

**Exhibit A to RFA 2020-204 Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments**

Unless stated otherwise, all information requested pertains to the Development proposed in this Application upon completion of the construction or rehabilitation work.

**1. Applicant Certification and Acknowledgement form**

Provide the Applicant Certification and Acknowledgement, executed by the Authorized Principal Representative, as **Attachment 1**.

**2. Demographic Commitment**

Select one of the following Demographic Commitments:

Elderly, Non-ALF

**3. Applicant, Developer, Management Company, and Contact Person**

a. Applicant

(1) Name of Applicant

McCown Tower, LLLP

(2) Provide the required documentation to demonstrate that the Applicant is a legally formed entity qualified to do business in the state of Florida as of the Application Deadline as **Attachment 2**.

(3) Non-Profit Applicant qualifications

Does the Applicant or the General Partner or managing member of the Applicant meet the definition of Non-Profit as set forth in Rule Chapter 67-48, F.A.C.?

Yes

If "Yes", provide the required information for the Non-Profit entity as **Attachment 3**.

b. Developer Information

(1) Name of each Developer (including all co-Developers)

McCown Fortis Development, LLC

SHA Affordable Development, LLC

[Click here to enter text.](#)

- (2) For each Developer entity listed in question (1) above (that is not a natural person), provide, as **Attachment 4**, the required documentation demonstrating that the Developer is a legally formed entity qualified to do business in the state of Florida as of the Application Deadline.
- (3) Developer Experience
- (a) Required Developer Experience
- To be eligible for funding, for each experienced Developer entity, provide, as **Attachment 4**, the required prior experience chart for at least one experienced natural person Principal of that entity.
- (b) Developer Experience Withdrawal Disincentive (5 Points)
- To receive five points, the Developer Experience Withdrawal Disincentive criteria outlined in Section Four A.3.b.(3)(b) of the RFA must be met.
- (c) Emergency Rule 67ER20-1 Disincentive Points (5 Points)
- Per Emergency Rule 67ER20-1, have all increases in rent that impact existing tenants in all Applications that share Principals of the Applicant or Developer financed in whole or in part by the Corporation been suspended March 8, 2020 through July 28, 2020?

Yes

If "Yes", the Application will be awarded five points.

c. Principals Disclosure for the Applicant and for each Developer

(1) Eligibility Requirement

To meet the submission requirements, the Applicant must upload the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) ("Principals Disclosure Form") with the Application and Development Cost Pro Forma, as outlined in Section Three of the RFA identifying the Principals of the Applicant and Developer(s) as of the Application Deadline.

To meet eligibility requirements, the Principals Disclosure Form must identify, pursuant to Subsection 67-48.002(94), 67-48.0075(8) and 67-48.0075(9), F.A.C., the Principals of the Applicant and Developer(s) as of the Application Deadline. For Housing Credits, the investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified.

(2) Advance Review Process (5 Points)

Applicants will receive five points if the uploaded Principal Disclosure Form was either (a) stamped "Approved" at least 14 Calendar Days prior to the Application Deadline; or (b) stamped "Received" by the Corporation at least 14 Calendar Days prior to the Application Deadline AND stamped "Approved" prior to the Application Deadline.

d. Management Company

(1) Contact Information

First Name: Richard  
Middle Initial: K.  
Last Name: Elwood  
Management Company: NDC Asset Management, LLC  
Street Address: 1001 Third Ave. West Suite 200  
City: Bradenton  
State: FL  
Zip: 34205  
Telephone: 941 9074109 extension  
E-Mail Address: relwood@ndcassetmanagement.com

(2) Provide, as **Attachment 5**, the required prior experience chart for the Management Company or a principal of the Management Company reflecting the required information.

e. Contact Person

(1) Authorized Principal Representative contact information (required)

First Name: Darren  
Middle Initial: J.  
Last Name: Smith  
Organization: McCown Fortis Development, LLC  
Street Address: 1100 NW 4th Ave.  
City: Delray Beach  
State: FL  
Zip: 33444  
Telephone: 561 8598520 extension  
E-Mail Address: dsmith@smithhenzy.com

(2) Operational Contact Person information (optional)

First Name: Richard  
Middle Initial: Click here to enter text.  
Last Name: Crogan  
Organization: Smith & Henzy Advisory Group  
Street Address: 198 NE 6th Ave  
City: Delray Beach

State: FL  
Zip: 33483  
Telephone: 850 628-0618 extension  
E-Mail Address: rcrogan@smithhenzy.com

**4. General Proposed Development Information**

- a. Name of the proposed Development

McCown Tower

- b. Development Category/Rental Assistance (RA) Level

- (1) Select the Development Category

Acquisition and Preservation

- (2) The Development Category requirements are outlined in Section Four.

- (3) Rental Assistance (RA) Level

The Corporation will calculate the Rental Assistance (RA Level) based on the Development Category Qualification Letter provided as **Attachment 6** and using the criteria described in Section Four.

- c. Select the Development Type

High-Rise

- d. Enhanced Structural Systems ("ESS") Construction Qualifications

Does the proposed Development meet the requirements to be considered ESS Construction as outlined in Section Four A.4.d. of the RFA?

Yes

**5. Location of proposed Development**

- a. County: Sarasota

- b. Development Location

- (1) Address of Development Site:

1300 Blvd of the Arts

- (2) City of Development Site:

Sarasota

c. Does the proposed Development consist of Scattered Sites?

No

d. Latitude and Longitude Coordinates

(1) Development Location Point

Latitude in decimal degrees, rounded to at least the sixth decimal place

27.340639

Longitude in decimal degrees, rounded to at least the sixth decimal place

-82.544147

(2) If the proposed Development consists of Scattered Sites, for each Scattered Site that is in addition to the Development Location Point information provided in (1) above, identify the latitude and longitude coordinate, rounded to at least the sixth decimal place:

[Click here to enter text.](#)

e. Proximity

(1) PHA or RD 515 Proximity Point Boost

(a) Does the proposed Development qualify for the PHA Proximity Point Boost?

No

If "Yes", provide the required letter as **Attachment 7**.

(b) Does the proposed Development qualify for the RD 515 Proximity Point Boost?

No

If "Yes", provide the required letter as **Attachment 14**.

(2) Transit Services

Applicants may select Private Transportation or provide the location information and distance for one of the remaining four Transit Services on which to base the Application's Transit Score.

(a) If the proposed Development will serve the Elderly (ALF or Non-ALF) or Persons with a Disability Demographic Commitment, does the Applicant commit to provide Private Transportation?

No

## (b) Other Transit Services

Service	Latitude	Longitude	Distance (rounded up to the nearest hundredth of a mile)*
Public Bus Stop 1	<a href="#">Latitude Coordinates</a>	<a href="#">Longitude Coordinates</a>	<a href="#">Distance</a>
Public Bus Stop 2	<a href="#">Latitude Coordinates</a>	<a href="#">Longitude Coordinates</a>	<a href="#">Distance</a>
Public Bus Stop 3	<a href="#">Latitude Coordinates</a>	<a href="#">Longitude Coordinates</a>	<a href="#">Distance</a>
Public Bus Transfer Stop	27.337681	-82.540501	.3
Public Bus Rapid Transit Stop	<a href="#">Latitude Coordinates</a>	<a href="#">Longitude Coordinates</a>	<a href="#">Distance</a>
SunRail Station, MetroRail Station, or TriRail Station	<a href="#">Latitude Coordinates</a>	<a href="#">Longitude Coordinates</a>	<a href="#">Distance</a>

\*Distance between the coordinates of the Development Location Point and the coordinates of the service. The method used to determine the latitude and longitude coordinates must conform to Rule 5J-17, F.A.C., formerly 61G17-6, F.A.C. All calculations shall be based on "WGS 84" and be grid distances. The horizontal positions shall be collected to meet sub-meter accuracy (no autonomous hand-held GPS units shall be used).

## (3) Community Services

Service	Service Name	Service Address	Distance (rounded up to the nearest hundredth of a mile):*
Grocery Store	Whole Foods	1451 1st St, Sarasota, FL 34236	.26
Medical Facility	Sarasota Memorial Hospital	1700 S Tamiami Trail, Sarasota, FL 34239	1.73
Pharmacy	Publix Pharmacy	1044 N Tamiami Trail, Sarasota, FL 34236	.38
Public School	Sarasota School of Arts and Sciences	645 Central Ave Sarasota, FL 34236	.13

\*Distance between the coordinates of the Development Location Point and the coordinates of the service. The method used to determine the latitude and longitude coordinates must conform to Rule 5J-17, F.A.C., formerly 61G17-6, F.A.C. All calculations shall be based on "WGS 84" and be grid distances. The horizontal positions shall be collected to meet sub-meter accuracy (no autonomous hand-held GPS units shall be used).

**6. Number of Units and Buildings**

- a. Total number of units that will be in the proposed Development upon completion: 100

- b. Provide the number of new construction units and rehabilitation units

100% Rehabilitation

If "Combination of new construction and rehabilitation units" is selected, state the quantity of each type:

[Click here to enter text.](#) new construction units

[Click here to enter text.](#) rehabilitation units

- c. The existing affordable development must be at least 75 percent occupied as of the Application. A plan for relocation of existing tenants will be required to be provided to the Credit Underwriter, as outlined in Exhibit D.

- d. Set-Aside Commitments

- (1) Select one of the following minimum set-aside commitments:

40% of units at 60% or lower

- (2) Total Set-Aside Breakdown Chart

- (a) Applicants committing to the minimum set-aside commitment of 20 percent of the total units at 50 percent of the Area Median Income or less or 40 percent of the total units at 60 percent of the Area Median Income or less must complete the following chart:

Total Set-Aside Breakdown Chart	
Percentage of Residential Units	AMI Level
<u>Enter Number</u> %	At or Below 25%
<u>Enter Number</u> %	At or Below 28%
<u>20</u> %	At or Below 30%
<u>Enter Number</u> %	At or Below 33%
<u>Enter Number</u> %	At or Below 35%
<u>Enter Number</u> %	At or Below 40%
<u>Enter Number</u> %	At or Below 45%
<u>Enter Number</u> %	At or Below 50%
<u>80</u> %	At or Below 60%
<u>100</u> %	<b>Total Set-Aside Percentage</b>

- (b) Applicants committing to the Average Income Test must complete this chart:

Total Set-Aside Breakdown Chart

Number of Residential Units	AMI Level
<u>Enter Number</u>	At or Below 20%
<u>Enter Number</u>	At or Below 30%
<u>Enter Number</u>	At or Below 40%
<u>Enter Number</u>	At or Below 50%
<u>Enter Number</u>	At or Below 60%
<u>Enter Number</u>	At or Below 70%
<u>Enter Number</u>	At or Below 80%
<u>Enter Number</u>	Market Rate Units
<u>Enter Number</u> % <b>(Total Set-Aside Percentage)</b>	

Note: The Development Cost Pro Forma includes an Average Income Test worksheet to assist Applicants in this calculation. If the Total Set-Aside Breakdown Chart reflects that the Average AMI of all Set-Aside Units exceeds 60 percent, and/or if the number of Set-Aside Units set aside at 30 percent AMI or less, is not equal to or greater than the required ELI commitment, and/or the overall Set-Aside Commitment requirement is not met, the Application will not be eligible for funding.

e. Unit Mix Chart

- (1) Complete the chart below:

Number of Bedrooms/Bathrooms per Unit	Number of Units per Bedroom Type	Number of Units that are ELI Set-Aside Units
<u>1 Bedroom/1 Bathroom</u>	<u>100</u>	<u>20</u>
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>

- (2) Answer the following questions:

- (a) How many Zero Bedroom Units are described in the unit mix chart?

0

- (b) How many one-bedroom units are described in the unit mix chart?

100

(c) How many two-bedroom units are described in the unit mix chart?

0

(d) How many three-bedroom units are described in the unit mix chart?

0

(e) How many four-bedroom units are described in the unit mix chart?

0

f. Number of Buildings

Number of anticipated residential buildings: 1

g. Compliance Period

All Applicants are required to set aside the units for 50 years as further described in Section Four of the RFA.

## **7. Readiness to Proceed**

a. Site Control

The properly completed and executed Florida Housing Finance Corporation Site Control Certification form (Form Rev. 08-18) and attachments must be provided as **Attachment 8** to demonstrate site control as of Application Deadline.

b. Ability to Proceed documents

(1) Provide the required documentation to demonstrate zoning as **Attachment 9**.

(2) Provide the required documentation to demonstrate availability of water as **Attachment 10**.

(3) Provide the required documentation to demonstrate availability of sewer as **Attachment 11**.

## **8. Construction Features**

a. Federal requirements and State Building Code requirements for all Developments are outlined in Section Four.

b. General feature requirements for all Developments are outlined in Section Four.

c. Accessibility feature requirements for all Developments are outlined in Section Four.

d. Green Building Features:

- (1) Green Building feature requirements for all Developments are outlined in Section Four.
- (2) Applicants must select enough of the following Green Building Features so that the total point value of the features selected equals at least 10, in addition to committing to the required Construction Features listed in Section Four.
- Programmable thermostat in each unit (2 points)
  - Humidistat in each unit (2 points)
  - Water Sense certified dual flush toilets in all bathrooms (2 points)
  - Light colored concrete pavement instead of or on top of asphalt to reduce the heat-island effect (2 points)
  - Energy Star certified roof coating (2 points) \*
  - Energy Star certified roofing materials (metal, shingles, thermoplastic polyolefin (TPO), or tiles) (3 points) \*
  - Eco-friendly cabinets – no added urea formaldehyde and material must be certified by the Forest Stewardship Council, the Environmental Stewardship Program, or a certification program endorsed by the Programme for the Endorsement of Forest Certification (3 points)
  - Eco-Friendly flooring for entire unit – Carpet and Rug Institute Green Label certified carpet and pad, FloorScore certified flooring, bamboo, cork, 80% recycled content tile, and/or natural linoleum (3 points)
  - High Efficiency HVAC with SEER of at least 16 (2 points) \*\*
  - Energy efficient windows in each unit (3 points)
    - For all Development Types except Mid-Rise and High-Rise: Energy Star rating for all windows in each unit;
    - For Development Type of Mid-Rise and High-Rise:
      - U-Factor of 0.50 or less and a SHHGC of 0.25 or less where the fenestration is fixed; and
      - U-Factor of 0.65 or less and a SHHGC of 0.25 or less where the fenestration is operable (i.e., the window opens)
  - Florida Yards and Neighborhoods certification on all landscaping (2 points)
  - Install daylight sensors, timers or motion detectors on all outdoor lighting attached to buildings (2 points)

\*The Applicant may choose only one option related to Energy Star certified roofing.

\*\*Applicants who choose high efficiency HVACs must meet the standards listed here, which exceed the minimum Green Building Features required of all Developments Section Four A.8. of the RFA.

**9. Resident Programs**

a. Applicants that select the Family Demographic must commit to provide at least three of the following resident programs:

- After School Program for Children
- Adult Literacy
- Employment Assistance Program
- Family Support Coordinator
- Financial Management Program

b. Developments serving the Elderly (ALF or Non-ALF) Demographic:

- (1) Required Resident Programs for all Applicants that select the Elderly Demographic (ALF or Non-ALF) are outlined in Section Four.
- (2) Additional required Resident Programs for all Applicants who select the Elderly ALF Demographic Commitment are outlined in Section Four.
- (3) Applicants that select the Elderly (ALF or Non-ALF) Demographic must commit to at least three of the following resident programs, in addition to the required resident programs stated in Section Four:

- Adult Literacy
- Computer Training
- Daily Activities
- Assistance with Light Housekeeping, Grocery Shopping and/or Laundry
- Resident Assurance Check-In Program

c. Developments serving the Persons with a Disability Demographic

- (1) Required Resident Programs for all Applicants that select the Persons with a Disability Demographic are outlined in Section Four.
- (2) Applicants that select the Persons with a Disability Demographic must commit to at least one (1) of the following resident programs:
  - 24 Hour Support to Assist Residents In Handling Urgent Issues
  - Employment Services
  - Resident Health Care Coordination Program

## **10. Funding**

a. Corporation Funding

(1) Competitive Housing Credits

(a) Housing Credit Request Amount (annual amount): \$ 1,475,000

The Maximum Housing Credit Request amounts are provided in Section Four A.10. of the RFA.

- (b) Is the proposed Development the first phase of a multiphase Development?

No

- (c) Basis Boost Qualifications

- (i) Is the proposed Development a subsequent phase of a multiphase Development and eligible for the basis boost?

No

If "Yes", state the Corporation-assigned Application Number for the Development where the first phase was declared: [Click here to enter text.](#)

- (ii) Are any buildings in the proposed Development located in a SADDA?

No

If "Yes", provide the SADDA ZCTA Number(s): [Click here to enter text.](#)

(The Applicant should separate multiple SADDA ZCTA Numbers by a comma.)

- (iii) Is the proposed Development located in a non-metropolitan DDA?

No

- (iv) Is the proposed Development located in a QCT?

No

If "Yes", indicate the HUD-designated QCT census tract number: [Click here to enter text.](#)

- (v) Does the proposed Development qualify for the Public Housing Authority Areas of Opportunity basis boost?

Yes

- (d) The Housing Credit equity proposal must be provided as **Attachment 12**.

- (2) Other Corporation Funding

- (a) If a PLP loan has been awarded for this Development, provide the following information:

Corporation File #	Amount of Funding
<a href="#">Click here to enter text</a>	\$ <a href="#">Click here to enter text</a>

- (b) If any other Corporation funds will be incorporated as a source of financing for the proposed Development, provide the information in the chart below:

Corporation Program	Corporation File No.	Amount of Funding
SAIL	<a href="#">Enter file No.</a>	\$ <a href="#">Enter file No.</a>
HOME-Rental	<a href="#">Enter file No.</a>	\$ <a href="#">Enter file No.</a>
MMRB	<a href="#">Enter file No.</a>	\$ <a href="#">Enter file No.</a>
EHCL	<a href="#">Enter file No.</a>	\$ <a href="#">Enter file No.</a>

b. Non-Corporation Funding

- (1) If the proposed Development is assisted with funding under the United States Department of Agriculture RD 515 Program and/or the RD 538 Program, indicate the applicable program(s) below and provide the required documentation as **Attachment 14** to Exhibit A.

RD 515       RD 538

(2) Non-Corporation Funding Proposals

Attach all funding proposals executed by the lender(s) or by any other source as **Attachment 15**.

c. Development Cost Pro Forma

To meet the submission requirements, upload the Development Cost Pro Forma as outlined in Section Three of the RFA.

d. Per Unit Construction Funding Preference

Does the proposed Development qualify for the Per Unit Construction Funding Preference?

Yes

e. Principal of the Applicant is a Public Housing Authority and/or an instrumentality of a Public Housing Authority

Is a Principal of the Applicant Entity a Public Housing Authority or an instrumentality of a Public Housing Authority?

Yes

If the Principal of the Applicant Entity is an instrumentality of a Public Housing Authority, state the name of the Public Housing Authority:

Sarasota Housing Authority

\*\*\*\*\*

**B. Additional Information**

1. Verifying Application Fee Payment

To ensure that the Application Fee is processed for the correct online Application, include the Development Name and RFA number on the check or money order or identify through the ACH or wire transfer. If submitting a check or money order, provide the check or money order number in the space below. If submitting an ACH or wire transfer, provide the confirmation number in the space below.

5265149745

2. Bookmarking the Attachments document before uploading (5 points)

To be awarded 5 points, bookmark the pdf of the All Attachments document before uploading.

3. Addenda

Use the space below to provide any additional information or explanatory addendum for items in the Application. Please specify the particular item to which the additional information or explanatory addendum applies.

[Click here to enter text.](#)

**RFA 2020-204 DEVELOPMENT COST PRO FORMA**

(Page 1 of 8)

- NOTES:
- (1) Developer fee may not exceed the limits established in Rule Chapter 67-48, F.A.C., or this RFA. Any portion of the fee that has been deferred must be included in Total Development Cost.
  - (2) When Housing Credit equity proceeds are being used as a source of financing, complete Columns 1 and 2. The various FHFC Program fees should be estimated and included in column 2 for at least the Housing Credit Program.
  - (3) General Contractor's fee is limited to 14% of actual construction cost (for Application purposes, this is represented by A1.1. Column 3), rounded down to nearest dollar. The General Contractor's fee must be disclosed. The General Contractor's fee includes General Conditions, Overhead, and Profit.
  - (4) For Application purposes, the maximum hard cost contingency allowed cannot exceed 5% of the amount provided in column 3 for A1.3. TOTAL ACTUAL CONSTRUCTION COSTS for Developments where 50 percent or more of the units are new construction. Otherwise the maximum is 15%. The maximum soft cost contingency allowed cannot exceed 5% of the amount provided in column 3 for A2.1 TOTAL GENERAL DEVELOPMENT COST. Limitations on these contingency line items post-Application are provided in Rule Chapter 67-48, F.A.C. (if applicable) and this RFA.
  - (5) Operating Deficit Reserves (ODR) of any kind are not to be included in C. DEVELOPMENT COST and cannot be used in determining the maximum Developer fee. In addition, an ODR is not permitted in this Application at all. If one has been included, it will be removed by the scorer, reducing total costs. However, one may be included during the credit underwriting process where it will be sized. The final cost certification may include an ODR, but it cannot exceed the amount sized during credit underwriting.
  - (6) Although the Corporation acknowledges that the costs listed on the Development Cost Pro Forma, Detail/Explanation Sheet, Construction or Rehab Analysis and Permanent Analysis are subject to change during credit underwriting, such costs are subject to the Total Development Cost Per Unit Limitation as provided in the RFA, as well as the other cost limitations provided in Rule Chapter 67-48, F.A.C., as applicable.

**USE THE DETAIL/EXPLANATION SHEET FOR EXPLANATION OF \* ITEMS. IF ADDITIONAL SPACE IS REQUIRED, ENTER THE INFORMATION ON THE ADDENDA LOCATED AT THE END OF THE APPLICATION.**

What was the Development Category of the Proposed Development: Preservation (w/ or w/o Acquisition)  
 Indicate the number of total units in the proposed Development: 100 Units

	1 HC ELIGIBLE COSTS	2 HC INELIGIBLE COSTS	3 TOTAL COSTS
<b>DEVELOPMENT COSTS</b>			
<i>Actual Construction Costs</i>			
Accessory Buildings	<u>                  </u>	<u>                  </u>	<u>                  </u>
Demolition	<u>                  </u>	<u>                  </u>	<u>                  </u>
New Rental Units	<u>                  </u>	<u>                  </u>	<u>                  </u>
*Off-Site Work (explain in detail)	<u>                  </u>	<u>                  </u>	<u>                  </u>
Recreational Amenities	<u>                  </u>	<u>                  </u>	<u>                  </u>
Rehab of Existing Common Areas	<u>                  </u>	<u>                  </u>	<u>                  </u>
Rehab of Existing Rental Units	<u>7,456,141.00</u>	<u>                  </u>	<u>7,456,141.00</u>
Site Work	<u>                  </u>	<u>                  </u>	<u>                  </u>
*Other (explain in detail)	<u>                  </u>	<u>                  </u>	<u>                  </u>
<b>A1.1. Actual Construction Cost</b>	<u>\$ 7,456,141.00</u>	<u>\$                  </u>	<u>\$ 7,456,141.00</u>
<b>A1.2. General Contractor Fee</b> <small>See Note (3)</small> <small>(Max. 14% of A1.1., column 3)</small>	<u>\$ 1,043,859.00</u>	<u>\$                  </u>	<u>\$ 1,043,859.00</u>
<b>A1.3. TOTAL ACTUAL CONSTRUCTION COSTS</b>	<u>\$ 8,500,000.00</u>	<u>\$                  </u>	<u>\$ 8,500,000.00</u>
<b>A1.4. HARD COST CONTINGENCY</b> <small>See Note (4)</small>	<u>\$ 850,000.00</u>	<u>\$                  </u>	<u>\$ 850,000.00</u>

**RFA 2020-204 DEVELOPMENT COST PRO FORMA**(Page 2 of 8)

	<b>1 HC ELIGIBLE COSTS</b>	<b>2 HC INELIGIBLE COSTS</b>	<b>3 TOTAL COSTS</b>
<i>General Development Costs</i>			
Accounting Fees	40,000.00		<b>40,000.00</b>
Appraisal	7,500.00		<b>7,500.00</b>
Architect's Fee - Site/Building Design	350,000.00		<b>350,000.00</b>
Architect's Fee - Supervision			
Builder's Risk Insurance	106,250.00		<b>106,250.00</b>
Building Permit	175,000.00		<b>175,000.00</b>
Capital Needs Assessment	15,000.00		<b>15,000.00</b>
Engineering Fees			
Environmental Report	15,000.00		<b>15,000.00</b>
FHFC Administrative Fee <sup>See Note (2)</sup>		81,125.00	<b>81,125.00</b>
FHFC Application Fee <sup>See Note (2)</sup>		3,000.00	<b>3,000.00</b>
FHFC Compliance Fee <sup>See Note (2)</sup>		220,374.00	<b>220,374.00</b>
FHFC PRL/Credit Underwriting Fees <sup>See Note (2)</sup>		14,546.00	<b>14,546.00</b>
Green Building Certification/ HERS Inspection Costs			
<b>*Impact Fees (list in detail)</b>			
Inspection Fees	86,000.00		<b>86,000.00</b>
Insurance			
Legal Fees	125,000.00	280,000.00	<b>405,000.00</b>
Market Study		7,500.00	<b>7,500.00</b>
Marketing/Advertising			
Property Taxes			
Soil Test Report			
Survey	15,000.00		<b>15,000.00</b>
Tenant Relocation Costs	250,000.00		<b>250,000.00</b>
Title Insurance & Recording Fees	120,000.00		<b>120,000.00</b>
Utility Connection Fee			
<b>*Other (explain in detail)</b>	150,000.00		<b>150,000.00</b>
<b>A2.1. TOTAL GENERAL DEVELOPMENT COST</b>	<b>\$ 1,454,750.00</b>	<b>\$ 606,545.00</b>	<b>\$ 2,061,295.00</b>
<b>A2.2. SOFT COST CONTINGENCY</b> <sup>See Note (4)</sup>	<b>\$ 81,015.00</b>	<b>\$ _____</b>	<b>\$ 81,015.00</b>

**RFA 2020-204 DEVELOPMENT COST PRO FORMA**

(Page 3 of 8)

	1 HC ELIGIBLE COSTS	2 HC INELIGIBLE COSTS	3 TOTAL COSTS
<i>Financial Costs</i>			
Construction Loan Origination/ Commitment Fee(s)	<u>120,000.00</u>	_____	<u>120,000.00</u>
Construction Loan Credit Enhancement Fee(s)	_____	_____	_____
Construction Loan Interest	<u>294,023.00</u>	<u>105,492.00</u>	<u>399,515.00</u>
Non-Permanent Loan(s) Closing Costs	_____	_____	_____
Permanent Loan Origination/ Commitment Fee(s)	_____	<u>12,700.00</u>	<u>12,700.00</u>
Permanent Loan Credit Enhancement Fee(s)	_____	_____	_____
Permanent Loan Closing Costs	_____	_____	_____
Bridge Loan Origination/ Commitment Fee(s)	_____	_____	_____
Bridge Loan Interest	_____	_____	_____
*Other (explain in detail)	_____	<u>12,770.00</u>	<u>12,770.00</u>
<b>A3. TOTAL FINANCIAL COSTS</b>	<b>\$ <u>414,023.00</u></b>	<b>\$ <u>130,962.00</u></b>	<b>\$ <u>544,985.00</u></b>
<i>ACQUISITION COST OF EXISTING DEVELOPMENT (excluding land)</i>			
Existing Building(s)	<u>4,800,000.00</u>	_____	<u>4,800,000.00</u>
*Other (explain in detail)	_____	_____	_____
<b>B. TOTAL ACQUISITION COSTS OF EXISTING DEVELOPMENT (excluding land)</b>	<b>\$ <u>4,800,000.00</u></b>	<b>\$ _____</b>	<b>\$ <u>4,800,000.00</u></b>
<b>C. DEVELOPMENT COST</b> (A1.3+A1.4+A2.1+A2.2+A3+B)	<b>\$ <u>16,099,788.00</u></b>	<b>\$ <u>737,507.00</u></b>	<b>\$ <u>16,837,295.00</u></b>
<i>Developer Fee See Note (1)</i>			
Developer Fee on Acquisition Costs	<u>768,000.00</u>	_____	<u>768,000.00</u>
Developer Fee on Non-Acquisition Costs	<u>1,925,967.00</u>	_____	<u>1,925,967.00</u>
<b>D. TOTAL DEVELOPER FEE</b>	<b>\$ <u>2,693,967.00</u></b>	<b>\$ _____</b>	<b>\$ <u>2,693,967.00</u></b>
<b>E. OPERATING DEFICIT RESERVES See Note (5)</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>
<b>F. TOTAL LAND COST</b>	<b>\$ _____</b>	<b>\$ <u>1,200,000.00</u></b>	<b>\$ <u>1,200,000.00</u></b>
<b>G. TOTAL DEVELOPMENT COST See Note (6)</b> (C+D+E+F)	<b>\$ <u>18,793,755.00</u></b>	<b>\$ <u>1,937,507.00</u></b>	<b>\$ <u>20,731,262.00</u></b>

---

**RFA 2020-204 DEVELOPMENT COST PRO FORMA**

(Page 4 of 8)

**Detail/Explanation Sheet**

Totals must agree with Pro Forma. Provide component descriptions and amounts for each item that has been completed on the Pro Forma that requires a detailed list or explanation.

**DEVELOPMENT COSTS****Actual Construction Cost**

(as listed at Item A1.)

Off-Site Work:

Other:

**General Development Costs**

(as listed at Item A2.)

Impact Fees:

Other:

FF & E \$150,000

**Financial Costs**

(as listed at Item A3.)

Other:

Permanent Lender Application Fee \$1,270, Record Searches \$1,500, and Perm Loan Conversion Cost \$10,000

**Acquisition Cost of Existing Developments**

(as listed at Item B2.)

Other:

NOTES: Neither brokerage fees nor syndication fees can be included in eligible basis. Consulting fees, if any, and any financial or other guarantees required for the financing must be paid out of the Developer fee. Consulting fees include, but are not limited to, payments for Application consultants, construction management or supervision consultants, or local government consultants.

What is the proposed LIHTC Set-Aside Percentage?

---

100% Set-Aside

Does the proposed Development qualify for a 30% basis boost?

---

Yes

The minimum amount of 'rehabilitation expenditures' required by IRC/FHFC during any 24-month period is met if (i) the total 'rehabilitation expenditures' are at least 20 percent of the adjusted basis of the (acquired) building (or \$960,000) and (ii) the qualified basis of the 'rehabilitation expenditures,' when divided by the number of low-income units is \$25,000 or more. Total 'rehabilitation expenditures' are being represented as \$13,225,755, as well as having \$171,935 of qualified basis per low-income unit. (Assumes adjusted basis is the same as eligible basis for Application purposes.)

---

RFA 2020-204 DEVELOPMENT COST PRO FORMA

(Page 5 of 8)

## CONSTRUCTION/REHAB ANALYSIS

	AMOUNT	LENDER/TYPE OF FUNDS
<b>A. Total Development Costs</b>	<b>\$ <u>20,731,262.00</u></b>	
<b>B. Construction Funding Sources:</b>		
1. First Mortgage Financing	\$ <u>12,000,000.00</u>	Regulated Mortgage Lender
2. Second Mortgage Financing	\$ <u>6,000,000.00</u>	Seller Financing
3. Third Mortgage Financing	\$ _____	<select from menu>
4. Fourth Mortgage Financing	\$ _____	<select from menu>
5. Fifth Mortgage Financing	\$ _____	<select from menu>
6. Sixth Mortgage Financing	\$ _____	<select from menu>
7. Seventh Mortgage Financing	\$ _____	<select from menu>
8. Eighth Mortgage Financing	\$ _____	<select from menu>
9. Ninth Mortgage Financing	\$ _____	<select from menu>
10. Tenth Mortgage Financing	\$ _____	<select from menu>
11. HC Equity Proceeds Paid Prior to Completion of Construction which is Prior to Receipt of Final Certificate of Occupancy or in the case of Rehabilitation, prior to placed-in service date as determined by the Applicant.	\$ <u>2,035,297.00</u>	
12. Other: _____	\$ _____	
13. Other: _____	\$ _____	
14. Deferred Developer Fee	\$ <u>2,693,967.00</u>	
<b>15. Total Construction Sources</b>	<b>\$ <u>22,729,264.00</u></b>	
<b>C. Construction Funding Surplus</b>		
(B.15. Total Construction Sources, less A. Total Development Costs):	<u>\$ <b>1,998,002.00</b></u>	(A negative number here represents a funding shortfall.)

Each Attachment must be listed behind its own Tab. DO NOT INCLUDE ALL ATTACHMENTS BEHIND ONE TAB.

**RFA 2020-204 DEVELOPMENT COST PRO FORMA**

(Page 6 of 8)

**PERMANENT ANALYSIS**

	AMOUNT	LENDER/TYPE OF FUNDS
<b>A. Total Development Costs</b>	<b>\$ 20,731,262.00</b>	
<b>B. Permanent Funding Sources:</b>		
1. First Mortgage Financing	\$ 2,000,000.00	Regulated Mortgage Lender
2. Second Mortgage Financing	\$ 6,000,000.00	Seller Financing
3. Third Mortgage Financing	\$ _____	<select from menu>
4. Fourth Mortgage Financing	\$ _____	<select from menu>
5. Fifth Mortgage Financing	\$ _____	<select from menu>
6. Sixth Mortgage Financing	\$ _____	<select from menu>
7. Seventh Mortgage Financing	\$ _____	<select from menu>
8. Eighth Mortgage Financing	\$ _____	<select from menu>
9. Ninth Mortgage Financing	\$ _____	<select from menu>
10. Tenth Mortgage Financing	\$ _____	<select from menu>
11. HC Syndication/HC Equity Proceeds	\$ 13,568,643.00	
12. Other: _____	\$ _____	
13. Other: _____	\$ _____	
14. Deferred Developer Fee	\$ 2,693,967.00	
<b>15. Total Permanent Funding Sources</b>	<b>\$ 24,262,610.00</b>	
<b>C. Permanent Funding Surplus</b>		
(B.15. Total Permanent Funding Sources, less A. Total Development Costs):	<b>\$ 3,531,348.00</b>	(A negative number here represents a funding shortfall.)

**Each Attachment must be listed behind its own Tab. DO NOT INCLUDE ALL ATTACHMENTS BEHIND ONE TAB.**

**RFA 2020-204 DEVELOPMENT COST PRO FORMA**

(Page 7 of 8)

The intent of this page is to assist the Applicant in determining a TDC PU Limitation for the proposed Development and comparing it to the appropriate RFA's TDC PU Limitation. The accuracy of the comparison is dependent upon the accuracy of the inputs and Florida Housing takes no responsibility in any programming errors. FHFC will not use this page to score TDC PU Limitation criteria. If FHFC makes any adjustments to the Applicant's data or assumptions, FHFC's TDC PU for Limitation purposes of the proposed Development or the TDC PU Limitation determined by FHFC may be different than the amounts provided below. Please read the RFA for qualifying responses and definition of terms. This table is optional and its use is at the sole discretion of the Applicant. Applicant is responsible to verify and be in compliance with all aspects of the Application to meet RFA criteria.

**TDC PU LIMITATION ANALYSIS***Not in South Florida, Rehab, Non-Garden.*In which county is the proposed Development to be located? Sarasota (Medium County)You have indicated above on row 32 that the Development Category of the Proposed Development is..... Preservation (w/ or w/o Acquisition)What is the proposed Development's Development Type? Non-Garden (Rehab only)Does the proposed Development qualify as Enhanced Structural Systems Construction (ESSC)? N/A (Rehab only)The TDC PU Base Limitation for the above defined Development is..... \$187,800

Does the proposed Development qualify for any of the following TDC PU Add-Ons or Multipliers? Choose all that apply.

1. (a) PHA is a Principal/Affiliate Add-On..... Yes (Select one or no option, as applicable)  
 (b) Requesting HOME funds from FHFC Add-On.....             
 (c) Requesting CDBG-DR funds from FHFC Add-On.....

2. Tax-Exempt Bond Add-On.....            (Select if applicable)

3. (a) North Florida Keys Area Multiplier..... No (Select one option if applicable)  
 (b) South Florida Keys Area Multiplier..... No

4. (a) Persons with Developmental Disabilities Multiplier.....             
 (b) Persons with a Disabling Condition Multiplier.....             
 (c) Persons with Special Needs Multiplier.....             
 (d) Homeless Demographic Multiplier.....            (Select one or no option, as applicable)

5. Elderly ALF Multiplier..... No (Select if applicable)

6. (a) Less than 51 units Multiplier\*.....             
 (b) More than 50 units, but less than 81 units Multiplier\*.....            (Select one option if applicable)

\*For 9% HC Permanent Supportive Housing RFAs only. The proposed Development must be new construction to qualify as well as not being located in Monroe County.

The final overall TDC PU Limitation for the above defined Development is.. \$192,800.00**Derivation of the TDC PU of the proposed Development for Limitation purposes:**Total Development Costs (Line G., column 3) \$20,731,262.00Less Acq. Cost of Existing Dev. (excluding land) - Existing Building(s) \$4,800,000.00Less Land Acquisition Costs (Line F., column 3) \$1,200,000.00Less Operating Deficit Reserves (Line E., column 3) \$0.00Less Demolition and Relocation Costs, if applicable \$250,000.00TDC of the proposed Development for Limitation Purposes: \$14,481,262.00TDC PU of the proposed Development for Limitation Purposes: \$144,812.62Is the proposed Development's TDC PU for Limitation purposes equal to or less than the TDC PU Limitation provided in the RFA?..... Yes

[ \$187,800 Base Limit + \$5,000 Add-On = \$192,800.00 Total ]

**RFA 2020-204 DEVELOPMENT COST PRO FORMA**(Page 8 of 8)

The intent of this page is to assist the Applicant in determining the overall Average Median Income for the proposed Development when the Development is located in Bay or Leon County and the Applicant desires to select the Average Income Test for the minimum set-aside commitment for Section 42 of the IRC. This portion of the Development Cost Pro Forma is to assist the Applicant in understanding some of the variables involved when selecting Average Income test as the minimum housing credit set-aside offered in the RFA. The data entered below will not be used to score the Application. The entries below will not be used to establish the Applicant's set-aside commitment for Application purposes. This is to be used as a tool to assist the Applicant in selecting appropriate set-aside commitments in the Application. The accuracy of the table is dependent upon the accuracy of the inputs and Florida Housing takes no responsibility in any programming errors. This table is optional and its use is at the sole discretion of the Applicant. Applicant is responsible to verify and be in compliance with all aspects of the Application to meet RFA criteria.

**INCOME AVERAGING WORKSHEET**

AMI Set-Aside	# of Units	% of Units
20%		0.00%
(ELI Designation)	30%	0.00%
	40%	0.00%
	50%	0.00%
	60%	0.00%
	70%	0.00%
	80%	0.00%
Total Qualifying Housing Credit Units	0	0.00%
Market Rate Units		0.00%
Total Units	0	0.00%
Average AMI of the Qualifying Housing Credit Units	0.00%	

(This should match the HC Set-Aside Commitment in the Application)

**Principal Disclosures for the Applicant****APPROVED for HOUSING CREDITS****FHFC Advance Review****Received 10.2.20; Approved 10.5.20**

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Partnership

Provide the name of the Applicant Limited Partnership:

McCown Tower, LLLP**First Principal Disclosure Level:**[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Applicant</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	Investor LP	Sarasota Housing Authority	Public Housing Authority
2.	Non-Investor LP	McCown Fortis Development, LLC	Limited Liability Company
3.	General Partner	Sarasota Housing Opportunities Corp.*	Non-Profit Corporation
4.	<Select an option>	*Sarasota Housing Opportunities Corp. is an instrumentality of Sarasota Housing Authority	<Select an option>
5.	<Select an option>		<Select an option>

**Second Principal Disclosure Level:**McCown Tower, LLLP[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for the Applicant](#)Select the corresponding FirstLevel Principal Entity # fromabove for which the SecondLevel Principal is beingidentifiedSelect the type of Principal  
being associated with the  
corresponding First LevelSelect organizational structure  
of Second Level Principal  
identified

- 3. (Sarasota Housing Opportunities
- 2. (McCown Fortis Development, LL
- 2. (McCown Fortis Development, LL
- 2. (McCown Fortis Development, LL

Second Level

- | <u>Entity #</u> | <u>Principal Entity</u> | <u>Enter Name of Second Level Principal</u> |
|-----------------|-------------------------|---|
| 3.A.            | Officer/Director        | Colon, John                                 |
| 3.B.            | Officer/Director        | Meredith, Jack                              |
| 3.C.            | Officer/Director        | Sargent, Deborah L.                         |
| 3.D.            | Officer/Director        | Morgan, David L.                            |
| 3.E.            | Officer/Director        | Buchand, Valerie                            |
| 3.F.            | Officer/Director        | Taylor, Ernestine                           |
| 3.G.            | Officer/Director        | Finger, G. Duane                            |
| 3.H.            | Executive Director      | Russell, William                            |
| 3.I.            | Officer/Director        | Russell, William                            |
| 2.A.            | Managing Member         | Smith, Darren                               |
| 2.B.            | Managing Member         | Henz, Timothy                               |
| 2.C.            | Managing Member         | Chambers, Joseph                            |

- Natural Person

**Principal Disclosures for the two Developers**

**APPROVED for HOUSING CREDITS**

**FHFC Advance Review**

**Received 10.2.20; Approved 10.5.20**

How many Developers are part of this Application structure? (Please complete the Principal Disclosures for each of the two Co-Developers below.)

2

Select the organizational structure for the first Co-Developer entity:

The first Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

McCown Fortis Development, LLC

**First Principal Disclosure Level:**

McCown Fortis Development, LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	Managing Member	Smith, Darren	Natural Person
2.	Managing Member	Henzly, Timothy	Natural Person
3.	Managing Member	Chambers, Joseph	Natural Person

**Principal Disclosures for the two Developers****APPROVED for HOUSING CREDITS****HFHC Advance Review****Received 10.2.20; Approved 10.5.20**

Select the organizational structure for the second Co-Developer entity:

The second Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

SHA Affordable Development, LLC**First Principal Disclosure Level:**

SHA Affordable Development, LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	Sole Member	Sarasota Housing Authority	Public Housing Authority

**Second Principal Disclosure Level:**

SHA Affordable Development, LLC

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for a Developer](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being	Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified
1. (Sarasota Housing Authority )	1.A.	Commissioner	Morgan, David L.	Natural Person
1. (Sarasota Housing Authority )	1.B.	Commissioner	Buchand, Valerie	Natural Person
1. (Sarasota Housing Authority )	1.C.	Commissioner	Colon, John	Natural Person
1. (Sarasota Housing Authority )	1.D.	Commissioner	Taylor, Ernestine	Natural Person
1. (Sarasota Housing Authority )	1.E.	Commissioner	Finger, G. Duane	Natural Person
1. (Sarasota Housing Authority )	1.F.	Commissioner	Sargent, Deborah L.	Natural Person
1. (Sarasota Housing Authority )	1.G.	Commissioner	Meredith, Jack	Natural Person
1. (Sarasota Housing Authority )	1.H.	Executive Director	Russell, William	Natural Person
1. (Sarasota Housing Authority )	1.I.	Officer/Director	Russell, William	Natural Person
1. (Sarasota Housing Authority )	1.J.	Officer/Director	Colon, John	Natural Person
1. (Sarasota Housing Authority )	1.K.	Officer/Director	Meredith, Jack	Natural Person

# Attachment 1

### **Applicant Certification and Acknowledgement Form**

1. The Applicant and all Financial Beneficiaries have read all applicable Corporation rules governing this RFA and have read the instructions for completing this RFA and will abide by the applicable Florida Statutes and the credit underwriting and program provisions outlined in Rule Chapter 67-48, F.A.C. The Applicant and all Financial Beneficiaries have read, understand and will comply with Section 42 of the Internal Revenue Code, as amended, and all related federal regulations.
2. The Applicant has reviewed Section 67-48.004, F.A.C. and subsection 67-48.023(1), F.A.C., and certifies to its eligibility to apply for the funding offered in this RFA.
3. The Applicant certifies that the proposed Development can be completed and operating within the development schedule and budget submitted to the Corporation.
4. The Applicant acknowledges and certifies that it will abide by all commitments, requirements, and due dates outlined in the RFA, inclusive of all exhibits. Failure to provide the required information by any stated deadlines may result in the withdrawal of the invitation to enter credit underwriting, unless an extension is approved by the Corporation.
5. By submitting the Application, the Applicant acknowledges and certifies that the proposed Development will meet all state building codes, including the Florida Accessibility Code for Building Construction, adopted pursuant to Section 553.503, F.S., the Fair Housing Act as implemented by 24 CFR Part 100, including the Affirmative Fair Housing Marketing Plan; Violence Against Women Act Reauthorization Act of 2013; Section 504 of the Rehabilitation Act of 1973 as outlined in Section Four, A.8. of the RFA; and the Americans with Disabilities Act of 1990 as implemented by 28 CFR Part 35, incorporating the most recent amendments, regulations and rules.
6. The Applicant acknowledges that any funding preliminarily secured by the Applicant is expressly conditioned upon any independent review, analysis and verification of all information contained in this Application that may be conducted by the Corporation, the successful completion of credit underwriting, and all necessary approvals by the Board of Directors, Corporation or other legal counsel, the Credit Underwriter, and Corporation staff.
7. If preliminary funding is approved, the Applicant will promptly furnish such other supporting information, documents, and fees as may be requested or required. The Applicant understands and agrees that the Corporation is not responsible for actions taken by the undersigned in reliance on a preliminary commitment by the Corporation. The Applicant commits that no qualified residents will be refused occupancy because they have Section 8 vouchers or certificates. The Applicant further commits to actively seek tenants from public housing waiting lists and tenants who are participating in and/or have successfully completed the training provided by welfare to work or self-sufficiency type programs.
8. The success of an Applicant in being selected for funding is not an indication that the Applicant will receive a positive recommendation from the Credit Underwriter or that the Development Team's experience, past performance or financial capacity is satisfactory. The past performance record, financial capacity, and any and all other matters relating to the Development Team

(which consists of Developer, Management Company, General Contractor, Architect, Attorney, and Accountant) will be reviewed during credit underwriting. The Credit Underwriter may require additional information from any member of the Development Team including, without limitation, documentation on other past projects and financials. Development Teams with an unsatisfactory past performance record, inadequate financial capacity or any other unsatisfactory matters relating to their suitability may result in a negative recommendation from the Credit Underwriter.

9. The Applicant's commitments will be included in an Extended Use Agreement for the Housing Credits and must be maintained in order for the Development to remain in compliance, unless the Board approves a change.
10. The Applicant certifies that there are no agreements, other than the letter of intent provided with this Application or the Limited Partnership Agreement, between the Applicant and the Housing Credit Syndicator/equity provider.
11. The Applicant certifies that the complete Limited Partnership Agreement, including any amendments thereto, will be divulged to the Corporation and the credit underwriter.
12. The Applicant understands and agrees that it will ensure that (i) none of the General Contractor duties to manage and control the construction of the Development are subcontracted; (ii) none of the construction or inspection work that is normally performed by subcontractors is performed by the General Contractor; (iii) no construction cost is subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor or the Developer, as further described in subsection 67-48.0072(17); and (iv) a provision is provided in the contract with General Contractor that it will comply with subsection 67-48.0072(17).
13. The Applicant, the Developer and all Principals are in good standing among all other state agencies and have not been prohibited from applying for funding.
14. In eliciting information from third parties required by and/or included in this Application, the Applicant has provided such parties information that accurately describes the Development as proposed in this Application. The Applicant has reviewed the third party information included in this Application and/or provided during the credit underwriting process and the information provided by any such party is based upon, and accurate with respect to, the Development as proposed in this Application.
15. During the credit underwriting process, demonstrate that the Development meets the requirements of this RFA and Section 42 of the IRC.
16. The invitation to enter credit underwriting will be rescinded if it is determined that the proposed Development was placed in-service prior to the year in which it received its allocation.
17. The Applicant understands and agrees to cooperate with any audits conducted in accordance with the provisions set forth in Section 20.055(5), F.S.
18. The Applicant has read, understands, and will comply with the Capital Needs Assessment requirements outlined in Exhibit F.

19. The Applicant has read, understands and will comply with the Lowering Barriers to Entry requirements outlined in Exhibit G.
20. The undersigned is authorized to bind the Applicant entity to this certification and warranty of truthfulness and completeness of the Application.

Under the penalties of perjury, I declare and certify that I have read the foregoing and that the information is true, correct and complete.



Signature of Authorized Principal Representative

Darren Smith

Name (typed or printed)

Authorized Member

Title (typed or printed)

NOTE: Provide this form as Attachment 1 to the RFA. This form must be signed by the Authorized Principal Representative stated in Exhibit A.

# Attachment 2

Date Submitted: 2020-10-22 11:56:27.957 | Form Key: 7193

**Department of State**

I certify from the records of this office that MCCOWN TOWER, LLLP, is a Limited Partnership or Limited Liability Limited Partnership organized under the laws of the state of Florida, filed on September 30, 2020.

The document number of this Limited Partnership or Limited Liability Limited Partnership is A20000000393.

I further certify said Limited Partnership has paid all filing fees due this office through December 31, 2020, and its status is active.

I further certify said Limited Partnership or Limited Liability Limited Partnership has not filed a Certificate of Dissolution.

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code, 820A00018961-100120-A20000000393-1/1, noted below.

Authentication Code: 820A00018961-100120-A20000000393-1/1

Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
First day of October, 2020



*Raul J. De Leon*  
Raul J. De Leon  
Secretary of State

# Attachment 3

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUN 02 2020

SARASOTA HOUSING OPPORTUNITIES CORP  
269 SOUTH OSPREY AVENUE SUITE 100  
SARASOTA, FL 34236-6805

Employer Identification Number:

84-4886153

DLN:

26053541001160

Contact Person:

CUSTOMER SERVICE

ID# 31954

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Public Charity Status:

170(b)(1)(A)(vi)

Form 990/990-EZ/990-N Required:

Yes

Effective Date of Exemption:

November 5, 2019

Contribution Deductibility:

Yes

Addendum Applies:

No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to [www.irs.gov/charities](http://www.irs.gov/charities). Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

SARASOTA HOUSING OPPORTUNITIES CORP

Sincerely,



Director, Exempt Organizations  
Rulings and Agreements

### **Role of the Non-Profit Entity**

The non-profit entity in this transaction is Sarasota Housing Opportunities Corp., which is the sole General Partner of the Applicant, McCown Tower, LLLP.

The project, known as McCown Tower, consists of the acquisition and rehabilitation of 100 units. Sarasota Housing Opportunities Corp. will receive at least 25% of the total developer fee. Sarasota Housing Opportunities Corp. will be involved in all aspects of the development process, including attending meetings seeking financing, meeting with architects to finalize project design, and construction meetings. Sarasota Housing Opportunities Corp. will also be involved in the management and operations of McCown Tower through the life of the Partnership.

**Sarasota Housing Opportunities Corp.**  
**BOARD OF DIRECTORS**

**Chair John Colón**

Sanderling Partners  
1517 State Street, #102  
Sarasota, FL 34236  
Original Appt: 06/02/2008  
Current Term: 06/03/2019  
Expiration Date: 07/00/2023

**Vice Chair Jack Meredith**

3216 Vinoy Place  
Sarasota, FL 34239  
Original Appt: 06/06/2016  
Current Term: 07/20/2020  
Expiration Date: 07/00/2024

**Director Deborah L. Sargent**

242 S. Washington Blvd. #267  
Sarasota, FL 34236  
Original Appt: 07/20/2020  
Current Term: 07/20/2020  
Expiration Date: 07/00/2024

**Director David L. Morgan**

2400 Hyde Park Street  
Sarasota, FL 34239  
Original Appt: 07/16/2012  
Current Term: 07/16/2016  
Expiration Date: 07/00/2022

**Director Valerie Buchand**

1425 25<sup>th</sup> Street  
Sarasota, FL 34234  
Original Appt: 06/02/2008  
Current Term: 08/10/2018  
Expiration Date: 07/00/2022

**Director Ernestine Taylor**

4842 Royal Palm Ave  
Sarasota, FL 34234  
Original Appt: 01/07/2019  
Current Term: 01/07/2019  
Expiration Date: 07/00/2021

**Director G. Duane Finger**

401 27<sup>th</sup> Street W.  
Bradenton, FL 34205  
Original Appt: 06/02/2008  
Current Term: 06/06/2016  
Expiration Date: 07/00/2021



May 12, 2020

FLORIDA DEPARTMENT OF STATE

Division of Corporations

SARASOTA HOUSING OPPORTUNITIES CORP.

269 S OSPREY AVE #100

SARASOTA, FL 34236US

Re: Document Number N19000011686

The Amended and Restated Articles of Incorporation for SARASOTA HOUSING OPPORTUNITIES CORP., a Florida corporation, were filed on May 11, 2020.

This document was electronically received and filed under FAX audit number H20000073219.

Should you have any questions concerning this matter, please telephone (850) 245-6050, the Amendment Filing Section.

Terri J Schroeder  
Regulatory Specialist III  
Division of Corporations

Letter Number: 220A00009640

05/11/2020 MON 12:34 PAX

0003/009

H20000073219 3

**AMENDED AND RESTATED ARTICLES OF INCORPORATION  
OF  
SARASOTA HOUSING OPPORTUNITIES CORP.**

I, the undersigned, being the Incorporator of SARASOTA HOUSING OPPORTUNITIES CORP., a Florida not for profit corporation, hereby file the following Amended and Restated Articles of Incorporation that comply with the requirements of Florida Statutes Chapter 617 (Florida Not For Profit Corporation Act):

The Articles of Incorporation of Sarasota Housing Opportunities Corp., a Florida not-for-profit corporation, are hereby amended and restated as follows, pursuant to a Resolution of the Board of Directors adopted as of May 6, 2020. There are no members.

**ARTICLE I- NAME**

The name of the Corporation is SARASOTA HOUSING OPPORTUNITIES CORP., a Florida not for profit corporation (hereinafter the "Corporation").

**ARTICLE II- REGISTERED OFFICE AND AGENT AND  
PRINCIPAL PLACE OF BUSINESS AND MAILING ADDRESS**

The registered office of the Corporation shall be located at 201 E. Kennedy Boulevard, Suite 600, Tampa, Florida 33602, and the initial registered agent of the Corporation at that address shall be Bernice S. Saxon, Esquire.

The principal place of business and the mailing address of the Corporation shall be: SARASOTA HOUSING OPPORTUNITIES CORP., 269 South Osprey Avenue, Suite 100, Sarasota, FL 34236.

**ARTICLE III - PURPOSES AND POWERS**

The general nature of the objects, purposes, powers, and limitations of the Corporation shall be as follows:

(a) to provide and develop affordable housing opportunities for and to engage in or assist in the development or operation of affordable housing for persons of low and moderate income, including families, elderly, and/or handicapped persons primarily located in, but not limited to, Sarasota County, Florida and also developments in the surrounding areas;

(b) to act as an instrumentality of the Sarasota Housing Authority (hereinafter the "Authority") and solicit funds on its behalf to benefit and support the programs and goals of the Authority;

(c) to operate in any manner for such nonprofit, charitable, and/or educational purposes as will qualify the Corporation as a charitable organization exempt from federal income tax under Internal Revenue Code Section 501(c)(3);

(d) to accept a substantial part of its support (exclusive of income received in the exercise or performance by such organization of its charitable, educational or other purpose or function constituting the basis for its exemption) from a governmental unit or from direct or indirect contributions from the general public, the Corporation's organizers, corporations, foundations, and any other public or private sources;

H20000073219 3

05/11/2020 MON 12:35 FAX

0004/009

H20000073219 3

(c) to generally perform any function necessary to engage in any lawful purpose or purposes not for pecuniary profit;

(f) no part of the earnings of the Corporation shall inure to the benefit of or be distributable to its members, officers or other private persons, except that the Corporation may be authorized and empowered to pay reasonable compensation for services rendered and products purchased and to make payments and distributions in furtherance of the purposes hereinafter set forth. No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office;

(g) notwithstanding any other provisions of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 or (ii) by an organization, contributions to which are deductible under Section 170(c)(2) of such Code as it now exists or as it may be amended;

(h) the Corporation will distribute its income for each tax year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986 or corresponding section of any other federal tax code;

(i) the Corporation will not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1986 or corresponding section of any future federal tax code without providing for fair, adequate, and reasonable compensation;

(j) the Corporation will not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1986 or corresponding section of any future federal tax code;

(k) the Corporation will not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1986 or corresponding section of any future federal tax code; and

(l) the Corporation will not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1986 or corresponding section of any future federal tax code.

The Corporation shall have the power to:

(a) have succession by its corporate name for the period set forth in its Articles of Incorporation;

(b) sue and be sued and appear and defend in all actions and proceedings in its corporate name to the same extent as a natural person;

(c) adopt and use a common corporate seal and alter the same provided, however, that such seal shall always contain the words "not for profit corporation,"

(d) elect or appoint such officers and agents as its affairs shall require and allow them reasonable compensation, if so voted by a majority of the Directors of the Corporation;

(e) adopt, change, amend, and repeal bylaws, not inconsistent with law or its Articles of Incorporation, for the administration of the affairs of the Corporation and the exercise of its corporate powers;

(f) make contracts and incur liabilities, borrow money at such rates of interest as the Corporation may determine, issue notes, bonds, and other obligations, and secure any of its obligations by mortgage and pledge of all or any of its property, franchises or income;

H20000073219 3

05/11/2020 MON 12:35 FAX

0005/009

H20000073219 3

- (g) conduct its affairs, carry on its operations, and have offices and exercise the powers granted herein in any state, territory, district or possession of the United States or any foreign country;
- (h) purchase, take, review, lease, take by gift, devise or bequest or otherwise acquire, own, hold, improve, use or otherwise deal in and with real or personal property or any interest therein, wherever situated;
- (i) acquire, enjoy, utilize, and dispose of patents, copyrights, and trademarks and any licenses and other rights or interests thereunder or therein;
- (j) sell, convey, mortgage, pledge, lease, exchange, transfer or otherwise dispose of all or any part of its property and assets;
- (k) purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge or otherwise dispose of and otherwise use and deal in and with, shares and other interests in, or obligations of other domestic or foreign corporations, whether for profit or not for profit, associations, partnerships or individuals or direct or indirect obligations of the United States or of any other government, state, territory, governmental district, municipality or of any instrumentality thereof;
- (l) lend money for its corporate purposes, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested;
- (m) make donations and work together with public or private entities to encourage and facilitate the provision of affordable housing opportunities to persons and families of low and moderate income, for the public welfare, and for religious, charitable, scientific, educational or other similar purposes;
- (n) have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Corporation is organized; and
- (o) the above stated powers shall in no way be a limitation of those corporate powers set forth in Florida Statutes Section 617.0302, which powers are included herein by reference.

#### ARTICLE IV - MEMBERS

The Corporation shall have no members and no stockholders.

#### ARTICLE V - EXISTENCE

The existence of the Corporation shall be perpetual.

#### ARTICLE VI - DIRECTORS

The affairs of the Corporation shall be managed by the Board of Directors, which initially shall consist of the following seven (7) members:

NAME

ADDRESS

John Colon

269 South Osprey Avenue, Suite 100  
Sarasota, FL 34236

Valerie Buchand

269 South Osprey Avenue, Suite 100  
Sarasota, FL 34236

05/11/2020 MON 12:36 PAX

006/009

H20000073219 3

Duane G. Finger	269 South Osprey Avenue, Suite 100 Sarasota, FL 34236
Jack Meredith	269 South Osprey Avenue, Suite 100 Sarasota, FL 34236
David Morgan	269 South Osprey Avenue, Suite 100 Sarasota, FL 34236
Peter Greenidge	269 South Osprey Avenue, Suite 100 Sarasota, FL 34236
Ernestine Taylor	269 South Osprey Avenue, Suite 100 Sarasota, FL 34236

2006/009  
HAY 11 AM 16:00

The number of Directors may be raised or lowered to correspond to the number who serve on the Board of Commissioners of the Authority, but shall in no case be less than three (3). The Board of Directors must be composed of the then current Board of Commissioners of the Authority, and any and all members of the Board of Directors are only eligible to serve as long as they are current Board members of the Authority.

#### ARTICLE VII- BYLAWS

The bylaws of the Corporation shall be made and adopted by the Board of Directors and may be amended, altered or rescinded by a majority of the entire Board of Directors present at any regular or special meeting called for that purpose.

#### ARTICLE VIII- DISSOLUTION

Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purpose of the Corporation by transferring such assets to any charitable, scientific, religious or educational organization as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States revenue law), or to any governmental or other entities with purposes similar to the Corporation's, such disposition to be as the Board of Directors shall determine. Any assets remaining after such disposition by the Board of Directors shall be disposed of by the Circuit Court of the county in which the Corporation's principal offices are located, pursuant to the procedures for judicial dissolution, Florida Statutes Section 617.1431.

H20000073219 3

05/11/2020 MON 12:36 PAX

4007/009

H20000073219 3

## **ARTICLE IX - INCORPORATOR(S)**

The name and address of the Incorporator of these Articles of Incorporation is as follows:

NAME \_\_\_\_\_

William Russell

### ADDRESS

269 South Osprey Avenue, Suite 100  
Sarasota, FL 34236

## **ARTICLE X - AMENDMENTS**

Amendments to the Articles of Incorporation shall be adopted by a majority of the entire Board of Directors at any regular or special meeting called for that purpose.

IN WITNESS OF THE FOREGOING, I hereby set my hand this 3 day of  
March, 2020.

SARASOTA HOUSING OPPORTUNITIES  
CORP., a Florida not for profit corporation

By:

WILLIAM RUSSELL, President and CEO

STATE OF FLORIDA

COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization this 3<sup>rd</sup> day of March, 2020, by William Russell, as President and CEO of Sarasota Housing Opportunities Corp., a Florida not for profit corporation, on behalf of the corporation. He/she is personally known to me or who has produced as identification.

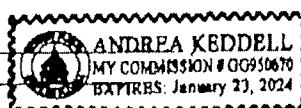
(Notary Seal)

**Notary Public, State of Florida**

Printed Name:

### **My Commission Expires:**

Commission Number:



H20000073219 3

05/11/2020 MON 12:36 PAX

2008/009

H20000073219 3

**CERTIFICATE**

That SARASOTA HOUSING OPPORTUNITIES CORP., desiring to organize under the laws of the State of Florida, with its principal office at 269 South Osprey Avenue, Suite 100, City of Sarasota, County of Sarasota, State of Florida 34236, has named Bernice S. Saxon, Esq., located at 201 E. Kennedy Boulevard, Suite 600, City of Tampa, County of Hillsborough, State of Florida 33602, as its registered agent to accept service of process within this State.

**ACKNOWLEDGMENT**

Having been named to accept service of process for the above-named Corporation, at the place designated in this Certificate the undersigned agrees to act in this capacity and agrees to comply with the provisions of Florida law relative to keeping designated office open.

BERNICE S. SAXON, ESQ.

BERNICE S. SAXON, ESQ.  
SARASOTA HOUSING OPPORTUNITIES CORP.  
201 E. KENNEDY BOULEVARD  
SUITE 600  
TAMPA, FLORIDA 33602

5/11/2020 11:56 AM

e:\sarch\bernsola\bernsola funding housing corporation\entities\sarasota housing opportunities corp. - amended articles of incorp. 030220  
td.doc

05/11/2020 MON 12:36 PAX

4009 / 009

H20000073219 3

**CERTIFICATE**

The restatement was adopted by the Board of Directors and does not contain any amendments requiring member approval since there are no members.

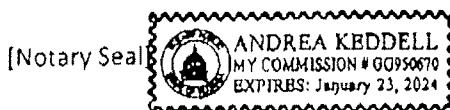
SARASOTA HOUSING OPPORTUNITIES CORP.,  
a Florida not for profit corporation

By: WILLIAM RUSSELL, President and CEO

STATE OF FLORIDA

COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization this 8<sup>th</sup> day of May, 2020, by William Russell, as President and CEO of Sarasota Housing Opportunities Corp., a Florida not for profit corporation, on behalf of the corporation. He/she is personally known to me or who has produced \_\_\_\_\_ as identification.



Notary Public, State of Florida  
Printed Name: Andrea Keddell  
My Commission Expires: 01/23/24  
Commission Number: GG950670

H20000073219 3

# Attachment 4

Date Submitted: 2020-10-22 11:56:27.957 | Form Key: 7193

**Department of State**

I certify from the records of this office that MCCOWN FORTIS DEVELOPMENT, LLC, is a limited liability company organized under the laws of the State of Florida, filed on September 30, 2020.

The document number of this company is L20000297920.

I further certify that said company has paid all fees due this office through December 31, 2020, and its status is active.

Authentication Code: 020A00018956-100120-L20000297920-1/1

Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
First day of October, 2020



*Raul J. De Leon*  
Secretary of State

# *State of Florida*

## *Department of State*

I certify from the records of this office that SHA AFFORDABLE DEVELOPMENT, LLC is a limited liability company organized under the laws of the State of Florida, filed on January 15, 2015.

The document number of this limited liability company is L15000008892.

I further certify that said limited liability company has paid all fees due this office through December 31, 2020, that its most recent annual report was filed on March 16, 2020, and that its status is active.

*Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capital, this  
the Second day of October, 2020*



  
*Laurel Lee*  
Secretary of State

Tracking Number: 2584823596CU

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

<https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication>

Prior General Development Experience Chart					
Name of natural person Principal with the required experience:	Timothy Henzy				
Name of Developer Entity (for the proposed Development) for which the above individual is a Principal:		McCown Fortis Development, LLC			
Name of Development	Location (City & State)	Program that Provided Financing	Total Number of Units	Year Completed	Federal Program such as Davis Bacon requirements and Environmental Review requirements applied? (Y/N)
Rivoli House Apartments	Hempstead, NY	9% LIHTC - HOME	112	1998	Y
Canterbury House	Staten Island, NY	9% LIHTC - FHLBNY	84	2000	
Bourne & Kenny Apartments	Newburg, NY	4% LIHTC	205	2002	
Eastman & Bixby Apartments	Poughkeepsie, NY	4% LIHTC	250	2004	
Levister Towers	Mt. Vernon, NY	4% LIHTC - HOME	500	2005	Y
Hathorn Court Apartments	Elmira, NY	4% LIHTC	250	2004	
RAIN Apartments for the Elderly	Bronx, NY	9% LIHTC	72	2007	
Nor-Ton & Scarfone Apartments	North Tonawanda, NY	9% LIHTC	250	2006	
Abby Towers - HUD 202 restructuring	New York, NY	4% LIHTC	100	2008	
Tri Veterans Housing	Rochester, NY	4% LIHTC	516	2009	
Shorehill Apts. - Mitchell Lama restructuring	Brooklyn, NY	4% LIHTC	558	2010	
Paumanack Village III	Huntington, NY	4% LIHTC	75	2009	
Paumanack Village II	Huntington, NY	4% LIHTC	150	2009	
Livonia Terrace	Brooklyn, NY	4% LIHTC	173	2010	
OUN	Bronx, NY	NYCHDC Reft	361	2010	
MINS	Bronx, NY	NYCHDC Reft	84	2010	
St. Luke's-HUD 202	Bronx, NY	4% LIHTC	81	2012	
Wartburg	Mt. Vernon, NY	4% LIHTC	61	2013	
Aurora	New York, NY	Year 15 Refi	178	2015	
Capitol Hall	New York, NY	4% LIHTC - HPD Subsidy	202	2015	
Cornerstone-HUD 202	Brooklyn, NY	4% LIHTC	150	2014	
Twin Parks SW	Bronx, NY	4% LIHTC	536	2015	Y
Brighton Towers	Rochester, NY	4% LIHTC	599	2015	
Maria Isabel	Bronx, NY	4% LIHTC	99	2015	
Braco-Linwood	Buffalo, NY	4% LIHTC	295	2015	
Lake Delray Apartments	Delray Beach, FL	4% LIHTC	404	2018	
Rutland Road	Brooklyn, NY	4% LIHTC	438	2018	Y
Century Sunrise	Johnson City, NY	4% LIHTC	105	2018	Y
Michelangelo Apartments	Bronx, NY	4% LIHTC	498	2018	Y
Temple Hill - BellaVista	Middletown & New Windsor, NY	4% LIHTC	162	2018	
Fort Schuyler House Apartments	Bronx, NY	4% LIHTC	139	2020	
Pineda Village	Cocoa, FL	9% LIHTC	144	2020	
Garden Walk Apartments	Cutler Bay, FL	4% LIHTC	228	2020	Y
Hialeah Towers	Hialeah & Hialeah Gardens, FL	4% LIHTC	252	2020	
Riverview Manor Apartments & Piotr Stadnitski Gardens	Buffalo, NY	4% LIHTC	212	2019	
The Palms of Deerfield Apartments	Deerfield Beach, FL	9% LIHTC	100	Under Construction	

# **Attachment 5**

**Prior Management Experience Chart**

Name of Management Company or a Principal of the Management Company with the Required Experience:			NDC Asset Management, LLC	
Name of Development	Location (City & State)	Currently Managing or Formerly Managed	Length of Time (Number of Years)	Total Number of Units
Autumn Place	5656 Autumn Blossom Blvd. Baton Rouge, LA 70812	Currently Managing	6	42
Banyan Trace I	5560 Banyan Trace Drive Baton Rouge, LA 70805	Currently Managing	14	24
Banyan Trace II	5560 Banyan Trace Drive Baton Rouge, LA 70805	Currently Managing	13	20
Bay Pointe	11431 Cockle Drive Port Ritche, FL 34668	Currently Managing	2	112
Bayou Bluff	c/o Kingsley Court, 404 Cedar Way Lake Charles, LA 70601	Currently Managing	5	30
Bayou Ridge Apts. (Wesley Chapel)	10008 Avenue L Baton Rouge, LA 70807	Currently Managing	7	82
Beechgrove Homes	804 Sherry Lane Westwego, LA 70094	Currently Managing	12	100
Booker T Washington (Rufus Mayfield)	c/o Kingsley Court, 404 Cedar Way Lake Charles, LA 70601	Currently Managing	4	46
Brookstown Homes	6404 Howell Range Avenue Baton Rouge, LA 70805	Currently Managing	10	25
Campbell Landings	365 6th Street South St. Petersburg, FL 33701	Currently Managing	5	96
Capitol Park	6404 Howell Range Avenue Baton Rouge, LA 70805	Currently Managing	8	32
Casa San Juan Bosco	2358 S.E. Arnold Andrews Ave. Arcadia, FL 34266	Currently Managing	5	53
Casa San Juan Bosco II	2358 S.E. Arnold Andrews Ave. Arcadia, FL 34266	Currently Managing	4	44
Cedar Pointe Homes	6238 Cedar Pointe Blvd. Baton Rouge, LA 70812	Currently Managing	9	80
Central Crossing / St. James Parish	2627 North King Avenue Lutcher, LA 70071	Currently Managing	1	36
Claiborne Homes	804 Sherry Lane Westwego, LA 70094	Currently Managing	12	60
Convent Trace / St. James Parish	2627 North King Avenue Lutcher, LA 70071	Currently Managing	1	28
Coral Village Apartments	121 N.E. 10th Place Cape Coral, FL 33909	Currently Managing	16	82
Cyndy's Place	2358 S.E. Arnold Andrews Ave. Arcadia, FL 34266	Currently Managing	3	18
Cypress Landing (Villa Seville)	4115 E. Carnegie Court Tampa, FL 33610	Currently Managing	7	24
Gardens of Daytona	437 Jean Street Daytona Beach, FL 32114	Currently Managing	6	230
Greenwood	4005 E. Humphrey Street Tampa, FL 33617	Currently Managing	2	24
Highlands Cove	454 Maclyn Circle Lake Placid, FL 33852	Currently Managing	8	64
Highschool Park	1626 2nd Street Lake Charles, LA 70601	Currently Managing	4	50
Kingsley Court	404 Cedar Way Lake Charles, LA 70601	Currently Managing	6	24
Manchester Apartments	5126 North Habana #103 Tampa, FL 33614	Currently Managing	4	36
Marian Manor	4200 Lister Street Port Charlotte, FL 33980	Currently Managing	9	32
Mariposa	5126 North Habana #103 Tampa, FL 33614	Currently Managing	8	38
Marisol	5126 North Habana #103 Tampa, FL 33614	Currently Managing	8	25
New Paradigm of Catholic Charities	4200 Lister Street Port Charlotte, FL 33980	Currently Managing	2	18

Name of Development	Location (City & State)	Currently Managing or Formerly Managed	Length of Time (Number of Years)	Total Number of Units
Oakhurst Square Apartments I	1120 N. Boulevard Tampa, FL 33607	Currently Managing	4	120
Oakhurst Square Apartments II	1120 N. Boulevard Tampa, FL 33607	Currently Managing	4	80
Oakview (formerly Elizabeth Arms)	4115 E. Carnegie Court Tampa, FL 33610	Currently Managing	7	55
Oakwood Terrace	6238 Cedar Pointe Blvd. Baton Rouge, LA 70812	Currently Managing	8	80
Pueblo Bonito	26120 Pueblo Bonito Blvd. Bonita Springs, FL 34135	Currently Managing	20	80
Pueblo Bonito II	26120 Pueblo Bonito Blvd. Bonita Springs, FL 34135	Currently Managing	19	20
Pueblo Bonito III	26120 Pueblo Bonito Blvd. Bonita Springs, FL 34135	Currently Managing	18	30
Putnam Apartments (St. Dominic)	4200 Lister Street Port Charlotte, FL 33980	Currently Managing	7	14
Ranch Street Commons	139 Acorn Drive Apt. 2M Seneca, PA 16346	Currently Managing	5	30
Ridge Avenue Senior Apartments	358 Ridge Avenue New Kensington, PA 15068	Currently Managing	3	40
River South	4731 North Blvd. Baton Rouge, LA 70805	Currently Managing	2	46
Roosevelt Terrace	100 Park Crest Terrace Sebring, FL 33870	Currently Managing	3	44
Royal Palm Lakes	100 Park Crest Terrace Sebring, FL 33870	Currently Managing	4	42
Southland Apartments	5126 North Habana #103 Tampa, FL 33614	Currently Managing	5	48
Steeltown Village	730 Wheatland Street Phoenixville, PA 19460	Currently Managing	1	55
Stonebridge	1680 Bristol Avenue, Suite 100 State College, PA 16801	Currently Managing	7	108
Stoneglen Apartments	1730 Bristol Avenue, Suite 500 State College, PA 16801	Currently Managing	7	96
Surrey Hill Apartments	501 Surrey Hill Drive Uniontown, PA 15401	Currently Managing	12	70
Susquehanna Homes	7202 Susquehanna Street Pittsburgh, PA 15208	Currently Managing	3	40
Teaberry Ridge	1730 Bristol Avenue, Suite 500 State College, PA 16801	Currently Managing	1	39
The Elms Apartments (St. Monica)	4200 Lister Street Port Charlotte, FL 33980	Currently Managing	8	14
The Graham at Gracepoint	2400 E. Henry Avenue Tampa, FL 33610	Currently Managing	3	90
Villages of Lake Charles	404 Cedar Way Lake Charles, LA 70601	Currently Managing	8	119
Waupelani Heights	913A Southgate Drive State College, PA 16801	Currently Managing	17	35
West Beaver Apartments	1730 Bristol Avenue, Suite 500 State College, PA 16801	Currently Managing	5	3
West Cornerstone Housing (MVI)	633 Corey Avenue Braddock, PA 15104	Currently Managing	3	122
Williamsburg South	195 Mt. Lebanon Blvd Pittsburgh, PA 15228	Currently Managing	3	108
Willow Creek	5656 Autumn Blossom Blvd. Baton Rouge, LA 70812	Currently Managing	6	46
Winsome Apartments	c/o Oakview Apartments, 4115 E. Carnegie Court Tampa, FL 33610	Currently Managing	5	20

# Attachment 6



**U. S. Department of Housing and Urban Development**  
Jacksonville Field Office  
Charles Bennett Federal Building  
400 West Bay Street  
Suite 1015  
Jacksonville, Florida 32202-4439

October 8, 2020

William Russell  
President & CEO  
Sarasota Housing Authority  
269 S. Osprey Ave.  
Sarasota, FL 34236

**Re: Development: McCown Tower Annex  
Section 8 Project Number: FL29RD00009**

Florida Housing RFA# 2020-204 for the Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments

Dear Mr. Russell:

We understand that you are applying to Florida Housing Finance Corporation for the rehabilitation/preservation of 100 units to be known as McCown Tower. Please find the required information below:

- (i) **Name of the Development:** McCown Tower Annex
- (ii) **Address of the Development:** 1300 Blvd. of the Arts, Sarasota, FL 34236
- (iii) **Year built:** 1970
- (iv) **Total number of units that currently receive PBRA:** 100 of the 100 units in McCown Tower currently receive subsidy through Housing Assistance Payment (HAP) Contract # FL29RD00009.
- (v) **Total number of units that will receive PBRA if the proposed Development is funded:** The 100 existing units of the 100 units in the proposed new development, if funded by Florida Housing, will continue to receive HUD operating subsidy in the form of PBRA.
- (vi) **All HUD financing programs originally and/or currently associated with the existing development:** There is no debt or financing on the property.

*HUD's mission is to create strong, sustainable, inclusive communities and quality, affordable homes for all.*

- (vii) **Confirmation that the Development has not received financing from HUD after 1996 where the rehabilitation budget was at least \$10,000 per unit in any year.** The property, located at the address referenced above, has not received financing from HUD after 1996 where the rehabilitation budget was at least \$10,000 per unit in any one year.

If you have any questions, please contact me via email at [Latonya.Wade@hud.gov](mailto:Latonya.Wade@hud.gov) or at (904)208-6004.

Sincerely,



Latonya Wade  
Sr. Account Executive  
Jacksonville Satellite Office

# Attachment 7

**NOT APPLICABLE**

# Attachment 8

**FLORIDA HOUSING FINANCE CORPORATION**  
**Site Control Certification Form**

As of the Application Deadline for this RFA, the Applicant entity McCown Tower, LLLP

---

has control of the Development site and all Scattered Sites, if applicable. Control of the site means that by Application Deadline the Applicant can establish one or more of the following requirements that include the terms set forth in Section Four A.7.a. of the RFA:

- Eligible Contract
- Deed or Certificate of Title
- Lease

To be considered complete, documents demonstrating that site control pursuant to the terms set forth in Section Four A.7.a. of the RFA are attached.

Under the penalties of perjury pursuant to Section 92.525, F.S., and of material misrepresentation pursuant to Section 420.508(35), Fla. Statutes, and Fla. Admin. Code Section 67-21.003(6) and/or 67-48.004(2), I declare and certify that I have read the foregoing and that the information is true, correct and complete.

*Darren Smith*

Signature of Authorized Principal Representative

Darren Smith

Name (typed or printed)

Authorized Member

Title (typed or printed)

This form must be signed by the Authorized Principal Representative stated in Exhibit A.

**GROUND LEASE  
BETWEEN  
SARASOTA HOUSING AUTHORITY  
AND  
MCCOWN TOWER, LLLP**

**Basic Lease Information**

**EFFECTIVE DATE:** AS OF OCTOBER 15, 2020

**LANDLORD:** SARASOTA HOUSING AUTHORITY

**TENANT:** MCCOWN TOWER, LLLP

**PREMISES:** CERTAIN LAND SITUATED IN THE CITY OF SARASOTA, COUNTY OF SARASOTA, AND STATE OF FLORIDA, AS MORE PARTICULARLY DESCRIBED IN EXHIBIT A

**ANNUAL BASE RENT:** AS PROVIDED IN SECTION 6.1

**COMMENCEMENT DATE:** AS PROVIDED IN SECTION 5.1

**TERM:** AS PROVIDED IN SECTION 5.2

**LANDLORD'S ADDRESS:** SARASOTA HOUSING AUTHORITY  
269 OSPREY AVENUE, SUITE 100  
SARASOTA, FLORIDA 34236  
ATTENTION: PRESIDENT & CEO

**TENANT'S ADDRESS:** MCCOWN TOWER, LLLP  
1100 NW 4<sup>th</sup> AVENUE  
DELRAY BEACH, FLORIDA 33444  
ATTENTION: MCCOWN FORTIS  
DEVELOPMENT, LLC, SPECIAL LIMITED  
PARTNER

\*\*\*

The Basic Lease Information is part of this Lease, however, if any of the Basic Lease Information contradicts any provision of this Lease, then the provision of this Lease prevails.

## TABLE OF CONTENTS

<b>ARTICLE 1 - RECITALS .....</b>	<b>1</b>
<b>ARTICLE 2 – INCORPORATION OF RECITALS AND DEMISE OF LEASEHOLD INTEREST .....</b>	<b>1</b>
Section 2.1     Incorporation of Recitals.....	1
Section 2.2     Leasehold Interest.....	1
<b>ARTICLE 3 – IMPROVEMENTS.....</b>	<b>2</b>
Section 3.1     Development Constructed.....	2
Section 3.2     Compliance with Laws. ....	2
Section 3.3     Approvals, Permits and Licenses.....	2
Section 3.4     Ownership of Development.....	2
Section 3.5     Amendments to Plans and Specifications. ....	2
<b>ARTICLE 4 – REPRESENTATIONS AND WARRANTIES.....</b>	<b>2</b>
Section 4.1     Landlord's Representations and Warranties.....	2
Section 4.2     Tenant's Representations and Warranties.....	3
<b>ARTICLE 5 – TERM .....</b>	<b>3</b>
Section 5.1     Effective Date; Commencement Date. ....	3
Section 5.2     Term of Lease.....	3
<b>ARTICLE 6 – RENT .....</b>	<b>4</b>
Section 6.1     Rent. ....	4
Section 6.2     Capital Lease Payment. ....	4
Section 6.3     Payments by Tenant upon Commencement of Construction of the Development. ....	4
<b>ARTICLE 7 – TAXES; OPERATING EXPENSES.....</b>	<b>4</b>
Section 7.1     Taxes.....	4
Section 7.2     Project Operating Expenses.....	4
<b>ARTICLE 8 – INSURANCE; PAYMENT AND PERFORMANCE BONDS.....</b>	<b>4</b>
Section 8.1     Tenant's Insurance and Payment and Performance Bonds. ....	4
Section 8.2     Landlord's Insurance. ....	6
<b>ARTICLE 9 – USE OF PREMISES, TENANT'S INDEMNITY, AND LANDLORD'S RIGHTS.....</b>	<b>6</b>
Section 9.1     Permitted Use. ....	6
Section 9.2     Compliance with Laws. ....	6
Section 9.3     Tenant's Indemnity.....	6
Section 9.4     Landlord's Rights. ....	7
<b>ARTICLE 10 – ENVIRONMENTAL CONDITIONS.....</b>	<b>7</b>
Section 10.1    Tenant's Environmental Covenants.....	7
Section 10.2    Landlord's Environmental Covenants.....	8
Section 10.3    Tenant's Environmental Indemnity.....	8
Section 10.4    Environmental Definitions. ....	8
Section 10.5    Survival. ....	9
<b>ARTICLE 11 – ASSIGNMENTS, SUBLEASES AND TRANSFERS.....</b>	<b>9</b>
Section 11.1    Consent Required.....	9
Section 11.2    Subsequent Assignment.....	10

Section 11.3	Request for Consent.....	10
Section 11.4	Transfer by Landlord.....	10
<b>ARTICLE 12 – LEASEHOLD FINANCING</b>		<b>11</b>
Section 12.1	Right to Mortgage.....	11
Section 12.2	Consent Required for Termination and Amendments.....	11
Section 12.3	Default Notice.....	11
Section 12.4	Notice to Equity Investor and Leasehold Mortgagee .....	11
Section 12.5	Procedure on Default.....	12
Section 12.6	Extension of Cure Period. ....	12
Section 12.7	Right to New Lease. ....	12
Section 12.8	Assumption of Tenant's Obligations.....	13
Section 12.9	Non-Curable Defaults.....	14
Section 12.10	No Merger.....	14
Section 12.11	Landlord's Fee to Remain Unsubordinated.....	14
Section 12.12	Sale of Premises.....	14
<b>ARTICLE 13 – MAINTENANCE AND REPAIR</b>		<b>15</b>
Section 13.1	Tenant's Obligations.....	15
<b>ARTICLE 14 – ALTERATIONS</b>		<b>15</b>
Section 14.1	Consent.....	15
Section 14.2	No Liens. ....	15
<b>ARTICLE 15 – SURRENDER</b>		<b>15</b>
Section 15.1	Expiration of Term. ....	16
<b>ARTICLE 16 – CASUALTY, CONDEMNATION</b>		<b>16</b>
Section 16.1	Damage or Destruction to Premises. ....	16
Section 16.2	Condemnation. ....	16
<b>ARTICLE 17 – DEFAULT AND REMEDIES</b>		<b>18</b>
Section 17.1	Landlord's Right to Perform. ....	18
Section 17.2	Events of Default. ....	19
Section 17.3	Remedy.....	19
Section 17.4	Tenant's Right to Perform. ....	20
Article 17.5	Excusable Delay. ....	20
<b>ARTICLE 18 – MISCELLANEOUS</b>		<b>21</b>
Section 18.1	No Brokers.....	21
Section 18.2	Recordation. ....	21
Section 18.3	Time of Essence. ....	21
Section 18.4	No Waiver. ....	21
Section 18.5	Joint and Several Liability. ....	22
Section 18.6	Captions and Gender. ....	22
Section 18.7	Entire Agreement. ....	22
Section 18.8	Amendment. ....	22
Section 18.9	Severability. ....	22
Section 18.10	Notices. ....	22
Section 18.11	Waiver of Jury Trial. ....	23
Section 18.12	Cooperation. ....	23
Section 18.13	Additional Releases, Utility Easements.....	24
Section 18.14	Governing Law and Venue. ....	24

<b>Section 18.15</b>	<b>Cumulative Rights. ....</b>	<b>24</b>
<b>Section 18.16</b>	<b>Non-Merger. ....</b>	<b>25</b>
<b>Section 18.17</b>	<b>No Third Party Beneficiary.....</b>	<b>25</b>
<b>Section 18.18</b>	<b>Quiet Enjoyment. ....</b>	<b>25</b>
<b>Section 18.19</b>	<b>Counterparts. ....</b>	<b>25</b>
<b>Section 18.20</b>	<b>Litigation Fees. ....</b>	<b>25</b>
<b>Section 18.21</b>	<b>Limited Liability of Landlord.....</b>	<b>26</b>
<b>Section 18.22</b>	<b>Access. ....</b>	<b>26</b>
<b>Section 18.23</b>	<b>Right of First Refusal.....</b>	<b>26</b>

## **GROUND LEASE**

THIS GROUND LEASE (this “Lease”) dated as of October 15, 2020 (the “Effective Date”), is by and between Sarasota Housing Authority, a public body corporate and politic established pursuant to Chapter 421 of the Florida Statutes (“Landlord”), whose address is 269 Osprey Avenue, Suite 100, Sarasota, Florida 34236; and McCown Tower, LLLP, a Florida limited liability limited partnership (“Tenant”), whose address is 1100 NW 4th Avenue, Delray Beach, FL 33444. Landlord and Tenant are jointly referred to herein as the “Parties”.

### **ARTICLE 1 - RECITALS**

**WHEREAS**, Landlord is the owner of the real property on Exhibit A (the “Premises”), where a development known as McCown Tower (“the Existing Improvements”) is currently located; and

**WHEREAS**, the preservation of the Existing Improvements shall consist of substantial rehabilitation of one hundred (100) rental units under the federal low-income housing tax credit program (the “Tax Credit Units”), together with all other improvements to the Premises (collectively, the “Improvements”). The Premises and the Improvements, which are to be constructed/rehabilitated, developed, and operated by Tenant will be known as McCown Tower (or any successor name) and are referred to herein as the “Development.”

**NOW, THEREFORE**, in consideration of these presents, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant hereby enter into this Lease on the terms and conditions set forth herein.

### **ARTICLE 2 – INCORPORATION OF RECITALS AND DEMISE OF LEASEHOLD INTEREST**

#### **Section 2.1    Incorporation of Recitals.**

The recitals are hereby incorporated into this Lease by reference and are made a part hereof.

#### **Section 2.2    Leasehold Interest.**

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises upon the terms and conditions stated herein, and subject only to those matters affecting title which are shown of record as of the Commencement Date and which have been approved by Tenant (the “Permitted Encumbrances”).

## **ARTICLE 3 – IMPROVEMENTS**

### **Section 3.1 Development Constructed.**

(a) During the Term, Tenant shall construct the Improvements on the Premises at its sole expense and subject to the terms and conditions of this Lease and reasonable financing documents necessitated by Tenant's financing as reasonably approved by Landlord.

(b) The Development will be subject to (i) a certain Extended Low Income Housing Agreement to be entered into between Florida Housing Finance Corporation and Tenant and recorded among the Land Records of the County of Sarasota (the "County") with respect to the Tax Credit Units (the "Tax Credit Restrictive Covenant"), and (ii) other reasonable documentation required by Tenant's financing as reasonably approved by Landlord.

### **Section 3.2 Compliance with Laws.**

The Development shall be constructed in a good and workmanlike manner and in accordance with the requirements of all applicable provisions of all applicable laws, ordinances, codes, orders, rules and regulations of all governmental authorities, agencies or departments having jurisdiction over the Development, including, but not limited to, Landlord and the City of Sarasota (the "City").

### **Section 3.3 Approvals, Permits and Licenses.**

Tenant and Landlord shall apply for and prosecute, or cause to be applied for and prosecuted, with reasonable diligence, all necessary approvals, permits and licenses required for the construction, development, use and occupancy of the Development. Landlord shall cooperate with Tenant as may be necessary to facilitate the same.

### **Section 3.4 Ownership of Development.**

Landlord and Tenant acknowledge and agree that Tenant shall be the owner of the Improvements, and as such, Tenant shall be entitled to all depreciation deductions and low income housing tax credits or other benefits for income tax purposes relating to the Improvements.

### **Section 3.5 Amendments to Plans and Specifications.**

Tenant shall take no action to effectuate any material amendments, modifications or any other alterations to the plans and specifications for the Development unless Landlord has approved such, in writing and in advance.

## **ARTICLE 4 – REPRESENTATIONS AND WARRANTIES**

### **Section 4.1 Landlord's Representations and Warranties.**

Landlord hereby represents and warrants to Tenant that:

(a) As of the Commencement Date, Landlord will own, fee simple, good and marketable title to the Premises, free and clear of all liens, charges, encumbrances, encroachments, easements, restrictions, occupancies or agreements and other matters affecting title, subject to the Permitted Encumbrances.

(b) As of the Commencement Date, there will be no unpaid special assessments of which Landlord has received notice, or of which Landlord is otherwise aware, for sewer, sidewalk, water, paving, gas, electrical or utility improvements or other capital expenditures, matured or unmatured, affecting the Premises.

(c) The person signing this Lease on behalf of Landlord is authorized duly and validly to so sign.

#### **Section 4.2 Tenant's Representations and Warranties.**

Tenant hereby warrants and represents to Landlord that:

(a) Tenant is, and as of the Commencement Date will be, a duly organized and lawfully existing limited liability limited partnership under the laws of the State of Florida.

(b) Tenant has, and as of the Commencement Date will have the full right, power and authority to make, execute, deliver and perform this Lease.

(c) The person signing this Lease on behalf of Tenant is authorized duly and validly to so sign.

### **ARTICLE 5 – TERM**

#### **Section 5.1 Effective Date; Commencement Date.**

This Lease shall become effective on the Effective Date, but the term of this Lease shall not begin until the Commencement Date. However, the Premises shall not be turned over to Tenant until the date on which Tenant closes on the construction financing with respect to the Development (the “Commencement Date”).

#### **Section 5.2 Term of Lease.**

The term of this Lease shall be for a period of sixty-five (65) years, commencing on the Commencement Date and ending on the sixty-fifth (65<sup>th</sup>) anniversary of the Commencement Date, subject to earlier termination as contemplated herein (the “Term”). Tenant’s right to take physical possession of the Premises shall begin on the Commencement Date. Landlord and Tenant acknowledge that the Premises is currently improved with the Existing Improvements and that Landlord conducts operations at the Existing Improvements. Until the Commencement Date, Tenant shall have no right to possession of the Existing Improvements or any obligation to rehabilitate them, and Landlord shall be solely responsible at its sole cost and expense for the operation and maintenance of the Existing Improvements.

## **ARTICLE 6 – RENT**

### **Section 6.1    Rent.**

The annual base rent shall be One Dollar (\$1.00) per annum (“Base Rent”). Tenant shall pay Landlord the Base Rent for the entire Term on the Commencement Date. The Base Rent shall be paid at the address specified for Landlord in the Basic Lease Information, or at such other address as Landlord may direct from time to time by written notice.

### **Section 6.2    Capital Lease Payment.**

On the Commencement Date, Tenant shall pay to Landlord a one-time capital lease payment in the amount of Six Million and No/100 Dollars (\$6,000,000) (the “Capital Lease Payment”), which shall be paid in the form of a promissory note with an interest rate equal to 1.12% and a sixty-five (65) year loan term. The Capital Lease Payment shall be for the Premises.

### **Section 6.3    Payments by Tenant upon Commencement of Construction of the Development.**

Other than as expressly set forth in this Lease, all costs, expenses, liabilities, charges or other deductions whatsoever with respect to the Premises and the construction, ownership, leasing, operation, maintenance, repair, rebuilding, use or occupation of the Premises or the Development shall be the responsibility of Tenant, from and after the Commencement Date.

## **ARTICLE 7 – TAXES; OPERATING EXPENSES**

### **Section 7.1    Taxes.**

Tenant will pay or cause to be paid (i) any real estate taxes which are assessed against the Premises by any taxing authority during the Term, or (ii) any payments to the extent required by a cooperation agreement or amendment thereto providing for payments in lieu of taxes which is entered into by Tenant or Landlord with the City or any other taxing entity during the Term. Landlord shall pay all City, County, state and federal taxes assessed against Landlord because of its fee interest in the Premises. Tenant will pay or cause to be paid all real estate recordation taxes incident to this Lease, if any. Each party agrees to cooperate with any effort on the part of the other party to appeal any tax assessment.

### **Section 7.2    Project Operating Expenses.**

Tenant will pay or cause to be paid all costs and expenses attributable to or incurred in connection with the operation, maintenance and repair of the Premises and the Development (collectively, the “Operating Expenses”) during the Term.

## **ARTICLE 8 – INSURANCE; PAYMENT AND PERFORMANCE BONDS**

### **Section 8.1    Tenant’s Insurance and Payment and Performance Bonds.**

During the Term, Tenant will, at its sole expense, obtain and keep in force, adequate insurance and payment and performance bonds to protect Tenant and Landlord from loss as follows:

(a) "All Risk" Coverage. Tenant will, at its sole expense (but nevertheless as a portion of Operating Expenses) obtain and keep in force during the Term, "all-risk" coverage insurance on the Development naming Tenant and Landlord as the insured, as their interests may appear, in the customary form in the City for buildings and improvements of similar character. The amount of such insurance will be set forth on an "agreed amount endorsement" to the policy of such insurance and will not be less than 100% of the full replacement value of the Improvements on the Premises, as determined from time to time, exclusive of foundation and infrastructure.

(b) General Liability. Tenant will, at its sole expense (but nevertheless as a portion of Operating Expenses) obtain and keep in force during the Term general liability insurance with a combined limit of, or an umbrella policy of, not less than Five Million Dollars (\$5,000,000.00), for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of Landlord and Tenant including, without limitation, coverage for contractual liability and broad property damage, with respect to the Premises or arising out of the maintenance, use or occupancy of the Development. Such insurance will insure the performance by Tenant of its indemnity obligations hereunder as to liability for injury to or death of persons and damage to property set forth in this Lease. Such insurance will not be noncontributing with any insurance that may be carried by Landlord and will contain a provision that Landlord, although named as an insured, will nevertheless be entitled to recover under the policy for any loss, injury, or damage to Landlord, its agents, and employees, or the property of such persons.

(c) Other Matters. All insurance required in this Article and all renewals of it, will be issued by companies authorized to transact business in the State of Florida, and rated at least A+ Class X by Best's Insurance Reports (property liability). All insurance policies will expressly provide that such policies will not be canceled or altered without thirty (30) days' prior written notice to Landlord, in the case of "all-risk" coverage insurance, and to Landlord, in the case of general liability insurance; will to the extent obtainable, provide that no act or omission of Tenant which would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained; and will, to the extent obtainable, contain a waiver by the insurer of its rights of subrogation against Landlord. Upon issuance, each insurance policy or a duplicate or certificate of such policy will be delivered to Landlord. Tenant may satisfy its obligations under this Section 8.1(c) by appropriate endorsements of its blanket insurance policies.

(d) Delivery of Evidence of Insurance. Certificates of insurance for all insurance required of Tenant hereunder and evidence of the payment of all premiums of such policies will be delivered to Landlord. All public liability, property damage liability, and casualty policies maintained by Tenant will be written as primary policies, not contributing with and not in excess of coverage that Landlord may carry. If Tenant fails to maintain such excess insurance, which failure continues for ten (10) days after Landlord gives notice to Tenant of such failure, then Landlord, at its election, may procure such insurance as may be necessary to comply with the

above requirements (but shall not be obligated to procure same), and Tenant shall reimburse to Landlord, as a Landlord reimbursement, any costs associated with procuring such insurance.

(e) Payment and Performance Bonds. Tenant will cause the general contractor, at its sole expense, to obtain and keep in force during the construction of the Improvements, performance bonds, materials payment bonds, and labor payments bonds in an amount equal to one hundred percent (100%) of the contract sum of the Improvements on the Premises reasonably satisfactory to Landlord or, in lieu thereof, to the extent allowed by applicable law and by any investor partner, third party lender and purchaser of housing tax credit equity for the Development, letters of credit in an amount equal to the greater of ten percent (10%) of the Development's construction contract sum or such amount as required by law, as reasonably determined by the Parties. The payment and performance bonds or letter of credit required of Tenant hereunder will be delivered to Landlord. The letter of credit, if any, will name the first mortgagee as the beneficiary, and will be subject to a letter of credit agreement which is mutually agreed to by Tenant and Landlord.

### **Section 8.2 Landlord's Insurance.**

Landlord shall obtain and maintain, at its sole cost and expense, general liability insurance with respect to the Premises.

## **ARTICLE 9 – USE OF PREMISES, TENANT'S INDEMNITY, AND LANDLORD'S RIGHTS**

### **Section 9.1 Permitted Use.**

Tenant shall throughout the Term continuously use and operate the Premises and the Development only for the following uses, and such other uses as are reasonably and customarily attendant to such uses: construction, development, marketing for lease and leasing of the Tax Credit Units and the operation, maintenance and management of the Development in a manner which strictly satisfies the requirements of this Lease.

### **Section 9.2 Compliance with Laws.**

Tenant shall not use or occupy, or suffer or permit any portion of the Premises to be used or occupied in violation of any law, ordinance, order, rule, regulation, certificate of occupancy, or other governmental requirement. Tenant will comply with applicable laws and all rules, orders, regulations, and requirements of the board of fire underwriters or insurance service office, or any other similar body, having jurisdiction over the Premises.

### **Section 9.3 Tenant's Indemnity.**

During the Term, Tenant covenants and agrees to indemnify, defend and hold Landlord, free and harmless from and against any and all losses, liabilities, penalties, claims, fines, litigation, demands, costs, judgments, suits, proceedings, damages, disbursements or expenses (including reasonable attorneys' fees and expenses) which may at any time be imposed upon, reasonably incurred by or asserted or awarded against Landlord in connection with or arising from the injury

to or death of any one or more persons or the damage to property, with respect to the Premises or arising out of the maintenance, use or occupancy of the Development during the Term. The obligations, indemnities and liabilities of Tenant under this Section 9.3 shall not extend to any liability caused by the negligence or other wrongful act of Landlord, its agents, employees and contractors.

#### **Section 9.4 Landlord's Rights.**

Notwithstanding anything herein to the contrary, prior to the Commencement Date, Tenant agrees that Landlord shall have a contractual right of entry onto the Premises for the purposes of Landlord's continued maintenance of the Premises during the period prior to the Commencement Date. Landlord shall, during this period, continue to maintain the Premises in the manner in which Landlord has maintained the Premises prior to the Effective Date.

### **ARTICLE 10 – ENVIRONMENTAL CONDITIONS**

#### **Section 10.1 Tenant's Environmental Covenants.**

Tenant has no liability for any environmental conditions that existed or arose on the Premises prior to the Term, unless such environmental condition(s) was caused by the negligence or actions of Tenant or Tenant's employees, agents, or subcontractors. Tenant shall not be responsible for removing or rendering harmless any pre-existing Prohibited Substances (as hereinafter defined) from the Premises, but shall advise Landlord and cooperate and coordinate the remediation work. Without limitation of any of Tenant's other covenants, agreements and obligations under this Lease, Tenant hereby specifically covenants and agrees to fulfill the responsibilities set forth below with respect to environmental matters and Hazardous Materials or Prohibited Substances (as hereinafter defined):

(a) Tenant, its agents, employees, and contractors shall comply with all applicable provisions of all Environmental Laws (as hereinafter defined) applicable to the Premises, the Development, and Tenant's use of the Premises. All required governmental permits and licenses issued to Tenant, its agents, employees, and contractors and associated with the Premises and the Development shall remain in effect or shall be renewed in a timely manner, and Tenant, its agents, employees and contractors shall comply therewith.

(b) Tenant shall not itself, and Tenant shall not permit any other person, including, but not limited to, third parties with whom Tenant contracts in regard to this Lease, to bring onto the Premises any (i) asbestos or asbestos-containing material or polychlorinated biphenyl material, or (ii) hazardous substances or hazardous waste as defined under any federal, state or local law, that may require remediation under applicable law (other than quantities or such substances, including gasoline, diesel fuel and the like as are customary and necessary to prosecute construction and occupancy of the Development on the Premises), or (iii) soil containing volatile organic compounds (collectively (i)-(iii) are the "Prohibited Substances"). Tenant shall be liable for the consequences of, and responsible for removal and lawful disposal, at its sole expense, of any Hazardous Materials, Prohibited Substances, or both brought onto the Premises, resulting from a default under this Section.

(c) Tenant shall promptly notify Landlord, in writing and provide Landlord with copies of all forms, notices and other information received by or on behalf of Tenant, its agents, employees, and contractors concerning any releases, spills or other incidents relating to Hazardous Materials, Prohibited Substances, or both, or any violations of Environmental Laws at or relating to the Premises when and as supplied to any government agency. Tenant shall also comply with all laws, ordinances, regulations and orders of all governmental, regulatory and other public and quasi-public agencies, authorities and entities having jurisdiction over the same with respect thereto.

### **Section 10.2 Landlord's Environmental Covenants.**

From and after the Commencement Date, Landlord shall comply with all Environmental Laws applicable to Landlord relative to the Premises and any Improvements thereon. All required governmental permits and licenses issued to Landlord (and those holding interests by, through or under Landlord) and associated with the Premises and any Improvements thereon shall remain in effect or shall be renewed in a timely manner, and Landlord (and those holding interests by, through or under Landlord) shall comply therewith. Without limitation of any of Landlord's other covenants, agreements and obligations under this Lease, Landlord hereby specifically covenants and agrees to provide Tenant with copies of all forms, notices and other information received by or on behalf of Landlord concerning any released, spills or other incidents relating to Hazardous Materials or Prohibited Substances, or any violations of Environmental Laws at or related to the Premises when and as supplied to any governmental agency.

### **Section 10.3 Tenant's Environmental Indemnity.**

Tenant covenants and agrees to indemnify, defend and hold Landlord free and harmless from and against any and all losses, liabilities, penalties, claims, fines, litigation, demands, costs, judgments, suits, proceedings, damages, disbursements or expenses (including reasonable attorneys' fees and expenses) which may at any time be imposed upon, reasonably incurred by or asserted or awarded against Landlord in connection with or arising from:

(a) Any Hazardous Materials, Prohibited Substances, or both which are first placed on, in, or under all or any portion of the Premises during the period defined herein as the Term with the exception of any Hazardous Materials, Prohibited Substances or both which are placed on, in, or under all or any portion of the Premises by Landlord, its agents, employees and contractors; or

(b) Any violation of any Environmental Laws by Tenant, its agents, employees, and contractors at or relating to the Premises which is not a condition existing prior to the Commencement Date.

### **Section 10.4 Environmental Definitions.**

For the purpose of this Lease, the following definitions shall apply:

(a) "Environmental Laws" means any present or future federal, state or local law, ordinance, rule, regulation, permit, license or binding determination of any governmental authority relating to, imposing liability or standards concerning, or otherwise addressing the environment,

health or safety, including, but not limited to: the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq. (“CERCLA”); the Resource Conservation and Recovery Act, 42, U.S.C. Section 6901 et seq. (“RCRA”); the Toxic Substance Control Act, 15 U.S.C. Section 2601, et seq. (“TOSCA”); the Clean Air Act, 42 U.S.C. Section 7401 et seq.; and the Clean Water Act, 33 U.S.C. Section 1251 et seq. and any so-called “Superfund” or “Superlien” law; and the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq. (“OSHA”), as each is from time to time amended and hereafter in effect.

(b) “Hazardous Materials” means: (i) “hazardous substances” as defined by CERCLA; (ii) “hazardous wastes,” as defined as RCRA; (iii) any hazardous, dangerous or toxic chemical, waste, pollutant, containment or substance (“pollutant”) within the meaning of any Environmental Law prohibiting limited or otherwise regulating the use, exposure, release, emission, discharge, generation, manufacture, sale, transport, handling, storage, treatment, reuse, presence, disposal or recycling of such pollutant; (iv) petroleum crude oil or fraction thereof; (v) any radioactive material, including any source, special nuclear or by-product material as defined in 42 U.S.C. Section 2011 et seq. and amendments thereto and reauthorizations thereof; or (vi) asbestos-containing materials in any form or condition, or polychlorinated biphenyls in any form or condition.

### **Section 10.5 Survival.**

The agreements, representations and warranties of Landlord and Tenant respectively in this Article 10 shall survive the expiration or early termination of this Lease.

## **ARTICLE 11 – ASSIGNMENTS, SUBLEASES AND TRANSFERS**

### **Section 11.1 Consent Required.**

(a) Consent. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Landlord and Tenant, except that Tenant may not assign or sublet its interest in this Lease without the prior written consent of Landlord, other than entering into residential leases of the Improvements in the ordinary course of Tenant’s business. Any attempted transfer without such consents shall be null and void.

(b) Prohibited Transfers. Tenant agrees for itself and its successors and assigns in interest hereunder that it will not, other than by the Leasehold Mortgages: (1) assign this Lease or any of its rights under this Lease as to all or any portion of the Development, or (2) make or permit any voluntary or involuntary total or partial sale, lease, assignment, conveyance, mortgage, pledge, encumbrance or other transfer of any or all of the Development, other than in accordance with the this Lease (including but not limited to (i) any sale at foreclosure or by the execution of any judgment of any or all of Tenant’s rights hereunder, or (ii) any Transfer by operation of law), without first obtaining Landlord’s express written consent thereto.

(c) Restrictions on Transfers. No transfer, conveyance, or assignment shall be made without the prior written approval by Landlord of: (i) any interest of an authorized or managing member, general partner, or controlling stockholder (any such interest being referred to as a

“Controlling Interest”) of Tenant, or (ii) a Controlling Interest in any entity which has a Controlling Interest in Tenant, or (iii) prior to the payment in full of all equity contributions described in Tenant’s operating agreement, any other interest in Tenant, or in any partner or member thereof (each of such transfers, conveyances and assignments, together with the transfers described in Section 11.1(b) hereof, is hereafter referred to as a “Transfer”). Notwithstanding the foregoing, the consent of Landlord shall not be required where a person or business organization that has a limited interest (non-controlling and non-managing) in Tenant transfers a non-controlling and non-managing interest in Tenant or an interest in the business organization, including, without limitation, the transfer of the non-controlling and non-authorized or non-managing partnership interest of the equity placeholder partner to the equity investor identified by Tenant (the “Equity Investor”) or the transfer of the non-controlling and non-authorized or non-managing partnership interest of the Equity Investor to an affiliated investment fund of the Equity Investor, provided, that Tenant in the case of such a transfer: (i) provides Landlord with written notice of such transfer; and (ii) certifies to Landlord that the transferee entity(ies), as appropriate, remains obligated to fund its equity contribution in accordance with the terms of the organizational documents of Tenant. Landlord agrees that it will not unreasonably withhold, or delay, or condition a request by Tenant for consent by Landlord to an internal reorganization of the corporate, company or partnership structure of Tenant or any of the partners, members or stockholders of Tenant.

(d) Any person to whom any Transfer is attempted without such consent shall have no claim, right or remedy, whatsoever hereunder against Landlord and Landlord shall have no duty to recognize any person claiming under or through the same.

#### **Section 11.2 Subsequent Assignment.**

In cases where Landlord’s consent is required, Landlord’s consent to one assignment will not waive the requirement that Tenant obtain consent to any subsequent assignment.

#### **Section 11.3 Request for Consent.**

If Tenant requests Landlord’s consent to a specific assignment, Tenant shall provide to Landlord such information as may reasonably be required by Landlord.

#### **Section 11.4 Transfer by Landlord.**

(a) Landlord shall not transfer all or any portion of its interest in the Premises without the prior written consent of the Equity Investor and any Leasehold Mortgagee (as hereinafter defined), if applicable, and upon any such approved transfer, the transferee shall assume all of Landlord’s obligations under this Lease and, in any event, Landlord shall not transfer all or any portion of its interest in the Premises if the same would cause a violation of any applicable laws or regulations, any terms of this Lease, or any agreement or contract to which Landlord is a party or by which Landlord is bound.

(b) Notwithstanding anything contained herein, Tenant hereby acknowledges and agrees that U.S. Department of Housing and Urban Development (“HUD”) or any receiver or appointee named by HUD or at HUD’s request shall have the right to take over by transfer or

otherwise Landlord's interest under this Lease; provided, however, that HUD or any such receiver or appointee named by HUD assumes all of Landlord's obligations under this Lease without releasing the original Landlord. Transfers by operation of law or local federal statute shall be exempt from this Section 11.4.

(c) Landlord acknowledges and covenants that it shall not transfer Landlord's estate in the Premises, if such transfer would jeopardize either the continuing tax exemption for such units under any applicable agreements with the City and other taxing authorities.

## **ARTICLE 12 – LEASEHOLD FINANCING**

### **Section 12.1 Right to Mortgage.**

With the prior written consent of Landlord and subject to receipt of any required HUD approvals, Tenant may grant one or more mortgages of its interest in the Lease (each, a "Leasehold Mortgage") to lenders and, in connection therewith, to collaterally assign its interest in this Lease to such lenders. In no event shall Landlord ever be required to execute any such mortgage or any note secured thereby or any other obligation securing any such note, or to subordinate Landlord's fee interest in the Premises or any portion thereof to the lien of any such mortgage. Tenant shall identify the name of each mortgagee ("Leasehold Mortgagee") for such portion of the Premises and the address(es) to which notices to the Leasehold Mortgagee are to be sent, and for purposes of this Lease the term "Leasehold Mortgagee" shall include any trustee acting with respect to any tax-exempt bond financing encumbering the Premises. Landlord agrees to execute any additional documents or further assurances as may be reasonably requested by any Leasehold Mortgagee in connection with any Leasehold Mortgage permitted by this Article 12.

### **Section 12.2 Consent Required for Termination and Amendments.**

No termination, cancellation, surrender, modification, or amendment of this Lease by agreement between Landlord and Tenant shall be effective as to the Equity Investor or any Leasehold Mortgagee unless consented to in writing by the Equity Investor and such Leasehold Mortgagee.

### **Section 12.3 Default Notice.**

Landlord, upon providing Tenant with any notice of (i) default under this Lease, the Tax Credit Restrictive Covenant, and/or any financing or regulatory documents between Landlord and Tenant, or (ii) a termination of this Lease, shall at the same time send a copy of such notice to the Equity Investor and every Leasehold Mortgagee.

### **Section 12.4 Notice to Equity Investor and Leasehold Mortgagee.**

Notwithstanding anything in this Lease to the contrary, if any default shall occur and remain uncured beyond all applicable grace or cure periods of this Lease, which entitles Landlord to terminate this Lease as to all or any portion of the Development and to take any other remedial action against Tenant, Landlord shall have no right to terminate this Lease or take such remedial action unless, following the expiration of the period of time given Tenant to cure such default,

Landlord shall notify the Equity Investor and each Leasehold Mortgagee of Landlord's intent to so terminate, and the Equity Investor and each Leasehold Mortgagee shall have six (6) months from such notification to cure such default (the "Six Month Cure Period"). Tenant authorizes the Equity Investor and each Leasehold Mortgagee to take any such action at its option and does hereby authorize entry upon the Development by the Equity Investor and each Leasehold Mortgagee for such purpose. The Equity Investor and each Leasehold Mortgagee shall not be required during the Six Month Cure Period to cure or commence to cure any default consisting of Tenant's failure to satisfy and discharge any lien, charge or encumbrance against Tenant's interest in this Lease or any part thereof which is (a) authorized by this Lease, and (b) junior in priority to the lien of the Leasehold Mortgage held by the Leasehold Mortgagee.

#### **Section 12.5 Procedure on Default.**

During the Six Month Cure Period, the Equity Investor or such Leasehold Mortgagee shall:

(a) Pay or cause to be paid, any monetary obligations of Tenant under this Lease, as the same become due, and continue its good faith efforts to perform all of Tenant's other obligations under this Lease, excepting (i) obligations of Tenant to satisfy or otherwise discharge any lien, charge or encumbrance against Tenant's interest in this Lease or any part thereof which is junior in priority to the lien of the Leasehold Mortgage held by such Leasehold Mortgagee, and (ii) past non-monetary obligations then in default and not reasonably susceptible of being cured by the Equity Investor or such Leasehold Mortgagee; and

(b) Except to the extent enjoined and stayed, take steps to acquire or sell Tenant's interest in this Lease, by foreclosure of such Leasehold Mortgage, or other appropriate means and prosecute the same to completion with reasonable efforts.

#### **Section 12.6 Extension of Cure Period.**

If at the end of the Six Month Cure Period, the Equity Investor or such Leasehold Mortgagee is complying with Section 12.5(a) hereof, then this Lease shall not then terminate, and the time for completion by such Leasehold Mortgagee of its proceedings shall continue so long as such Leasehold Mortgagee is enjoined or stayed and thereafter for so long as such Leasehold Mortgagee proceeds to complete steps to acquire or sell Tenant's interest in this Lease, by foreclosure of its Leasehold Mortgage or by other appropriate means with reasonable efforts. Nothing in this Article 12, however, shall be construed to extend this Lease beyond the Term. If any Leasehold Mortgagee is complying with Section 12.5 hereof, upon the acquisition of Tenant's interest in this Lease by such Leasehold Mortgagee or its designee, or any other purchaser at a foreclosure sale or otherwise and the discharge, by operation of law or otherwise, of any lien, charge or encumbrance against Tenant's interest in this Lease or any part thereof which is junior in priority to the lien of the Leasehold Mortgage held by such Leasehold Mortgagee and which Tenant is obligated to satisfy and discharge by the terms of this Lease, this Lease shall continue in full force and effect as if Tenant had not defaulted under this Lease.

#### **Section 12.7 Right to New Lease.**

In the event that the Lease is terminated by Landlord, Landlord shall, if requested by Leasehold Mortgagee, if applicable, grant to the Leasehold Mortgagee a new lease on the following terms and conditions:

(a) In the event of the termination of this Lease prior to its stated expiration date, Landlord agrees that it will enter into a new lease of the Premises with any Leasehold Mortgagee, if applicable, or, at the request of such Leasehold Mortgagee, a designee subject to HUD approval, if necessary, including but not limited to a corporation or other entity formed by or on behalf of such Leasehold Mortgagee, for the remainder of the Term effective as of the date of such termination, upon the same covenants, agreements, terms, provisions, and limitations herein contained, provided (i) such Leasehold Mortgagee makes written request upon Landlord for such new lease within thirty (30) days from the date Landlord notifies such Leasehold Mortgagee of such termination and such written request is accompanied by payment to Landlord of all amounts then due to Landlord under this Lease but for such termination, (ii) such Leasehold Mortgagee pays or causes to be paid to Landlord at the time of the execution and delivery of such new lease any and all sums which would at the time of the execution and delivery thereof be due under this Lease but for such termination and pays or causes to be paid any and all expenses, including reasonable counsel fees, court costs, and costs and disbursements incurred by Landlord in connection with any such termination and in connection with the execution and delivery of such new lease and (iii) such Leasehold Mortgagee agrees to reinstate the lien and take the Premises subject to the loan of any other Leasehold Mortgagee which held a lien senior in priority to the lien of such Leasehold Mortgagee if such senior Leasehold Mortgagee had also requested a new lease and tendered the required payments(s).

(b) Any new lease made pursuant to this Section 12.7 shall have the same priority as this Lease (except with respect to any non-electing Leasehold Mortgagee) and shall be prior to any mortgage or any lien, charge or encumbrance of the fee of the Premises created by Landlord, for a term of years equal to the balance of the Term.

(c) Any permitted mortgage or deed of trust upon Landlord's interest in the Premises and any action by such mortgagee or trustee or beneficiary of such deed of trust by way of receivership, foreclosure, exercise or power of sale, or deed in lieu thereof shall be subject to this Lease and to the new lease to be given pursuant to this Section 12.7 and any mortgagee or holder of such mortgage or the beneficiary and trustee of any such deed of trust must recognize this Lease and any new lease and all rights of Tenant and each Leasehold Mortgagee hereunder and thereunder.

(d) The provisions of this Section 12.7 shall be self-operative and require no further action by the mortgagee of any mortgage or beneficiary and trustees of any deed of trust encumbering Landlord's interest in the Premises, the Development, or both, but upon request by Tenant or the Leasehold Mortgagee electing under Section 12.7(a) hereof, Landlord agrees to obtain from such mortgagee or beneficiary and trustees an instrument duly executed and acknowledged confirming the priority of such new lease.

#### **Section 12.8 Assumption of Tenant's Obligations.**

For purposes of Articles 11 and 12, the making of a Leasehold Mortgage, if applicable, shall not be deemed to constitute an assignment or transfer of this Lease or Tenant's interest created hereby, nor shall any Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Lease or of Tenant's interests under this Lease so as to require such Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of Tenant to be performed hereunder, but a Leasehold Mortgagee may become the holder of Tenant's leasehold estate and succeed to Tenant's interest in this Lease by foreclosure of its Leasehold Mortgage or as a result of the assignment of this Lease in lieu of foreclosure, and any purchaser at any sale of Tenant's interest under this Lease in any proceeding for the foreclosure of any mortgage or the assignee or transferee of Tenant's interest in this Lease under any instrument of assignment or transfer in lieu of the foreclosure of any mortgage shall be deemed to be an assignee or transferee approved by Landlord and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of Tenant to be performed hereunder, but only for so long as such purchaser or assignee is the owner of Tenant's interest in this Lease.

### **Section 12.9 Non-Curable Defaults.**

Nothing in this Article 12 shall require the Equity Investor or any Leasehold Mortgagee, if applicable, or its designee as a condition to the exercise of rights provided under this Article 12 to cure any default of Tenant not reasonably susceptible of being cured by the Equity Investor or such Leasehold Mortgagee or its designee as such susceptibility is reasonably determined solely by Landlord. The foregoing shall not be deemed to excuse any Leasehold Mortgagee from performing covenants relating to the condition of the Development or operation in compliance with matters requiring access or control or both of the Premises, from and after such time as such Leasehold Mortgagee acquires Tenant's interest in this Lease by foreclosure or otherwise.

### **Section 12.10 No Merger.**

So long as any Leasehold Mortgage is in existence, unless all Leasehold Mortgagees shall otherwise expressly consent in writing, the fee title to the Premises and the leasehold estate of Tenant therein shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee title and said leasehold estate by any single owner, other than by termination of this Lease by Landlord in compliance with the provisions of this Article 12.

### **Section 12.11 Landlord's Fee to Remain Unsubordinated.**

Landlord and Tenant expressly acknowledge and agree that Landlord shall have no obligation under this Lease or otherwise to subordinate fee title of Landlord in the Premises or any rights of Landlord in this Lease to the leasehold estate of Tenant created by this Lease or to join any such mortgage or encumbrance or otherwise in any manner subordinate the fee title of Landlord in and to the Premises or interest of Landlord under this Lease.

### **Section 12.12 Sale of Premises.**

In the event of any sale or conveyance of the Premises by Landlord, as approved by HUD (where applicable), any such sale or conveyance of all or any part of the Premises shall be subject

to this Lease and all of the provisions hereof, and notice of such sale shall be provided to the Equity Investor and each Leasehold Mortgagee.

## **ARTICLE 13 – MAINTENANCE AND REPAIR**

### **Section 13.1 Tenant's Obligations.**

Tenant will, at its sole cost and expense, maintain or cause to be maintained the Development, reasonable wear and tear excepted, and make or cause to be made repairs, restorations, and replacements to the Development, including without limitation the heating, ventilating, air conditioning, mechanical, electrical, elevator, and plumbing systems, structural roof, walls, and foundations, and the fixtures and appurtenances to the Development as and when needed to preserve them in good working order and condition, and regardless of whether the repairs, restorations, and replacements are ordinary or extraordinary, foreseeable or unforeseeable, capital or non-capital, or the fault or not the fault of Tenant, its agents, employees, invitees, visitors, and contractors. All such repairs, restorations, and replacements of the Development, as elected by Tenant, will be in quality and class either equal to the original work or installations, or otherwise consistent with the applicable metropolitan statistical area as delineated by the United States Office of Management and Budget, or successor, at such time.

## **ARTICLE 14 – ALTERATIONS**

### **Section 14.1 Consent.**

After completion of the Development's construction, Tenant shall not make any alterations, improvements or additions to the Premises having a cost greater than Seventy-Five Thousand Dollars (\$75,000) or such lesser amount as may be provided in the Development's management agreement and/or management plan, or demolish any portion thereof, without first presenting to Landlord complete plans and specifications therefore and obtaining Landlord's written consent thereto (which consent shall not unreasonably be withheld so long as, in Landlord's judgment, such alteration, improvement, addition or demolition will not violate this Lease, or impair the value of the Premises). Any improvements made to the Premises by either party hereto shall be made only in a good and workmanlike manner using new materials of the same general quality as the original improvements, and in accordance with all applicable building codes.

### **Section 14.2 No Liens.**

Tenant shall not have any right, authority or power to bind Landlord, the Premises or any other interest of Landlord in the Premises and will pay or cause to be paid all costs and charges for work done by it or caused to be done by it, in or to the Premises, for any claim for labor or material or for any other charge or expense, lien or security interest incurred in connection with the development, construction or operation of the Development or any change, alteration or addition thereto. Any lien that is not released or bonded within thirty (30) days of the recording of such lien shall constitute an Event of Default under Section 17.2 hereof.

## **ARTICLE 15 – SURRENDER**

### **Section 15.1 Expiration of Term.**

At the end of this Lease (whether upon the expiration date or sooner termination), Tenant will surrender the Premises in its then “as-is” condition. Tenant may remove any movable equipment or furniture from any management office on the Premises, provided that no federal, state or local government funds or Landlord funds were used to acquire such furniture, equipment, or both.

## **ARTICLE 16 – CASUALTY, CONDEMNATION**

### **Section 16.1 Damage or Destruction to Premises.**

During the Term, Tenant shall give prompt written notice to Landlord after the occurrence of any fire, earthquake, act of God or other casualty to or in connection with the Premises, the Development or any portion thereof. Subject to Section 16.2 hereof, if during the Term, the Development shall be damaged or destroyed by casualty, Tenant shall repair or restore the Development as provided for in any financing documents secured by a Leasehold Mortgage, if applicable, so long as it is lawful, and all Leasehold Mortgagees and HUD, where applicable, agree that it is feasible to do so and adequate insurance proceeds are made available to Tenant to complete such repairs and restoration. Upon the occurrence of any such casualty, Tenant, promptly and with all due diligence, shall, subject to any financing document secured by a Leasehold Mortgage, if applicable, and the operating agreement of Tenant, apply for and collect all applicable insurance proceeds recoverable with respect to such casualty, for the benefit of any Leasehold Mortgagees, if applicable. In the event that more than twenty percent (20%) of the value of the Development, the Premises, or both are damaged or destroyed, and Tenant shall determine, subject to the rights of the holders of any Leasehold Mortgage, if applicable, and shall notify Landlord in writing within thirty (30) days after receipt by Tenant of any such insurance proceeds, that it is not economically practical to restore the Premises to substantially the same condition in which they existed prior to the occurrence of such casualty, Tenant may terminate this Lease as of a date that is not less than thirty (30) days after the date of such notice. If Tenant terminates this Lease pursuant to this Section, Tenant shall surrender possession of the Premises to Landlord immediately and assign to Landlord (or, if same has already been received by Tenant, pay to Landlord) all of its right, title, and interest in and to the proceeds from Tenant’s insurance upon the Premises, subject to the prior rights of any Leasehold Mortgagees, as referenced in Section 16.2 hereof.

### **Section 16.2 Condemnation.**

(a) If during the Term,, by exercise of the right of eminent domain or by conveyance made in response to the threat of the exercise of such right (in either case a “Taking”), all of the Premises are taken, or if so much of the Premises are taken that the Premises cannot be used by Tenant in a commercially reasonable manner for the purposes for which they were used immediately before the Taking, then this Lease shall, at Tenant’s sole option, subject to the rights of any Leasehold Mortgagee, if applicable, terminate on the earlier of the vesting title to the Premises in the condemning authority, or the taking of possession of the Premises by the condemning authority.

(b) Landlord and Tenant agree that, in the event of a Taking that does not result in the termination of this Lease pursuant to this Article, this Lease shall continue in effect as to the remainder of the Premises and the Development, and the net amounts owed or paid to the Parties or to which either of the Parties may be or become entitled by reason of any Taking pursuant to any agreement with any condemning authority which has been made in settlement of any proceeding relating to a Taking (the "Settlement Agreement"), less any costs and expenses incurred by the Parties in collecting such award or payment (the "Net Condemnation Award") shall be distributed and disbursed as provided in the applicable laws and regulations. However, if the distribution is not covered by the Settlement Agreement, then as follows: (i) first to any Leasehold Mortgagee in an amount sufficient to satisfy the terms and conditions of the Leasehold Mortgage, if applicable, if required, and (ii) to the extent permitted by the foregoing instruments, in accordance with Section 16.2(d) hereof. Notwithstanding the foregoing, to the extent permitted in any Leasehold Mortgage, if applicable, the Net Condemnation Award shall be used by Tenant to make the remainder of the Premises a complete, unified and efficient operating unit as nearly as reasonably possible to the condition existing prior to the Taking, subject to any applicable requirements of any Leasehold Mortgage, if applicable. However, Tenant is not obligated to expend any sums to restore the Premises that are in excess of the Net Condemnation Award made available to it for that purpose.

(c) If during the Term, there shall be a temporary Taking with respect to all or any part of the Premises or of Tenant's interest in this Lease, then the Term shall not be reduced and Tenant shall continue to pay in full all Rent and other charges required herein except Operating Expenses attributable to the taken property, without reduction or abatement thereof at the times herein specified; provided, however, that Tenant shall not be required to perform such obligations that Tenant is prevented from performing by reason of such temporary Taking.

(d) If during the Term there is a Taking, whether whole or partial, Landlord and Tenant shall be entitled to receive and retain such separate awards and portions of lump sum awards as may be allocated to their respective interests in any condemnation proceedings, or as may be otherwise agreed, taking into consideration the fact that Landlord's interest in the Premises is limited to the land and a reversionary interest in the Premises upon the expiration of the Term. If the Premises shall be restored as is contemplated in Section 16.2(b) above, Tenant shall be entitled to recover the costs and expenses incurred in such restoration out of any Net Condemnation Award. Thereafter, if the condemning authority does not make separate awards, the Parties agree that any Net Condemnation Award will be allocated between them on a proportionate basis, taking into account the value of the land, the value of the Improvements, and the remaining Term. For purposes of the foregoing, the values assigned to each of Landlord and Tenant shall be as follows: the value owned by Landlord shall equal the present value of the Base Rent payable pursuant to this Lease for the remaining Term, and the fair market value of Landlord's reversionary interest in the Improvements; the value owned by Tenant means the fair market value of the Improvements and the Premises, less the value ascribed to Landlord above. If the Parties are unable to agree as to the exact percentage of such allocation and the Parties are unable to agree as to amounts that are to be allocated to the respective interests of each party, then each party shall select an independent M.A.I, real estate appraiser (an "Appraiser"). Each Appraiser shall separately determine the amount of the balance of the Net Condemnation Award that is to be allocated to each party. If the percentage allocated to Landlord by one Appraiser is within ten percent (10%) of the percentage allocated to

Landlord by the other Appraiser, then the two percentage allocations shall be averaged and such average percentage shall be the percentage to be allocated to Landlord, with the remaining percentage of the balance of the Net Condemnation Award to be allocated to Tenant. If the percentage allocated to Landlord by one Appraiser is not within ten percent (10%) of that allocated to Landlord by the other Appraiser, then the two Appraisers shall select a third Appraiser, who shall independently determine the percentage of the balance of the Net Condemnation Award that should be allocated to each party; and the average of the percentages determined by the three Appraisers to be allocable to Landlord shall be the percentage that is allocated to Landlord, and the remaining percentage of the balance of the Net Condemnation Award shall be allocated to Tenant. If necessary to engage a third Appraiser, such Appraiser shall be engaged jointly by Tenant and Landlord. The costs of all Appraisers engaged under this Section 16.2(d) shall, in the aggregate, be split equally by Tenant and Landlord.

(e) Landlord and Tenant agree that all then-existing Leasehold Mortgagees, to the extent permitted by law and to the extent their interests are affected by the Taking, shall be made a party to any Taking proceeding.

## **ARTICLE 17 – DEFAULT AND REMEDIES**

### **Section 17.1 Landlord's Right to Perform.**

(a) Landlord's Option. If Tenant fails to pay when due amounts payable under this Lease within the time permitted for its performance, then Landlord, after fifteen (15) calendar days' prior written notice to Tenant and without waiving any of its rights under this Lease, may (but will not be required to) pay such amount, unless Tenant notifies Landlord in writing during such fifteen (15) calendar day period that Tenant is withholding the subject payment due to a dispute as to the legitimacy or correctness of same and takes steps reasonably necessary to protect Landlord's interests. If Tenant fails to perform any of its other obligations under this Lease within the time permitted for its performance, then Landlord, after thirty (30) calendar days' prior written notice to Tenant and without waiving any of its rights under this Lease, may (but will not be required to) perform such obligation, unless Tenant notifies Landlord in writing during such thirty (30) calendar day period that Tenant is withholding the subject performance due to a dispute as to the legitimacy or correctness of same and takes steps reasonably necessary to protect Landlord's interests or that Tenant has commenced the curing of such default within such thirty (30) calendar day period and shall prosecute in good faith the curing of same continuously thereafter until the same is, in fact, cured.

(b) Additional Rent. All amounts which Tenant is obligated to pay under this Lease, which if not paid may be paid by Landlord, and all reasonable costs and expenses incurred by Landlord in connection with the performance of any such Tenant obligations will be payable by Tenant to Landlord within thirty (30) calendar days after Landlord has notified Tenant in writing of the amounts incurred by Landlord on its behalf and shall constitute "Additional Rent," with interest accrued thereon at the rate equal to two percent (2%) above the prime rate then in effect, as published from time to time in the Wall Street Journal. Landlord shall provide Tenant with invoices and other reasonable evidence of the amounts paid or incurred by Landlord in connection with its exercise of its rights pursuant to this Article.

## **Section 17.2 Events of Default.**

At the option of Landlord, the occurrence of any of the following events shall constitute and are defined as an “Event of Default” by Tenant:

(a) Tenant fails to cause the Commencement Date to occur within eleven (11) months following the Effective Date.

(b) Tenant defaults in the due and punctual payment of any payment to Landlord hereunder, and such default continues for fifteen (15) calendar days after written notice from Landlord, unless Tenant notifies Landlord in writing during such fifteen (15) calendar day period that Tenant is withholding the subject payment or performance due to a dispute as to the legitimacy or correctness of same and takes steps reasonably necessary to protect Landlord’s interests; or

(c) Tenant vacates (except by reason of casualty or condemnation) the Premises for a period of more than thirty (30) consecutive days, or abandons the Premises; or

(d) This Lease or the Premises or any part of the Premises are taken upon execution or by other process of law directed against Tenant, or are taken upon or subjected to any attachment by any creditor of Tenant or claimant against Tenant, and such attachment is not discharged or bonded off within ninety (90) calendar days after its levy; or

(e) Tenant breaches any of the other agreements, terms, covenants, or conditions which this Lease requires Tenant to perform, including without limitation the provisions of Article 12 hereof, and such breach continues for a period of thirty (30) calendar days after notice by Landlord to Tenant; provided, however, if the nature of the breach is such that it cannot be cured by Tenant reasonably within the period of thirty (30) calendar days, Tenant shall not be deemed in default of this Lease if Tenant commences the curing of such default within such period of thirty (30) days and prosecutes in good faith the curing of same continuously thereafter until the same is, in fact, cured; or

(f) Tenant fails to complete construction of the Development by the completion date and in accordance with closing documents to be entered into by the Parties at a closing on the financing for the Development; or

(g) A lien is placed on the Premises, with the exception of any Permitted Encumbrances, if applicable, approved in writing by Landlord, that is not released or bonded no later than thirty (30) days of filing; or

(h) Tenant uses the Premises for uses other than the permitted use provided for in Section 9.1 hereof; or

(i) Tenant makes any assignment in violation of this Lease.

## **Section 17.3 Remedy.**

If any one or more Events of Default set forth in Section 17.2 hereof occurs, and continues beyond the applicable grace or cure periods, then Landlord may, at Landlord's sole and exclusive remedy, at law or in equity, but subject in all respects to the rights of any holder of a Leasehold Mortgage, if applicable, as set forth in Article 12 hereof, terminate this Lease by written notice to Tenant of its intention to terminate this Lease on the date (including any cure period described above) specified in such notice, and, on the date specified in such notice, Tenant's right to possession of the Premises and the Development will cease and the estate conveyed by this Lease shall re-vest in Landlord; provided such re vesting of the estate and the reentry by Landlord shall be subject to, and limited by, and shall not defeat, render invalid or limit in any way, the lien of any Leasehold Mortgage. Notwithstanding anything herein to the contrary, if an Event of Default set forth in Section 17.2(a) hereof occurs, then Landlord shall, at Landlord's sole and exclusive remedy, at law or in equity, terminate this Lease by written notice to Tenant of its intention to terminate this Lease on the date specified in such notice, and, on the date specified in such notice, Tenant's right to possession of the Premises and the Development will cease and the estate conveyed by this Lease shall re-vest in Landlord.

#### **Section 17.4 Tenant's Right to Perform.**

(a) Right to Perform Covenants. If Landlord shall, at any time, fail to perform any of its obligations hereunder or be in breach of any of its representations and warranties herein, Tenant shall, except in the event of an emergency, provide Landlord with notice of such default, and if Landlord does not commence action to cure any such default within the time period specified below after the giving of such notice, or immediately, in the event of an emergency, then Tenant may, without any obligation so to do and without waiving or releasing any obligation of Landlord contained in this Lease, take such actions and make such payment as may be necessary or appropriate to fulfill Landlord's obligations or otherwise cure any default of Landlord hereunder. In case of emergency, Tenant shall nevertheless make every effort to provide notice of default to Landlord. Where no emergency exists, and after giving notice to Landlord, Tenant shall allow Landlord ten (10) calendar days to commence a cure, unless Tenant's interests would be jeopardized by such delay.

(b) Costs and Expenses. All reasonable sums so paid by Tenant and all reasonable and essential costs and expenses incurred by Tenant in connection with the performance of any of the obligations of Landlord hereunder, or on account of any breach by Landlord of its representations and warranties herein shall be payable by Landlord to Tenant, but only after Tenant provides Landlord with invoices and other evidence of the amounts paid and essential expenses incurred by Tenant in connection with its reasonable exercise of its rights pursuant to this Article. In the event Landlord does not pay Tenant the amounts set forth in such invoices, then Tenant may withhold such amounts from the next installment of rent due under this Lease, until paid in full.

#### **Article 17.5 Excusable Delay.**

Any time deadline or limitation shall be subject to extension for any delay that arises from unforeseeable causes beyond the reasonable control and without the fault or negligence of Landlord or Tenant. Examples of such cause include, without limitation, (a) acts of God, or public enemy, (b) acts or failure to act of HUD or other governmental entity in either their sovereign or

contractual capacity, to the extent action by HUD or other governmental entity is required hereunder, provided that the party hereunder seeking such action by HUD or other governmental entity properly requests same in a timely manner and thereafter diligently pursues same, (c) acts or failure to act of a contractor in the performance of a contract with Landlord or Tenant, provided that the party hereunder seeking such action by the contractor properly requests same in a timely manner and thereafter diligently pursues same, (d) fires, (e) floods, (f) epidemics, (g) quarantine restrictions, (h) strikes or labor disputes, (i) freight embargoes, (j) unusually severe weather, (k) delays of subcontractors or suppliers at any tier arising from unforeseeable causes beyond the reasonable control and without the fault or negligence of Landlord or Tenant, as applicable, (l) delays caused by litigation commenced by someone other than Landlord, and Leasehold Mortgagees, and (m) unusual disruptions in financial markets.

## **ARTICLE 18 – MISCELLANEOUS**

### **Section 18.1 No Brokers.**

Landlord and Tenant each represents and warrants to the other that it has not dealt with any broker or finder with regard to the Premises or this Lease. Each party shall indemnify the other party from and against any damages resulting from any losses, costs, commissions and/or reasonable attorneys' fees incurred as a result of the indemnifying party's breach of the foregoing representation and warranty.

### **Section 18.2 Recordation.**

After the Commencement Date, Landlord and Tenant shall record a Memorandum of this Lease among the Land Records of the County in the form provided herein as Exhibit B. At the expiration of the Term, Tenant shall execute a quitclaim termination of its interest in this Lease.

### **Section 18.3 Time of Essence.**

Subject to Section 17.5 hereof, time is of the essence of each and every provision of this Lease.

### **Section 18.4 No Waiver.**

No waiver of any condition or agreement in this Lease by either Landlord or Tenant will imply or constitute a further waiver by such party of the same or any other condition or agreement. No act or thing done by Landlord or Landlord's agents during the Term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender will be valid unless in writing signed by Landlord. Neither payment by Tenant, nor receipt from Landlord, of a lesser amount than the charges stipulated in this Lease will be deemed to be anything other than a payment on account of the earliest stipulated charge. No endorsement or statement on any check, or any letter accompanying any payment, will be deemed an accord and satisfaction. Landlord will accept such check for payment without prejudice to Landlord's rights to pursue any remedy available to Landlord. If this Lease is assigned, or if the Premises or any parts of the Premises are sublet or occupied by anyone other than Tenant, Landlord may collect rent from the assignee, subtenant, or occupant and apply the net amount collected to any amount reserved in this Lease.

No such collection will be deemed a waiver of the covenant in this Lease against assignment and subletting, or the acceptance of assignee, subtenant, or occupant of Tenant, or a release of Tenant from the complete performance by Tenant to its covenants in this Lease.

#### **Section 18.5 Joint and Several Liability.**

The liability of Tenant under this Lease is limited to Tenant's interest in the Premises. Neither Tenant, nor any partner of Tenant, or any affiliate thereof, nor any officer, director, shareholder or employee of any of said entities, shall have any personal liability hereunder.

#### **Section 18.6 Captions and Gender.**

The captions are inserted in this Lease only for convenience of reference and do not define, limit, or describe the scope or intent of any provisions of this Lease. Unless the context clearly requires otherwise, the singular includes the plural, and vice versa, and the masculine, feminine, and neuter adjectives include one another.

#### **Section 18.7 Entire Agreement.**

Except for those that specifically set forth in this Lease, no representations, warranties, or agreements have been made by Landlord or Tenant to one another with respect to this Lease.

#### **Section 18.8 Amendment.**

This Lease can be amended only by a written document agreed to and signed by Landlord and Tenant, the approval of which both Landlord and Tenant mutually agree not to unreasonably withhold, delay or condition, and with the written approval of the Equity Investor and all Leasehold Mortgagees, if applicable, and with the prior written approval of HUD (where applicable),.

#### **Section 18.9 Severability.**

If any provision of this Lease is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remainder of this Lease will not be affected, and in lieu of each provision which is found to be illegal, invalid, or unenforceable, there will be added as a part of this Lease a provision as similar to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, or enforceable provided such severability does not materially affect the basic understanding of the Parties as reflected in this Agreement.

#### **Section 18.10 Notices.**

Any notice, request, demand, consent, approval, or other communication required or permitted under this Lease shall be in writing and shall be deemed given when (i) received, if delivered by hand (ii) sent by registered or certified mail, return receipt requested, (iii) sent by recognized overnight delivery services such as Fed Ex, or (iv) transmitted by facsimile or electronic mail, provided such notice is also sent simultaneously in the manner provided for in (i), (ii), or (iii) above, addressed as follows:

If to Tenant: McCown Tower, LLLP  
1100 NW 4th Avenue,  
Delray Beach, FL 33444  
Attention: McCown Fortis Development, LLC,  
Special Limited Partner

With copies to: McCown Fortis Development, LLC  
1100 NW 4th Avenue,  
Delray Beach, FL 33444

Gary J. Cohen, Esq.  
Shutts & Bowen, LLP  
200 South Biscayne Boulevard, Suite 4100  
Miami, Florida 33131

If to Landlord: Sarasota Housing Authority  
269 Osprey Avenue, Suite 100  
Sarasota, Florida 34236  
Attn: President & CEO

With a copy to: Saxon Gilmore & Carraway, P.A.  
201 E. Kennedy Boulevard, Suite 600  
Tampa, FL 33602  
Attention: Bernice S. Saxon, Esq.

Any notices to be provided to HUD shall be provided in the format described above,  
to:

U.S. Department of Housing and Urban Development  
451 Seventh Street, S.W.  
Washington, D.C. 20410  
Attention: Assistant Secretary of Public and Indian  
Housing

A party may change its address or to whom a copy should be sent by giving written notice to the other Parties as specified herein. Landlord shall also provide written notice to any Leasehold Mortgagee, if applicable, in accordance with Section 12.3 hereof.

### **Section 18.11 Waiver of Jury Trial.**

Subject to HUD's approval, if required, Landlord and Tenant may waive trial by jury, by mutual consent, in any action, proceeding or counterclaim brought by one against the other on all matters arising out of this Lease or the use and occupancy of the Premises.

### **Section 18.12 Cooperation.**

Landlord and Tenant agree that they will reasonably cooperate with one another in all respects in furtherance of the development of the Premises. In particular, Landlord recognizes that the varied sources of project funding make it extremely difficult to anticipate every potential provision that may be required in this Lease. From time to time, Tenant may request modifications to the Lease to satisfy the requirements of financing sources, which financing sources include without limitation, private lenders, equity sources, and governmental agencies. Landlord will use all reasonable efforts to accommodate the requests of such financing sources and will not unreasonably withhold or delay its approval and execution of modifications to this Lease which do not materially and adversely alter the basic terms hereof. Nothing herein shall impose upon Landlord any requirement to approve any modification or amendment to the Lease which would violate or contravene any applicable laws or any contract or agreement to which Landlord is a party or which is binding on Landlord, including, without limitation, obtaining any required pre-approval by HUD. Landlord agrees that it will, upon request of Tenant, from time to time, but not more frequently than once a year, enter into an amended and restated lease combining into one document the entire Lease and all amendments and modifications theretofore entered into. In addition, Landlord or Tenant, as the case may be, shall execute, acknowledge and deliver to the other and/or to each Leasehold Mortgagee, promptly upon request, its certificate certifying (i) that the Lease is unmodified and in full force and effect, (or, if there have been modifications, that this Lease is in full force and effect, as modified, and describing the modifications), (ii) whether there are the existing any charges, offsets or defenses against the enforcement by Landlord or Tenant to be performed or observed and, if so, specifying the same, (iii) whether there are then existing any defaults by Tenant or Landlord in the performance or observance by Tenant or Landlord of any agreement, covenant or condition hereof on the part of Tenant or Landlord to be performed or observed and whether any notice has been given to Tenant or Landlord of any default which has not been cured, and, if so, specifying the same, and (iv) any other items reasonably requested by the Equity Investor or any Leasehold Mortgagee.

### **Section 18.13 Additional Releases, Utility Easements.**

Landlord and Tenant acknowledge and agree that, in connection with the Development, new roads may need to be built and new utilities may need to be installed in the Premises. In connection therewith, Landlord agrees to (i) participate in the dedication of such roads, execute and record all documents necessary to accomplish same, and release such portions of the Premises from this Lease, and (ii) grant all easements as may be necessary in connection with the installation of the utilities, execute and record all documents necessary to accomplish same, and, if appropriate, release such utility easement areas from this Lease.

### **Section 18.14 Governing Law and Venue.**

This Lease will be governed by and construed in accordance with the internal laws of the State of Florida, without regard to principles of conflicts of laws. However, federal law shall apply to provisions required by federal statutes, regulations or guidelines. In the event of litigation, the Parties agree that venue for the prosecution of any state court proceedings shall be the County, and any federal court proceeding shall be the Tampa Division of the Middle District of Florida.

### **Section 18.15 Cumulative Rights.**

Except, as expressly limited by the terms of this Lease, all rights, powers and privileges conferred hereunder shall be cumulative and not restrictive of those provided at law or in equity.

#### **Section 18.16 Non-Merger.**

Except upon expiration of the Term or upon termination of this Lease pursuant to an express right of termination set forth herein, there shall be no merger of either this Lease or Tenant's estate created hereunder with the fee estate of the Premises or any part thereof by reason of the facts that the same person may acquire, own or hold, directly or indirectly, (i) this Lease, Tenant's estate created hereunder or any interest in this Lease or Tenant's estate (including the Development), and (ii) the fee estate in the Premises or any part thereof or any interest in such fee estate (including the Development), unless and until all persons, including any assignee of Landlord, having an interest in (a) this Lease or Tenant's estate created hereunder, and (b) the fee estate in the Premises or any part thereof, shall join in a written instrument effecting such merger and shall duly record the same.

#### **Section 18.17 No Third Party Beneficiary.**

Nothing contained in this Lease or in any agreement or contract between the Parties, nor will any act of HUD, Landlord or Tenant be deemed or construed to create any relationship of third party beneficiary, principal and agent, limited or general partnership, joint venture or any association or relationship involving HUD.

#### **Section 18.18 Quiet Enjoyment.**

Tenant, upon paying the Base Rent and Additional Rent and keeping, observing and performing all of the terms, covenants, agreements, provisions, conditions and limitations of this Lease on Tenant's part to be kept, observed and performed, shall quietly have and enjoy the Premises during the Term without hindrance or molestation by anyone lawfully claiming by, under or through Landlord, subject, however, to the Permitted Encumbrances, reservations and conditions of this Lease.

#### **Section 18.19 Counterparts.**

This Lease may be executed in any number of counterparts, and each such counterpart will for all purposes be deemed an original, and all such counterparts shall constitute one and the same instrument. In order to expedite the transaction contemplated herein, facsimile or electronic signatures may be used in place of original signatures on this Lease. Landlord and Tenant intend to be bound by the signatures on the facsimile or electronically transmitted document, are aware that the other parties shall rely on the facsimile or electronic signatures, and hereby waive any defenses to the enforcement of the terms of this Lease based on the form of signature.

#### **Section 18.20 Litigation Fees.**

If Landlord and Tenant litigate any provision of this Lease or the subject matter of this Lease, the unsuccessful litigant will pay to the successful litigant all reasonable out-of-pocket costs and expenses, including reasonable attorneys' fees and court costs, actually incurred by the

successful litigant at trial and on any appeal. Payment of any litigation cost or expense is subject to HUD's approval. Settlement of any such litigation is subject to HUD's approval.

### **Section 18.21 Limited Liability of Landlord.**

Tenant shall look solely to Landlord's interest in the Premises for the satisfaction of any claims against Landlord, or its employees, agents, or assigns for the satisfaction of any claims, if permitted by law, arising pursuant to this Lease.

### **Section 18.22 Access.**

Tenant agrees to grant a right of access to Landlord, HUD, the Comptroller General of the United States, or any of their authorized representatives, during regular business hours with respect to any books, documents, papers, or other records related to this Lease in order to make audits, examinations, excerpts, and transcripts.

### **Section 18.23 Right of First Refusal.**

If Landlord, at any time during the Term, shall receive an offer to purchase its interest in the Premises, the Premises, or any part thereof and desires to accept the offer, or should Landlord make an offer to sell its interest in the Premises, the Premises or any part thereof, Landlord shall give Tenant notice in writing of the offer, setting forth the name and address of the proposed purchaser, the amount of the proposed purchase price and all other terms and conditions of such offer, and Tenant shall have the first option to purchase Landlord's interest in Premises, the Premises and/or any part thereof by giving written notice to Landlord within sixty (60) days of the date of Landlord's notice, of Tenant's intention to purchase at the same price and on substantially similar terms of any such offer, and in the event Landlord's interest in the Premise's, the Premises and/or any part thereof is not sold, as set forth in the offer for any reason, Tenant shall have, upon the same conditions and notice, the continuing first option to purchase Landlord's interest in the Premises, the Premises and/or any part thereof upon the terms of any subsequent offer to purchase or sell. In the event Landlord's interest in the Premises, the Premises and/or any part thereof are sold as set forth in the offer, then the provisions of this Section shall similarly apply to Landlord's successor, in the event such successor, at any time during the Term, shall receive an offer to purchase Landlord's interest in the Premises, the Premises and/or any part thereof and desires to accept the offer. Tenant's rights under this Section shall be applicable to each and every sale of Landlord's interest in the Premises, the Premises, and/or any part thereof or interest therein by Landlord and/or any successor to Landlord's interest under this Lease. Landlord and Tenant acknowledge that HUD may have rights to approve any disposition of the Premises and/or the Premises, or any part thereof.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Lease has been executed as of the Effective Date.

**WITNESSES:**



Print Name: Andrea Kedde II



Print Name: KENNETH WATERS

**LANDLORD**

**SARASOTA HOUSING AUTHORITY**, a public body corporate and politic established pursuant to Chapter 421 of the Florida Statutes

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

William O. Russell, III, President & CEO

**WITNESSES:**



Print Name: Tamara Colon



Print Name: Joshua Perez

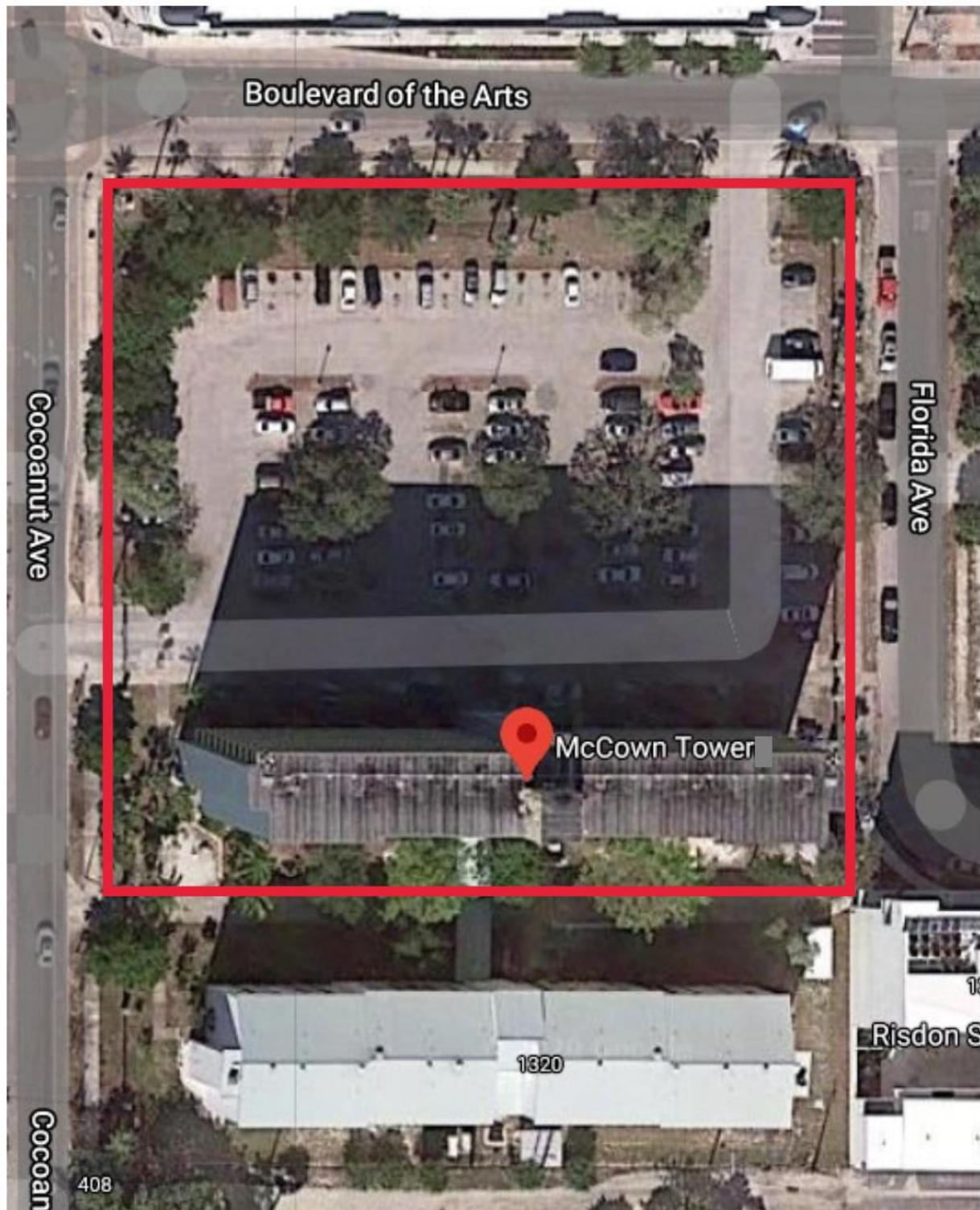
**TENANT**

**MCCOWN TOWER, LLLP**, a Florida limited liability limited partnership

By: McCown Fortis Development, LLC, a Florida limited liability company, Its Special Limited Partner

By:   
Darren Smith, Authorized Member

**EXHIBIT A**  
**Premises Description**



**EXHIBIT B**

After Recording Return To:  
Bernice S. Saxon, Esq.  
Saxon Gilmore & Carraway, P.A.  
201 E. Kennedy Boulevard, Suite 600  
Tampa, FL 33602

**MEMORANDUM OF GROUND LEASE**

THIS MEMORANDUM OF GROUND LEASE is dated as of \_\_\_\_\_, 20 \_\_, by and between Sarasota Housing Authority, a public body corporate and politic established pursuant to Chapter 421 of the Florida Statutes (“Landlord”), whose address is 269 Osprey Avenue, Suite 100, Sarasota, Florida 34236; and McCown Tower, LLLP, a Florida limited liability limited partnership (“Tenant”), whose address is 1100 NW 4th Avenue, Delray Beach, FL 33444.

WHEREAS, Landlord is leasing to Tenant the premises more particularly described in Exhibit A attached hereto (the “Premises”), pursuant to that certain Ground Lease dated as of October 15, 2020 between Landlord and Tenant, as may be amended from time to time (the “Lease”), which Lease is incorporated herein by reference; and

WHEREAS, the Lease was effective as of October 15, 2020 (the “Effective Date” pursuant to the Lease) and the term of the Lease is the period beginning on \_\_\_\_\_, 20 \_\_ (the “Commencement Date” pursuant to the Lease), and ending on the sixty-fifth (65<sup>th</sup>) anniversary of the Commencement Date, subject to earlier termination as contemplated in the Lease; and

WHEREAS, pursuant to Section 713.10, Florida Statutes, the interest of Landlord in the Premises shall not be subject to liens for improvements made by Tenant; and

WHEREAS, Landlord and Tenant by their signatures below do hereby agree that the foregoing accurately describes the Lease entered into by them.

[Signature Pages Follow]

IN WITNESS WHEREOF, and intending to be legally bound hereby, Landlord and Tenant have executed this Memorandum of Ground Lease as of the date first above written.

**WITNESSES:**

**LANDLORD**

**SARASOTA HOUSING AUTHORITY**, a public body corporate and politic established pursuant to Chapter 421 of the Florida Statutes

---

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

By: \_\_\_\_\_  
William O. Russell, III, President & CEO

---

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

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by William O. Russell, III, President & CEO of the Sarasota Housing Authority, a public body corporate and politic established pursuant to Chapter 421 of the Florida Statutes.

---

Notary Public, State of Florida

---

Print, Type or Stamp Name

Personally Known \_\_\_\_\_ or Produced Identification \_\_\_\_\_  
Type of Identification Produced \_\_\_\_\_

**WITNESSES:**

**TENANT**

**MCCOWN TOWER, LLLP**, a Florida limited liability limited partnership

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

By: McCown Fortis Development, LLC, a Florida limited liability company, Its Special Limited Partner

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

By: \_\_\_\_\_  
Darren Smith, Authorized Member

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

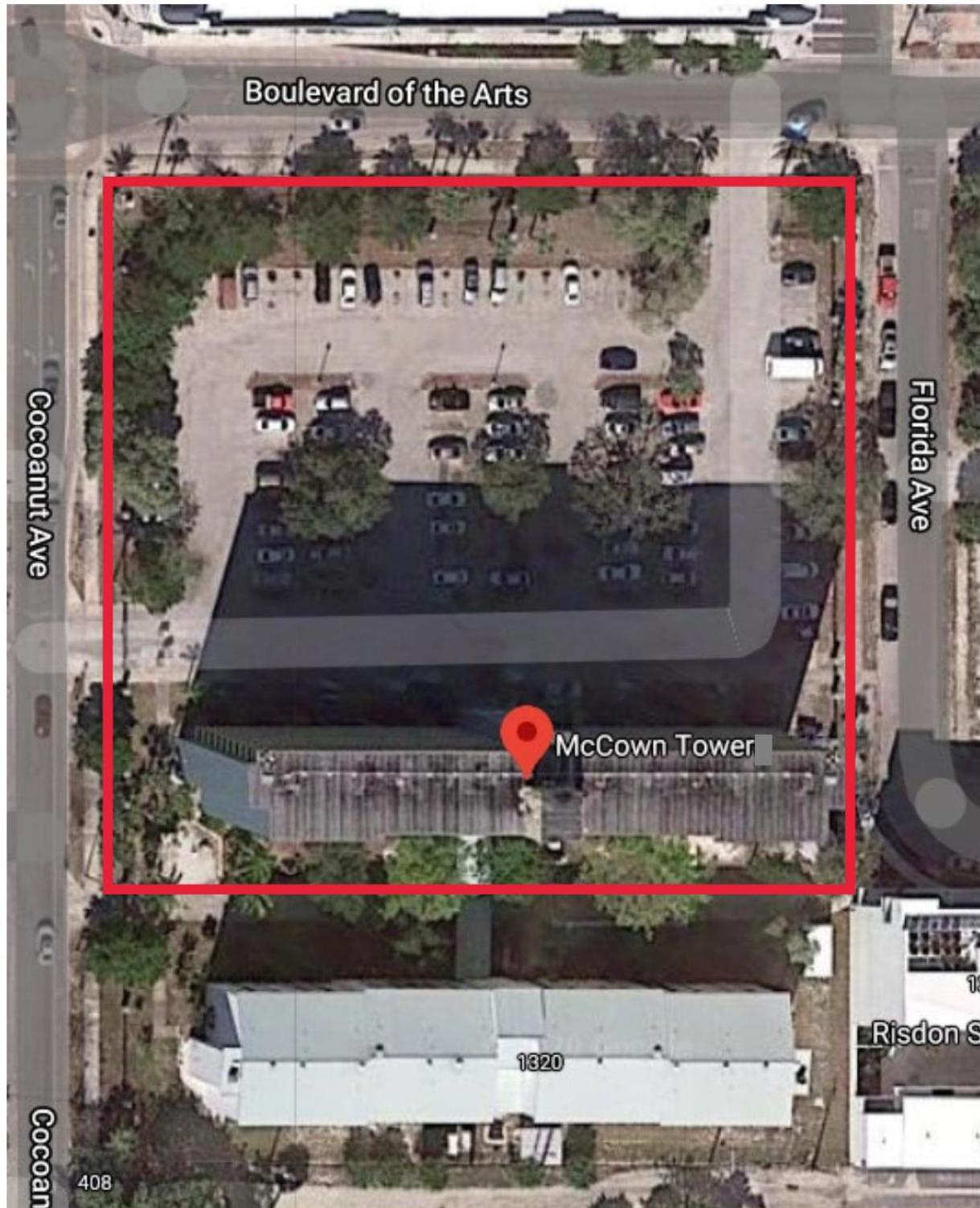
The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by Darren Smith as an Authorized Member of McCown Fortis Development, LLC, a Florida limited liability company, the Special Limited Partner of McCown Tower, LLLP, a Florida limited liability limited partnership.

\_\_\_\_\_  
Notary Public, State of Florida

\_\_\_\_\_  
Print, Type or Stamp Name

Personally Known \_\_\_\_\_ or Produced Identification \_\_\_\_\_  
Type of Identification Produced \_\_\_\_\_

**EXHIBIT A**  
**Premises Description**



# Attachment 9

**FLORIDA HOUSING FINANCE CORPORATION**  
**LOCAL GOVERNMENT VERIFICATION THAT DEVELOPMENT IS**  
**CONSISTENT WITH ZONING AND LAND USE REGULATIONS**

Name of Development: McCown Tower

Development Location: 1300 Blvd of the Arts, Sarasota

(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). The location of all Scattered Sites, if applicable, must also be included.)

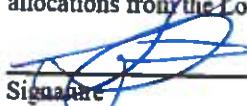
Number of Units in the Development: 100

This number must be equal to or greater than the number of units stated by the Applicant in Exhibit A of the RFA.

The undersigned service provider confirms that, as of the date that this form was signed, the above referenced Development's proposed number of units, density, and intended use are consistent with current land use regulations and zoning designation or, if the Development consists of rehabilitation, the intended use is allowed as a legally non-conforming use.

**CERTIFICATION**

I certify that the City/County of Sarasota  
(Name of City/County) has vested in me the authority to verify consistency with local land use regulations and zoning designation or, if the Development consists of rehabilitation, the intended use is allowed as a "legally non-conforming use" and I further certify that the foregoing information is true and correct. In addition, if the proposed Development site is in the Florida Keys Area as defined in Rule Chapter 67-48, F.A.C., I further certify that the Applicant has obtained the necessary Rate of Growth Ordinance (ROGO) allocations from the Local Government.

  
Signature

STEVEN GOVEE  
Print or Type Name

PLANNING DIRECTOR  
Print or Type Title

9-9-20  
Date Signed

1565 FIRST ST, SARASOTA, FL  
Address (street address, city, state)

same  
Address (street address, city, state)

941-263-6200  
Telephone Number (including area code)

This certification must be signed by the applicable City's or County's Director of Planning and Zoning, appointed official (staff) responsible for determination of issues related to comprehensive planning and zoning, City Manager, or County Manager/Administrator/Coordinator. Signatures from elected local government officials are not acceptable, nor are other signatories. If there are alterations made to this form that change the meaning of the form, the form will not be accepted.

# Attachment 10

**FLORIDA HOUSING FINANCE CORPORATION  
VERIFICATION OF AVAILABILITY OF INFRASTRUCTURE - WATER**

Name of Development: McCown Tower

Development Location: 1300 Blvd of the Arts, Sarasota

At a minimum, provide the address number, street name and city and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). The location of all Scattered Sites, if applicable, must also be included.

Number of Units in the Development: 100

This number must be equal to or greater than the number of units stated by the Applicant in Exhibit A of the RFA.

The undersigned service provider confirms that, as of the date that this form was signed, the above referenced Development Location met the following:

1. Potable water is available to the proposed Development, subject to item 2 below.
2. To access such water service, the Applicant may be required to pay hook-up, installation and other customary fees, comply with other routine administrative procedures, provide easements, and remove, relocate, install or construct line extensions and other equipment, including but not limited to pumping stations, in connection with the construction of the Development. Execution of this document does not guarantee that water service will be available to the Applicant in the future and does not provide the Applicant with any vested rights to receive water service. The availability of water services is subject to the approval of all applicable governmental agencies having jurisdiction over these matters.

**CERTIFICATION**

I certify that the foregoing information is true and correct.



Signature

Zvonko Smlatic

Print or Type Name

Utilities Engineer

Print or Type Title

9/9/2020

Date Signed

**City of Sarasota - Utilities Department**

Name of Entity Providing Service

1750 12th Street

Address (street address, city, state)

Sarasota, FL 34236

941-263-6200 ext.36189

Telephone Number (including area code)

This certification may not be signed by the Applicant, by any related parties of the Applicant, or by any Principals or Financial Beneficiaries of the Applicant. In addition, signatures from elected local government officials are not acceptable. If there are alterations made to this form that change the meaning of the form, the form will not be accepted.

# Attachment 11

**FLORIDA HOUSING FINANCE CORPORATION  
VERIFICATION OF AVAILABILITY OF INFRASTRUCTURE –  
SEWER CAPACITY, PACKAGE TREATMENT, OR SEPTIC TANK**

Name of Development: McCown Tower

Development Location: 1300 Blvd of the Arts, Sarasota

At a minimum, provide the address number, street name and city and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). The location of all Scattered Sites, if applicable, must also be included.

Number of Units in the Development: 100

This number must be equal to or greater than the number of units stated by the Applicant in Exhibit A of the RFA.

The undersigned service provider confirms that, as of the date that this form was signed, Sewer Capacity or Package Treatment is available to the proposed Development; or there are no known prohibitions to installing a Septic Tank system with adequate capacity for the proposed Development location or, if necessary, upgrading an existing Septic Tank system with adequate capacity for the proposed Development location.

To access such waste treatment service, the Applicant may be required to pay hook-up, installation and other customary fees, comply with other routine administrative procedures, provide easements, and/or remove, relocate, install or construct line extensions and other equipment, including but not limited to pumping stations, in connection with the construction of the Development. Execution of this document does not guarantee that waste treatment service will be available to the Applicant in the future and does not provide the Applicant with any vested rights to receive waste treatment service. The availability of waste treatment services is subject to the approval of all applicable governmental agencies having jurisdiction over these matters.

For projects located within Miami-Dade County, the Applicant is advised that the right to connect the referenced property to the Department's sewer system is subject to the terms, covenants and conditions set forth in court orders, judgments, consent orders, consent decrees and the like entered into between the County and the United States, the State of Florida, and/or any other governmental entity, including the Consent Decree entered on April 9, 2014, in the United States of America, State of Florida and State of Florida Department of Environmental Protection v. Miami-Dade County, Case No. 1:12-cv-24400-FAM, as well as all other current, subsequent or future enforcement and regulatory actions and proceedings.

**CERTIFICATION**

I certify that the foregoing information is true and correct.



Signature

**Zvonko Smlatic**

Print or Type Name

**Utilities Engineer**

Print or Type Title

**9/9/2020**

Date Signed

**City of Sarasota - Utilities Department**

Name of Entity Providing Service

**1750 12th Street**

Address (street address, city, state)

**Sarasota, FL 34236**

**941-236-6200 ext. 36189**

Telephone Number (including area code)

This certification may not be signed by the Applicant, by any related parties of the Applicant, or by any Principals or Financial Beneficiaries of the Applicant. In addition, signatures from elected local government officials are not acceptable. If there are alterations made to this form that change the meaning of the form, the form will not be accepted.

# Attachment 12

# RAYMOND JAMES

October 20, 2020

Mr. Darren Smith  
McCown Tower, LLLP  
c/o McCown Fortis Development, LLC  
1100 NW 4th Avenue  
Delray Beach, FL 33444

Re: Project: McCown Tower  
Partnership/Applicant: McCown Tower, LLLP  
Fund: To be determined  
Property Location: Sarasota, Sarasota County, Florida

Dear Mr. Smith,

This letter of intent for construction and permanent financing will confirm our agreement (“Agreement”) whereby Raymond James Tax Credit Funds, Inc. (“RJTCF”) shall attempt to effect a closing (“Closing”) of an investment by a Fund sponsored by RJTCF (the “RJTCF Fund”) in the above named partnership (“Partnership”) on the assumptions, terms, and conditions contained in this letter of intent, or such other assumptions, terms and conditions as are acceptable to you, RJTCF and the RJTCF Fund.

Based upon the Partnership receiving \$1,475,000 in annual low income housing tax credits, and further based on terms and conditions as set forth below, the anticipated total equity investment of the RJTCF Fund in the Project is \$13,568,643 or \$0.92 per low income housing tax credit allocated to the RJTCF Fund, subject to market conditions. The Applicant is the beneficiary of the equity proceeds. The RJTCF Fund anticipates purchasing \$14,748,525 (99.99%) of the total low income housing tax credits allocated to the Applicant. The RJTCF Fund’s net investment is anticipated to be funded based upon the following schedule:

- 15% (\$2,035,297) paid prior to or simultaneous with the closing of construction financing
- 60% (\$8,141,186) paid at construction completion
- Balance (\$3,392,160) paid at project stabilization and receipt of 8609s
- The amount of equity to be paid prior to construction completion shall be \$2,035,297.

This letter of intent is subject to RJTCF’s satisfactory completion of its normal due diligence, and is also subject to the approval by the Investment Committee of RJTCF of the terms and conditions of the investment in its sole discretion based on then current market conditions, including availability of investment funds and pricing for tax credits.

**Raymond James Tax Credit Funds, Inc.  
A Subsidiary of Raymond James Financial, Inc.**

880 Carillon Parkway • St. Petersburg, FL 33716  
800-438-8088 Toll Free • 727-567-8455 Fax  
Visit our Web Site at [www.RJTCF.com](http://www.RJTCF.com)

Since 1987, Raymond James Tax Credit Funds and our affiliates have been involved with the development of affordable housing. We have provided equity for more than 2,200 properties nationwide. We look forward to working with you.

Sincerely,



---

Sean Jones  
VP - Director of Acquisitions  
Raymond James Tax Credit Funds, Inc.

Acknowledged and Accepted:

McCown Tower, LLLP, a Florida limited liability limited partnership

By: McCown Fortis Development, LLC, a Florida limited liability company  
Its: Special Limited Partner

By: Darren Smith  
Name: Darren Smith  
Title: Authorized Member

# Attachment 13

**NOT APPLICABLE**

# Attachment 14

**NOT APPLICABLE**

# Attachment 15



October 6, 2020

McCown Tower, LLLP  
c/o Darren Smith  
McCown Fortis Development, LLC  
1100 NW 4<sup>th</sup> Avenue  
Delray Beach, FL 33444

**Re: McCown Tower  
Sarasota, Sarasota County, Florida**

Dear Mr. Smith:

Thank you for considering JPMorgan Chase Bank, N.A. ("JPMorgan Chase" or "Lender") as a potential construction and permanent lender for the redevelopment of affordable rental housing at **McCown Tower**, located in Sarasota, Sarasota County, Florida. We have completed a preliminary review of the materials you have submitted, and the following is a brief outline of the terms that we propose to underwrite for credit approval. Of course, this letter is for discussion purposes only and does not represent a commitment by JPMorgan Chase to provide financing for the project nor an offer to commit, but is rather intended to serve as a basis for further discussion and negotiation should you wish to pursue the proposed transaction. Our interest and preliminary terms are subject to change as our due diligence and discussions with you continue. Such a commitment can only be made after due diligence materials are received, reviewed and approved and credit approval has been obtained.

**Facilities:** JPMorgan Chase will provide a credit facility in the amount of \$12,500,000, the proceeds of which will fund a construction loan to the Borrower. Subject to Lender's receipt from Impact CIL, LLC ("Impact") of a commitment to purchase, and subject to the Borrower meeting the conditions required for conversion, Lender will close a permanent loan for sale to Impact in an amount not to exceed \$2,000,000.

**Borrower:** McCown Tower, LLLP

**Developers:** SHA Affordable Development, LLC & McCown Fortis Development, LLC

**Project:** McCown Tower consists of a 100-unit affordable rental property targeted towards elderly households located at 1300 Boulevard of the Arts, Sarasota, Sarasota County, Florida

### **Construction Loan**

**Amount:** Approximately \$12,500,000; subject to final budget, sources and uses of funds, and LIHTC equity pay-in schedule.

**Initial Term:** 24 months.

**Interest Rate:** Libor (subject to 50 bps floor) + 250 bps (3.00% as of September, 30 2020).

**Commitment Fee:** 1% of the loan amount.

Extension Option:	One, conditional, six-month maturity extension.
Extension Fee:	0.25% of the sum of the loan balance and the amount remaining of the original commitment.
Collateral:	First mortgage; other typical pledges and assignments.
Guarantee:	Full payment and completion guarantees and environmental indemnity by a guarantor or guarantors/indemnitor(s) satisfactory to JPMorgan Chase.
Developer Fee:	Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval.
Tax Credit Equity:	At least 15% must be paid in at closing. The identity of the equity investor and pay-in schedule for this transaction must be disclosed and acceptable to the Lender in its sole discretion.
Subordinate Liens:	Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and Impact.
Repayment:	Construction Loan will be repaid from equity funded up to and including conversion to the permanent financing and from the permanent loan.
Loan to Value:	Up to 80% including the value of the real estate and low income housing tax credits.
Contract Bonding:	100% Payment and Performance Bonds from "A" rated surety

### **Permanent Loan**

Amount:	\$2,000,000 subject to final underwriting and in accordance with, and subject to satisfaction of, Impact's requirements.
Forward Commitment:	24 months plus one six-month extension option.
Fees:	Loan Fee: greater of \$7,500 or 0.75% of perm loan, payable at Construction Loan closing. Conversion Fee: \$10,000, payable at Permanent Loan closing.
Interest Rate:	The applicable interest rate for the Permanent Loan shall be locked at Construction Loan closing. Current indicative rate is 4.50%.
Rate Lock:	Forward rate lock must be evidenced by a secured subordinate note in second lien position. The amount of the subordinate note will be 3% of the Permanent Loan amount or the yield maintenance amount, whichever is lower. At closing of the conversion to the Permanent Loan, the secured subordinate lien will be released. Borrower will be required to satisfy the subordinate note if the loan does not convert.
Term:	18 years.
Amortization:	30 years.

Collateral:	First mortgage; other typical pledges and assignments.
Guarantee:	After conversion, the Permanent Loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.
Loan to Value:	Up to 85% of the stabilized rent-restricted value.
Conversion Requirements:	<p>At least three consecutive calendar months of not less than:</p> <ul style="list-style-type: none"><li>• 1.20x debt service coverage ratio (DSCR); 1.15x all-in DSCR including all loans requiring debt service payment, and</li><li>• 90% economic and physical occupancy.</li></ul>
	As applicable, commercial income and commercial tenants will be excluded from the DSCR and occupancy requirements.
Prepayment Terms:	Prepayments are subject to yield maintenance, except for the last three years of the term. During the last three years, the prepayment fee will be 1% of the loan balance. There is no prepayment fee during the final 90 days of the term.
Escrows/Reserves:	Escrows required for property taxes, insurance, and replacement reserves. Minimum replacement reserve of \$300/unit/year or (or such higher amount as required by any other party to the transaction. Debt service reserve (if required) shall be funded with a minimum contribution of six months of debt service expense.

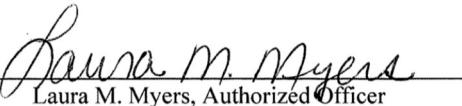
We appreciate the opportunity to discuss with you the possibility of providing construction and permanent financing for the proposed project. This letter of interest is for your, the local governmental agency, and Florida Housing Finance Corporation's information and use only, and is not to be shown to or relied upon by other parties. **Please note, credit markets are volatile. Loan fees and interest rates are subject to adjustment prior to Construction Loan Closing.**

JPMorgan Chase and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transaction described herein or otherwise. JPMorgan Chase and its affiliates may share information about you in connection with the potential transaction or other possible transactions with you.

This letter, which expires April 30, 2021, serves as an outline of the principal terms of the proposed facility, and is subject to receipt and satisfactory review of all due diligence materials by Lender and to change as described above. JPMorgan Chase cannot extend any legally binding lending commitment until formal credit approval has been obtained and a commitment letter has been issued.

Sincerely,

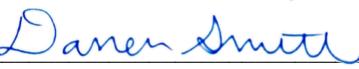
JPMORGAN CHASE BANK, N.A.

By:   
Laura M. Myers, Authorized Officer

Agreed and Accepted By:

McCown Tower LLLP, a Florida limited liability limited partnership

By: McCown Fortis Development, LLC, a Florida limited liability company, its Special Limited Partner

By:   
Darren Smith, Authorized Member



Tel 941.361.6210

Fax 941.366.4661

TTY 1.800.955.8771

William O. Russell III President & CEO

269 S. Osprey Ave. Sarasota, FL 34236

October 19, 2020

Mr. Darren Smith  
McCown Tower, LLLP  
c/o McCown Fortis Development, LLC  
1100 NW 4th Avenue,  
Delray Beach, FL 33444

Re: Commitment for \$6,000,000 Loan to Finance the Development of McCown Tower in Sarasota, Florida

Mr. Smith:

The Sarasota Housing Authority, a public body corporate and politic established pursuant to Chapter 421 of the Florida Statutes (the "Lender"), offers to make a construction and permanent loan ("Loan") to McCown Tower, LLLP, a Florida limited liability limited partnership (the "Borrower"). This Loan commitment is made upon the following terms and conditions:

1. Purpose: The purpose of the Loan is to finance the rehabilitation of McCown Tower, an affordable housing development (the "Project"), located in Sarasota, Florida. This Loan evidences the Borrower's obligation to pay a capital lease payment ("Seller Note") under its ground lease agreement with Lender dated October 15, 2020.
2. Loan Amount: \$6,000,000. The Loan shall be secured by a subordinate mortgage on the Project.
3. Interest: 1.12% simple interest rate per annum paid from available cash flow, after debt service of the 1<sup>st</sup> mortgage and interest payments of any subordinate debt throughout the term of the Loan.
4. Loan Term: The Loan is non-recourse and non-amortizing with a 65-year term. The closing date may be extended by the Lender in its sole discretion.
5. Repayment and Forgiveness: Upon maturity, the Borrower shall repay the Loan balance in full.
6. General Conditions: The Borrower must demonstrate to the satisfaction of Lender prior to closing that it has secured other sources of financing for the Project, including but not limited to the tax credit equity being contributed to the Borrower by its investor limited partner. Failure to provide these commitments before December 31, 2021 shall result in cancellation of the Loan. The Loan will close simultaneously with all other sources of debt and equity to finance the Project.

7. **Special Conditions.** The Borrower shall enter into a Loan agreement, mortgage and related documents with the Lender at closing.

8. **Subordination:** Lender will consent to the subordination of its mortgage securing the Loan and any payments on the Loan to the first mortgage construction and permanent financing.

This commitment is valid and in full force and effect through December 31, 2021. If you accept these terms, please execute a copy hereof and deliver the same to the Lender's office.

Very truly yours,

Sarasota Housing Authority

By: William O. Russell, III

Name: William O. Russell, III

Title: President & CEO

ACCEPTED:

McCown Tower, LLLP, a Florida limited liability limited partnership

By: McCown Fortis Development, LLC, a Florida limited liability company  
Its: Special Limited Partner

By: Darren Smith  
Name: Darren Smith  
Title: Authorized Member