of Credit, heretofore issued by you in our favor. We hereby request you to transfer the Letter of Credit in its entirety to:

[insert name and address of Transferee]

(the "Transferee"). The Transferee has succeeded the Transferor as Trustee under that certain Indenture, dated as of July 1, 2003 by and between Florida Housing Finance Corporation and Wells Fargo Bank Minnesota, N.A., as Trustee (the "Indenture") with respect to Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series \_\_\_\_ (Wellesley Apartments) in the amount of \$16,840,000.00 (the "Bonds").

We are returning the original Letter of Credit instrument to you herewith in order that you may deliver it to the Transferee together with you customary letter of transfer.

We agree that you shall issue any amendments to the Letter of Credit directly to the Transferee. [We further agree that any draft or drawing document presented to you by the Transferee may be forwarded by you directly to the party for whose account the Letter of Credit was opened (or any intermediary) without our intervention.]



Enclosed herewith is our check to cover your transfer charges of \$\_\_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

By: \_\_\_\_\_

[Insert name, title, address and telephone number  
of executing authorized officer(s)]

**SIGNATURE GUARANTEED:**

Each signature with title applied above on behalf of  
the named Beneficiary conforms with that on file  
with us and the executing officer is authorized for  
the execution of this instrument.

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

[Insert name and address of signature guarantee  
bank]

Annex F  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Surrender Certificate)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of Wells Fargo Bank Minnesota, N.A. (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series \_\_\_\_ (Wellesley Apartments) in the amount of \$16,840,000.00 (the "Bonds").
2. We hereby surrender the attached Letter of Credit to you.
3. The Letter of Credit is hereby terminated in accordance with its terms.
4. No payment is demanded of you in connection with this surrender of the Letter of Credit.
5. We hereby release all your obligation and responsibility under this Letter of Credit.

IN WITNESS WHEREOF, we have executed and delivered this certificate as Trustee as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

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

Annex G  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Trustee Certificate of Reinstatement)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Irrevocable Letter of Credit No. [LOC #]

Ladies and Gentlemen:

The undersigned, a duly authorized officer of Wells Fargo Bank Minnesota, N.A. (the "Trustee"), hereby notifies Citibank, N.A. (the "Bank"), with reference to Letter of Credit No. [LOC #] (the "Letter of Credit"; terms defined therein and not otherwise defined herein shall have the meanings set forth in the Letter of Credit) issued by the Bank in favor of the Trustee as follows:

1. Citigroup Global Markets, Inc. is the Remarketing Agent under the Indenture for the holders of the Bonds.
2. The Trustee has been advised by the Borrower or the Remarketing Agent that the amount of \$\_\_\_\_\_ paid to the Bank today by the Borrower or the Remarketing Agent on behalf of the Borrower is a payment made to reimburse Citibank, Federal Savings Bank ("Citibank, FSB"), pursuant to the Reimbursement Agreement, dated as of July 1, 2003 (the "Reimbursement Agreement"), by and between the Borrower and Citibank, FSB, for amounts drawn under the Letter of Credit pursuant to a Liquidity Drawing.
3. Of the amount referred to in paragraph (2), \$\_\_\_\_\_ represents the aggregate principal amount of Pledged Bonds resold or to be resold on behalf of the Borrower.
4. Of the amount referred to in paragraph (2), \$\_\_\_\_\_ represents accrued and unpaid interest on such Pledged Bonds.
5. Please increase the Stated Amount of the Letter of Credit by \$\_\_\_\_\_.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of this day \_\_\_\_ of \_\_\_\_\_, \_\_\_\_.

Wells Fargo Bank Minnesota, N.A., as Trustee

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

Annex H  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Notice of Event of Default under Reimbursement Agreement)

To: Beneficiary under Citibank N.A., Letter of Credit No. [LOC #] (the "Letter of Credit")

Re: Event of Default under Reimbursement Agreement

Ladies and Gentlemen:

We hereby certify to you that:

1. An Event of Default has occurred under the Reimbursement Agreement, dated as of July 1, 2003, between Citibank, Federal Savings Bank, and the Borrower (the "Reimbursement Agreement").

2. Pursuant to Section 4.01 of the Indenture (as such term and all other capitalized terms are used in the Reimbursement Agreement), the Bonds are to be redeemed upon receipt of notice of the occurrence of an Event of Default under the Reimbursement Agreement and request to redeem from the Bank.

3. Citibank, Federal Savings Bank, hereby requests you redeem all of the Bonds outstanding on and, in connection therewith, to draw on the Letter of Credit to pay for such redemption.

Unless it expires earlier in accordance with its terms, the Letter of Credit will expire on \_\_\_\_\_, \_\_\_\_\_ [insert date that is 30 days from beneficiary's receipt of this notice or, if such day is not a Business Day, the next succeeding Business Day].

WITNESS WHEREOF, we have executed and delivered this certificate as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Very truly yours,

CITIBANK, FEDERAL SAVINGS BANK

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Annex I  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Notice of Term Interest Rate Date)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B 3<sup>rd</sup> Floor

Re: Conversion of Bonds to a Term Interest Rate

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of Wells Fargo Bank Minnesota, N.A. (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series \_\_\_\_ (Wellesley Apartments) in the amount of \$16,840,000.00 (the "Bonds")

2. The Letter of Credit will expire on \_\_\_\_\_, \_\_\_\_\_, which is two (2) Business Days following the Term Interest Rate Date.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_,

Wells Fargo Bank Minnesota, N.A., as Trustee

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

**SPECIMEN**  
**(Wexford)**

[CITIBANK, N.A., LETTERHEAD]

IRREVOCABLE LETTER OF CREDIT

LETTER OF CREDIT NUMBER: **[LOC #]**

DATE: \_\_\_\_\_, 2003

Wells Fargo Bank Minnesota, N.A., as Trustee  
7077 Bonneval Road, Suite 400  
Jacksonville, Florida 32216

Ladies and Gentlemen:

At the request and for the account of our customer, Citibank, Federal Savings Bank, with respect to its customer, TWC Sixty-Seven, Ltd., a Florida limited partnership (the "Borrower"), we, Citibank, N.A. (the "Bank") hereby establish this irrevocable direct-pay letter of credit (the "Letter of Credit") in the amount of \$16,118,362 (the "Initial Stated Amount") and, as the same may from time to time be reduced and thereafter reinstated as hereinafter provided, the "Stated Amount"), consisting of (i) the amount of \$15,935,000.00 (as reduced and thereafter reinstated from time to time as hereinafter provided, the "Principal Component"), which may be drawn upon with respect to payment of the unpaid principal amount of, or portion of, the purchase price corresponding to the principal of the Bonds (as hereinafter defined), as certified to the Bank by the Trustee, and (ii) the amount of \$183,362.00 (as reduced and thereafter reinstated from time to time as hereinafter provided, the "Interest Component"), which may be drawn upon with respect to the payment of up to 35 days' accrued interest on the Bonds or portion of the purchase price representing accrued interest on the Bonds, in each case assuming a maximum interest rate of 12% per annum and computed on the basis of the actual number of days elapsed over a year of 365 or 366 days (the "Maximum Rate"), as such components are certified to the Bank by you as Trustee under that certain Indenture, dated as of July 1, 2003 (the "Indenture"), by and between you, as Trustee, and Florida Housing Finance Corporation (the "Issuer"), pursuant to which the Issuer has issued \$15,935,000.00 in aggregate principal amount of its Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series \_\_\_\_ (Wexford Apartments) (the "Bonds"). This Letter of Credit is effective immediately and expires with the close of our business at the office of our Servicer, Citicorp North America, Inc., located at 3800 Citigroup Center, Building B, 3rd Floor, Tampa, Florida 33610 on the expiration date described below.

Subject to the other provisions of this Letter of Credit, you or your transferee may obtain the funds available under this Letter of Credit by presentment to us of your sight draft or drafts drawn on Citibank, N.A., at the office of our Servicer (the "Servicer") set forth below. Each draft presented to the Bank must be accompanied by your certification substantially in the form of one or more of the Annexes described below and attached hereto, as may be applicable to the type of drawing you are making (each such demand and presentation, a "Drawing"). You must comply with all of the instructions in brackets in preparing each such certification.

1. Annex A (Interest Drawing With Reinstatement Request). If you are demanding funds with respect to a scheduled interest payment on the Bonds in accordance with the Indenture, and such amount is to be reinstated immediately following the Drawing, your draft or drafts should be accompanied by your Annex A certification.

2. Annex B (Redemption Drawing Without Reinstatement Request). If you are demanding funds with respect to the payment of principal and interest on Bonds in connection with a partial redemption of Bonds in accordance with the Indenture, which amount is not to be reinstated following the Drawing, your draft or drafts should be accompanied by your Annex B certification.

3. Annex C (Liquidity Drawing). If you are demanding funds with respect to the payment of the Purchase Price on the Bonds in connection with a purchase of Bonds in accordance with the Indenture (a "Liquidity Drawing"), your draft or drafts should be accompanied by your Annex C certification.

4. Annex D (Final Drawing). Any draft constituting your final Drawing under this Letter of Credit must be accompanied by your Annex D certification. Only one draft accompanied by an Annex D certification may be presented for payment against this Letter of Credit; upon any such presentation, no further draft may be drawn and presented hereunder.

With respect to each Drawing other than a Liquidity Drawing, for which the Servicer has received a draft as described above, your remittance instructions and one or more of the Annexes described above, other than Annex C, prior to 10:00 a.m., Tampa, Florida time, on a Business Day (as defined below), we will make payment in immediately available funds by 12:00 noon, Tampa, Florida time, on the following Business Day. If the Servicer has received such items after 10:00 a.m., Tampa, Florida time, on a Business Day, the Bank will make payment in immediately available funds by 12:00 noon, Tampa, Florida time, on the second Business Day thereafter. In the case of a Liquidity Drawing, where the Servicer has received a draft as described above, your remittance instructions and the Annex C certification (by telefax transmission only to the attention of the "Standby Unit" with telephone confirmation at the numbers provided below) prior to 12:45 p.m., Tampa, Florida time, on a Business Day, the Bank will make payment in immediately available funds by 2:45 p.m., Tampa, Florida time, on the same Business Day. If the Servicer receives such items after 12:45 p.m., Tampa, Florida time, on a Business Day, the Bank will make payment in immediately available funds by 12:00 noon., Tampa, Florida time, on the following Business Day.

Drafts honored by the Bank under this Letter of Credit shall not exceed the Stated Amount available to you under this Letter of Credit, as such amount may be reduced and reinstated from time to time. Each draft honored by the Bank will reduce the Stated Amount available under this Letter of Credit.

However, in the case of a draft or drafts accompanied by your certification substantially in the form of Annex A and presented in full compliance with the terms and conditions of this Letter of Credit, the Stated Amount of this Letter of Credit shall, on the date each draft is honored by the Bank, automatically be reinstated by the Bank, by an amount equal to the amount of that Drawing.

In addition, upon receipt by the Servicer of a certificate substantially in the form of Annex G attached hereto from you, the principal and/or interest components of the Stated Amount shall be automatically reinstated in the amounts that have been paid to the Bank as shown on such Annex G.

Each draft presented for payment against this Letter of Credit and each accompanying certification must be dated the date of its establishment, and may be presented only on a Business Day. As used in this Letter of Credit, "Business Day" shall mean any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions in New York, New York are authorized or required to close. Drafts must be marked conspicuously "Drawn under Citibank, N.A. Irrevocable Letter of Credit No. [LOC #]." Your draft(s) and accompanying certification(s), on your letterhead purportedly signed by one of your officers, should be submitted by either (i) courier or registered mail to the Servicer at the address specified below; or (ii) via telefax to the attention of "Standby Unit" at facsimile telephone number (813) 604-7187 under telephone confirmation to telephone number (813) 604-7243 or (813) 604-7212.

Other than the foregoing provisions for drawing documents, communications with respect to this Letter of Credit shall be in writing and shall be addressed to Citibank, N.A., c/o Citicorp North America, Inc., 3800 Citigroup Center, Tampa, Florida 33610, Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor, specifically referring to the number and date of this Letter of Credit.

If a demand for payment made by you hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, the Bank through the Servicer shall give you prompt notice that the purported demand was not effected in accordance with this Letter of Credit, stating the reasons therefor and that the Bank is holding the drawing documents at your disposal or is returning them to you, as the Bank may elect. Upon being notified that the purported demand was not effected in conformity with this Letter of Credit, you may attempt to correct any such nonconforming demand for payment if, and to the extent that, you as Trustee are entitled (without regard to the provisions of this sentence) and able to do so under the terms of the Letter of Credit.

By paying you an amount demanded in accordance with this Letter of Credit, the Bank makes no representation as to the correctness of the amount demanded or your calculations and representations on the certificates required of you by this Letter of Credit.

This Letter of Credit shall expire on the earliest of (i) July 30, 2013, the Initial Expiration Date, (ii) when any draft accompanied by your certification substantially in the form of Annex D to this Letter of Credit is honored and paid by the Bank, (iii) the day on which this Letter of Credit is surrendered by the Trustee to the Bank, accompanied by a certificate substantially in the form of Annex F to this Letter of Credit, (iv) two Business Days following the first day of the first Term Interest Rate Period under the Indenture (the "Term Interest Rate Date") as certified by you in substantially the form of Annex I to this Letter of Credit submitted by you to the Servicer, or (v) the date specified as the expiry date in paragraph 4 of a Notice of Event of Default under Reimbursement Agreement from Citibank, Federal Savings Bank, substantially in the form of Annex H to this Letter of Credit, addressed to you with a copy sent to the Servicer.



Payments of Drawings under this Letter of Credit shall be made from funds of the Bank and not from any moneys provided to the Bank by the Borrower, the Issuer or any party related to the Borrower or the Issuer.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein (including, without limitation, the Bonds), except only the Annexes and drafts referred to herein and the ISP98 mentioned below; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such Annexes and drafts.

This Letter of Credit is transferable any number of times, but only in the amount of the full unutilized balance hereof and not in part. Transfer shall be effected against the presentation to the Servicer of (a) this Letter of Credit accompanied by (b) a Transfer Request purportedly signed by one of your officers, in the form of Annex E attached hereto and (c) payment of a transfer fee of \$1,000.00. Upon presentation and payment, we shall effect a transfer of this Letter of Credit to your designated transferee.

This Letter of Credit shall be governed by and construed in accordance with the International Standby Practice, International Chamber of Commerce Publication 590 (the "ISP98"), and, as to matters not addressed by the ISP98, shall be governed and construed in accordance with the laws of the State of New York and applicable United States Federal law.

Should you have occasion to communicate with us regarding this Letter of Credit, please direct your correspondence to the Servicer, Citicorp North America at 3800 Citigroup Center, Tampa, Florida 33610 Attn. Standby Unit, 3<sup>rd</sup> Floor, Bldg. B, or such other office as we may advise from time to time, making specific reference to the Letter of Credit number indicated above.

Very truly yours,

CITIBANK, N.A.

By:\_\_\_\_\_

Name:

Title:

By:\_\_\_\_\_

Name:

Title:

Annex A  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Interest Drawing With Reinstatement Request)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Drawing for Interest Due on Scheduled Interest Payment Date

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of Wells Fargo Bank Minnesota, N.A. (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series (Wexford Apartments) in the amount of \$15,935,000.00 (the "Bonds").

2. We hereby make demand under the Letter of Credit, by our presentment of the sight draft accompanying this Certificate, for payment of \$\_\_\_\_\_ representing accrued and unpaid interest on the Bonds (excluding Pledged Bonds) with respect to a scheduled interest payment.

3. The amount of the draft accompanying this Certificate does not exceed the amount available on the date hereof to be drawn under the Letter of Credit in respect of interest accrued on the Bonds. This amount was computed in accordance with the terms and conditions of the Bonds and the Indenture. The date specified in paragraph 4 below is not earlier than the date upon which the payment hereby demanded is required to be made under the terms and conditions of the Bonds and the Indenture. The Letter of Credit has not terminated prior to the time of the delivery of this Certificate and the accompanying draft.

4. We request that the payment hereby demanded be made no later than 12 noon, Tampa, Florida time, on \_\_\_\_\_ [if this certificate and an accompanying draft are delivered at or before 10:00 a.m., Tampa, Florida time, then insert a date which is the next Business Day; if this certificate and an accompanying draft are delivered after 10:00 a.m., Tampa, Florida time, insert a date which is a Business Day and is no earlier than the second succeeding Business Day following the date those documents are delivered]. Please [deposit/wire transfer] the amount hereby demanded to our account number \_\_\_\_\_ [insert account number] with \_\_\_\_\_ [insert name and address of banking institution to receive funds].

5. Please reinstate the Letter of Credit by the amount specified in paragraph 2 of this Certificate in accordance with the terms set forth in the Letter of Credit; following such reinstatement, the Stated Amount shall be the same as it was immediately prior to this Drawing.

6. The amount demanded hereby is not being made in respect of any Bonds currently registered in the name of the Borrower or held by us for the account of the Borrower and for the benefit of the Bank as Pledged Bonds, as defined in and upon the terms and subject to the conditions set forth in the Pledge, Security and Custody Agreement, dated as of \_\_\_\_\_ 1, 200\_, among the Borrower, you and us.

IN WITNESS WHEREOF, we have executed and delivered this Certificate as Trustee as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

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

Annex B  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Redemption Drawing Without Reinstatement Request)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Drawing for Partial Redemption of the Bonds

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of \_\_\_\_\_ (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series (Wexford Apartments) in the amount of \$15,935,000.00 (the "Bonds").

2. We hereby make demand under the Letter of Credit for payment of \$ \_\_\_\_\_, of which \$ \_\_\_\_\_ shall be with respect to the principal of certain of the Bonds (excluding Pledged Bonds), and \$ \_\_\_\_\_ shall be with respect to interest to be paid on the Bonds (excluding Pledged Bonds), which total amount is due with respect to a partial redemption of Bonds pursuant to the Indenture.

3. The amount of the draft accompanying this Certificate does not exceed the amount available on the date hereof to be drawn under the Letter of Credit and was computed in accordance with the terms and conditions of the Bonds and the Indenture. The date specified in paragraph 4 below is not earlier than the date upon which the payment hereby demanded is required to be made under the terms and conditions of the Bonds and the Indenture. The Letter of Credit has not terminated prior to the time of the delivery of this Certificate and the accompanying draft.

4. We request that the payment hereby demanded be made no later than 12 noon, Tampa, Florida time, on \_\_\_\_\_ [if this certificate and an accompanying draft are delivered at or before 10:00 a.m., Tampa, Florida time, insert a date which is the next Business day; if this certificate and an accompanying draft are delivered after 10:00 a.m., Tampa, Florida time, insert a date which is a Business Day and is no earlier than the second succeeding Business Day following the date those documents are delivered]. Please [deposit/wire transfer] the amount hereby demanded to our account number \_\_\_\_\_ [insert account number] with \_\_\_\_\_ [insert name and address of banking institution to receive funds].

5. Upon application of the amount with respect to principal of the Bonds set forth in paragraph 2 of this Certificate, there shall be outstanding \$\_\_\_\_\_ principal amount of the Bonds and the Stated Amount of the Letter of Credit shall be \$\_\_\_\_\_.

6. The amount demanded hereby is not being made in respect of any Bonds currently registered in the name of the Borrower or held by us for the account of the Borrower and for the benefit of the Bank as Pledged Bonds, as defined in and upon the terms and subject to the conditions set forth in the Pledge, Security and Custody Agreement, dated as of \_\_\_\_\_ 1, 200\_, among the Borrower, you and us.

IN WITNESS WHEREOF, we have executed and delivered this Certificate as Trustee as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Annex C  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Liquidity Drawing)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Drawing for Purchase of Bonds

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of \_\_\_\_\_ (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series (Wexford Apartments) in the amount of \$15,935,000.00 (the "Bonds").

2. We hereby make demand under the Letter of Credit for payment of \$ \_\_\_\_\_, of which \$ \_\_\_\_\_ shall be with respect to the principal of certain of the Bonds (excluding Pledged Bonds), and \$ \_\_\_\_\_ shall be with respect to interest to be paid on the Bonds (excluding Pledged Bonds), which total amount is due with respect to the payment of all or a portion of the purchase price of Bonds (excluding Pledged Bonds) pursuant to the Indenture.

3. The amount of the draft accompanying this Certificate does not exceed the amount available on the date hereof to be drawn under the Letter of Credit and was computed in accordance with the terms and conditions of the Bonds and the Indenture. The date specified in paragraph 4 below is not earlier than the date upon which the payment hereby demanded is required to be made under the terms and conditions of the Bonds and the Indenture. The Letter of Credit has not terminated prior to the time of the delivery of this Certificate and the accompanying draft.

4. The executed original of this certificate and the accompanying draft is delivered to you, by telefax transmission to the attention of the "Standby Unit" with telephone confirmation at the numbers provided in the Letter of Credit, on or before 12:45 p.m., Tampa, Florida time of a Business Day, and we request that the payment hereby demanded be made no later than 2:45 p.m., Tampa, Florida time, on the same Business Day. Please [deposit/wire transfer] the amount hereby demanded to our account number \_\_\_\_\_ [insert account number] with \_\_\_\_\_ [insert name and address of banking institution to receive funds].

5. The amount demanded hereby is not being made in respect of any Bonds currently registered in the name of the Borrower or held by us for the account of the Borrower and for the benefit of the Bank as Pledged Bonds, as defined in and upon the terms and subject to the conditions set forth in the Pledge, Security and Custody Agreement, dated as of \_\_\_\_\_ 1, 200\_, among the Borrower, you and us. We hereby certify that Bonds in an aggregate outstanding principal amount equal to the amount demanded hereby with respect to principal shall be recorded as Pledged Bonds on the bond register or, if the Bonds are held in a book-entry system, the registration requirements for such Bonds set forth in the Indenture will be satisfied.

IN WITNESS WHEREOF, we have executed and delivered this Certificate as Trustee as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Annex D  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Final Drawing)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Final Drawing and Termination

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of Wells Fargo Bank Minnesota, N.A. (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series (Wexford Apartments) in the amount of \$15,935,000.00 (the "Bonds").

2. We hereby make demand for payment of \$\_\_\_\_\_ of which \$\_\_\_\_\_ shall be with respect to the principal of the Bonds (excluding Pledged Bonds), and \$\_\_\_\_\_ shall be with respect to interest, if any, on the Bonds (excluding Pledged Bonds).

3. This Drawing is being made as a result of the (check applicable circumstance)

- ☐ maturity, acceleration, or redemption
- ☐ purchase in lieu of redemption

of all outstanding Bonds in accordance with the terms and conditions of the Bonds and the Indenture.

4. The amount of the draft accompanying this Certificate does not exceed the amount available on the date hereof to be drawn under the Letter of Credit. This amount was computed in accordance with the terms and conditions of the Bonds and the Indenture. The date specified in paragraph 5 below is not earlier than the date upon which the payment hereby demanded is required to be made under the terms and conditions of the Bonds and the Indenture. The Letter of Credit has not terminated prior to the delivery of this Certificate and the accompanying draft.

5. The sight draft accompanying this Certificate constitutes the final Drawing under the Letter of Credit and upon payment of such draft, the Letter of Credit is canceled. We request that the payment hereby demanded be made no later than 12 noon, Tampa, Florida time, on



\_\_\_\_\_ [if this certificate and an accompanying draft are delivered at or before 10:00 a.m., Tampa, Florida time, insert a date which is a Business Day and which is the next Business Day; if this certificate and an accompanying draft are delivered after 10:00 a.m., Tampa, Florida time, insert a date which is a Business Day and is no earlier than the second succeeding Business Day following the date these documents are delivered]. Please [deposit/wire transfer] the amount hereby demanded to our account \_\_\_\_\_ number \_\_\_\_\_ [insert account number] with \_\_\_\_\_ [insert name and address of banking institution to receive funds].

6. The amount demanded hereby is not being made in respect of any Bonds currently registered in the name of the Borrower or held by us for the account of the Borrower and for the benefit of the Bank as Pledged Bonds, as defined in and upon the terms and subject to the conditions set forth in the Pledge, Security and Custody Agreement, dated as of \_\_\_\_\_ 1, 200\_, among the Borrower, you and us.

IN WITNESS WHEREOF, we have executed and delivered this Certificate as Trustee as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Annex E  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Request for Full Transfer under Letter of Credit  
Relinquishing all Rights as Beneficiary)

Date: \_\_\_\_\_

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Citibank, N.A. Letter of Credit No. [LOC #] \_\_\_\_\_ (the "Letter of  
Credit")  
Applicant: \_\_\_\_\_ [insert name of transferring  
Trustee]  
Current Balance: US \$ \_\_\_\_\_ [insert current Stated Amount]

Ladies and Gentlemen:

Reference is made to the Letter of Credit, heretofore issued by you in our favor. We hereby request you to transfer the Letter of Credit in its entirety to:

[insert name and address of Transferee]

(the "Transferee"). The Transferee has succeeded the Transferor as Trustee under that certain Indenture, dated as of July 1, 2003 by and between Florida Housing Finance Corporation and Wells Fargo Bank Minnesota, N.A., as Trustee (the "Indenture") with respect to Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series (Wexford Apartments) in the amount of \$15,935,000.00 (the "Bonds").

We are returning the original Letter of Credit instrument to you herewith in order that you may deliver it to the Transferee together with your customary letter of transfer.

We agree that you shall issue any amendments to the Letter of Credit directly to the Transferee. [We further agree that any draft or drawing document presented to you by the Transferee may be forwarded by you directly to the party for whose account the Letter of Credit was opened (or any intermediary) without our intervention.]

Enclosed herewith is our check to cover your transfer charges of \$\_\_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

By: \_\_\_\_\_

[Insert name, title, address and telephone number  
of executing authorized officer(s)]

**SIGNATURE GUARANTEED:**

Each signature with title applied above on behalf of  
the named Beneficiary conforms with that on file  
with us and the executing officer is authorized for  
the execution of this instrument.

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

[Insert name and address of signature guarantee  
bank]

Annex F  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Surrender Certificate)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of Wells Fargo Bank Minnesota, N.A. (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series (Wexford Apartments) in the amount of \$15,935,000.00 (the "Bonds").
2. We hereby surrender the attached Letter of Credit to you.
3. The Letter of Credit is hereby terminated in accordance with its terms.
4. No payment is demanded of you in connection with this surrender of the Letter of Credit.
5. We hereby release all your obligation and responsibility under this Letter of Credit.

IN WITNESS WHEREOF, we have executed and delivered this certificate as Trustee as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

Very truly yours,

Wells Fargo Bank Minnesota, N.A., as Trustee

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

Annex G  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Trustee Certificate of Reinstatement)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B, 3<sup>rd</sup> Floor

Re: Irrevocable Letter of Credit No. [LOC #]

Ladies and Gentlemen:

The undersigned, a duly authorized officer of Wells Fargo Bank Minnesota, N.A. (the "Trustee"), hereby notifies Citibank, N.A. (the "Bank"), with reference to Letter of Credit No. [LOC #] (the "Letter of Credit"; terms defined therein and not otherwise defined herein shall have the meanings set forth in the Letter of Credit) issued by the Bank in favor of the Trustee as follows:

1. Citigroup Global Markets, Inc. is the Remarketing Agent under the Indenture for the holders of the Bonds.
2. The Trustee has been advised by the Borrower or the Remarketing Agent that the amount of \$\_\_\_\_\_ paid to the Bank today by the Borrower or the Remarketing Agent on behalf of the Borrower is a payment made to reimburse Citibank, Federal Savings Bank ("Citibank, FSB"), pursuant to the Reimbursement Agreement, dated as of July 1, 2003 (the "Reimbursement Agreement"), by and between the Borrower and Citibank, FSB, for amounts drawn under the Letter of Credit pursuant to a Liquidity Drawing.
3. Of the amount referred to in paragraph (2), \$\_\_\_\_\_ represents the aggregate principal amount of Pledged Bonds resold or to be resold on behalf of the Borrower.
4. Of the amount referred to in paragraph (2), \$\_\_\_\_\_ represents accrued and unpaid interest on such Pledged Bonds.
5. Please increase the Stated Amount of the Letter of Credit by \$\_\_\_\_\_.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of this day \_\_\_\_ of \_\_\_\_\_, \_\_\_\_.

Wells Fargo Bank Minnesota, N.A., as Trustee

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

Annex H  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Notice of Event of Default under Reimbursement Agreement)

To: Beneficiary under Citibank N.A., Letter of Credit No. [LOC #] (the "Letter of Credit")

Re: Event of Default under Reimbursement Agreement

Ladies and Gentlemen:

We hereby certify to you that:

1. An Event of Default has occurred under the Reimbursement Agreement, dated as of July 1, 2003, between Citibank, Federal Savings Bank, and the Borrower (the "Reimbursement Agreement").

2. Pursuant to Section 4.01 of the Indenture (as such term and all other capitalized terms are used in the Reimbursement Agreement), the Bonds are to be redeemed upon receipt of notice of the occurrence of an Event of Default under the Reimbursement Agreement and request to redeem from the Bank.

3. Citibank, Federal Savings Bank, hereby requests you redeem all of the Bonds outstanding on and, in connection therewith, to draw on the Letter of Credit to pay for such redemption.

Unless it expires earlier in accordance with its terms, the Letter of Credit will expire on \_\_\_\_\_, \_\_\_\_\_ [insert date that is 30 days from beneficiary's receipt of this notice or, if such day is not a Business Day, the next succeeding Business Day].

WITNESS WHEREOF, we have executed and delivered this certificate as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Very truly yours,

CITIBANK, FEDERAL SAVINGS BANK

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Annex I  
to Citibank, N.A. Irrevocable Letter of Credit No. \_\_\_\_\_  
(Notice of Term Interest Rate Date)

Citibank, N.A.  
c/o Citicorp North America, Inc.  
3800 Citigroup Center  
Tampa, Florida 33610  
Attention: Standby Unit, Building B 3<sup>rd</sup> Floor

Re: Conversion of Bonds to a Term Interest Rate

Ladies and Gentlemen:

We refer to your Letter of Credit No. [LOC #] (the "Letter of Credit"). Any term which is defined in the Letter of Credit shall have the same meaning when used herein. The undersigned, a duly authorized officer of Wells Fargo Bank Minnesota, N.A. (the "Trustee" or "we"), hereby certifies to you that:

1. We are the Trustee or a successor Trustee under the Indenture for the holders of Florida Housing Finance Corporation Variable Rate Demand Multifamily Mortgage Revenue Bonds, 2003 Series (Wexford Apartments) in the amount of \$15,935,000.00 (the "Bonds")

2. The Letter of Credit will expire on \_\_\_\_\_, \_\_\_\_\_, which is two (2) Business Days following the Term Interest Rate Date.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_,

Wells Fargo Bank Minnesota, N.A., as Trustee

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