

THE GOLDSTEIN ENVIRONMENTAL LAW FIRM, P.A.  
*Brownfields, Transactions, Due Diligence, Development, Permitting, Cleanups & Compliance*

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September 7, 2022

**Via Email**

Dr. Wazir Ishmael, City Manager  
City of Hollywood  
2600 Hollywood Boulevard  
Hollywood, FL 33020

**Re: Request to Designate Property Located at 820 and 890 N. SR 7 & 6024 and 6028 Johnson Street, Hollywood, Florida 33024, Parcel ID Nos. 514113040100, 514113040110, 514113040080, and 514113040090, a Green Reuse Area Pursuant to Florida's Brownfield Redevelopment Act**

Dear Dr. Ishmael:

On behalf of Pinnacle 441, LLC and Pinnacle 441 PHASE 2, LLC (together "Pinnacle 441"), we are pleased to submit this request to designate the above-referenced property (the "Subject Property") as a Green Reuse Area pursuant to section 376.80(2)(c), Florida Statutes, of Florida's Brownfields Redevelopment Act.

When fully developed as a two-phase affordable multifamily residential community, the Subject Property will consist of two buildings with 213 residential units, two live/work spaces, and up to 6,750 square feet of retail and/or office space. Amenities will include a fitness facility, meeting space, cyber lounge, outdoor patio area, large public plaza, and enhanced bus shelters. The completed development will have an estimated cost of approximately \$85.5 million. A legal description and property cards depicting the location of the Subject Property are enclosed herein at Exhibit A.

Pinnacle 441 is requesting this designation in order to utilize an important state economic and regulatory assistance program available to developers and local governments in situations where the risk of potential contamination is demonstrated to overwhelm key opportunities for land revitalization, new housing, and job growth. In this instance, actual contamination directly adjacent to the Subject Property generates a perception of contamination that has significantly complicated redevelopment efforts and created a host of logistical, design, engineering, and construction

Dr. Wazir Ishmael, City Manager

September 7, 2022

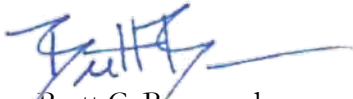
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concerns for Pinnacle 441. These concerns can be easily mitigated with the assistance and resources offered by Florida's Brownfields Program. These resources come at no cost to the City.

In considering a request for designation as a Green Reuse Area under Florida's Brownfields Redevelopment Act, a local government must evaluate and apply the criteria set forth in section 376.80(2)(c), Florida Statutes. As reflected in the Statement of Eligibility incorporated herein at Exhibit B, Pinnacle 441 meets such statutory criteria. Accordingly, based on the foregoing, we respectfully request that staff recommend approval of this Green Reuse Area designation under section 376.80(2)(c), Florida Statutes. Of course, as you evaluate the application and supporting materials, please feel free to contact us with any questions or should further information be required. Thank you.

Very truly yours,

**THE GOLDSTEIN ENVIRONMENTAL LAW FIRM, P.A.**

A handwritten signature in blue ink, appearing to read "Brett C. Brumund", with a long horizontal line extending to the right.

Brett C. Brumund

Encl.

/bc

cc: Shiv Newaldass, Director of Development Services, City of Hollywood  
Pinnacle 441, LLC  
Pinnacle 441 PHASE 2, LLC

# Exhibit A

**EXHIBIT A**

**Description of the Land**

**Parcel 1 (Tax Parcel No. 514113-04-0110):**

Lot 12, less the South 100 feet, in Block 2, PINE RIDGE ESTATES, according to the Plat thereof, recorded in Plat Book 24, Page 10, of the Public Records of Broward County, Florida; and also the East 30 feet of Lot 11, less the South 100 feet in Block 2, PINE RIDGE ESTATES, according to the Plat thereof recorded in Plat Book 24, Page 10, of the Public Records of Broward County, Florida.

**Parcel 2 (Tax Parcel No. 514113-04-0100):**

The South 100 feet of Lot 12, in Block 2 of PINE RIDGE ESTATES, according to the Plat thereof, recorded in Plat Book 24, Page 10, of the Public Records of Broward County, Florida.

**Parcel 3 (Tax Parcel No. 514113-04-0090):**

Lot 11, less the West 220 feet and less the North 230 feet of the East 30 feet in Block 2 of PINE RIDGE ESTATES, according to the Plat thereof, recorded in Plat Book 24, Page 10 of the Public Records of Broward County, Florida.

**Parcel 4 (Tax Parcel No. 514113-04-0080):**

**The West 220 feet of Lot 11, Block 2 of PINE RIDGE ESTATES according to the Plat thereof, as recorded in Plat Book 24, Page 10 of the Public Records of Broward County Florida**





**PROPERTY SUMMARY**

**Tax Year:** 2022  
**Property Id:** 514113040100  
**Property Owner/s:** PINNACLE 441 LLC  
**Mailing Address:** 9400 S DADELAND BLVD #100 MIAMI, FL 33156  
**Physical Address:** 820 N STATE ROAD 7 HOLLYWOOD, 33024  
**Property Use:** 49 - Open storage, new & used bldg supplies, junk yards, auto wrecking  
**Millage Code:** 0513  
**Adj. Bldg. S.F.:** 0  
**Bldg Under Air S.F.:**  
**Effective Year:** 2004  
**Year Built:** 2003  
**Units/Beds/Baths:** 0 / /  
**Deputy Appraiser:** Commercial Department  
**Appraisers Number:** 954-357-6835  
**Email:** [commercialtrim@bcpa.net](mailto:commercialtrim@bcpa.net)  
**Zoning :** C-JS  
**Abbr. Legal Des.:** PINE RIDGE ESTATES 24-10 B TR 12 S 100 BLK 2

2020 values are considered "working values" and are subject to change.

**PROPERTY ASSESSMENT**

Year	Land	Building / Improvement	Agricultural Saving	Just / Market Value	Assessed / SOH Value	Tax
2022	\$659,820	\$9,490	0	\$669,310	\$669,310	
2021	\$659,820	\$14,260	0	\$674,080	\$674,080	\$14,388.07
2020	\$539,860	\$14,260	0	\$554,120	\$343,860	\$8,871.42

**EXEMPTIONS AND TAXING AUTHORITY INFORMATION**

	County	School Board	Municipal	Independent
Just Value	\$669,310	\$669,310	\$669,310	\$669,310
Portability	0	0	0	0
Assessed / SOH	\$669,310	\$669,310	\$669,310	\$669,310
Granny Flat				
Homestead	0	0	0	0
Add. Homestead	0	0	0	0
Wid/Vet/Dis	0	0	0	0
Senior	0	0	0	0
Exemption Type	0	0	0	0
Affordable Housing	0	0	0	0
Taxable	\$669,310	\$669,310	\$669,310	\$669,310

SALES HISTORY FOR THIS PARCEL				LAND CALCULATIONS		
Date	Type	Price	Book/Page or Cin	Unit Price	Units	Type
11/30/2021	Multi Special Warranty Deed Excluded Sale	\$3,600,000	117773892	\$22.00	29,992 SqFt	Square Foot
12/18/2020	Personal Representatives Deed Non-Sale Title Change	\$100	116948263			
07/01/1969	Warranty Deed	\$55,000				

**RECENT SALES IN THIS SUBDIVISION**

Property ID	Date	Type	Qualified/ Disqualified	Price	CIN	Property Address
514113040090	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	6024 JOHNSON ST HOLLYWOOD, FL 33024
514113040100	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	820 N STATE ROAD 7 HOLLYWOOD, FL 33024
514113040110	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	890 N STATE ROAD 7 HOLLYWOOD, FL 33024
514113040011	08/25/2021	Multi Warranty Deed	Excluded Sale	\$6,000,000	117547099	6067 HOLLYWOOD BLVD HOLLYWOOD, FL 33024
514113040010	03/16/2021	Special Warranty Deed	Qualified Sale	\$1,400,000	117162794	6031 HOLLYWOOD BLVD HOLLYWOOD, FL 33024

SPECIAL ASSESSMENTS										SCHOOL
Fire	Garb	Light	Drain	Impr	Safe	Storm	Clean	Misc		
Hlwd Fire Rescue (05)										West Hollywood Elementary: C
Warehouse-Industrial (W)										Apollo Middle: B
480										Mcarthur High: B

**ELECTED OFFICIALS**

Property Appraiser	County Comm. District	County Comm. Name	US House Rep. District	US House Rep. Name
Marty Kiar	7	Tim Ryan	24	Frederica Wilson
Florida House Rep. District	Florida House Rep. Name	Florida Senator District	Florida Senator Name	School Board Member
101	Marie Woodson	34	Gary M. Farmer, Jr.	Ann Murray



**PROPERTY SUMMARY**

**Tax Year:** 2022  
**Property Id:** 514113040090  
**Property Owner/s:** PINNACLE 441 LLC  
**Mailing Address:** 9400 S DADELAND BLVD #100 MIAMI, FL 33156  
**Physical Address:** 6024 JOHNSON STREET HOLLYWOOD, 33024  
**Property Use:** 08 - Multi-family - less than 10 units  
**Millage Code:** 0513  
**Adj. Bldg. S.F.:** 2481  
**Bldg Under Air S.F.:**  
**Effective Year:** 1952  
**Year Built:** 1951  
**Units/Beds/Baths:** 4 / /  
**Deputy Appraiser:** Commercial Department  
**Appraisers Number:** 954-357-6835  
**Email:** [commercialtrim@bcpa.net](mailto:commercialtrim@bcpa.net)  
**Zoning :** C-JS  
**Abbr. Legal Des.:** PINE RIDGE ESTATES 24-10 B TRACT 11 LESS W 220 & LESS N 230 OF E 30 BLK 2

2020 values are considered "working values" and are subject to change.

**PROPERTY ASSESSMENT**

Year	Land	Building / Improvement	Agricultural Saving	Just / Market Value	Assessed / SOH Value	Tax
2022	\$179,990	\$219,840	0	\$399,830	\$399,830	
2021	\$179,990	\$219,840	0	\$399,830	\$399,830	\$9,636.91
2020	\$179,990	\$219,940	0	\$399,930	\$399,930	\$9,613.90

**EXEMPTIONS AND TAXING AUTHORITY INFORMATION**

	County	School Board	Municipal	Independent
Just Value	\$399,830	\$399,830	\$399,830	\$399,830
Portability	0	0	0	0
Assessed / SOH	\$399,830	\$399,830	\$399,830	\$399,830
Granny Flat				
Homestead	0	0	0	0
Add. Homestead	0	0	0	0
Wid/Vet/Dis	0	0	0	0
Senior	0	0	0	0
Exemption Type	0	0	0	0
Affordable Housing	0	0	0	0
Taxable	\$399,830	\$399,830	\$399,830	\$399,830

SALES HISTORY FOR THIS PARCEL				LAND CALCULATIONS		
Date	Type	Price	Book/Page or Cin	Unit Price	Units	Type
11/30/2021	Multi Special Warranty Deed Excluded Sale	\$3,600,000	117773892	\$6.00	29,999 SqFt	Square Foot
12/18/2020	Personal Representatives Deed Non-Sale Title Change	\$100	116948265			
07/01/1969	Warranty Deed	\$30,000	5588 / 535			

**RECENT SALES IN THIS SUBDIVISION**

Property ID	Date	Type	Qualified/ Disqualified	Price	CIN	Property Address
514113040090	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	6024 JOHNSON ST HOLLYWOOD, FL 33024
514113040100	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	820 N STATE ROAD 7 HOLLYWOOD, FL 33024
514113040110	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	890 N STATE ROAD 7 HOLLYWOOD, FL 33024
514113040011	08/25/2021	Multi Warranty Deed	Excluded Sale	\$6,000,000	117547099	6067 HOLLYWOOD BLVD HOLLYWOOD, FL 33024
514113040010	03/16/2021	Special Warranty Deed	Qualified Sale	\$1,400,000	117162794	6031 HOLLYWOOD BLVD HOLLYWOOD, FL 33024

SPECIAL ASSESSMENTS									SCHOOL
Fire	Garb	Light	Drain	Impr	Safe	Storm	Clean	Misc	
Hlwd Fire Rescue (05)									West Hollywood Elementary: C
Residential (R)									Apollo Middle: B
4									Mcarthur High: B

**ELECTED OFFICIALS**

Property Appraiser	County Comm. District	County Comm. Name	US House Rep. District	US House Rep. Name
Marty Kiar	7	Tim Ryan	24	Frederica Wilson
Florida House Rep. District	Florida House Rep. Name	Florida Senator District	Florida Senator Name	School Board Member
101	Marie Woodson	34	Gary M. Farmer, Jr.	Ann Murray



**PROPERTY SUMMARY**

**Tax Year:** 2022  
**Property Id:** 514113040110  
**Property Owner/s:** PINNACLE 441 LLC  
**Mailing Address:** 9400 S DADELAND BLVD #100 MIAMI, FL 33156  
**Physical Address:** 890 N STATE ROAD 7 HOLLYWOOD, 33024

**Property Use:** 11 - Stores, 1-story  
**Millage Code:** 0513  
**Adj. Bldg. S.F:** 17504  
**Bldg Under Air S.F:**  
**Effective Year:** 1970  
**Year Built:** 1969  
**Units/Beds/Baths:** 0 / /

**Deputy Appraiser:** Commercial Department  
**Appraisers Number:** 954-357-6835  
**Email:** [commercialtrim@bcpa.net](mailto:commercialtrim@bcpa.net)  
**Zoning :** C-JS  
**Abbr. Legal Des.:** PINE RIDGE ESTATES 24-10 B TRACT 12 LESS S 100 TOG WITH TRACT 11 N 230 OF E 30, BLK 2 LESS POR LOT 12 BLK 2 DESC AS: BEGIN NE COR LOT 12, SW 300.02, SE 3.65, NE 255.20, SE 47.83, SE 47.71, SW 7.33, SE 21.75, NE 6.96, SE 11.83, NE 2.57, SE 29.56, NW 142.25 TO POB

2020 values are considered "working values" and are subject to change.

**PROPERTY ASSESSMENT**

Year	Land	Building / Improvement	Agricultural Saving	Just / Market Value	Assessed / SOH Value	Tax
2022	\$659,090	\$1,546,150	0	\$2,205,240	\$2,205,240	
2021	\$659,090	\$1,546,150	0	\$2,205,240	\$2,205,240	\$51,860.18
2020	\$659,090	\$1,540,910	0	\$2,200,000	\$2,200,000	\$51,691.48

**EXEMPTIONS AND TAXING AUTHORITY INFORMATION**

	County	School Board	Municipal	Independent
Just Value	\$2,205,240	\$2,205,240	\$2,205,240	\$2,205,240
Portability	0	0	0	0
Assessed / SOH	\$2,205,240	\$2,205,240	\$2,205,240	\$2,205,240
Granny Flat				
Homestead	0	0	0	0
Add. Homestead	0	0	0	0
Wid/Vet/Dis	0	0	0	0
Senior	0	0	0	0
Exemption Type	0	0	0	0
Affordable Housing	0	0	0	0
Taxable	\$2,205,240	\$2,205,240	\$2,205,240	\$2,205,240

SALES HISTORY FOR THIS PARCEL				LAND CALCULATIONS		
Date	Type	Price	Book/Page or Cin	Unit Price	Units	Type
11/30/2021	Multi Special Warranty Deed Excluded Sale	\$3,600,000	117773892	\$9.00	73,232 SqFt	Square Foot
01/05/1974	Warranty Deed	\$250,000	5588 / 587			

**RECENT SALES IN THIS SUBDIVISION**

Property ID	Date	Type	Qualified/ Disqualified	Price	CIN	Property Address
514113040090	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	6024 JOHNSON ST HOLLYWOOD, FL 33024
514113040100	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	820 N STATE ROAD 7 HOLLYWOOD, FL 33024
514113040110	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	890 N STATE ROAD 7 HOLLYWOOD, FL 33024
514113040011	08/25/2021	Multi Warranty Deed	Excluded Sale	\$6,000,000	117547099	6067 HOLLYWOOD BLVD HOLLYWOOD, FL 33024
514113040010	03/16/2021	Special Warranty Deed	Qualified Sale	\$1,400,000	117162794	6031 HOLLYWOOD BLVD HOLLYWOOD, FL 33024

SPECIAL ASSESSMENTS										SCHOOL		
Fire	Garb	Light	Drain	Impr	Safe	Storm	Clean	Misc		West Hollywood Elementary:	C	
HLwd Fire Rescue (05)										Apollo Middle:	B	
Commercial (C)										Mcarthur High:	B	
17,504												

**ELECTED OFFICIALS**

Property Appraiser	County Comm. District	County Comm. Name	US House Rep. District	US House Rep. Name
Marty Kiar	7	Tim Ryan	24	Frederica Wilson

Florida House Rep. District	Florida House Rep. Name	Florida Senator District	Florida Senator Name	School Board Member



**PROPERTY SUMMARY**

**Tax Year:** 2022  
**Property Id:** 514113040080  
**Property Owner/s:** TP HOLLYWOOD LLC  
**Mailing Address:** 18 WHISTLER TRACE PONTE VEDRA, FL 32081  
**Physical Address:** 6028 JOHNSON STREET HOLLYWOOD, 33024

**Property Use:** 28 - Parking lots (commercial or patron), mobile home parks  
**Millage Code:** 0513  
**Adj. Bldg. S.F:** 0  
**Bldg Under Air S.F:**  
**Effective Year:** 1963  
**Year Built:** 1962  
**Units/Beds/Baths:** 0 / /

**Deputy Appraiser:** Commercial Department  
**Appraisers Number:** 954-357-6835  
**Email:** [commercialtrim@bcpa.net](mailto:commercialtrim@bcpa.net)  
**Zoning :** C-JS  
**Abbr. Legal Des.:** PINE RIDGE ESTATES 24-10 B TR 11 W 220 BLK 2

2020 values are considered "working values" and are subject to change.

**PROPERTY ASSESSMENT**

Year	Land	Building / Improvement	Agricultural Saving	Just / Market Value	Assessed / SOH Value	Tax
2022	\$935,840	\$22,190	0	\$958,030	\$958,030	
2021	\$935,840	\$22,190	0	\$958,030	\$958,030	\$31,983.99
2020	\$899,850	\$22,190	0	\$922,040	\$876,110	\$30,078.18

**EXEMPTIONS AND TAXING AUTHORITY INFORMATION**

	County	School Board	Municipal	Independent
Just Value	\$958,030	\$958,030	\$958,030	\$958,030
Portability	0	0	0	0
Assessed / SOH	\$958,030	\$958,030	\$958,030	\$958,030
Granny Flat				
Homestead	0	0	0	0
Add. Homestead	0	0	0	0
Wid/Vet/Dis	0	0	0	0
Senior	0	0	0	0
Exemption Type	0	0	0	0
Affordable Housing	0	0	0	0
Taxable	\$958,030	\$958,030	\$958,030	\$958,030

SALES HISTORY FOR THIS PARCEL				LAND CALCULATIONS		
Date	Type	Price	Book/Page or Cin	Unit Price	Units	Type
09/20/2017	Warranty Deed Qualified Sale	\$2,700,000	114632084	\$13.00	71,988 SqFt	Square Foot
05/12/2015	Warranty Deed Qualified Sale	\$900,000	112984100			
05/01/1991	Quit Claim Deed	\$100	18397 / 233			
05/01/1991	Quit Claim Deed	\$100				
07/01/1989	Quit Claim Deed	\$100				

**RECENT SALES IN THIS SUBDIVISION**

Property ID	Date	Type	Qualified/ Disqualified	Price	CIN	Property Address
514113040090	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	6024 JOHNSON ST HOLLYWOOD, FL 33024
514113040100	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	820 N STATE ROAD 7 HOLLYWOOD, FL 33024
514113040110	11/30/2021	Multi Special Warranty Deed	Excluded Sale	\$3,600,000	117773892	890 N STATE ROAD 7 HOLLYWOOD, FL 33024
514113040011	08/25/2021	Multi Warranty Deed	Excluded Sale	\$6,000,000	117547099	6067 HOLLYWOOD BLVD HOLLYWOOD, FL 33024
514113040010	03/16/2021	Special Warranty Deed	Qualified Sale	\$1,400,000	117162794	6031 HOLLYWOOD BLVD HOLLYWOOD, FL 33024

SPECIAL ASSESSMENTS										SCHOOL
Fire	Garb	Light	Drain	Impr	Safe	Storm	Clean	Misc		
Hlwd Fire Rescue (05)										West Hollywood Elementary: C
Residential (R)										Apollo Middle: B
40										Mcarthur High: B

**ELECTED OFFICIALS**

Property Appraiser	County Comm. District	County Comm. Name	US House Rep. District	US House Rep. Name
Marty Kiar	7	Tim Ryan	24	Frederica Wilson
Florida House Rep. District	Florida House Rep. Name	Florida Senator District	Florida Senator Name	School Board Member
101	Marie Woodson	34	Gary M. Farmer, Jr.	Ann Murray

# Exhibit B

# Green Reuse Area Designation Eligibility Statement

## Pinnacle 441 Green Reuse Area

820 and 890 N. SR 7 & 6024 and 6028 Johnson Street, Hollywood, Broward County, FL 33024  
Folio Nos. 514113040100, 514113040110, 514113040080, and 514113040090

Pinnacle 441, LLC and Pinnacle 441 PHASE 2, LLC (together “Pinnacle 441”) propose to redevelop and rehabilitate four parcels of land located at 820 and 890 North SR 7 & 6024 and 6028 Johnson Street, Hollywood, Florida 33024, Folio Nos. 514113040100, 514113040110, 514113040080, and 514113040090 (the “Subject Property”), as a two-phase, affordable multifamily residential rental community. The first phase of the project consists of a single, eight-story building with a total of 113 residential units and 6,750 square feet of retail and/or office space. A future second phase of the development will add up to 110 more affordable and workforce residential rental units. Once complete, each phase will have its own amenities however future residents will have access to amenities in both buildings. Planned amenities will include a fitness facility, meeting space, cyber lounge, outdoor patio area, live/work lofts, large public plaza, and enhanced bus shelters (the “Project”). As demonstrated herein, the Project meets all five of the applicable designation criteria set forth at § 376.80(2)(c), Florida Statutes.<sup>1</sup> In addition, the Subject Property meets the definition of a “brownfield site” pursuant to § 376.79(4), Florida Statutes.

### I. Subject Property Satisfies the Statutory Criteria for Designation

**1. Agreement to Redevelop the Brownfield Site.** As the first requirement for designation, Florida Statutes § 376.80(2)(c)(1) provides that “[a] person who owns or controls a potential brownfield site is requesting the designation and has agreed to rehabilitate and redevelop the brownfield site.”

*Pinnacle 441 satisfies this criterion in that it owns a portion of the Subject Property and controls the remainder by virtue of a Purchase and Sale Agreement (“PSA”) with the current owner, TP Hollywood, LLC. Specifically, Pinnacle 441 owns the parcels with folio numbers 514113040100, 514113040110, and 514113040090.<sup>2</sup> The PSA, dated July 15, 2021, is with respect to the parcel identified by folio number 514113040080.<sup>3</sup> Pinnacle 441 further satisfies this criterion in that it has agreed to redevelop and rehabilitate the Subject Property. Accordingly, Pinnacle 441 meets this first criterion.*

**2. Economic Productivity.** As the second requirement for designation, Florida Statutes § 376.80(2)(c)(2) provides that “[t]he rehabilitation and redevelopment of the proposed brownfield site will result in economic productivity of the area, along with the creation of at least 5 new permanent jobs at the brownfield site that are full-time equivalent positions not associated with the implementation of the rehabilitation agreement or an agreement and that are not associated with redevelopment project demolition or construction activities pursuant to the redevelopment of the proposed brownfield site or area. However, the job creation requirement shall not apply to the rehabilitation and redevelopment of a brownfield site that will provide affordable housing as defined in s. 420.0004 or the creation of recreational areas, conservation areas, or parks.”

*Pinnacle 441 satisfies this criterion in that, first, the Project will result in significant economic productivity of the area. The budget for rehabilitation and redevelopment of the Project’s first phase is approximately \$45.5 million and approximately \$40.0 million*

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<sup>1</sup> A copy of § 376.80, Florida Statutes, can be found at [Attachment A](#) to this Eligibility Statement.

<sup>2</sup> See Special Warranty Deed at [Attachment B](#).

<sup>3</sup> See Purchase and Sale Agreement, Assignment and Assumption of Purchase and Sale Agreement, and subsequent amendments at [Attachment C](#). Please note, the PSA was originally executed by PC GP but was subsequently assigned to Pinnacle 441 PHASE 2, LLC on August 6, 2021. Paragraph 8 of the PSA authorizes Pinnacle 441 to seek all government approvals and authorizations that are desirable for Pinnacle 441’s intended use of the Subject Property for affordable housing. Accordingly, this request falls within the scope of that authorization.

for the second phase. This will be spent in part on local labor, contractors, consultants, construction materials, furnishings, infrastructure improvements, and impact fees. This work will support approximately 100 temporary construction jobs over the period of phase one development. The construction workers will spend a percentage of their salaries with local merchants who, in turn, will reinvest locally in their respective businesses, as well as the businesses of other local merchants. The planned retail and workspace component of the Project will also significantly contribute to economic productivity in the area through job creation and the provision of goods and services to residents and visitors both at the Project and in the surrounding neighborhood.

Additionally, the recognized literature regarding the local benefits produced by the construction of affordable housing developments shows that this type of development substantially contributes to the economic productivity of an area in the form of stimulation of the local economy by residents and transformation of vacant land into economically productive communities. For example, in *The National Association of Home Builders' ("NAHB") landmark study, The Local Economic Impact of Typical Housing Tax Credit Developments*,<sup>4</sup> NAHB published models that estimate the local economic benefits of family tax credit developments and elderly tax credit developments. These models capture the effect of the construction activity itself, the positive economic ripple effect that occurs when income earned from construction activity is spent and recycled in the local economy, and the ongoing beneficial impacts that result from the new apartments becoming occupied by residents. On a quantitative basis, the results are even more impressive.

According to the NAHB report, the estimated one-year impacts of building 100 affordable residential rental apartments include the following:

- \$7.9 million in local income
- 122 local jobs

According to the report, these one-year impacts include both the direct and indirect impact of the construction activity itself, and the impact of local residents who earn money from the construction activity spending part of it within the local area's economy. Moreover, on a recurring basis, the economic impacts of building 100 affordable residential rental apartments include the following:

- \$2.4 million in local income
- 30 local jobs

Extrapolating the NAHB model economic data to the redevelopment planned for the Subject Property, the "year of construction" and "annual recurring" impacts based on the 223 units planned for both Project phases would be as follows:

#### **Economic Productivity for Pinnacle 441 Development – Year of Construction**

*\$17.6 million in local income  
272 local jobs*

#### **Economic Productivity for Pinnacle 441 Development – Annually Recurring**

*\$5.4 million in local income  
67 local jobs*

Pinnacle 441 further satisfies this criterion in that nearly all of the units at the Subject Property will be rented to Income Eligible Households under the Low Income Housing Tax Credit Program, and rehabilitation and redevelopment of the Subject Property

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<sup>4</sup> A complete copy of the NAHB report may be accessed here: [https://www.novoco.com/sites/default/files/atoms/files/nahb\\_jobs-report\\_2010.pdf](https://www.novoco.com/sites/default/files/atoms/files/nahb_jobs-report_2010.pdf)

will “provide affordable housing as defined in s. 420.0004.”<sup>5</sup> Accordingly, the employment creation threshold of at least five new permanent jobs is not applicable to the Project. Notwithstanding this exception to the job creation requirements, Pinnacle 441 expects the Project to create at least five new, permanent full-time positions at the Project. For all the reasons discussed herein, Pinnacle 411 meets this second criterion.

**3. Consistency with Local Comprehensive Plan and Permittable Use under Local Land Development Regulations.** As the third requirement for designation, Florida Statutes § 376.80(2)(c)(3) provides that “[t]he redevelopment of the proposed brownfield site is consistent with the local comprehensive plan and is a permittable use under the applicable local land development regulations.”

*Pinnacle 441 satisfies this criterion in that the Subject Property is located within the SR7 Central – Johnson Street Mixed-Use District (C-JS) and zoning district and has a Future Land Use designation of Transportation Oriented Corridor (TOC). Both the C-JS zoning district and the TOC future land use designation permit the Subject Property’s redevelopment as described above at a density of 110 residential units and commercial uses for the first phase of the project.<sup>6</sup> Design plans for the second phase of the Project are still under development but the final design and residential unit density will be consistent with all City and County land use regulations. Accordingly, Pinnacle 441 meets this third criterion.*

**4. Public Notice and Comment.** Florida Statutes § 376.80(2)(c)(4) stipulates that “[n]otice of the proposed rehabilitation of the brownfield area has been provided to neighbors and nearby residents of the proposed area to be designated, and the person proposing the area for designation has afforded to those receiving notice the opportunity for comments and suggestions about rehabilitation. Notice pursuant to this subsection must be posted in the affected area.” Additional notice requirements pertaining to applicants other than a governmental entity can be found at Florida Statutes § 376.80(1)(c)(4)(b) and consist of publication in a newspaper of general circulation in the area, publication in ethnic newspapers or local community bulletins, and announcement at a scheduled meeting of the local governing body before the actual public hearing.

*Pinnacle 441 satisfies all applicable notice and opportunity to comment requirements established by Florida Statutes § 376.80(2)(c)(4) and § 376.80(1)(c)(4)(b) as follows:*

- (i) notice will be posted at the Subject Property;*
- (ii) notice will be published in the Sun Sentinel;*
- (iii) notice will be published in the Hollywood community bulletin section of Craig’s List; and*
- (iv) a virtual community meeting will be held, date to be announced, using a free video and teleconferencing platform.*

*All notices will contain the following narrative:*

*Representatives for Pinnacle 441, LLC, will hold a virtual community meeting, date to be announced, at 5:30 p.m. until not later than 7:00 p.m. for the purpose of affording interested parties the opportunity to provide comments and suggestions about the potential designation of land located at 820 and 890 N. SR 7 & 6024 and 6028 Johnson St., Hollywood, FL 33024, Folio Nos. 514113040100, 514113040110, 514113040080, and 514113040090, as a Green Reuse Area. The designation is being made pursuant to Section 376.80, Florida Statutes, of Florida’s Brownfield Redevelopment Act, and will involve two public hearings before the Hollywood City Commission, dates to be announced.*

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<sup>5</sup> See [Attachment D](#) for the Florida Housing Finance Corporation’s Invitation to Credit Underwriting evidencing that the Project will create affordable housing.

<sup>6</sup> See [Attachment E](#) for a Zoning Verification Letter from the City of Hollywood confirming the zoning and future land use designations for the three parcels constituting the first of the Project and stating that, assuming compliance with applicable land use and zoning regulations, the proposed density and uses are consistent with the current zoning and land use regulations. See also [Attachment F](#) for a letter from Dr. Wazir A. Ishmael, City Manager, expressing the City’s enthusiastic support for the Project’s second phase.



*The virtual community meeting, which will also address future development and rehabilitation activities planned for the site, is free and open to all members of the public. Please register at <http://bit.ly/pinnacle441> or call (305) 640-5300 before the meeting to receive meeting access instructions. For additional information, to provide comments and suggestions regarding designation, development, or rehabilitation at any time before or after the meeting date, or to learn the dates of the two public hearings please contact the applicant's representatives, Michael R. Goldstein or Brett C. Brumund, who can be reached by phone at (305) 640-5300, by email at [bbrumund@goldsteinenvlan.com](mailto:bbrumund@goldsteinenvlan.com), and/or U.S. Mail at The Goldstein Environmental Law Firm, P.A., 2100 Ponce de Leon Blvd., Suite 710, Coral Gables, FL 33134.*

*Proof of publication or posting will be provided to the City.*

**5. Reasonable Financial Assurance.** As the fifth requirement for designation, Florida Statutes § 376.80(2)(c)(5) provides that “[t]he person proposing the area for designation has provided reasonable assurance that he or she has sufficient financial resources to implement and complete the rehabilitation agreement and redevelopment plan.”

*The total capital budget of approximately \$45.5 million for the first phase of the Project and \$40.0 million for the second phase is fully funded through a combination of equity and debt. Specifically, the first phase of the Project will be funded by \$31.78 million in LIHTC equity purchased by Bank of America, a \$9.2 million first mortgage from Neighborhood Lending Partners, a \$100,000 Loan from Broward County, and a \$4.1 million deferred developer fee.<sup>7</sup> The second phase is funded through \$13.7 million in LIHTC equity; \$22 million in local bonds issued by Broward County Housing Finance Agency; a \$1 million contribution from the City; a \$100,000 grant from Broward County; \$10 million in funding from Broward County; and a \$3.1 million deferred developer fee.<sup>8</sup> In addition, Pinnacle 441's principal, Pinnacle Communities, LLC (“Pinnacle Communities”) has an extensive track record of success in financing, building, and managing major affordable and market-rate residential communities. Pinnacle Communities has over two decades of experience developing, building, and leasing affordably priced, luxury-style apartment homes, resulting in a development portfolio approaching 10,000 units and total financing secured in excess of \$1.5 billion. Pinnacle Communities also has significant experience in the City of Hollywood, having overseen the redevelopment of the Crystal Lake public housing complex, co-developed the Parc Station rental community, and developed the Pinnacle at Peacefield rental community for seniors.*

*This proven history of leveraging assets with other capital sources, an impressive track record of success, and a staff of highly experienced and sophisticated development officials constitute reasonable assurance that Pinnacle 441 has sufficient financial resources to implement and complete the rehabilitation agreement and redevelopment plan for both phases of the Project. Accordingly, it satisfies this fifth and last criterion.*

## **II. Subject Property Meets the Definition of Brownfield Site**

Section 376.79(4), Florida Statutes, defines “brownfield site” to mean “. . . real property, the expansion, redevelopment, or reuse of which may be complicated by actual or perceived environmental contamination.” The facts here evidence that the Subject Property falls within the definition of the term “brownfield site” in that a perception of contamination exists due to a documented petroleum discharge from an historical gasoline station on western adjoining property and the historical presence of gasoline stations and automotive repair

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<sup>7</sup> See Development Cost Proforma for the first phase at Attachment G; see also Bank of America equity letter at Attachment H; see also Neighborhood Lending Partners first mortgage commitment letter at Attachment I; and Term Sheet for the first Broward County loan at Attachment J.

<sup>8</sup> See Sources and Uses statement for Phase 2 at Attachment K; Citibank equity letter at Attachment L; Citibank debt letter at Attachment M; City of Hollywood Resolution No. R-2021-330 discussing the City's \$1 million contribution at Attachment N; FHFC Local Government Verification of Contribution – Grant Form for Broward County's \$100,000 grant at Attachment O; Resolution no. 2022-014 from the Housing Finance Authority of Broward County for the \$22 million in tax-exempt bonds at Attachment P; and letter awarding \$10 million for construction costs from Broward County at Attachment Q.

facilities on the northern, northeastern, and southern adjoining properties. The presence of a petroleum contaminant groundwater plume and multiple surrounding land uses that are commonly associated with environmental contamination has complicated redevelopment and reuse of the Subject Property for Pinnacle 441.

Specifically, a significant contributor to the perception of contamination at the Subject Property is the petroleum contaminant plume sourced on the western adjoining property. In 1991, seven underground storage tanks (“USTs”) used for petroleum products were removed from the former Great Rear Auto Center located immediately to the west of the Subject Property. During UST closure and removal activities, petroleum product and odors were identified in soil and groundwater at the site of UST excavation and removal. Site assessment activities conducted since the discovery of petroleum contamination on the former Great Rear Auto Center property, most recently in 2018 under Florida’s Petroleum Restoration Program, confirmed the existence of the contaminant plume and recommended additional assessment and preparation of a remedial action plan when state funding is available. Also contributing to the perception of contamination on the Subject Property is the historical and existing use of the northern, northeastern, and southern properties as gasoline stations and automotive repair facilities. As was the case with the western adjoining property, environmental impacts from these uses are often not discovered until subsurface work takes place. This creates the risk and perception that environmental contamination from offsite sources may only be discovered after redevelopment commences.

The presence of actual contamination and several land uses commonly perceived as sources of contamination adjacent to the Subject Property complicates redevelopment for Pinnacle 441 by raising the possibility that undiscovered contamination has migrated onto the Subject Property which may not be discovered until redevelopment commences. In addition, actual groundwater contamination at the adjacent property has complicated redevelopment efforts by potentially imposing design<sup>9</sup> and construction changes on the Project that would not be required but for the presence of a contaminated site near the Subject Property. Due to these complicating factors, Pinnacle 441’s exposure to environmental and regulatory liability with respect to the Project is increased, making it materially more expensive and time consuming to move forward. If contamination is found to have migrated onto the Subject Property, the investigation and remediation of contamination itself adds one last major level of complexity as it will require close and constant oversight by the Environmental Engineering and Permitting Division of Broward County’s Environmental Protection and Growth Management Department (“EPGMD”), including compliance with EPGMD’s Standard Operating Procedures for Dewatering of contaminated property. The regulatory process associated with remediation can be lengthy, complicated, uncertain, and without guaranteed end points. Accordingly, Pinnacle 441 has no assurance that as it moves forward with the Project the total cost of cleanup, if contamination is discovered, will not in fact ultimately exceed what is currently projected. Such uncertainty constitutes an *acute* form of redevelopment complexity that goes to the heart of the Florida Brownfields Program and underscores why incentives are so important for sites and projects exactly like this one. Assessment, remediation, and closure can be an expensive and lengthy process that will require Pinnacle 441 to carefully manage the contamination during redevelopment, imposing great legal and financial risk to incorporate design and construction changes on the Project that would not be required but for the presence of actual contamination.

Accordingly, this designation, if granted, will allow for Pinnacle 441 to access limited but important state-based economic incentives to help underwrite the unanticipated and unbudgeted costs associated with managing the environmental risk as well as, generally, to put the Project on a more certain financial ground. In

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<sup>9</sup> As it stands, and as just one example of the additional complexity posed by actual and perceived contamination, because of the location of the Subject Property within one-quarter mile of a contaminated site, Pinnacle 441 is required to comply with an expensive and challenging protocol for dewatering that only applies to development projects within that certain radius. Enclosed as Attachment R is the Broward County dewatering protocol evidencing the many extra steps that will be triggered if and when dewatering is required.

this sense, the designation will not only play a critical role in the successful redevelopment of the Subject Property, but also in the larger revitalization efforts for this area of the City of Hollywood.

Based on all the foregoing, the Subject Property clearly falls within the definition of “brownfield site” as set forth in § 376.79(4), Florida Statutes.

### **III. Conclusion**

Pinnacle 441 has demonstrated that the Subject Property meets the definition of a “brownfield site” and that it satisfies the five statutory criteria for designation. Accordingly, designation of the Subject Property as a Green Reuse Area pursuant to § 376.80(2)(c), Florida Statutes, of Florida’s Brownfield Redevelopment Act is appropriate.

# Attachment A

Select Year: 2021

## The 2021 Florida Statutes

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[Title XXVIII](#)  
NATURAL RESOURCES; CONSERVATION,  
RECLAMATION, AND USE

[Chapter 376](#)  
POLLUTANT DISCHARGE PREVENTION  
AND REMOVAL

[View Entire  
Chapter](#)

### **376.80 Brownfield program administration process.—**

(1) The following general procedures apply to brownfield designations:

(a) The local government with jurisdiction over a proposed brownfield area shall designate such area pursuant to this section.

(b) For a brownfield area designation proposed by:

1. The jurisdictional local government, the designation criteria under paragraph (2)(a) apply, except if the local government proposes to designate as a brownfield area a specified redevelopment area as provided in paragraph (2)(b).

2. Any person, other than a governmental entity, including, but not limited to, individuals, corporations, partnerships, limited liability companies, community-based organizations, or not-for-profit corporations, the designation criteria under paragraph (2)(c) apply.

(c) Except as otherwise provided, the following provisions apply to all proposed brownfield area designations:

1. Notification to department following adoption.—A local government with jurisdiction over the brownfield area must notify the department, and, if applicable, the local pollution control program under s. [403.182](#), of its decision to designate a brownfield area for rehabilitation for the purposes of ss. [376.77-376.86](#). The notification must include a resolution adopted by the local government body. The local government shall notify the department, and, if applicable, the local pollution control program under s. [403.182](#), of the designation within 30 days after adoption of the resolution.

2. Resolution adoption.—The brownfield area designation must be carried out by a resolution adopted by the jurisdictional local government, which includes a map adequate to clearly delineate exactly which parcels are to be included in the brownfield area or alternatively a less-detailed map accompanied by a detailed legal description of the brownfield area. For municipalities, the governing body shall adopt the resolution in accordance with the procedures outlined in s. [166.041](#), except that the procedures for the public hearings on the proposed resolution must be in the form established in s. [166.041\(3\)\(c\)2](#). For counties, the governing body shall adopt the resolution in accordance with the procedures outlined in s. [125.66](#), except that the procedures for the public hearings on the proposed resolution shall be in the form established in s. [125.66\(4\)\(b\)](#).

3. Right to be removed from proposed brownfield area.—If a property owner within the area proposed for designation by the local government requests in writing to have his or her property removed from the proposed designation, the local government shall grant the request.

4. Notice and public hearing requirements for designation of a proposed brownfield area outside a redevelopment area or by a nongovernmental entity. Compliance with the following provisions is required before designation of a proposed brownfield area under paragraph (2)(a) or paragraph (2)(c):

a. At least one of the required public hearings shall be conducted as closely as is reasonably practicable to the area to be designated to provide an opportunity for public input on the size of the area, the objectives for rehabilitation, job opportunities and economic developments anticipated, neighborhood residents' considerations, and other relevant local concerns.

b. Notice of a public hearing must be made in a newspaper of general circulation in the area, must be made in ethnic newspapers or local community bulletins, must be posted in the affected area, and must be announced at a scheduled meeting of the local governing body before the actual public hearing.

(2)(a) *Local government-proposed brownfield area designation outside specified redevelopment areas.*—If a local government proposes to designate a brownfield area that is outside a community redevelopment area, enterprise zone, empowerment zone, closed military base, or designated brownfield pilot project area, the local government shall provide notice, adopt the resolution, and conduct public hearings pursuant to paragraph (1)(c). At a public hearing to designate the proposed brownfield area, the local government must consider:

1. Whether the brownfield area warrants economic development and has a reasonable potential for such activities;
2. Whether the proposed area to be designated represents a reasonably focused approach and is not overly large in geographic coverage;
3. Whether the area has potential to interest the private sector in participating in rehabilitation; and
4. Whether the area contains sites or parts of sites suitable for limited recreational open space, cultural, or historical preservation purposes.

(b) *Local government-proposed brownfield area designation within specified redevelopment areas.*—Paragraph (a) does not apply to a proposed brownfield area if the local government proposes to designate the brownfield area inside a community redevelopment area, enterprise zone, empowerment zone, closed military base, or designated brownfield pilot project area and the local government complies with paragraph (1)(c).

(c) *Brownfield area designation proposed by persons other than a governmental entity.*—For designation of a brownfield area that is proposed by a person other than the local government, the local government with jurisdiction over the proposed brownfield area shall provide notice and adopt a resolution to designate the brownfield area pursuant to paragraph (1)(c) if, at the public hearing to adopt the resolution, the person establishes all of the following:

1. A person who owns or controls a potential brownfield site is requesting the designation and has agreed to rehabilitate and redevelop the brownfield site.
2. The rehabilitation and redevelopment of the proposed brownfield site will result in economic productivity of the area, along with the creation of at least 5 new permanent jobs at the brownfield site that are full-time equivalent positions not associated with the implementation of the brownfield site rehabilitation agreement and that are not associated with redevelopment project demolition or construction activities pursuant to the redevelopment of the proposed brownfield site or area. However, the job creation requirement does not apply to the rehabilitation and redevelopment of a brownfield site that will provide affordable housing as defined in s. [420.0004](#) or the creation of recreational areas, conservation areas, or parks.
3. The redevelopment of the proposed brownfield site is consistent with the local comprehensive plan and is a permissible use under the applicable local land development regulations.
4. Notice of the proposed rehabilitation of the brownfield area has been provided to neighbors and nearby residents of the proposed area to be designated pursuant to paragraph (1)(c), and the person proposing the area for designation has afforded to those receiving notice the opportunity for comments and suggestions about rehabilitation. Notice pursuant to this subparagraph must be posted in the affected area.
5. The person proposing the area for designation has provided reasonable assurance that he or she has sufficient financial resources to implement and complete the rehabilitation agreement and redevelopment of the brownfield site.

(d) *Negotiation of brownfield site rehabilitation agreement.*—The designation of a brownfield area and the identification of a person responsible for brownfield site rehabilitation simply entitles the identified person to negotiate a brownfield site rehabilitation agreement with the department or approved local pollution control program.

(3) When there is a person responsible for brownfield site rehabilitation, the local government must notify the department of the identity of that person. If the agency or person who will be responsible for the coordination



changes during the approval process specified in subsections (4), (5), and (6), the department or the affected approved local pollution control program must notify the affected local government when the change occurs.

(4) Local governments or persons responsible for rehabilitation and redevelopment of brownfield areas must establish an advisory committee or use an existing advisory committee that has formally expressed its intent to address redevelopment of the specific brownfield area for the purpose of improving public participation and receiving public comments on rehabilitation and redevelopment of the brownfield area, future land use, local employment opportunities, community safety, and environmental justice. Such advisory committee should include residents within or adjacent to the brownfield area, businesses operating within the brownfield area, and others deemed appropriate. The person responsible for brownfield site rehabilitation must notify the advisory committee of the intent to rehabilitate and redevelop the site before executing the brownfield site rehabilitation agreement, and provide the committee with a copy of the draft plan for site rehabilitation which addresses elements required by subsection (5). This includes disclosing potential reuse of the property as well as site rehabilitation activities, if any, to be performed. The advisory committee shall review any proposed redevelopment agreements prepared pursuant to paragraph (5)(i) and provide comments, if appropriate, to the board of the local government with jurisdiction over the brownfield area. The advisory committee must receive a copy of the executed brownfield site rehabilitation agreement. When the person responsible for brownfield site rehabilitation submits a site assessment report or the technical document containing the proposed course of action following site assessment to the department or the local pollution control program for review, the person responsible for brownfield site rehabilitation must hold a meeting or attend a regularly scheduled meeting to inform the advisory committee of the findings and recommendations in the site assessment report or the technical document containing the proposed course of action following site assessment.

(5) The person responsible for brownfield site rehabilitation must enter into a brownfield site rehabilitation agreement with the department or an approved local pollution control program if actual contamination exists at the brownfield site. The brownfield site rehabilitation agreement must include:

(a) A brownfield site rehabilitation schedule, including milestones for completion of site rehabilitation tasks and submittal of technical reports and rehabilitation plans as agreed upon by the parties to the agreement.

(b) A commitment to conduct site rehabilitation activities under the observation of professional engineers or geologists who are registered in accordance with the requirements of chapter 471 or chapter 492, respectively. Submittals provided by the person responsible for brownfield site rehabilitation must be signed and sealed by a professional engineer registered under chapter 471, or a professional geologist registered under chapter 492, certifying that the submittal and associated work comply with the law and rules of the department and those governing the profession. In addition, upon completion of the approved remedial action, the department shall require a professional engineer registered under chapter 471 or a professional geologist registered under chapter 492 to certify that the corrective action was, to the best of his or her knowledge, completed in substantial conformance with the plans and specifications approved by the department.

(c) A commitment to conduct site rehabilitation in accordance with department quality assurance rules.

(d) A commitment to conduct site rehabilitation consistent with state, federal, and local laws and consistent with the brownfield site contamination cleanup criteria in s. 376.81, including any applicable requirements for risk-based corrective action.

(e) Timeframes for the department's review of technical reports and plans submitted in accordance with the agreement. The department shall make every effort to adhere to established agency goals for reasonable timeframes for review of such documents.

(f) A commitment to secure site access for the department or approved local pollution control program to all brownfield sites within the eligible brownfield area for activities associated with site rehabilitation.

(g) Other provisions that the person responsible for brownfield site rehabilitation and the department agree upon, that are consistent with ss. 376.77-376.86, and that will improve or enhance the brownfield site rehabilitation process.

(h) A commitment to consider appropriate pollution prevention measures and to implement those that the person responsible for brownfield site rehabilitation determines are reasonable and cost-effective, taking into

account the ultimate use or uses of the brownfield site. Such measures may include improved inventory or production controls and procedures for preventing loss, spills, and leaks of hazardous waste and materials, and include goals for the reduction of releases of toxic materials.

(i) Certification that the person responsible for brownfield site rehabilitation has consulted with the local government with jurisdiction over the brownfield area about the proposed redevelopment of the brownfield site, that the local government is in agreement with or approves the proposed redevelopment, and that the proposed redevelopment complies with applicable laws and requirements for such redevelopment. Certification shall be accomplished by referencing or providing a legally recorded or officially approved land use or site plan, a development order or approval, a building permit, or a similar official document issued by the local government that reflects the local government's approval of proposed redevelopment of the brownfield site; providing a copy of the local government resolution designating the brownfield area that contains the proposed redevelopment of the brownfield site; or providing a letter from the local government that describes the proposed redevelopment of the brownfield site and expresses the local government's agreement with or approval of the proposed redevelopment.

(6) Any contractor performing site rehabilitation program tasks must demonstrate to the department that the contractor:

- (a) Meets all certification and license requirements imposed by law; and
- (b) Will conduct sample collection and analyses pursuant to department rules.

(7) During the cleanup process, if the department or local program fails to complete review of a technical document within the timeframe specified in the brownfield site rehabilitation agreement, the person responsible for brownfield site rehabilitation may proceed to the next site rehabilitation task. However, the person responsible for brownfield site rehabilitation does so at its own risk and may be required by the department or local program to complete additional work on a previous task. Exceptions to this subsection include requests for "no further action," "monitoring only proposals," and feasibility studies, which must be approved prior to implementation.

(8) If the person responsible for brownfield site rehabilitation fails to comply with the brownfield site rehabilitation agreement, the department shall allow 90 days for the person responsible for brownfield site rehabilitation to return to compliance with the provision at issue or to negotiate a modification to the brownfield site rehabilitation agreement with the department for good cause shown. If an imminent hazard exists, the 90-day grace period shall not apply. If the project is not returned to compliance with the brownfield site rehabilitation agreement and a modification cannot be negotiated, the immunity provisions of s. 376.82 are revoked.

(9) The department is specifically authorized and encouraged to enter into delegation agreements with local pollution control programs approved under s. 403.182 to administer the brownfield program within their jurisdictions, thereby maximizing the integration of this process with the other local development processes needed to facilitate redevelopment of a brownfield area. When determining whether a delegation pursuant to this subsection of all or part of the brownfield program to a local pollution control program is appropriate, the department shall consider the following. The local pollution control program must:

- (a) Have and maintain the administrative organization, staff, and financial and other resources to effectively and efficiently implement and enforce the statutory requirements of the delegated brownfield program; and
- (b) Provide for the enforcement of the requirements of the delegated brownfield program, and for notice and a right to challenge governmental action, by appropriate administrative and judicial process, which shall be specified in the delegation.

The local pollution control program shall not be delegated authority to take action on or to make decisions regarding any brownfield site on land owned by the local government. Any delegation agreement entered into pursuant to this subsection shall contain such terms and conditions necessary to ensure the effective and efficient administration and enforcement of the statutory requirements of the brownfield program as established by the act and the relevant rules and other criteria of the department.

(10) Local governments are encouraged to use the full range of economic and tax incentives available to facilitate and promote the rehabilitation of brownfield areas, to help eliminate the public health and



environmental hazards, and to promote the creation of jobs and economic development in these previously run-down, blighted, and underutilized areas.

(11)(a) The Legislature finds and declares that:

1. Brownfield site rehabilitation and redevelopment can improve the overall health of a community and the quality of life for communities, including for individuals living in such communities.
2. The community health benefits of brownfield site rehabilitation and redevelopment should be better measured in order to achieve the legislative intent as expressed in s. 376.78.
3. There is a need in this state to define and better measure the community health benefits of brownfield site rehabilitation and redevelopment.
4. Funding sources should be established to support efforts by the state and local governments, in collaboration with local health departments, community health providers, and nonprofit organizations, to evaluate the community health benefits of brownfield site rehabilitation and redevelopment.

(b) Local governments may and are encouraged to evaluate the community health benefits and effects of brownfield site rehabilitation and redevelopment in connection with brownfield areas located within their jurisdictions. Factors that may be evaluated and monitored before and after brownfield site rehabilitation and redevelopment include, but are not limited to:

1. Health status, disease distribution, and quality of life measures regarding populations living in or around brownfield sites that have been rehabilitated and redeveloped.
2. Access to primary and other health care or health services for persons living in or around brownfield sites that have been rehabilitated and redeveloped.
3. Any new or increased access to open, green, park, or other recreational spaces that provide recreational opportunities for individuals living in or around brownfield sites that have been rehabilitated and redeveloped.
4. Other factors described in rules adopted by the Department of Environmental Protection or the Department of Health, as applicable.

(c) The Department of Health may and is encouraged to assist local governments, in collaboration with local health departments, community health providers, and nonprofit organizations, in evaluating the community health benefits of brownfield site rehabilitation and redevelopment.

(12) A local government that designates a brownfield area pursuant to this section is not required to use the term “brownfield area” within the name of the brownfield area designated by the local government.

**History.**—s. 4, ch. 97-277; s. 3, ch. 98-75; s. 11, ch. 2000-317; s. 2, ch. 2004-40; s. 44, ch. 2005-2; s. 7, ch. 2006-291; s. 5, ch. 2008-239; s. 2, ch. 2014-114.

# Attachment B

**Prepared by:**

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**SPECIAL WARRANTY DEED**

THIS INDENTURE is made this 30<sup>th</sup> day of November, 2021, between **BETTY ANDREWS LANTZ**, an unmarried widow, whose address is 6880 Sunset Drive, South Miami, FL 33143 and **DAVID E. ZELL** and **PATRICIA W. ZELL**, his wife, whose address is 141 Greens Road, Hollywood, Florida 33021 hereinafter collectively referred to as "GRANTOR" and **PINNACLE 441, LLC**, a Florida limited liability company, whose address is 9400 South Dadeland Boulevard, Suite 100, Miami, Florida 33156 hereinafter referred to as "GRANTEE". (Wherever used herein the terms "GRANTOR" and "GRANTEE" shall indicate both singular and plural, as the context requires).

**WITNESSETH:** that GRANTOR, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable considerations to it in hand paid by GRANTEE, the receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto GRANTEE, and GRANTEE'S successors and assigns forever, the real property described in **Exhibit "A"** attached hereto (the Property), lying and being in the County of Broward, State of Florida.

SUBJECT, HOWEVER, ONLY TO THE FOLLOWING:

1. Taxes and assessments for the year 2022 and thereafter, not yet due and payable;
2. Zoning and other regulatory laws and ordinances, prohibitions and other requirements imposed by governmental authority; and
3. Those certain restrictions, reservations, covenants, conditions, limitations and easements shown in **Exhibit "B"** attached hereto, without reimposition of the same.

TOGETHER WITH all the tenements, easements, hereditaments, and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the above described Property, with the appurtenances, unto the said Grantee, its successors and assigns, in fee simple forever.

AND GRANTOR hereby covenants with GRANTEE that it is lawfully seized of said Property hereby conveyed in fee simple; that it has good right and lawful authority to sell and convey said Property; that it hereby fully warrants the title to said Property and will defend the same against the lawful claims of any persons claiming by, through or under the said GRANTOR, but none others.

*[Remainder of page intentionally left blank.]*

*[Signatures and notary acknowledgements follow.]*

IN WITNESS WHEREOF, GRANTOR has hereunto set GRANTOR'S hand and seal the date first above written. Signed, sealed and delivered in the presence of:

[Signature]  
Witness #1  
Print Name: Lisa M. Cogolanto

[Signature]  
**BETTY ANDREWS LANTZ**

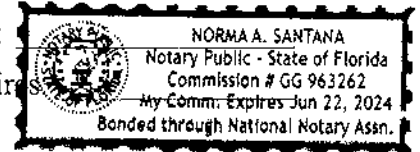
[Signature]  
Witness #2  
Print Name: Timothy P. Wheat

STATE OF FLORIDA                    }  
  } ss:  
COUNTY OF MIAMI-DADE            }

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this 30 day of November, 2021 by **BETTY ANDREWS LANTZ**, an unmarried widow  who is personally known to me  or has produced \_\_\_\_\_ as identification.

[Signature]  
Notary Public, State of Florida  
Norma A. Santana  
Print Name of Notary Public

My Commission No.:  
My Commission expires



[Remainder of page intentionally left blank.]

[Signatures and notary acknowledgement continue on following page.]

Witness #1  
 Print Name: PHILIPPE S. MONDULZ

*David E. Zell*  
 DAVID E. ZELL

Witness #2  
 Print Name: Jerome Schechter

Witness #1  
 Print Name: PHILIPPE SYMONOVICZ

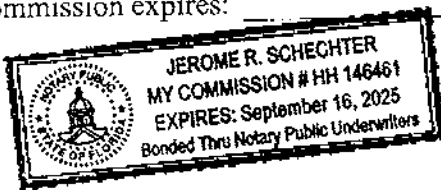
*Patricia W. Zell*  
 PATRICIA W. ZELL

Witness #2  
 Print Name: Jerome Schechter

STATE OF FLORIDA }  
 } ss:  
 COUNTY OF BROWARD }

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this 30 day of November, 2021 by **DAVID E. ZELL** and **PATRICIA W. ZELL**, his wife  who are personally known to me  or have produced as identification.

*Jerome R. Schechter*  
 \_\_\_\_\_  
 Notary Public, State of Florida  
 \_\_\_\_\_  
 Print Name of Notary Public  
 My Commission No.: \_\_\_\_\_  
 My Commission expires: \_\_\_\_\_



**EXHIBIT "A"**

**LEGAL DESCRIPTION**

**PARCEL 1:**

Lot 12, less the South 100 feet, in Block 2, PINE RIDGE ESTATES, according to the Plat thereof, recorded in Plat Book 24, Page 10, of the Public Records of Broward County, Florida; and also the East 30 feet of Lot 11, less the South 100 feet in Block 2, PINE RIDGE ESTATES, according to the Plat thereof, recorded in Plat Book 24, Page 10, of the Public Records of Broward County, Florida; less that portion of Lot 12 conveyed to the State of Florida Department of Transportation by Deeds recorded in Instrument Numbers 112853176 and 112853177, of the Public Records of Broward County, Florida.

**PARCEL 2:**

The South 100 feet of Lot 12, in Block 2, PINE RIDGE ESTATES, according to the Plat thereof, as recorded in Plat Book 24, Page 10, of the Public Records of Broward County, Florida.

**PARCEL 3:**

Lot 11, less the West 220 feet and less the North 230 feet of the East 30 feet in Block 2, PINE RIDGE ESTATES, according to the Plat thereof, as recorded in Plat Book 24, Page 10, of the Public Records of Broward County, Florida.

*end of legal description*

**EXHIBIT "B"**

**PERMITTED EXCEPTIONS**

1. Taxes and assessments for the year 2022 and subsequent years, which are not yet due and payable.
2. Restrictions, covenants, conditions, easements and other matters as contained on the Plat of PINE RIDGE ESTATES, recorded in Plat Book 24, Page 10, of the Public Records of Broward County, Florida.
3. Easement in favor of Florida Power & Light Company filed February 13, 1958 recorded in Official Records Book 1147, Page 22; subordinated by Subordination of Utility Interests recorded in Official Records Book 49950, Page 1739, of the Public Records of Broward County, Florida.
4. Easement in favor of Florida Power & Light Company filed April 18, 1962 recorded in Official Records Book 2379, Page 491; subordinated by Subordination of Utility Interests recorded in Official Records Book 49950, Page 1739, of the Public Records of Broward County, Florida.
5. Easement in favor of Florida Power & Light Company filed April 18, 1962 recorded in Official Records Book 2379, Page 497; subordinated by Subordination of Utility Interests recorded in Official Records Book 49950, Page 1739, of the Public Records of Broward County, Florida.
6. Easement in favor of Florida Power & Light Company filed November 13, 1970 recorded in Official Records Book 4349, Page 812, of the Public Records of Broward County, Florida.
7. Terms and Conditions set forth in Easement Agreement between Constantine P Lantz and David E. Zell, as 'Owner' and Walgreen Co, an Illinois corporation, as 'Tenant', filed January 4, 1984 recorded in Official Records Book 11384, Page 87, of the Public Records of Broward County, Florida.
8. Terms and Conditions set forth in unrecorded lease dated December 1, 1983 between Constantine P. Lantz and David E. Zell, as Landlord, and Walgreen Co., an Illinois corporation, as Tenant, as memorialized by Memorandum of Lease filed January 4, 1984 and recorded in Official Records Book 11384, Page 108; together with Joinder and Consent recorded in Official Records Book 11686, Page 188, of the Public Records of Broward County, Florida.
9. City of Hollywood Planning and Development Board Resolution No. 14-V-06, re: Property cure for eminent domain proceedings to cure a non-conformity by approving three variances, filed August 22, 2014 recorded in Official Records Book 51033, Page 1408, of the Public Records of Broward County, Florida.



10. City of Hollywood Planning and Development Board Resolution No. 16-V-87, re: Variances, filed June 5, 2017 recorded in Instrument Number 114424213, of the Public Records of Broward County, Florida.
11. Existing unrecorded leases and all rights thereunder of the lessors and of any person claiming by, through or under the lessees.
12. The following matters disclosed by survey prepared by Timothy H. Gray, Professional Surveyor and Mapper, State of Florida Registration No. 6604, of Keith & Associates, Inc., dated May 04, 2021, last revised October 29, 2021, under Project No. 11074.01:
  - a) Concrete curbing runs over and across a 12' FP&L Easement per O.R. 2379, Page 491;
  - b) 6' Chain link fence runs over and through a 5' FP&L Easement per O.R. 4349, Page 812;
  - c) 6' Chain link fence and concrete curbing runs over and through an Easement Agreement (future building area) per O.R. 11384, Page 87;
  - d) 6' Chain link fence meanders along the South line of property; and
  - e) Catch basins, Grease manhole, Irrigation pump pad, Storm drain manholes, and various fencing run throughout property.

# Attachment C

## PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** (this "Agreement") is made by and between **TP HOLLYWOOD, LLC**, a Florida limited liability company ("Seller"), having an address at 506 Ocean Front, A, Neptune Beach, Florida 32266, and, and **PC GP HOLDINGS, LLC**, a Florida limited liability company, its successors and/or assigns ("Purchaser"), whose office address is 9400 South Dadeland Boulevard, Suite 100, Miami, Florida 33156. The "Effective Date" of this Agreement shall be the date that this Agreement is fully executed by Seller and Purchaser.

1. **Property.** Subject to and in accordance with the terms, covenants, and conditions of this Agreement, Seller agrees to sell and convey to Purchaser, and Purchaser agrees to purchase from Seller, (i) that certain real property owned by Seller comprising of Broward County Folio I.D. Number 514113040080, located in the City of Hollywood in Broward County, Florida, and legally described on **EXHIBIT A** attached hereto and incorporated herein by this reference (the "Land"), together with: (a) any and all buildings and improvements located on the Land (the "Improvements"); (b) any and all fixtures attached or related to the Land and/or the Improvements, if any (the "Fixtures"); (c) all of Seller's right, title and interest, if any, in and to any and all easements, rights, privileges, air rights, and other rights, tenements, hereditaments, and appurtenances in any way belonging or appertaining to, or otherwise inuring to the benefit of, the Land and/or the Improvements; and (d) all of Seller's right, title, and interest, if any, to the air space above the Land, and zoning entitlements, development rights, and appurtenances accruing to the Land, and/or related to the proposed development thereof, under, or by reason of, any applicable zoning ordinance or other law, rule, regulation, or ordinance (the "Development Rights") (collectively, the "Real Property"); (ii) any and all tangible and intangible personal property of Seller located on, or related to, the Real Property (the "Personal Property") including, without limitation: (a) the mobile homes identified on **EXHIBIT B** (the "Seller Mobile Homes"); (b) all development rights for the Real Property, or any part thereof, which Seller has, including, without limitation, those relating to utilities, prepaid water and sewer connection fees, reservation fees and impact fees; (c) all right, title and interest of Seller in any approved site plans, development plans, development orders or development agreements as they relate to the Real Property; (d) all environmental, water, sewer, drainage, road, excavation, fill and all other construction and development applications, permits, licenses, and rights, contractual or otherwise, relating to the Real Property; (e) all rights and interests of Seller under any agreements, with any governmental authorities having jurisdiction over the Real Property relating to flood control, drainage, roads, water or sewer facilities or other infrastructure, construction and development for the Real Property; (f) all of Seller's right, title and interest in and to any and all service contracts, laundry leases, cable television contracts, equipment leases and other contracts and agreements affecting or related to the Land, the Improvements and/or the Personal Property, other than any management or similar agreements (which shall be terminated at Closing (as hereinafter defined)), a true and complete schedule of which is attached hereto as **EXHIBIT C** (collectively, the "Contracts"); (g) all right, title and interest of Seller in and to the name "Royal Hawaiian Mobile Home Park" and variations thereof, and any telephone numbers utilized in connection with the operation thereof; and (h) any and all right, title and interest of Seller in any environmental and/or wetlands mitigation relating to the Real Property, or any portion thereof (collectively, the "Development Plans and Approvals"), but excluding therefrom any personal property which belongs to or is the property of any tenant under a Lease (as hereinafter defined) who is in possession of any portion of the Land, Improvements, and/or the Seller Mobile Homes including



the mobile homes identified on **EXHIBIT B-1** (the "Tenant Mobile Homes"); and (iii) all of Seller's right, title and interest in and to any and all leases and tenancies pursuant to which any portions of the Improvements and/or Seller 2 Mobile Homes are leased (collectively, the "Tenancies"), including any rights thereunder with respect to prepaid rents, security deposits, pet deposits and fees or other deposits, a true, correct and complete schedule of which is attached hereto as **EXHIBIT D** (the "Rent Roll"). The Real Property, the Personal Property, and the Tenancies are collectively referred to herein as the "Property."

2. **Deposits.** Within two (2) business days following the Effective Date, Purchaser shall deposit as an earnest money deposit, the sum of Twenty-Five Thousand and No/100 Dollars (\$25,000.00) (the "Initial Deposit") with Old Republic National Title Insurance Company, located at 600 West Hillsboro Boulevard, Suite 450, Deerfield Beach, Florida 33441, Attn: Eric R. Tomchin, Esq. (the "Escrow Agent"). Purchaser shall make an additional deposit payable to Escrow Agent in the amount of Seventy-Five Thousand and No/100 Dollars (\$75,000.00) (the "Second Deposit") within two (2) days following the expiration of the Inspection Period (as hereinafter defined). If Purchaser fails to terminate this Agreement prior to the expiration of the Inspection Period, the Initial Deposit and the Second Deposit (sometimes collectively referred to herein as the "Escrow Deposit") shall be due and payable and non-refundable to Purchaser (except as otherwise expressly provided for herein) and credited to the Purchase Price (as hereinafter defined) at the closing of the transaction evidenced by this Agreement ("Closing"), unless Seller is in default under this Agreement or Purchaser is otherwise entitled under this Agreement to receive the Escrow Deposit, in which case the Escrow Deposit, together with any interest accrued thereon, shall be disbursed by Escrow Agent to the appropriate party in accordance with the applicable provisions of this Agreement.

3. **Purchase Price.** The purchase price to be paid by Purchaser for the Property (the "Purchase Price") shall be in aggregate amount of Three Million Five Hundred Thousand and No/100 Dollars (\$3,500,000.00). The Purchase Price shall be paid by Purchaser to Seller as follows: (i) the Escrow Deposit shall be applied against the Purchase Price, and (ii) the balance of the Purchase Price shall be paid in cash at Closing, subject to closing adjustments and prorations as hereinafter provided, in immediately available funds in the form of a certified or cashier's check or by wire transfer.

4. **Title Commitment and Survey.**

(a) Within the Inspection Period, Purchaser may, at its sole expense, obtain (i) a title insurance commitment (the "Title Commitment") for a fee owner's title insurance policy covering the Real Property (the "Title Policy") from a title insurance company selected by Purchaser (the "Title Company") and (ii) a survey of the Real Property (the "Survey").

(b) Purchaser shall, no later than the end of the Inspection Period, notify Seller in writing specifying any objections to matters shown on the Title Commitment or the Survey (the "Title Objections"). Any matters on the Title Commitment or the Survey that Purchaser does not timely object to, the Tenancies, and any matters which are not items set forth in Sections 4(c)(ii)-(iii) below, shall be deemed "Permitted Exceptions." Within ten (10) business days after Seller's receipt of Purchaser's notice of the Title Objections, Seller shall advise Purchaser in writing that: (i) Seller shall cause the Title Objections to be removed or remedied prior to Closing or (ii) Seller shall not cause the Title Objections to be removed or remedied prior to Closing. Notwithstanding the foregoing, Seller shall be required to satisfy, cure or remedy those matters set forth in Sections

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4(c)(ii)-(iii) below, even if such items are not Title Objections. If Seller does not notify Purchaser in writing of its election within the above-referenced ten (10) business day period, Seller shall be deemed to have elected to cause all of the Title Objections to be removed or remedied prior to Closing. If Seller does not elect to cause all of the Title Objections to be removed or remedied prior to Closing, Purchaser shall have ten (10) business days after receipt of Seller's notice of the Title Objections which it will not cure to elect in writing to: (i) proceed with the purchase and acquire the Property subject to the Title Objections which Seller has not agreed to cure; or (ii) terminate this Agreement by written notice to Seller and Escrow Agent, in which case the Escrow Deposit and any interest accrued thereon, shall be returned to Purchaser, whereupon both parties shall be released from all further obligations under this Agreement, except those which specifically survive termination hereof.

(c) At or prior to Closing, Seller shall cause to be cured, remedied, or released (i) any and all Title Objections which Seller has elected, or is deemed to have elected, to cure pursuant to Section 4(b), (ii) any mortgages or deeds of trust, judgment liens, construction liens and other liens (other than the lien of real estate taxes and assessments not yet due and payable) concerning the Property provided for by statute, code or ordinance, or created by express grant in writing by Seller, and (iii) any and all encumbrances and/or exceptions concerning the Property created by, under or through Seller after the Effective Date.

(d) From time to time prior to Closing, Purchaser may cause, at its sole expense, the Title Commitment and/or the Survey to be updated (the "Title Update") and a copy of the Title Update shall be delivered to Seller. If Purchaser objects to any matters shown on the Title Update that were not shown on the Title Commitment or the Survey, such matters shall be deemed Title Objections and the provisions of subparagraphs 4(b) and 4(c) shall apply to those matters.

#### 5. Inspections.

(a) Within ten (10) days of the Effective Date, Seller shall provide Purchaser with copies of the materials concerning the Property listed on **EXHIBIT E** attached hereto and incorporated herein by this reference, provided that the materials are in existence and in Seller's possession or control (the "Property Document(s)"). Following Seller's delivery of the Property Documents, if, prior to Closing, Seller subsequently comes into possession of a document that would be considered a Property Document, Seller shall provide Purchaser with a copy of such additional Property Document immediately upon Seller's receipt of said document. Seller does not make any representation or warranty, either express or implied, as to the accuracy of the information contained in the Property Documents.

(b) Purchaser's inspection period under this Agreement shall begin on the Effective Date and expire at 5:00 p.m. Eastern Time, ninety (90) days thereafter (the "Inspection Period").

(c) At all times during the Inspection Period (and thereafter so long as this Agreement is not terminated), Purchaser may examine and inspect the Property and the Property Documents, and in connection therewith, Purchaser and Purchaser's contractors, consultants, employees, and agents shall be entitled to enter upon the Property, and any portions thereof, upon at least forty-eight (48) hours' notice to Seller (which may be given telephonically or via e-mail or text) and to conduct such tests, studies, and analyses, including, but not limited to, soil tests, environmental and hazardous material (including asbestos) tests, studies, and analyses, and to take



any and all other steps or actions determined by Purchaser to be necessary, proper, or appropriate to determine the feasibility (economic or otherwise) of the acquisition of the Property by Purchaser. Purchaser shall release two (2) copies of all third-party studies, reports and/or surveys within five (5) days of its receipt to Seller. For the avoidance of doubt, Seller's receipt of the due diligence materials referenced in the immediately preceding sentence is not in any way a condition which must be met before an immediate release of the Escrow Deposit by the Escrow Agent in the event of Purchaser's termination of this Agreement pursuant to this Section 5 or Section 9. Purchaser indemnifies, defends, and holds Seller and its members, principals, agents, representatives, attorneys, and employees harmless against any and all claims, actions, suits, demands, losses, liabilities, damages, costs, and/or expenses (including, without limitation, reasonable attorneys' fees and costs, including those incurred in dispute resolution or appellate proceedings) on account of any act, omission, or negligence by Purchaser or Purchaser's contractors, consultants, employees, and agents in connection with the Property inspections. Purchaser shall cause to be repaired any physical damage to the Property caused by such inspection activities. The provisions of this Section 5(c) shall survive the termination of this Agreement.

(d) Prior to the expiration of the Inspection Period, Purchaser or its consultants or agents shall not discuss with the Seller's manager, agents or tenants the proposed sale and purchase of the Property or any terms of this Agreement.

(e) At any time prior to the expiration of the Inspection Period, Purchaser may, in its sole and absolute discretion, and for any reason or for no reason whatsoever, terminate this Agreement upon written notification to Seller and Escrow Agent. Upon such termination, Escrow Agent shall return the Escrow Deposit (together with any accrued interest thereon), to Purchaser and all of the rights, duties and obligations of Purchaser and Seller under this Agreement will immediately terminate, except for those which specifically survive termination.

6. Seller's Representations, Warranties and Covenants. As of the Effective Date and as of the Closing, Seller represents and warrants to Purchaser, and where indicated, covenants and agrees, as follows:

(a) With respect to the Tenancies:

(i) The Rent Rolls (as well as the updated Rent Rolls to be provided pursuant to Section 12 hereof) and all of the information contained therein are accurate and true, correct and complete.

(ii) There is no default on the part of either the landlord (and Seller has not received notice asserting any such defaults and is not otherwise aware of any such assertions) or any tenant, except as may be noted on the Rent Rolls.

(iii) There are no leases, tenancies, or other rights of occupancy or use for any portion of the Property, except as may be noted on the Rent Rolls.

(iv) None of the tenancies has been modified, altered, or amended in any respect, except as may be noted in the Rent Rolls. No tenant has the right to extend, renew, cancel or terminate its Lease, except as may be noted on the Rent Rolls.



(v) There are no tenancies, or other rights of occupancy or use for any portion of the Property other than the tenants listed on the Rent Roll, which are all oral, month-to-month tenancies, all of which are terminable upon no less than thirty (30) days prior written notice.

(vi) There were and are no side agreements or ancillary agreements by and between Seller and any of the tenants.

(vii) From and after the Effective Date, Seller shall not enter into any new tenancies except on a month-to-month basis. To the extent that the Seller foregoes entering into any such new tenancies during the ninety (90) days immediately preceding the scheduled Closing Date, Seller shall be compensated for any lost revenue associated with foregoing these tenancies only as provided in Section 27 below.

(viii) Seller has handled all security deposits and other similar sums in accordance with all applicable statutory requirements. Prior to Closing, Seller shall not retain any security deposits or prepaid rents under any of the Tenancies, except as follows: (a) if the tenant under any Lease has vacated the premises or a final judgment of possession in favor of Seller with respect to the applicable Lease (a "Possession Judgment") has been obtained prior to Closing, Seller may retain any security deposit or prepaid rents with respect to such Lease for its own account; or (b) if, at the time of Closing, the tenant under any Lease is in default, but such tenant has not vacated the premises and no Possession Judgment has been obtained, the security deposit and prepaid rents shall be held in escrow by Escrow Agent until such time as the tenant has vacated or been evicted from the leased premises, whereupon Seller and Purchaser shall agree upon a fair and equitable disposition of the security deposit and prepaid rents as between themselves, taking into account the condition of the premises and the period of time during the term of such Lease that each has owned the Property.

(b) If Seller is not a natural person, Seller is duly organized and validly exists under the law of its jurisdiction of organization and is authorized to transact business in the State of Florida, with full power and authority to enter into and perform this Agreement in accordance with its terms.

(c) The execution, delivery and performance by Seller of this Agreement has been duly and validly authorized by all requisite action on the part of Seller.

(d) This Agreement constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

(e) Seller owns the Property (other than the Seller Mobile Homes) in fee simple, subject only to the Permitted Exceptions, and Seller will have good, marketable lien-free title to the Seller Mobile Homes as of Closing.

(f) There are no actions, suits or proceedings pending or, to the best of Seller's knowledge, threatened against Seller or the Property.

(g) No condemnation or eminent domain proceedings are now pending or, to the best of Seller's knowledge, threatened concerning the Property, and Seller has received no notice from any governmental or quasi-governmental agency or authority or potential condemnor concerning any right-of-way, utility, or other taking which may affect the Property.



(h) To best of Seller's knowledge, there is no existing tenants' union, tenant's association, mobile home owner's association formed pursuant to Section 723.075, Florida Statutes, or similar organization presently in existence at any of the Property and Seller has no knowledge of any contemplated organization of tenants or mobile home owners or contemplated concerted action by such persons.

(i) To the best of Seller's knowledge, no prospectus has been filed by the Seller with the Florida Department of Business and Professional Regulation, Division of Florida Condominiums, Timeshares and Mobile Homes.

(j) Attached hereto as **EXHIBIT F** is a complete list of all governmental permits, licenses and approvals issued to Seller in connection with Seller's operation of the Property as a mobile home community (the "Permits"), and there are no uncured defaults with respect to any of the Permits. Any permits, licenses or approvals issued to a tenant is hereby excluded from this provision.

(k) Except as may be set forth to the contrary in any environmental assessment, soils, or similar investigation reports concerning the Property delivered by Seller to Purchaser, to Seller's knowledge there are no hazardous substances present on the Property in any quantity or manner that violates, or that gives rise to liability, under any applicable environmental law, regulation, or ordinance ("Environmental Laws").

(l) Neither the execution and delivery of this Agreement by Seller, nor the consummation by Seller of the transaction contemplated hereby, will (i) require Seller to file or register with, notify, or obtain any permit, authorization, consent, or approval of any person or entity (including any governmental, quasi-governmental or regulatory authority), (ii) violate or breach any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under any agreement or other instrument, commitment, or obligation to which Seller is a party, or by which Seller, the Property, or any of Seller's assets may be bound, or (iii) violate any order, writ, injunction, decree, judgment, statute, law, or ruling of any court or governmental authority applicable to Seller, the Property or any of Seller's assets.

(m) During the term of this Agreement, Seller shall maintain (i) the Property in substantially the same condition as it is in on the Effective Date and (ii) all insurance policies for the Property as of the Effective Date in full force and effect through Closing.

(n) Seller has not (i) entered into any other contracts for the sale of all or any portion of the Property, (ii) granted any options to purchase all or any portion of the Property, or (iii) granted any rights of first refusal with respect to the sale of all or any portion of the Property.

(o) Unless otherwise permitted under this Agreement, from and after the Effective Date, Seller shall not grant or otherwise create or consent to the creation of any easement, restriction, lien, assessment or encumbrance affecting the Real Property, or pursue any re-zoning of the Real Property or any other land use approvals relating to the Property without Purchaser's written consent, which consent may be withheld at Purchaser's sole and absolute discretion.

(p) Seller has not received any written order or notice of any governmental authority having jurisdiction over the Property which has not been previously fully complied with or cured. To the best of Seller's knowledge after due inquiry, all requirements of all applicable



laws, ordinances, rules, requirements and environmental rules of any governmental agency, body or subdivision thereof bearing on the Property have been complied with and will continue to be complied with until Closing, and there are no pending investigations or inquiries into the status of the Property's compliance with all governmental laws, including the environmental condition of the Property.

(q) No commitments relating to the Property have been made by Seller to any governmental authority, utility company, school board, church or other religious body, any property owners' association, or any other organization, group or individual which would impose an obligation upon Purchaser or its successors or assigns to make any contribution, or dedication of money or land or to construct, install or maintain any improvements of a public or private nature on or off the Property, and to the best of Seller's knowledge, no governmental authority has imposed any requirement that any owner of the Property pay directly or indirectly any special fees or contributions or incur any expenses or obligations in connection with the Property.

(r) Seller is not in default (and has committed no act that, with the passage of time and/or the giving of notice would be a default) under any indenture, mortgage, deed of trust, loan agreement, or other agreement to which Seller is a party and which affects the Property.

(s) Seller (i) has not made an assignment for the benefit of creditors, (ii) has not admitted in writing its inability to pay its debts as they mature, or (iii) has not been adjudicated as bankrupt or insolvent, or filed a petition for voluntary bankruptcy or a petition or answer seeking reorganization or an arrangement with creditors under the federal bankruptcy law or any other similar law or statute of the United States or any State, and no such petition has been served upon Seller.

(t) Seller has no knowledge of any Open Permits or Code Violations (as hereinafter defined) which affect the Property.

(u) Seller is not any of the following: (i) a person or entity that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (herein called the "Executive Order"), a Foreign Terrorist Organization designated by the United States Department of State or an individual or entity who has engaged in or engages in terrorist activity, or has provided or provides material support for terrorist activities or terrorist organizations, as prohibited by U.S. law, including but not limited to the USA PATRIOT Act, P.L. 107-56; (ii) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity that is named as a "specifically designated national" or "blocked person on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control (herein called "OFAC") at its official website, <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>; (iv) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC or under any executive order issued by the President of the United States; or (v) a person or entity that is (1) affiliated with, (2) controlling or controlled by (directly or indirectly), or (3) an agent or nominee for any person or entity identified in the foregoing clauses (i), (ii), (iii), or (iv).

The foregoing representations and warranties will survive the Closing or the earlier termination of this Agreement.



7. Purchaser's Representations, Warranties and Covenants. As of the Effective Date and as of the Closing, Purchaser represents and warrants to Seller, and where indicated, covenants, and agrees, as follows:

(a) Purchaser is duly organized, validly existing, and in good standing under the laws of the State of Florida;

(b) Purchaser has full power and authority to enter into and perform this Agreement in accordance with its terms;

(c) the person executing this Agreement on behalf of Purchaser has been duly authorized by Purchaser to do so;

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

(e) At all times prior to Closing contemplated by this Agreement, Purchaser is not any of the following: (i) a person or entity that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (herein called the "Executive Order"), a Foreign Terrorist Organization designated by the United States Department of State or an individual or entity who has engaged in or engages in terrorist activity, or has provided or provides material support for terrorist activities or terrorist organizations, as prohibited by U.S. law, including but not limited to the USA PATRIOT Act, P.L. 107-56; (ii) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity that is named as a "specifically designated national" or "blocked person on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control (herein called "OFAC") at its official website, <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>; (iv) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC or under any executive order issued by the President of the United States; or (v) a person or entity that is (1) affiliated with, (2) controlling or controlled by (directly or indirectly), or (3) an agent or nominee for any person or entity identified in the foregoing clauses (i), (ii), (iii), or (iv).

8. Governmental Approval Applications. Seller shall promptly, upon Purchaser's request and provided Seller thereby assumes no liability or obligation and at no cost to Seller, join in or otherwise consent to any and all applications (collectively, the "Applications") with respect to zoning, platting, site plan approval, vacations, dedications, surface water management permits, drainage permits, concurrency compliance approvals, building permits, and any and all other permits, consents, approvals, and/or authorizations which, in Purchaser's reasonable opinion, are necessary or desirable for the development of the Property for Purchaser's Intended Use. Seller hereby appoints Purchaser as its attorney-in-fact to make in the name of Seller all such Applications. Purchaser shall have a license to use all Development Plans and Approvals and the Property Information in connection with the Applications prior to Closing. Seller agrees to cooperate with Purchaser in having any and all relevant surveys, reports, and/or studies re-certified to Purchaser.



9. Closing Conditions. Seller and Purchaser acknowledge and agree that the obligation of Purchaser to consummate the transaction contemplated hereby is also subject to the satisfaction of the following conditions (the "Closing Conditions"), unless waived in writing by Purchaser prior to Closing:

(a) At Closing, there shall have been no material, adverse change to the condition of the Property from the condition existing on the Effective Date (ordinary wear and tear excepted), including, without limitation, any adverse change to the environmental condition of the Property.

(b) By Closing, Purchaser shall have satisfied or waived in writing the "Tax Credit Contingency." For purposes of this Agreement, the term "Tax Credit Contingency" means, collectively: (i) an award from Florida Housing Finance Corporation ("FHFC") in connection with any Request for Applications #2021-202 ("RFA") issued by FHFC prior to [December 31, 2021], for Federal Income Tax Credits under the "Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties" (the "Tax Credits") in an amount sufficient, in Purchaser's sole and absolute discretion, to enable Purchaser to acquire the Property and construct its intended improvements on the Property, with all time to appeal such award having expired and with no appeal then pending and no appeal instituted or petition filed, and (ii) a binding commitment acceptable to Purchaser in its sole and absolute discretion for a syndication/sale of such Tax Credits to an investor. If Purchaser has not satisfied the Tax Credit Contingency within the time period provided for herein, whether as a result of (x) not receiving an allocation of Tax Credits, (y) withdrawing or not submitting its application for Tax Credits as a result of Purchaser's good faith determination that its application for Tax Credits would not be successful, or (z) not receiving a commitment satisfactory to Purchaser as contemplated in clause (ii) of this Section 9(b), Purchaser shall have the right to terminate this Agreement upon delivering written notice thereof to Seller; provided, however, Purchaser's withdrawal of its application for Tax Credits shall not be a condition precedent to the return of the Escrow Deposit.

(c) Seller and Purchaser acknowledge and agree that this is an "as is" transaction; that is, Seller shall maintain the Property in the same condition as it currently is in as of the Effective Date. Seller shall not cause any new violations of applicable codes ("Code Violations") and shall close any open permits ("Open Permits") relating to the Property. Notwithstanding the foregoing, Purchaser acknowledges its intent to wind down use of the Land as a mobile home park pursuant to Chapter 723 of the Florida Statutes (the Florida Mobile Home Act), following Closing. Under no circumstances shall Seller be responsible for any Code Violations, Open Permits or related issues caused by or associated with tenants of the Property, unless same are the responsibility of the owner of the Real Property or otherwise attach to the fee interest of Seller.

If any of the foregoing conditions is not satisfied by the date provided therefor, Purchaser may terminate this Agreement and receive a full refund of the Escrow Deposit.

10. Closing. Unless sooner terminated by either Seller or Purchaser pursuant to the provisions of this Agreement and subject to the terms and conditions of this Agreement, Closing shall take place at the offices of the Escrow Agent at 10:00 a.m. Eastern Time, or by mail, or at another location mutually-agreeable to the parties, on the later to occur of: (i) April 30, 2022, and (ii) the latest date specified in the applicable FHFC RFA, through which Purchaser must

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demonstrate "site control" in order for this Agreement to constitute a "qualifying" or "eligible" contract under the applicable FHFC RFA (the "Closing Date"). If Purchaser elects to exercise its right to close earlier, Purchaser will notify Seller of the earlier Closing Date at least ten (10) days prior to the new Closing Date.

11. Apportionment, Adjustments and Closing Costs.

(a) Seller shall be responsible for and pay all accrued expenses with respect to the Property accruing up to 11:59 p.m. Eastern Time on the day prior to the Closing Date (the "Adjustment Date") and shall be entitled to receive and retain all revenue from the Property accruing up to such time.

(b) Real estate taxes shall be prorated as of the Adjustment Date. If the real estate tax bills for the year of Closing have been rendered as of the Adjustment Date, such taxes shall be prorated based on the maximum lawful discount. If the real estate tax bills for the year of Closing have not been rendered as of the Adjustment Date, such taxes will be prorated based upon the amount for the tax bills for the prior year (based upon the maximum lawful discount), and will be re-prorated upon the request of either party once the actual bills are rendered, after applying the maximum lawful discount.

(c) Certified assessment liens by any governmental or quasi-governmental authority as of the Adjustment Date shall be paid by Seller. Pending assessment liens by any governmental or quasi-governmental authority as of the Adjustment Date shall be assumed by Purchaser; provided, however, that where the improvement with respect to such pending assessment lien has been substantially completed as of the Closing Date, such pending lien shall be considered as certified and Seller shall be charged at Closing an amount equal to the last estimate by the public body of the assessment for the improvement. Special assessments shall be prorated as of the Adjustment Date. Notwithstanding the foregoing, Seller shall not be responsible for payment of any assessment lien related to, associated with or caused by Purchaser's anticipated redevelopment of the Real Property or any plans thereto.

(d) Seller shall pay: (i) all transfer taxes and documentary stamps (including any applicable surtax) with respect to sale of the Real Property and the recording of the special warranty deed to Purchaser for the Real Property; (ii) the costs of recording any instruments necessary to satisfy the title requirements of the Title Company and this Agreement; (iii) the cost of obtaining and delivering the Property Documents to Purchaser; and (iv) its own attorneys' fees incurred in connection with this transaction, except as provided in Section 21 of this Agreement.

(e) Purchaser shall pay: (i) the costs and any reports and inspections ordered by or through Purchaser; (ii) the cost of obtaining the Title Commitment, the Survey, and the Title Update, and the premiums associated with any Title Policy or any endorsements thereto; (iii) any other costs associated with any loan obtained by Purchaser in connection with this transaction; (iv) except as provided in Section 21, its own attorneys' fees incurred in connection with this transaction; (v) all costs relating to applications for zoning, site plan, or other governmental approvals; and (vi) all architectural and engineering costs incurred by Purchaser in connection with its proposed development of the Property for its Purchaser's Intended Use.

(f) Rents for the month in which the Closing Date occurs (the "Closing Month") shall be prorated as of the Adjustment Date. Such proration at Closing shall be made

  
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based on the amounts actually collected as of the Closing Date, but the closing statement shall provide for the parties to cooperate with each other to provide for a comparable reconciliation and proration of rents for the Closing Month as additional sums are received. If past due rents are owing by tenants for months prior to the Closing Month (the "Rent Arrearage"), Purchaser shall, for a period of six (6) months after the Closing Date, bill all tenants for such sums, and Seller shall be entitled to any funds (except amounts specifically identified as prepaid rents or security deposits) received from such tenants by Purchaser after the Closing Date which are in excess of amounts then owing to Purchaser from such tenants for the Closing Month and subsequent months. Nothing contained herein shall be deemed to prevent Seller from attempting to collect any Rent Arrearages after Closing, provided that Seller shall have no right to terminate any Tenancies or bring any eviction, replevin or similar actions. If Seller receives any rents for the Closing Month after Closing, Seller shall turn over same to Purchaser (subject to the proration provided for above) within thirty (30) days after its receipt of same. If, as and when Purchaser collects payments from a tenant on account of any Rent Arrearage, to the extent Seller is entitled to any portion of such funds pursuant to this subparagraph (f), Purchaser shall pay Seller an amount equal to the Rent Arrearage within thirty (30) days after Purchaser or its agent receives any such payment.

(g) Charges under Contracts which Purchaser has agreed to assume shall be prorated as of the Adjustment Date.

(h) Income from vending machines and tenant services, if any, shall be prorated as of the Adjustment Date.

(i) Seller shall obtain meter readings with respect to utilities as of the Adjustment Date. Seller shall be responsible for all such costs accruing prior to the Adjustment Date, and Purchaser shall be responsible for all such costs accruing after the Adjustment Date.

(j) At Closing, Purchaser shall receive a credit against the Purchase Price in an amount equal to all security, pet deposits (and fees) and similar deposits payable to tenants under the Tenancies or otherwise required by law and by the Tenancies, including all interest thereon which may be required by law or is required by the Tenancies. Upon making such credit, Purchaser will be deemed to have received all such security deposits and shall be fully responsible for same as if a cash amount equal to such security deposits were actually delivered to Purchaser, and Seller shall be entitled to retain such deposits and interest, if any, so credited as a portion of the Purchase Price due Seller at Closing.

(k) The provisions of this Section 11 shall survive the Closing.

12. Deliveries by Seller at Closing. At the Closing, Seller shall cause to be delivered to Purchaser the following documents and other items, all in form and substance reasonably acceptable to Seller, Purchaser, and their legal counsel: (a) a special warranty deed signed by Seller conveying insurable and marketable fee simple title to all of the Real Property, subject only to the Permitted Exceptions; (b) a bill of sale conveying any tangible Personal Property located upon the Property; (c) an assignment of Seller's right, title, and interest in the Development Plans and Approvals, the Development Rights, and any intangible Personal Property related to the Property, to the extent assignable; (d) the Development Plans and Approvals and any documents related to the Development Rights, to the extent applicable and in Seller's possession or control; (e) if Seller is not a natural person, appropriate entity resolutions of Seller, evidence of Seller's good standing and authority to transact business, and such other documentation evidencing Seller's authority to



sell the Property to Purchaser pursuant to this Agreement that may be required by the Title Company; (f) a duly executed certificate required under the Foreign Investors in Real Property Tax Act of 1980, as amended; (g) a closing statement executed by Seller showing all monies paid and to be paid in connection with the transaction contemplated hereby (the "Closing Statement"); (h) a title affidavit reasonably satisfactory to the Title Company for purposes of deleting the applicable standard pre-printed exceptions from the Title Commitment and Title Policy; (i) corrective title instruments, if any, necessary to cure any Title Objections or satisfy any requirements of the Title Company; (j) a letter to each of the tenants of the Property signed by Seller indicating that the Property has been sold to Purchaser and directing that all future rental payments be sent to Purchaser, in a form approved by the parties; (k) an updated certified Rent Roll signed by Seller, which Rent Roll shall cover the period at least through the end of the month prior to the month of Closing; (l) keys, combinations and/or pass-codes to all locks for the Improvements and Seller Mobile Homes; (m) an assignment of Seller's right, title and interest as landlord in, to and under the Tenancies, which assignment shall be in a form mutually acceptable to Purchaser's counsel and Seller's counsel; (n) an assignment of Seller's right, title and interest in, to and under the Contracts, together with originals of the Contracts, which assignment shall be in a form mutually acceptable to Purchaser's counsel and Seller's counsel; (o) an original Certificate of Title (if applicable) and bill of sale for each of the Seller Mobile Homes; (p) evidence of the termination as of or before the Closing Date of any property management agreement with respect to the management or operation of the Property; (q) an original affidavit contemplated by Section 723.072, Florida Statutes, confirming Seller's compliance with the provisions of Sections 723.071 and 723.072, Florida Statutes; and (r) such other documents as are customarily given in comparable transactions in Broward County, Florida, or as may be reasonably requested by Purchaser's counsel or the Title Company consistent with the intent of this Agreement.

13. Deliveries by Purchaser at Closing. At Closing, Purchaser shall cause to be delivered to Seller the following documents and other items: (i) immediately available funds via wire transfer, payable to Seller in an amount equal to the balance of the Purchase Price, plus or minus any closing adjustments as set forth in Section 11 or other Closing credits in favor of Purchaser provided for in this Agreement; (ii) the Closing Statement executed by Purchaser; and (iii) such other documents as are customarily given in comparable transactions in Broward County, Florida, or as may be reasonably requested by Seller's counsel or the Title Company consistent with the intent of this Agreement.

14. Default.

(a) In the event that Seller is not entitled to terminate this Agreement under any provision hereof and Purchaser is not in default in performance of the terms hereof, then in the event that Seller should fail to consummate the transaction contemplated herein, fail to perform any of its obligations hereunder, or is otherwise in breach or default hereunder in any respect, including, but not limited to, being in breach of a representation or warranty, then Seller shall be in default under this Agreement and Purchaser may elect, as its sole and exclusive remedy, either to (i) terminate this Agreement and (1) receive the return of the Escrow Deposit and any interest accrued thereon, and (2) recover from Seller damages in an amount equal to all out of pocket costs and expenses incurred by Purchaser in connection with the proposed acquisition and development of the Property, or (ii) pursue an action for specific performance. Notwithstanding the foregoing, if Seller's default consists of a sale of the Property to a third party in violation of Purchaser's rights under this Agreement, Purchaser shall have the right to pursue any legal remedy available at law



or in equity. Nothing contained herein shall be deemed to limit the obligations of Seller or the remedies of Purchaser available at law or in equity with respect to a breach or a default by Seller of any obligation hereunder to the extent that this Agreement specifically provides that such obligation shall survive Closing or the earlier termination of this Agreement.

(b) In the event that Purchaser is not entitled to terminate this Agreement under any provision hereof and Seller is not in default in performance of the terms hereof, then in the event Purchaser shall fail to consummate the transaction contemplated herein, then Purchaser shall be in default under this Agreement and Seller may elect, as Seller's sole and exclusive remedy, to receive from the Escrow Agent or otherwise retain the Escrow Deposit to the extent paid and any interest accrued thereon, whereupon it shall be and become the sole property of Seller, such sums being agreed upon as Seller's liquidated damages for the failure of Purchaser to perform the duties, liabilities and obligations imposed upon Purchaser by the terms and conditions of this Agreement due to the difficulty, inconvenience, and uncertainty of ascertaining Seller's actual damages in the event of Purchaser's default under this Agreement. No other damages, rights, or remedies shall in any case be collectible, enforceable, or available to Seller other than as provided in this Section 14(b). Nothing contained herein shall be deemed to limit the obligations of Purchaser or the remedies of Seller available at law or in equity with respect to a breach or a default by Purchaser of any obligation hereunder to the extent that this Agreement specifically provides that such obligation shall survive Closing or the earlier termination of this Agreement.

15. Condemnation and Casualty.

(a) Condemnation. In the event that prior to Closing, any or all of the Property is taken as a result of condemnation or eminent domain proceedings, or if notice of such a taking is received by Seller, then Purchaser may, by written notice to Seller, elect to: (i) terminate this Agreement, in which event the Escrow Deposit and any interest accrued thereon, shall be returned to Purchaser, and neither party shall have any further obligations to the other (except for those obligations which expressly survive termination of this Agreement); or (ii) proceed with the purchase of the Property, in which case Seller shall, at Closing, assign to Purchaser all of Seller's right, title, and interest in and to any awards made on account of the taking.

(b) Casualty. The risk of loss or damage to the Property by reason of any casualty or other event prior to Closing shall be borne by Seller. If the Property is damaged prior to Closing, written notice thereof shall be delivered to Purchaser within ten (10) days of such damage. Seller shall have no obligation to restore the Property to the condition existing prior to the casualty, but Seller shall, at its sole cost and expense, remove the damaged improvements or otherwise secure them so that there are no violations of applicable codes, laws or ordinances pertaining to unsafe structures.

16. Brokers. The parties hereby represent and warrant each to the other that they have not utilized or engaged any real estate broker, salesman or finder with respect to the transaction contemplated by this Agreement other than the listing agent, Kevin Morris of Colliers International ("Seller's Broker") and Adolfo Palacios of Marcus & Millichap ("Buyer's Broker"). Seller shall pay the commission owed to Seller's Broker and Purchaser shall pay the commission owed to Buyer's Broker, each pursuant to a separate agreement. Each party hereby agrees to indemnify and hold the other harmless from and against any liability, loss, cost or expense (including reasonable attorneys' fees and court costs, including those incurred in dispute resolution or appellate matters) resulting from a claim or demand for any commissions in connection with this



Agreement or the purchase and sale of the Property which the indemnified party shall suffer as a result of a breach of the representations and warranties contained in this Section 16. The provisions of this Section 16 shall survive Closing or the earlier termination of this Agreement.

17. Escrow Agent. Escrow Agent has agreed to act as such for the convenience of the parties. Escrow Agent shall not be liable for any act or omission to act except for its own gross negligence or willful misconduct. Escrow Agent shall be entitled to rely on any document or paper received by it, believed by Escrow Agent, in good faith, to be bona fide and genuine. In the event of any dispute as to the disposition of the Escrow Deposit, Escrow Agent shall give written notice to all parties advising that, in the absence of written instructions signed by both Purchaser and Seller received within the next ten (10) business days, Escrow Agent shall interplead the Escrow Deposit by filing an interpleader action in the a court of competent jurisdiction in Broward County, Florida (the "Court") (to the jurisdiction of which both parties do hereby consent). If Escrow Agent receives the aforesaid written instructions from Purchaser and Seller, it shall continue to hold the Escrow Deposit pursuant to such written instructions. If Escrow Agent does not receive the aforesaid written instructions, it shall deliver into the registry of the Court the Escrow Deposit, including all interest earned thereon, whereupon Escrow Agent shall be relieved and released from any further liability as Escrow Agent hereunder.

18. Notices. Any and all notices required or permitted to be served pursuant to the terms of this Agreement shall be in writing, effective upon receipt and shall be (a) mailed by registered or certified mail, with return receipt requested and postage prepaid, (b) sent by Federal Express or other commercially recognized overnight mail service, postage prepaid, (c) hand delivered, or (d) delivered by facsimile transmission or email as follows:

If to Seller:	TP HOLLYWOOD, LLC [506 Ocean Front, A Neptune Beach, Florida 32266] Attention: Stephen H. Schneider Telephone No.: _____ Fax No.: _____ Email: _____	With a copy to:	<u>Roger Mervis, Esq.</u> <u>19 Shannon Lane</u> <u>Saco, Maine 04072</u> _____ _____ Telephone No.:(781)591-9281 _____ _____ Email: <u>roger.mervis@gmail.com</u> _____
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If to Purchaser:	PC GP Holdings, LLC 9400 South Dadeland Boulevard Suite 100 Miami, Florida 33156 Attention: David O. Deutch Telephone No.: (305) 854-7100 Fax No.: (305) 859-9858 Email: david@pinnaclehousing.com	With copies to:	Shutts & Bowen LLP 200 South Biscayne Boulevard Suite 4100 Miami, Florida 33131 Attention: Robert Cheng, Esq. Telephone No.: (305) 415-9083 Fax No.: (305) 347-7783 Email: rcheng@shutts.com
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If to        Old Republic National Title  
Escrow     Insurance Company  
Agent:     600 West Hillsboro Boulevard  
             Suite 450  
             Deerfield Beach, Florida 33441  
             Attention: Eric R. Tomchin, Esq.  
             Telephone No.: (954) 354-8372  
             Fax No.: (954) 421-9366  
             Email:  
             etomchin@OldRepublicTitle.com

Any party hereto may, at any time, by written notice to the other party hereto, designate any other address or contact information in substitution of the foregoing address or contact information to which notice under this Agreement shall be given and other parties to whom copies of all notices hereunder shall be sent. Further, notices submitted to or by an attorney on behalf of either party shall be sufficient for the purposes of this Agreement.

19. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement, nor any provision hereof, may be waived, modified, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge, or termination is sought, and then only to the extent set forth in such instrument. No delay or omission in the exercise of any right or remedy accruing to one party upon any breach by the other party under this Agreement shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by a party of any condition or the breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant or condition herein contained.

20. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without application of its conflict of law principles.

21. Attorneys' Fees. If any action or other proceeding is commenced to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs and disbursements at the dispute resolution, trial, and all appellate levels, notwithstanding any limitations on liability or remedies otherwise set forth in this Agreement.

22. Time. Time is of the essence. Unless business days are specifically referenced, any reference herein to time periods shall be calendar days and, in the computation thereof, include Saturdays, Sundays and legal holidays, but any time period provided for herein which shall end on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. Eastern Time of the next full business day.

23. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, representatives and assigns.

24. Headings. Headings in this Agreement are for convenience and reference only and shall not be used to interpret or construe its provisions.

25. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. Any signature delivered by facsimile, email, or other forms of electronic transmission, such as a PDF, shall be considered an original signature by the sending party.

26. Waiver of Jury Trial. WAIVER OF JURY TRIAL. SELLER AND PURCHASER WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THIS AGREEMENT OR THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT. ANY SUCH DISPUTES SHALL BE RESOLVED IN A BENCH TRIAL WITHOUT A JURY.

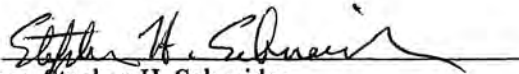
27. No Renting Activity Credit. Notwithstanding anything contained in this Agreement to the contrary, if any tenant vacates its mobile home located on the Property or does not renew its tenancy of a pad within the Property during the ninety (90) days immediately preceding the scheduled Closing date ("Vacated Premises"), Seller agrees not to enter into any new tenancy or other agreement whereby a tenant would obtain rights to occupy or possess the Vacated Premises. In exchange therefor, at Closing, Seller shall receive a credit in an amount equal to the rent paid for all Vacated Premises by the vacating tenant from the date said premises constituted Vacated Premises hereunder, through the Closing Date, calculated on a per diem basis. As an example only, if a tenant vacated its premises sixty (60) days prior to the Closing Date and paid monthly rent of \$800.00 for the last month of such tenant's term, Seller's credit for not renting such Vacated Premises would be \$1,600.00.

**[Signatures appear on following page]**

**IN WITNESS WHEREOF**, the parties hereto hereby execute this Agreement as of the date written below.

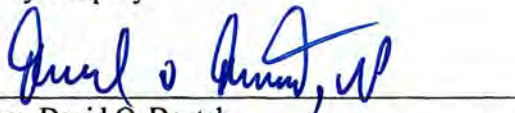
**SELLER:**

**TP HOLLYWOOD, LLC,**  
a Florida limited liability company

By:   
Name: Stephen H. Schneider  
Title: Managing Member  
Date: 7/15/2021

**PURCHASER:**

**PC GP HOLDINGS, LLC,** a Florida limited liability company

By:   
Name: David O. Deutch  
Title: Vice President  
Date: 7-15-21



**ACKNOWLEDGMENT OF ESCROW AGENT**

The undersigned hereby acknowledges receipt of the Initial Deposit as the initial portion of the Escrow Deposit, and agrees to accept, hold and return all funds held as the Escrow Deposit and disburse the same in accordance with the provisions of this Agreement.

  
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**EXHIBIT A**

**Description of the Land**

**The West 220 feet of Lot 11, Block 2 of PINE RIDGE ESTATES according to the Plat thereof, as recorded in Plat Book 24, Page 10 of the Public Records of Broward County Florida**

**Parcel Identification Number: 514113040080**

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**EXHIBIT B**

**List of Seller 2 Mobile Homes**

<b>Name of Tenants</b> ▼	<b>APT</b> ▼
Cyanna Verdicia	1
Debra Wallace	6
Jody Bushatz	10
Demiris Smith	13
Martha Collazos	16
Joseph Bethel	19A
Reggie Peoples	19B
Miriam Rosario	27
Catalina Bicudo	28
Luis Rivera	31
Alesandro Perez	33
Alfonso Carrero	37A
Edith Sinados	38A
Giltred Perez	38B

  
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**EXHIBIT B-1**

**List of Tenant Mobile Homes**

<b>Name of Tenants</b>	<b>APT</b>
Zahire Galvez	2
Apolinar Abroau	4
Kellim Chan	5
Jennifer Steadham	7
Alfonso Carrero	8
Miguel Coto	9
Josepha Perez	12
Edgar Quispe	14
Horacio Barrantes	15
Sayuri Caruajal	17
Apolla Quispe	18
John Whitten	20
Gladys Linares	21
Pedro Anchente	22
Francisco Burbona	23
Juan Oliva	24
Benitez	25
Alfonso Carrero	26
Raidel A. Primelle	29
Benitez	30
Ronis Discua	34
Felix Rodriguez	35
George Chan	36
Jorge Chan	37B
Enrique Martinez	39
Jackie Ebank	40
Alfonso Carrero	41
Alfredo Quincoses	42
Daniel Canales	43
Celia Lambert	44
Natalie Mixture	45
Ricardo Catagini	46
Juan Castillo	47
Placeras D. Osvaldo	48
Jorge Chan	49

  
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**EXHIBIT C**

**Contracts**

Waste Management (Refuse)

*ant*  
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**EXHIBIT D**

**Rent Roll**

*And*  
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**EXHIBIT E**

**List of Property Documents**

1. Existing surveys, elevation certificates, topographical maps, wetlands jurisdictional surveys, and zoning and land use maps or verifications provided by the authority having jurisdiction for the Property, if any.
2. Copies of existing title insurance policies for the Property and/or preliminary title reports issued by Escrow Agent, if any, including copies of all title exceptions identified in the title insurance policies.
3. Real estate and personal property tax bills for the Property for the last two (2) years.
4. Engineering reports and drawings and environmental reports for the Property, including engineered truss drawings, Phase I and/or Phase II environmental audit, and soil testing and related environmental reports, including compaction tests, if any.
5. List of pending litigation relating to the Property, if any.
6. Evidence of tax liens, building code or zoning violations, cease and desist orders, municipal assessments, or orders or notices of any governmental authority having jurisdiction over the Property, whether cured or uncured, if any.
7. List of all development orders and/or building permits obtained for the Property in the past two (2) years, noting any permits which remain open, if any.
8. Market and/or feasibility studies for residential development, if any.
9. Copies of any appraisals relating to the Property.
10. Copies of all agreements affecting the Property, if any.
11. Copies of all current Rent Rolls for the Property, if any.
12. Copies of any Development Plans and Approvals, if any.
13. Copies of any architectural and civil engineering designs and construction documents, if any.
14. Copies of any geotechnical, tree study, or traffic study reports, if any.
15. Copies of any documents related to Development Rights, including, but not limited to, special use permit(s) or variance application(s) and approval(s), if any.
16. Certificates of insurance for all insurance coverage for the Property in effect as of the Effective Date.
17. Any other agreements affecting the Property.

**EXHIBIT F**

**Permits**

Application for electrical permit (meter traf)

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## **ASSIGNMENT AND ASSUMPTION OF AGREEMENT OF PURCHASE AND SALE**

THIS ASSIGNMENT AND ASSUMPTION OF AGREEMENT OF PURCHASE AND SALE (this "Assignment") is made as of the 6 day of August, 2021, by and between PC GP HOLDINGS, LLC, a Florida limited liability company (the "Assignor"), and PINNACLE 441 PHASE 2, LLC, a Florida limited liability company (the "Assignee").

### **RECITALS**

A. TP Hollywood, LLC (the "Seller"), and Assignor heretofore entered into that certain Purchase and Sale Agreement having an effective date of July 15, 2021 (as modified or amended, the "Agreement").

B. Assignor desires to assign to Assignee all of Assignor's right, title and interest in, to and under the Agreement, and Assignee desires to accept such assignment and assume all of Assignor's liabilities and obligations under the Agreement.

### **TERMS**

In consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Recitals. The foregoing recitals are true and incorporated herein by this reference as if set out in full.

2. Assignment. Assignor hereby assigns, transfers, and sets over unto Assignee all of Assignor's right, title, and interest in, to and under the Agreement (including, without limitation, Assignor's interest in all deposits paid under the Agreement), and authorizes Seller to make, execute, and deliver to Assignee such deed of conveyance, assignments and/or other instruments as are contemplated by the Agreement, in the same manner as though Assignee, instead of Assignor, had been an original signatory to the Agreement.

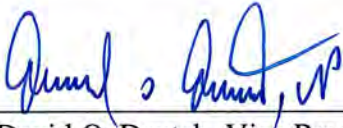
3. Assumption. Assignee hereby accepts Assignor's assignment of all of its right, title and interest in, to and under the Agreement, and assumes all of Assignor's liabilities and obligations under the Agreement, including those which survive the closing or termination thereof.

4. Miscellaneous. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. This Assignment shall be construed in accordance with and be governed by the laws of the State of Florida.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the day and year first above written.

ASSIGNOR:


PC GP HOLDINGS, LLC,  
a Florida limited liability company

By:   
David O. Deutch, Vice President

ASSIGNEE:

PINNACLE 441 PHASE 2, LLC, a Florida  
limited liability company

By: PC 441 PHASE 2, LLC,  
a Florida limited liability company, its authorized  
member

By:   
David O. Deutch, Manager



# SITE CONTROL - PINNACLE 441, PHASE 2

## FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

**THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT** (this “Amendment”) is entered into as of the 6<sup>th</sup> day of October, 2021 (the “Effective Date”), by and between **TP HOLLYWOOD, LLC**, a Florida limited liability company (“Seller”), having an address at 506 Ocean Front, A, Neptune Beach, Florida 32266, and **PINNACLE 441 PHASE 2, LLC**, a Florida limited liability company (“Purchaser”), whose office address is 9400 South Dadeland Boulevard, Suite 100, Miami, Florida 33156

### RECITALS

WHEREAS, Seller and PC GP HOLDINGS, LLC, a Florida limited liability company (“Assignor”), entered into that certain Purchase and Sale Agreement having an effective date of July 15, 2021 (the “Agreement”);

WHEREAS, Assignor subsequently assigned of its right, title and interest in, to and under the Agreement to Purchaser; and

WHEREAS, Seller and Purchaser desire to amend the Agreement, as more particularly set forth below.

NOW THEREFORE, in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, Seller and Purchaser hereby agree as follows:

1. Recitals. The above recitals are true and correct and incorporated into this Amendment by this reference.
2. Definitions. Any capitalized terms not defined in this Amendment shall have the meaning given to such term in the Agreement.
3. Closing Conditions. Section 9(b) of the Agreement is hereby amended as follows (underlines represent additions and edits, and ~~strikethroughs~~ represent deletions):

“(b) By Closing, Purchaser shall have satisfied or waived in writing the “~~Tax Credit Financing~~ Contingency.” For purposes of this Agreement, the term “~~Tax Credit Financing~~ Contingency” means, collectively: (i) an award from either (A) Florida Housing Finance Corporation (“FHFC”) in connection with any Request for Applications #2021-202 (“RFA 2021-202”) issued by FHFC prior to {December 31, 2021}, for Federal Income Tax Credits (the “Tax Credits”) under the “Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties” (the “Tax Credits”), or (B) (1) Broward County, Florida in connection with “Request For Proposals (RFP) for Multi-Family Rental New Construction of Affordable Housing Fiscal Year 2021/2022” (the “Broward RFP”), and/or (2) FHFC in connection with RFA #2021-205 under the “SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits” (the “SAIL RFA”), both of which shall be in an amount sufficient, in

Purchaser's sole and absolute discretion, to enable Purchaser to acquire the Property and construct its intended improvements on the Property, with all time to appeal such awards having expired and with no appeal then pending and no appeal instituted or petition filed; and (ii) in the case of subclauses (i)(A) and (i)(B)(2), a binding commitment acceptable to Purchaser in its sole and absolute discretion for a syndication/sale of such Tax Credits to an investor. If Purchaser has not satisfied the Tax Credit Financing Contingency within the time period provided for herein, whether as a result of (x) not receiving an allocation of Tax Credits, not securing financing pursuant to the Broward RFP, or not securing financing pursuant to the SAIL RFA, as applicable, (y) withdrawing or not submitting its application for Tax Credits, the Broward RFP, or the SAIL RFA, as applicable, as a result of Purchaser's good faith determination that its application for Tax Credits, the Broward RFP, or the SAIL RFA, as applicable, would not be successful, or (z) in the case of subclauses (i)(A) and (i)(B)(2), not receiving a commitment satisfactory to Purchaser as contemplated in clause (ii) of this Section 9(b), Purchaser shall have the right to terminate this Agreement upon delivering written notice thereof to Seller; provided, however, Purchaser's withdrawal of its application for Tax Credits, the Broward RFP, or the SAIL RFA, as applicable, shall not be a condition precedent to the return of the Escrow Deposit."

4. Closing. Section 10 of the Agreement is hereby amended as follows (underlines represent additions and edits, and ~~strikethroughs~~ represent deletions):

"10. Closing. Unless sooner terminated by either Seller or Purchaser pursuant to the provisions of this Agreement and subject to the terms and conditions of this Agreement, Closing shall take place at the offices of the Escrow Agent at 10:00 a.m. Eastern Time, or by mail, or at another location mutually-agreeable to the parties, on ~~the later to occur of: (i) April 30, 2022, and (ii) the latest date specified in the applicable FHFC RFA, through which Purchaser must demonstrate "site control" in order for this Agreement to constitute a "qualifying" or "eligible" contract under the applicable FHFC RFA (the "Closing Date");~~ provided, however, If Purchaser may elects to exercise its right to close earlier, provided that Purchaser will shall notify Seller of the earlier Closing Date at least ten (10) days prior to the new Closing Date."

5. Full Force and Effect. Except as specifically modified by this Amendment, all other provisions of the Agreement remain in full force and effect. To the extent of any conflict between the provisions of the Agreement and this Amendment, the provisions of this Amendment shall control.

6. Authority. Seller and Purchaser represent and warrant to the other than such party has the full right, power, and lawful authority to enter into, execute, and perform under this Amendment and that such actions do not violate any other agreement, covenant, or restriction placed upon such party. Purchaser further represents and warrants to the Seller that the person signing this Amendment on its behalf has been duly authorized to sign this Amendment.

7. Governing Law. This Amendment shall be governed by Florida law.

8. Binding Effect. This Amendment shall be binding upon, and shall inure to the benefit of, Seller, Purchaser, and their respective successors or assigns.

9. Headings. The headings contained in this Amendment are for convenience of reference only and shall not be construed as limiting or defining in any way the provisions of this Amendment.

10. Counterparts. This Amendment may be executed in counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument. Any signature delivered by facsimile or other forms of electronic transmission, such as a PDF, shall be considered an original signature by the sending party.

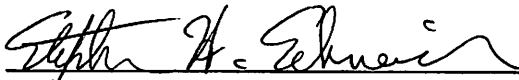
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IN WITNESS WHEREOF, the parties hereto hereby execute this Amendment as of the Effective Date.

**SELLER:**

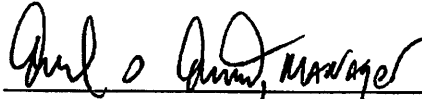
**TP HOLLYWOOD, LLC,**  
a Florida limited liability company

By:   
Name: Stephen H. Schneider  
Title: Managing Member  
Date: 10/6/21

**PURCHASER:**

**PINNACLE 441 PHASE 2, LLC,** a Florida limited liability company

By: **PC 441 PHASE 2 LLC,** a Florida limited liability company, its authorized member

By:   
David O. Deutch, Manager

## **ASSIGNMENT AND ASSUMPTION OF AGREEMENT OF PURCHASE AND SALE**

THIS ASSIGNMENT AND ASSUMPTION OF AGREEMENT OF PURCHASE AND SALE (this "Assignment") is made as of the 6 day of August, 2021, by and between PC GP HOLDINGS, LLC, a Florida limited liability company (the "Assignor"), and PINNACLE 441 PHASE 2, LLC, a Florida limited liability company (the "Assignee").

### **RECITALS**

A. TP Hollywood, LLC (the "Seller"), and Assignor heretofore entered into that certain Purchase and Sale Agreement having an effective date of July 15, 2021 (as modified or amended, the "Agreement").

B. Assignor desires to assign to Assignee all of Assignor's right, title and interest in, to and under the Agreement, and Assignee desires to accept such assignment and assume all of Assignor's liabilities and obligations under the Agreement.

### **TERMS**

In consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Recitals. The foregoing recitals are true and incorporated herein by this reference as if set out in full.

2. Assignment. Assignor hereby assigns, transfers, and sets over unto Assignee all of Assignor's right, title, and interest in, to and under the Agreement (including, without limitation, Assignor's interest in all deposits paid under the Agreement), and authorizes Seller to make, execute, and deliver to Assignee such deed of conveyance, assignments and/or other instruments as are contemplated by the Agreement, in the same manner as though Assignee, instead of Assignor, had been an original signatory to the Agreement.

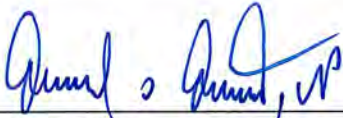
3. Assumption. Assignee hereby accepts Assignor's assignment of all of its right, title and interest in, to and under the Agreement, and assumes all of Assignor's liabilities and obligations under the Agreement, including those which survive the closing or termination thereof.

4. Miscellaneous. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. This Assignment shall be construed in accordance with and be governed by the laws of the State of Florida.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the day and year first above written.

ASSIGNOR:


PC GP HOLDINGS, LLC,  
a Florida limited liability company

By:   
David O. Deutch, Vice President

ASSIGNEE:

PINNACLE 441 PHASE 2, LLC, a Florida  
limited liability company

By: PC 441 PHASE 2, LLC,  
a Florida limited liability company, its authorized  
member

By:   
David O. Deutch, Manager

## PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** (this "Agreement") is made by and between **TP HOLLYWOOD, LLC**, a Florida limited liability company ("Seller"), having an address at 506 Ocean Front, A, Neptune Beach, Florida 32266, and, and **PC GP HOLDINGS, LLC**, a Florida limited liability company, its successors and/or assigns ("Purchaser"), whose office address is 9400 South Dadeland Boulevard, Suite 100, Miami, Florida 33156. The "Effective Date" of this Agreement shall be the date that this Agreement is fully executed by Seller and Purchaser.

1. **Property.** Subject to and in accordance with the terms, covenants, and conditions of this Agreement, Seller agrees to sell and convey to Purchaser, and Purchaser agrees to purchase from Seller, (i) that certain real property owned by Seller comprising of Broward County Folio I.D. Number 514113040080, located in the City of Hollywood in Broward County, Florida, and legally described on **EXHIBIT A** attached hereto and incorporated herein by this reference (the "Land"), together with: (a) any and all buildings and improvements located on the Land (the "Improvements"); (b) any and all fixtures attached or related to the Land and/or the Improvements, if any (the "Fixtures"); (c) all of Seller's right, title and interest, if any, in and to any and all easements, rights, privileges, air rights, and other rights, tenements, hereditaments, and appurtenances in any way belonging or appertaining to, or otherwise inuring to the benefit of, the Land and/or the Improvements; and (d) all of Seller's right, title, and interest, if any, to the air space above the Land, and zoning entitlements, development rights, and appurtenances accruing to the Land, and/or related to the proposed development thereof, under, or by reason of, any applicable zoning ordinance or other law, rule, regulation, or ordinance (the "Development Rights") (collectively, the "Real Property"); (ii) any and all tangible and intangible personal property of Seller located on, or related to, the Real Property (the "Personal Property") including, without limitation: (a) the mobile homes identified on **EXHIBIT B** (the "Seller Mobile Homes"); (b) all development rights for the Real Property, or any part thereof, which Seller has, including, without limitation, those relating to utilities, prepaid water and sewer connection fees, reservation fees and impact fees; (c) all right, title and interest of Seller in any approved site plans, development plans, development orders or development agreements as they relate to the Real Property; (d) all environmental, water, sewer, drainage, road, excavation, fill and all other construction and development applications, permits, licenses, and rights, contractual or otherwise, relating to the Real Property; (e) all rights and interests of Seller under any agreements, with any governmental authorities having jurisdiction over the Real Property relating to flood control, drainage, roads, water or sewer facilities or other infrastructure, construction and development for the Real Property; (f) all of Seller's right, title and interest in and to any and all service contracts, laundry leases, cable television contracts, equipment leases and other contracts and agreements affecting or related to the Land, the Improvements and/or the Personal Property, other than any management or similar agreements (which shall be terminated at Closing (as hereinafter defined)), a true and complete schedule of which is attached hereto as **EXHIBIT C** (collectively, the "Contracts"); (g) all right, title and interest of Seller in and to the name "Royal Hawaiian Mobile Home Park" and variations thereof, and any telephone numbers utilized in connection with the operation thereof; and (h) any and all right, title and interest of Seller in any environmental and/or wetlands mitigation relating to the Real Property, or any portion thereof (collectively, the "Development Plans and Approvals"), but excluding therefrom any personal property which belongs to or is the property of any tenant under a Lease (as hereinafter defined) who is in possession of any portion of the Land, Improvements, and/or the Seller Mobile Homes including

the mobile homes identified on EXHIBIT B-1 (the "Tenant Mobile Homes"); and (iii) all of Seller's right, title and interest in and to any and all leases and tenancies pursuant to which any portions of the Improvements and/or Seller 2 Mobile Homes are leased (collectively, the "Tenancies"), including any rights thereunder with respect to prepaid rents, security deposits, pet deposits and fees or other deposits, a true, correct and complete schedule of which is attached hereto as EXHIBIT D (the "Rent Roll"). The Real Property, the Personal Property, and the Tenancies are collectively referred to herein as the "Property."

2. Deposits. Within two (2) business days following the Effective Date, Purchaser shall deposit as an earnest money deposit, the sum of Twenty-Five Thousand and No/100 Dollars (\$25,000.00) (the "Initial Deposit") with Old Republic National Title Insurance Company, located at 600 West Hillsboro Boulevard, Suite 450, Deerfield Beach, Florida 33441, Attn: Eric R. Tomchin, Esq. (the "Escrow Agent"). Purchaser shall make an additional deposit payable to Escrow Agent in the amount of Seventy-Five Thousand and No/100 Dollars (\$75,000.00) (the "Second Deposit") within two (2) days following the expiration of the Inspection Period (as hereinafter defined). If Purchaser fails to terminate this Agreement prior to the expiration of the Inspection Period, the Initial Deposit and the Second Deposit (sometimes collectively referred to herein as the "Escrow Deposit") shall be due and payable and non-refundable to Purchaser (except as otherwise expressly provided for herein) and credited to the Purchase Price (as hereinafter defined) at the closing of the transaction evidenced by this Agreement ("Closing"), unless Seller is in default under this Agreement or Purchaser is otherwise entitled under this Agreement to receive the Escrow Deposit, in which case the Escrow Deposit, together with any interest accrued thereon, shall be disbursed by Escrow Agent to the appropriate party in accordance with the applicable provisions of this Agreement.

3. Purchase Price. The purchase price to be paid by Purchaser for the Property (the "Purchase Price") shall be in aggregate amount of Three Million Five Hundred Thousand and No/100 Dollars (\$3,500,000.00). The Purchase Price shall be paid by Purchaser to Seller as follows: (i) the Escrow Deposit shall be applied against the Purchase Price, and (ii) the balance of the Purchase Price shall be paid in cash at Closing, subject to closing adjustments and prorations as hereinafter provided, in immediately available funds in the form of a certified or cashier's check or by wire transfer.

4. Title Commitment and Survey.

(a) Within the Inspection Period, Purchaser may, at its sole expense, obtain (i) a title insurance commitment (the "Title Commitment") for a fee owner's title insurance policy covering the Real Property (the "Title Policy") from a title insurance company selected by Purchaser (the "Title Company") and (ii) a survey of the Real Property (the "Survey").

(b) Purchaser shall, no later than the end of the Inspection Period, notify Seller in writing specifying any objections to matters shown on the Title Commitment or the Survey (the "Title Objections"). Any matters on the Title Commitment or the Survey that Purchaser does not timely object to, the Tenancies, and any matters which are not items set forth in Sections 4(c)(ii)-(iii) below, shall be deemed "Permitted Exceptions." Within ten (10) business days after Seller's receipt of Purchaser's notice of the Title Objections, Seller shall advise Purchaser in writing that: (i) Seller shall cause the Title Objections to be removed or remedied prior to Closing or (ii) Seller shall not cause the Title Objections to be removed or remedied prior to Closing. Notwithstanding the foregoing, Seller shall be required to satisfy, cure or remedy those matters set forth in Sections



4(c)(ii)-(iii) below, even if such items are not Title Objections. If Seller does not notify Purchaser in writing of its election within the above-referenced ten (10) business day period, Seller shall be deemed to have elected to cause all of the Title Objections to be removed or remedied prior to Closing. If Seller does not elect to cause all of the Title Objections to be removed or remedied prior to Closing, Purchaser shall have ten (10) business days after receipt of Seller's notice of the Title Objections which it will not cure to elect in writing to: (i) proceed with the purchase and acquire the Property subject to the Title Objections which Seller has not agreed to cure; or (ii) terminate this Agreement by written notice to Seller and Escrow Agent, in which case the Escrow Deposit and any interest accrued thereon, shall be returned to Purchaser, whereupon both parties shall be released from all further obligations under this Agreement, except those which specifically survive termination hereof.

(c) At or prior to Closing, Seller shall cause to be cured, remedied, or released (i) any and all Title Objections which Seller has elected, or is deemed to have elected, to cure pursuant to Section 4(b), (ii) any mortgages or deeds of trust, judgment liens, construction liens and other liens (other than the lien of real estate taxes and assessments not yet due and payable) concerning the Property provided for by statute, code or ordinance, or created by express grant in writing by Seller, and (iii) any and all encumbrances and/or exceptions concerning the Property created by, under or through Seller after the Effective Date.

(d) From time to time prior to Closing, Purchaser may cause, at its sole expense, the Title Commitment and/or the Survey to be updated (the "Title Update") and a copy of the Title Update shall be delivered to Seller. If Purchaser objects to any matters shown on the Title Update that were not shown on the Title Commitment or the Survey, such matters shall be deemed Title Objections and the provisions of subparagraphs 4(b) and 4(c) shall apply to those matters.

#### 5. Inspections.

(a) Within ten (10) days of the Effective Date, Seller shall provide Purchaser with copies of the materials concerning the Property listed on EXHIBIT E attached hereto and incorporated herein by this reference, provided that the materials are in existence and in Seller's possession or control (the "Property Document(s)"). Following Seller's delivery of the Property Documents, if, prior to Closing, Seller subsequently comes into possession of a document that would be considered a Property Document, Seller shall provide Purchaser with a copy of such additional Property Document immediately upon Seller's receipt of said document. Seller does not make any representation or warranty, either express or implied, as to the accuracy of the information contained in the Property Documents.

(b) Purchaser's inspection period under this Agreement shall begin on the Effective Date and expire at 5:00 p.m. Eastern Time, ninety (90) days thereafter (the "Inspection Period").

(c) At all times during the Inspection Period (and thereafter so long as this Agreement is not terminated), Purchaser may examine and inspect the Property and the Property Documents, and in connection therewith, Purchaser and Purchaser's contractors, consultants, employees, and agents shall be entitled to enter upon the Property, and any portions thereof, upon at least forty-eight (48) hours' notice to Seller (which may be given telephonically or via e-mail or text) and to conduct such tests, studies, and analyses, including, but not limited to, soil tests, environmental and hazardous material (including asbestos) tests, studies, and analyses, and to take

any and all other steps or actions determined by Purchaser to be necessary, proper, or appropriate to determine the feasibility (economic or otherwise) of the acquisition of the Property by Purchaser. Purchaser shall release two (2) copies of all third-party studies, reports and/or surveys within five (5) days of its receipt to Seller. For the avoidance of doubt, Seller's receipt of the due diligence materials referenced in the immediately preceding sentence is not in any way a condition which must be met before an immediate release of the Escrow Deposit by the Escrow Agent in the event of Purchaser's termination of this Agreement pursuant to this Section 5 or Section 9. Purchaser indemnifies, defends, and holds Seller and its members, principals, agents, representatives, attorneys, and employees harmless against any and all claims, actions, suits, demands, losses, liabilities, damages, costs, and/or expenses (including, without limitation, reasonable attorneys' fees and costs, including those incurred in dispute resolution or appellate proceedings) on account of any act, omission, or negligence by Purchaser or Purchaser's contractors, consultants, employees, and agents in connection with the Property inspections. Purchaser shall cause to be repaired any physical damage to the Property caused by such inspection activities. The provisions of this Section 5(c) shall survive the termination of this Agreement.

(d) Prior to the expiration of the Inspection Period, Purchaser or its consultants or agents shall not discuss with the Seller's manager, agents or tenants the proposed sale and purchase of the Property or any terms of this Agreement.

(e) At any time prior to the expiration of the Inspection Period, Purchaser may, in its sole and absolute discretion, and for any reason or for no reason whatsoever, terminate this Agreement upon written notification to Seller and Escrow Agent. Upon such termination, Escrow Agent shall return the Escrow Deposit (together with any accrued interest thereon), to Purchaser and all of the rights, duties and obligations of Purchaser and Seller under this Agreement will immediately terminate, except for those which specifically survive termination.

6. Seller's Representations, Warranties and Covenants. As of the Effective Date and as of the Closing, Seller represents and warrants to Purchaser, and where indicated, covenants and agrees, as follows:

(a) With respect to the Tenancies:

(i) The Rent Rolls (as well as the updated Rent Rolls to be provided pursuant to Section 12 hereof) and all of the information contained therein are accurate and true, correct and complete.

(ii) There is no default on the part of either the landlord (and Seller has not received notice asserting any such defaults and is not otherwise aware of any such assertions) or any tenant, except as may be noted on the Rent Rolls.

(iii) There are no leases, tenancies, or other rights of occupancy or use for any portion of the Property, except as may be noted on the Rent Rolls.

(iv) None of the tenancies has been modified, altered, or amended in any respect, except as may be noted in the Rent Rolls. No tenant has the right to extend, renew, cancel or terminate its Lease, except as may be noted on the Rent Rolls.

(v) There are no tenancies, or other rights of occupancy or use for any portion of the Property other than the tenants listed on the Rent Roll, which are all oral, month-to-month tenancies, all of which are terminable upon no less than thirty (30) days prior written notice.

(vi) There were and are no side agreements or ancillary agreements by and between Seller and any of the tenants.

(vii) From and after the Effective Date, Seller shall not enter into any new tenancies except on a month-to-month basis. To the extent that the Seller foregoes entering into any such new tenancies during the ninety (90) days immediately preceding the scheduled Closing Date, Seller shall be compensated for any lost revenue associated with foregoing these tenancies only as provided in Section 27 below.

(viii) Seller has handled all security deposits and other similar sums in accordance with all applicable statutory requirements. Prior to Closing, Seller shall not retain any security deposits or prepaid rents under any of the Tenancies, except as follows: (a) if the tenant under any Lease has vacated the premises or a final judgment of possession in favor of Seller with respect to the applicable Lease (a "Possession Judgment") has been obtained prior to Closing, Seller may retain any security deposit or prepaid rents with respect to such Lease for its own account; or (b) if, at the time of Closing, the tenant under any Lease is in default, but such tenant has not vacated the premises and no Possession Judgment has been obtained, the security deposit and prepaid rents shall be held in escrow by Escrow Agent until such time as the tenant has vacated or been evicted from the leased premises, whereupon Seller and Purchaser shall agree upon a fair and equitable disposition of the security deposit and prepaid rents as between themselves, taking into account the condition of the premises and the period of time during the term of such Lease that each has owned the Property.

(b) If Seller is not a natural person, Seller is duly organized and validly exists under the law of its jurisdiction of organization and is authorized to transact business in the State of Florida, with full power and authority to enter into and perform this Agreement in accordance with its terms.

(c) The execution, delivery and performance by Seller of this Agreement has been duly and validly authorized by all requisite action on the part of Seller.

(d) This Agreement constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

(e) Seller owns the Property (other than the Seller Mobile Homes) in fee simple, subject only to the Permitted Exceptions, and Seller will have good, marketable lien-free title to the Seller Mobile Homes as of Closing.

(f) There are no actions, suits or proceedings pending or, to the best of Seller's knowledge, threatened against Seller or the Property.

(g) No condemnation or eminent domain proceedings are now pending or, to the best of Seller's knowledge, threatened concerning the Property, and Seller has received no notice from any governmental or quasi-governmental agency or authority or potential condemnor concerning any right-of-way, utility, or other taking which may affect the Property.

(h) To best of Seller's knowledge, there is no existing tenants' union, tenant's association, mobile home owner's association formed pursuant to Section 723.075, Florida Statutes, or similar organization presently in existence at any of the Property and Seller has no knowledge of any contemplated organization of tenants or mobile home owners or contemplated concerted action by such persons.

(i) To the best of Seller's knowledge, no prospectus has been filed by the Seller with the Florida Department of Business and Professional Regulation, Division of Florida Condominiums, Timeshares and Mobile Homes.

(j) Attached hereto as **EXHIBIT F** is a complete list of all governmental permits, licenses and approvals issued to Seller in connection with Seller's operation of the Property as a mobile home community (the "Permits"), and there are no uncured defaults with respect to any of the Permits. Any permits, licenses or approvals issued to a tenant is hereby excluded from this provision.

(k) Except as may be set forth to the contrary in any environmental assessment, soils, or similar investigation reports concerning the Property delivered by Seller to Purchaser, to Seller's knowledge there are no hazardous substances present on the Property in any quantity or manner that violates, or that gives rise to liability, under any applicable environmental law, regulation, or ordinance ("Environmental Laws").


(l) Neither the execution and delivery of this Agreement by Seller, nor the consummation by Seller of the transaction contemplated hereby, will (i) require Seller to file or register with, notify, or obtain any permit, authorization, consent, or approval of any person or entity (including any governmental, quasi-governmental or regulatory authority), (ii) violate or breach any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under any agreement or other instrument, commitment, or obligation to which Seller is a party, or by which Seller, the Property, or any of Seller's assets may be bound, or (iii) violate any order, writ, injunction, decree, judgment, statute, law, or ruling of any court or governmental authority applicable to Seller, the Property or any of Seller's assets.

(m) During the term of this Agreement, Seller shall maintain (i) the Property in substantially the same condition as it is in on the Effective Date and (ii) all insurance policies for the Property as of the Effective Date in full force and effect through Closing.

(n) Seller has not (i) entered into any other contracts for the sale of all or any portion of the Property, (ii) granted any options to purchase all or any portion of the Property, or (iii) granted any rights of first refusal with respect to the sale of all or any portion of the Property.

(o) Unless otherwise permitted under this Agreement, from and after the Effective Date, Seller shall not grant or otherwise create or consent to the creation of any easement, restriction, lien, assessment or encumbrance affecting the Real Property, or pursue any re-zoning of the Real Property or any other land use approvals relating to the Property without Purchaser's written consent, which consent may be withheld at Purchaser's sole and absolute discretion.

(p) Seller has not received any written order or notice of any governmental authority having jurisdiction over the Property which has not been previously fully complied with or cured. To the best of Seller's knowledge after due inquiry, all requirements of all applicable

  
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laws, ordinances, rules, requirements and environmental rules of any governmental agency, body or subdivision thereof bearing on the Property have been complied with and will continue to be complied with until Closing, and there are no pending investigations or inquiries into the status of the Property's compliance with all governmental laws, including the environmental condition of the Property.

(q) No commitments relating to the Property have been made by Seller to any governmental authority, utility company, school board, church or other religious body, any property owners' association, or any other organization, group or individual which would impose an obligation upon Purchaser or its successors or assigns to make any contribution, or dedication of money or land or to construct, install or maintain any improvements of a public or private nature on or off the Property, and to the best of Seller's knowledge, no governmental authority has imposed any requirement that any owner of the Property pay directly or indirectly any special fees or contributions or incur any expenses or obligations in connection with the Property.

(r) Seller is not in default (and has committed no act that, with the passage of time and/or the giving of notice would be a default) under any indenture, mortgage, deed of trust, loan agreement, or other agreement to which Seller is a party and which affects the Property.

(s) Seller (i) has not made an assignment for the benefit of creditors, (ii) has not admitted in writing its inability to pay its debts as they mature, or (iii) has not been adjudicated as bankrupt or insolvent, or filed a petition for voluntary bankruptcy or a petition or answer seeking reorganization or an arrangement with creditors under the federal bankruptcy law or any other similar law or statute of the United States or any State, and no such petition has been served upon Seller.

(t) Seller has no knowledge of any Open Permits or Code Violations (as hereinafter defined) which affect the Property.

(u) Seller is not any of the following: (i) a person or entity that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (herein called the "Executive Order"), a Foreign Terrorist Organization designated by the United States Department of State or an individual or entity who has engaged in or engages in terrorist activity, or has provided or provides material support for terrorist activities or terrorist organizations, as prohibited by U.S. law, including but not limited to the USA PATRIOT Act, P.L. 107-56; (ii) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity that is named as a "specifically designated national" or "blocked person on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control (herein called "OFAC") at its official website, <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>; (iv) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC or under any executive order issued by the President of the United States; or (v) a person or entity that is (1) affiliated with, (2) controlling or controlled by (directly or indirectly), or (3) an agent or nominee for any person or entity identified in the foregoing clauses (i), (ii), (iii), or (iv).

The foregoing representations and warranties will survive the Closing or the earlier termination of this Agreement.



7. Purchaser's Representations, Warranties and Covenants. As of the Effective Date and as of the Closing, Purchaser represents and warrants to Seller, and where indicated, covenants, and agrees, as follows:

(a) Purchaser is duly organized, validly existing, and in good standing under the laws of the State of Florida;

(b) Purchaser has full power and authority to enter into and perform this Agreement in accordance with its terms;

(c) the person executing this Agreement on behalf of Purchaser has been duly authorized by Purchaser to do so;

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

(e) At all times prior to Closing contemplated by this Agreement, Purchaser is not any of the following: (i) a person or entity that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (herein called the "Executive Order"), a Foreign Terrorist Organization designated by the United States Department of State or an individual or entity who has engaged in or engages in terrorist activity, or has provided or provides material support for terrorist activities or terrorist organizations, as prohibited by U.S. law, including but not limited to the USA PATRIOT Act, P.L. 107-56; (ii) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity that is named as a "specifically designated national" or "blocked person on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control (herein called "OFAC") at its official website, <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>; (iv) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC or under any executive order issued by the President of the United States; or (v) a person or entity that is (1) affiliated with, (2) controlling or controlled by (directly or indirectly), or (3) an agent or nominee for any person or entity identified in the foregoing clauses (i), (ii), (iii), or (iv).

8. Governmental Approval Applications. Seller shall promptly, upon Purchaser's request and provided Seller thereby assumes no liability or obligation and at no cost to Seller, join in or otherwise consent to any and all applications (collectively, the "Applications") with respect to zoning, platting, site plan approval, vacations, dedications, surface water management permits, drainage permits, concurrency compliance approvals, building permits, and any and all other permits, consents, approvals, and/or authorizations which, in Purchaser's reasonable opinion, are necessary or desirable for the development of the Property for Purchaser's Intended Use. Seller hereby appoints Purchaser as its attorney-in-fact to make in the name of Seller all such Applications. Purchaser shall have a license to use all Development Plans and Approvals and the Property Information in connection with the Applications prior to Closing. Seller agrees to cooperate with Purchaser in having any and all relevant surveys, reports, and/or studies re-certified to Purchaser.

9. Closing Conditions. Seller and Purchaser acknowledge and agree that the obligation of Purchaser to consummate the transaction contemplated hereby is also subject to the satisfaction of the following conditions (the "Closing Conditions"), unless waived in writing by Purchaser prior to Closing:

(a) At Closing, there shall have been no material, adverse change to the condition of the Property from the condition existing on the Effective Date (ordinary wear and tear excepted), including, without limitation, any adverse change to the environmental condition of the Property.

(b) By Closing, Purchaser shall have satisfied or waived in writing the "Tax Credit Contingency." For purposes of this Agreement, the term "Tax Credit Contingency" means, collectively: (i) an award from Florida Housing Finance Corporation ("FHFC") in connection with any Request for Applications #2021-202 ("RFA") issued by FHFC prior to [December 31, 2021], for Federal Income Tax Credits under the "Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties" (the "Tax Credits") in an amount sufficient, in Purchaser's sole and absolute discretion, to enable Purchaser to acquire the Property and construct its intended improvements on the Property, with all time to appeal such award having expired and with no appeal then pending and no appeal instituted or petition filed, and (ii) a binding commitment acceptable to Purchaser in its sole and absolute discretion for a syndication/sale of such Tax Credits to an investor. If Purchaser has not satisfied the Tax Credit Contingency within the time period provided for herein, whether as a result of (x) not receiving an allocation of Tax Credits, (y) withdrawing or not submitting its application for Tax Credits as a result of Purchaser's good faith determination that its application for Tax Credits would not be successful, or (z) not receiving a commitment satisfactory to Purchaser as contemplated in clause (ii) of this Section 9(b), Purchaser shall have the right to terminate this Agreement upon delivering written notice thereof to Seller; provided, however, Purchaser's withdrawal of its application for Tax Credits shall not be a condition precedent to the return of the Escrow Deposit.

(c) Seller and Purchaser acknowledge and agree that this is an "as is" transaction; that is, Seller shall maintain the Property in the same condition as it currently is in as of the Effective Date. Seller shall not cause any new violations of applicable codes ("Code Violations") and shall close any open permits ("Open Permits") relating to the Property. Notwithstanding the foregoing, Purchaser acknowledges its intent to wind down use of the Land as a mobile home park pursuant to Chapter 723 of the Florida Statutes (the Florida Mobile Home Act), following Closing. Under no circumstances shall Seller be responsible for any Code Violations, Open Permits or related issues caused by or associated with tenants of the Property, unless same are the responsibility of the owner of the Real Property or otherwise attach to the fee interest of Seller.

If any of the foregoing conditions is not satisfied by the date provided therefor, Purchaser may terminate this Agreement and receive a full refund of the Escrow Deposit.

10. Closing. Unless sooner terminated by either Seller or Purchaser pursuant to the provisions of this Agreement and subject to the terms and conditions of this Agreement, Closing shall take place at the offices of the Escrow Agent at 10:00 a.m. Eastern Time, or by mail, or at another location mutually-agreeable to the parties, on the later to occur of: (i) April 30, 2022, and (ii) the latest date specified in the applicable FHFC RFA, through which Purchaser must

demonstrate "site control" in order for this Agreement to constitute a "qualifying" or "eligible" contract under the applicable FHFC RFA (the "Closing Date"). If Purchaser elects to exercise its right to close earlier, Purchaser will notify Seller of the earlier Closing Date at least ten (10) days prior to the new Closing Date.

11. Apportionment, Adjustments and Closing Costs.

(a) Seller shall be responsible for and pay all accrued expenses with respect to the Property accruing up to 11:59 p.m. Eastern Time on the day prior to the Closing Date (the "Adjustment Date") and shall be entitled to receive and retain all revenue from the Property accruing up to such time.

(b) Real estate taxes shall be prorated as of the Adjustment Date. If the real estate tax bills for the year of Closing have been rendered as of the Adjustment Date, such taxes shall be prorated based on the maximum lawful discount. If the real estate tax bills for the year of Closing have not been rendered as of the Adjustment Date, such taxes will be prorated based upon the amount for the tax bills for the prior year (based upon the maximum lawful discount), and will be re-prorated upon the request of either party once the actual bills are rendered, after applying the maximum lawful discount.

(c) Certified assessment liens by any governmental or quasi-governmental authority as of the Adjustment Date shall be paid by Seller. Pending assessment liens by any governmental or quasi-governmental authority as of the Adjustment Date shall be assumed by Purchaser; provided, however, that where the improvement with respect to such pending assessment lien has been substantially completed as of the Closing Date, such pending lien shall be considered as certified and Seller shall be charged at Closing an amount equal to the last estimate by the public body of the assessment for the improvement. Special assessments shall be prorated as of the Adjustment Date. Notwithstanding the foregoing, Seller shall not be responsible for payment of any assessment lien related to, associated with or caused by Purchaser's anticipated redevelopment of the Real Property or any plans thereto.

(d) Seller shall pay: (i) all transfer taxes and documentary stamps (including any applicable surtax) with respect to sale of the Real Property and the recording of the special warranty deed to Purchaser for the Real Property; (ii) the costs of recording any instruments necessary to satisfy the title requirements of the Title Company and this Agreement; (iii) the cost of obtaining and delivering the Property Documents to Purchaser; and (iv) its own attorneys' fees incurred in connection with this transaction, except as provided in Section 21 of this Agreement.

(e) Purchaser shall pay: (i) the costs and any reports and inspections ordered by or through Purchaser; (ii) the cost of obtaining the Title Commitment, the Survey, and the Title Update, and the premiums associated with any Title Policy or any endorsements thereto; (iii) any other costs associated with any loan obtained by Purchaser in connection with this transaction; (iv) except as provided in Section 21, its own attorneys' fees incurred in connection with this transaction; (v) all costs relating to applications for zoning, site plan, or other governmental approvals; and (vi) all architectural and engineering costs incurred by Purchaser in connection with its proposed development of the Property for its Purchaser's Intended Use.

(f) Rents for the month in which the Closing Date occurs (the "Closing Month") shall be prorated as of the Adjustment Date. Such proration at Closing shall be made

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based on the amounts actually collected as of the Closing Date, but the closing statement shall provide for the parties to cooperate with each other to provide for a comparable reconciliation and proration of rents for the Closing Month as additional sums are received. If past due rents are owing by tenants for months prior to the Closing Month (the "Rent Arrearage"), Purchaser shall, for a period of six (6) months after the Closing Date, bill all tenants for such sums, and Seller shall be entitled to any funds (except amounts specifically identified as prepaid rents or security deposits) received from such tenants by Purchaser after the Closing Date which are in excess of amounts then owing to Purchaser from such tenants for the Closing Month and subsequent months. Nothing contained herein shall be deemed to prevent Seller from attempting to collect any Rent Arrearages after Closing, provided that Seller shall have no right to terminate any Tenancies or bring any eviction, replevin or similar actions. If Seller receives any rents for the Closing Month after Closing, Seller shall turn over same to Purchaser (subject to the proration provided for above) within thirty (30) days after its receipt of same. If, as and when Purchaser collects payments from a tenant on account of any Rent Arrearage, to the extent Seller is entitled to any portion of such funds pursuant to this subparagraph (f), Purchaser shall pay Seller an amount equal to the Rent Arrearage within thirty (30) days after Purchaser or its agent receives any such payment.

(g) Charges under Contracts which Purchaser has agreed to assume shall be prorated as of the Adjustment Date.

(h) Income from vending machines and tenant services, if any, shall be prorated as of the Adjustment Date.

(i) Seller shall obtain meter readings with respect to utilities as of the Adjustment Date. Seller shall be responsible for all such costs accruing prior to the Adjustment Date, and Purchaser shall be responsible for all such costs accruing after the Adjustment Date.

(j) At Closing, Purchaser shall receive a credit against the Purchase Price in an amount equal to all security, pet deposits (and fees) and similar deposits payable to tenants under the Tenancies or otherwise required by law and by the Tenancies, including all interest thereon which may be required by law or is required by the Tenancies. Upon making such credit, Purchaser will be deemed to have received all such security deposits and shall be fully responsible for same as if a cash amount equal to such security deposits were actually delivered to Purchaser, and Seller shall be entitled to retain such deposits and interest, if any, so credited as a portion of the Purchase Price due Seller at Closing.

(k) The provisions of this Section 11 shall survive the Closing.

12. Deliveries by Seller at Closing. At the Closing, Seller shall cause to be delivered to Purchaser the following documents and other items, all in form and substance reasonably acceptable to Seller, Purchaser, and their legal counsel: (a) a special warranty deed signed by Seller conveying insurable and marketable fee simple title to all of the Real Property, subject only to the Permitted Exceptions; (b) a bill of sale conveying any tangible Personal Property located upon the Property; (c) an assignment of Seller's right, title, and interest in the Development Plans and Approvals, the Development Rights, and any intangible Personal Property related to the Property, to the extent assignable; (d) the Development Plans and Approvals and any documents related to the Development Rights, to the extent applicable and in Seller's possession or control; (e) if Seller is not a natural person, appropriate entity resolutions of Seller, evidence of Seller's good standing and authority to transact business, and such other documentation evidencing Seller's authority to

sell the Property to Purchaser pursuant to this Agreement that may be required by the Title Company; (f) a duly executed certificate required under the Foreign Investors in Real Property Tax Act of 1980, as amended; (g) a closing statement executed by Seller showing all monies paid and to be paid in connection with the transaction contemplated hereby (the "Closing Statement"); (h) a title affidavit reasonably satisfactory to the Title Company for purposes of deleting the applicable standard pre-printed exceptions from the Title Commitment and Title Policy; (i) corrective title instruments, if any, necessary to cure any Title Objections or satisfy any requirements of the Title Company; (j) a letter to each of the tenants of the Property signed by Seller indicating that the Property has been sold to Purchaser and directing that all future rental payments be sent to Purchaser, in a form approved by the parties; (k) an updated certified Rent Roll signed by Seller, which Rent Roll shall cover the period at least through the end of the month prior to the month of Closing; (l) keys, combinations and/or pass-codes to all locks for the Improvements and Seller Mobile Homes; (m) an assignment of Seller's right, title and interest as landlord in, to and under the Tenancies, which assignment shall be in a form mutually acceptable to Purchaser's counsel and Seller's counsel; (n) an assignment of Seller's right, title and interest in, to and under the Contracts, together with originals of the Contracts, which assignment shall be in a form mutually acceptable to Purchaser's counsel and Seller's counsel; (o) an original Certificate of Title (if applicable) and bill of sale for each of the Seller Mobile Homes; (p) evidence of the termination as of or before the Closing Date of any property management agreement with respect to the management or operation of the Property; (q) an original affidavit contemplated by Section 723.072, Florida Statutes, confirming Seller's compliance with the provisions of Sections 723.071 and 723.072, Florida Statutes; and (r) such other documents as are customarily given in comparable transactions in Broward County, Florida, or as may be reasonably requested by Purchaser's counsel or the Title Company consistent with the intent of this Agreement.

13. Deliveries by Purchaser at Closing. At Closing, Purchaser shall cause to be delivered to Seller the following documents and other items: (i) immediately available funds via wire transfer, payable to Seller in an amount equal to the balance of the Purchase Price, plus or minus any closing adjustments as set forth in Section 11 or other Closing credits in favor of Purchaser provided for in this Agreement; (ii) the Closing Statement executed by Purchaser; and (iii) such other documents as are customarily given in comparable transactions in Broward County, Florida, or as may be reasonably requested by Seller's counsel or the Title Company consistent with the intent of this Agreement.

14. Default.

(a) In the event that Seller is not entitled to terminate this Agreement under any provision hereof and Purchaser is not in default in performance of the terms hereof, then in the event that Seller should fail to consummate the transaction contemplated herein, fail to perform any of its obligations hereunder, or is otherwise in breach or default hereunder in any respect, including, but not limited to, being in breach of a representation or warranty, then Seller shall be in default under this Agreement and Purchaser may elect, as its sole and exclusive remedy, either to (i) terminate this Agreement and (1) receive the return of the Escrow Deposit and any interest accrued thereon, and (2) recover from Seller damages in an amount equal to all out of pocket costs and expenses incurred by Purchaser in connection with the proposed acquisition and development of the Property, or (ii) pursue an action for specific performance. Notwithstanding the foregoing, if Seller's default consists of a sale of the Property to a third party in violation of Purchaser's rights under this Agreement, Purchaser shall have the right to pursue any legal remedy available at law



or in equity. Nothing contained herein shall be deemed to limit the obligations of Seller or the remedies of Purchaser available at law or in equity with respect to a breach or a default by Seller of any obligation hereunder to the extent that this Agreement specifically provides that such obligation shall survive Closing or the earlier termination of this Agreement.

(b) In the event that Purchaser is not entitled to terminate this Agreement under any provision hereof and Seller is not in default in performance of the terms hereof, then in the event Purchaser shall fail to consummate the transaction contemplated herein, then Purchaser shall be in default under this Agreement and Seller may elect, as Seller's sole and exclusive remedy, to receive from the Escrow Agent or otherwise retain the Escrow Deposit to the extent paid and any interest accrued thereon, whereupon it shall be and become the sole property of Seller, such sums being agreed upon as Seller's liquidated damages for the failure of Purchaser to perform the duties, liabilities and obligations imposed upon Purchaser by the terms and conditions of this Agreement due to the difficulty, inconvenience, and uncertainty of ascertaining Seller's actual damages in the event of Purchaser's default under this Agreement. No other damages, rights, or remedies shall in any case be collectible, enforceable, or available to Seller other than as provided in this Section 14(b). Nothing contained herein shall be deemed to limit the obligations of Purchaser or the remedies of Seller available at law or in equity with respect to a breach or a default by Purchaser of any obligation hereunder to the extent that this Agreement specifically provides that such obligation shall survive Closing or the earlier termination of this Agreement.

15. Condemnation and Casualty.

(a) Condemnation. In the event that prior to Closing, any or all of the Property is taken as a result of condemnation or eminent domain proceedings, or if notice of such a taking is received by Seller, then Purchaser may, by written notice to Seller, elect to: (i) terminate this Agreement, in which event the Escrow Deposit and any interest accrued thereon, shall be returned to Purchaser, and neither party shall have any further obligations to the other (except for those obligations which expressly survive termination of this Agreement); or (ii) proceed with the purchase of the Property, in which case Seller shall, at Closing, assign to Purchaser all of Seller's right, title, and interest in and to any awards made on account of the taking.

(b) Casualty. The risk of loss or damage to the Property by reason of any casualty or other event prior to Closing shall be borne by Seller. If the Property is damaged prior to Closing, written notice thereof shall be delivered to Purchaser within ten (10) days of such damage. Seller shall have no obligation to restore the Property to the condition existing prior to the casualty, but Seller shall, at its sole cost and expense, remove the damaged improvements or otherwise secure them so that there are no violations of applicable codes, laws or ordinances pertaining to unsafe structures.

16. Brokers. The parties hereby represent and warrant each to the other that they have not utilized or engaged any real estate broker, salesman or finder with respect to the transaction contemplated by this Agreement other than the listing agent, Kevin Morris of Colliers International ("Seller's Broker") and Adolfo Palacios of Marcus & Millichap ("Buyer's Broker"). Seller shall pay the commission owed to Seller's Broker and Purchaser shall pay the commission owed to Buyer's Broker, each pursuant to a separate agreement. Each party hereby agrees to indemnify and hold the other harmless from and against any liability, loss, cost or expense (including reasonable attorneys' fees and court costs, including those incurred in dispute resolution or appellate matters) resulting from a claim or demand for any commissions in connection with this


Agreement or the purchase and sale of the Property which the indemnified party shall suffer as a result of a breach of the representations and warranties contained in this Section 16. The provisions of this Section 16 shall survive Closing or the earlier termination of this Agreement.

17. Escrow Agent. Escrow Agent has agreed to act as such for the convenience of the parties. Escrow Agent shall not be liable for any act or omission to act except for its own gross negligence or willful misconduct. Escrow Agent shall be entitled to rely on any document or paper received by it, believed by Escrow Agent, in good faith, to be bona fide and genuine. In the event of any dispute as to the disposition of the Escrow Deposit, Escrow Agent shall give written notice to all parties advising that, in the absence of written instructions signed by both Purchaser and Seller received within the next ten (10) business days, Escrow Agent shall interplead the Escrow Deposit by filing an interpleader action in the a court of competent jurisdiction in Broward County, Florida (the "Court") (to the jurisdiction of which both parties do hereby consent). If Escrow Agent receives the aforesaid written instructions from Purchaser and Seller, it shall continue to hold the Escrow Deposit pursuant to such written instructions. If Escrow Agent does not receive the aforesaid written instructions, it shall deliver into the registry of the Court the Escrow Deposit, including all interest earned thereon, whereupon Escrow Agent shall be relieved and released from any further liability as Escrow Agent hereunder.

18. Notices. Any and all notices required or permitted to be served pursuant to the terms of this Agreement shall be in writing, effective upon receipt and shall be (a) mailed by registered or certified mail, with return receipt requested and postage prepaid, (b) sent by Federal Express or other commercially recognized overnight mail service, postage prepaid, (c) hand delivered, or (d) delivered by facsimile transmission or email as follows:

If to Seller:	TP HOLLYWOOD, LLC [506 Ocean Front, A Neptune Beach, Florida 32266] Attention: Stephen H. Schneider Telephone No.: _____ Fax No.: _____ Email: _____	With a copy to:	<u>Roger Mervis, Esq.</u> <u>19 Shannon Lane</u> <u>Saco, Maine 04072</u> _____ _____ Telephone No.:(781)591-9281 _____ Email: <u>roger.mervis@gmail.com</u> _____
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If to Purchaser:	PC GP Holdings, LLC 9400 South Dadeland Boulevard Suite 100 Miami, Florida 33156 Attention: David O. Deutch Telephone No.: (305) 854-7100 Fax No.: (305) 859-9858 Email: david@pinnaclehousing.com	With copies to:	Shutts & Bowen LLP 200 South Biscayne Boulevard Suite 4100 Miami, Florida 33131 Attention: Robert Cheng, Esq. Telephone No.: (305) 415-9083 Fax No.: (305) 347-7783 Email: rcheng@shutts.com
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If to Old Republic National Title  
Escrow Insurance Company  
Agent: 600 West Hillsboro Boulevard  
Suite 450  
Deerfield Beach, Florida 33441  
Attention: Eric R. Tomchin, Esq.  
Telephone No.: (954) 354-8372  
Fax No.: (954) 421-9366  
Email:  
etomchin@OldRepublicTitle.com

Any party hereto may, at any time, by written notice to the other party hereto, designate any other address or contact information in substitution of the foregoing address or contact information to which notice under this Agreement shall be given and other parties to whom copies of all notices hereunder shall be sent. Further, notices submitted to or by an attorney on behalf of either party shall be sufficient for the purposes of this Agreement.

19. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement, nor any provision hereof, may be waived, modified, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge, or termination is sought, and then only to the extent set forth in such instrument. No delay or omission in the exercise of any right or remedy accruing to one party upon any breach by the other party under this Agreement shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by a party of any condition or the breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant or condition herein contained.

20. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without application of its conflict of law principles.

21. Attorneys' Fees. If any action or other proceeding is commenced to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs and disbursements at the dispute resolution, trial, and all appellate levels, notwithstanding any limitations on liability or remedies otherwise set forth in this Agreement.

22. Time. Time is of the essence. Unless business days are specifically referenced, any reference herein to time periods shall be calendar days and, in the computation thereof, include Saturdays, Sundays and legal holidays, but any time period provided for herein which shall end on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. Eastern Time of the next full business day.

23. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, representatives and assigns.

24. Headings. Headings in this Agreement are for convenience and reference only and shall not be used to interpret or construe its provisions.

25. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. Any signature delivered by facsimile, email, or other forms of electronic transmission, such as a PDF, shall be considered an original signature by the sending party.

26. Waiver of Jury Trial. WAIVER OF JURY TRIAL. SELLER AND PURCHASER WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THIS AGREEMENT OR THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT. ANY SUCH DISPUTES SHALL BE RESOLVED IN A BENCH TRIAL WITHOUT A JURY.

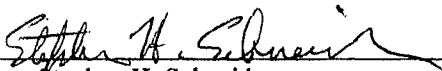
27. No Renting Activity Credit. Notwithstanding anything contained in this Agreement to the contrary, if any tenant vacates its mobile home located on the Property or does not renew its tenancy of a pad within the Property during the ninety (90) days immediately preceding the scheduled Closing date ("Vacated Premises"), Seller agrees not to enter into any new tenancy or other agreement whereby a tenant would obtain rights to occupy or possess the Vacated Premises. In exchange therefor, at Closing, Seller shall receive a credit in an amount equal to the rent paid for all Vacated Premises by the vacating tenant from the date said premises constituted Vacated Premises hereunder, through the Closing Date, calculated on a per diem basis. As an example only, if a tenant vacated its premises sixty (60) days prior to the Closing Date and paid monthly rent of \$800.00 for the last month of such tenant's term, Seller's credit for not renting such Vacated Premises would be \$1,600.00.

**[Signatures appear on following page]**

**IN WITNESS WHEREOF**, the parties hereto hereby execute this Agreement as of the date written below.

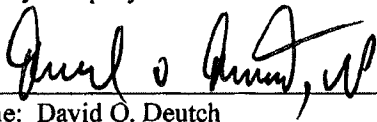
**SELLER:**

**TP HOLLYWOOD, LLC,**  
a Florida limited liability company

By:   
Name: Stephen H. Schneider  
Title: Managing Member  
Date: 7/15/2021

**PURCHASER:**

**PC GP HOLDINGS, LLC,** a Florida limited liability company

By:   
Name: David O. Deutch  
Title: Vice President  
Date: 7-15-21



**ACKNOWLEDGMENT OF ESCROW AGENT**

The undersigned hereby acknowledges receipt of the Initial Deposit as the initial portion of the Escrow Deposit, and agrees to accept, hold and return all funds held as the Escrow Deposit and disburse the same in accordance with the provisions of this Agreement.

OLD REPUBLIC NATIONAL TITLE  
INSURANCE COMPANY

By: Eric Tomchin  
Name: Eric R. Tomchin, Esq.  
Title: Vice President

**EXHIBIT A**

**Description of the Land**


**The West 220 feet of Lot 11, Block 2 of PINE RIDGE ESTATES according to the Plat thereof, as recorded in Plat Book 24, Page 10 of the Public Records of Broward County Florida**

**Parcel Identification Number: 514113040080**

**EXHIBIT B**

**List of Seller 2 Mobile Homes**


<b>Name of Tenants</b>	<b>APT</b>
Cyanna Verdicia	1
Debra Wallace	6
Jody Bushatz	10
Demiris Smith	13
Martha Collazos	16
Joseph Bethel	19A
Reggie Peoples	19B
Miriam Rosario	27
Catalina Bicudo	28
Luis Rivera	31
Alesandro Perez	33
Alfonso Carrero	37A
Edith Sinados	38A
Giltred Perez	38B

  
SHS

**EXHIBIT B-1**

**List of Tenant Mobile Homes**

<b>Name of Tenants</b>	<b>APT</b>
Zahire Galvez	2
Apolinar Abroau	4
Kellim Chan	5
Jennifer Steadham	7
Alfonso Carrero	8
Miguel Coto	9
Josepha Perez	12
Edgar Quispe	14
Horacio Barrantes	15
Sayuri Caruajal	17
Apolla Quispe	18
John Whitten	20
Gladys Linares	21
Pedro Anchente	22
Francisco Burbona	23
Juan Oliva	24
Benitez	25
Alfonso Carrero	26
Raidel A. Primelle	29
Benitez	30
Ronis Discua	34
Felix Rodriguez	35
George Chan	36
Jorge Chan	37B
Enrique Martinez	39
Jackie Ebank	40
Alfonso Carrero	41
Alfredo Quincoses	42
Daniel Canales	43
Celia Lambert	44
Natalie Mixture	45
Ricardo Catagini	46
Juan Castillo	47
Placeras D. Osvaldo	48
Jorge Chan	49

  
5 #5

**EXHIBIT C**

**Contracts**

Waste Management (Refuse)

*Ant*  
5#5





Waste Management Inc. of Florida  
1700 Wilco Road  
Pompano Beach, FL 33073

**SERVICE AGREEMENT**  
**NON-HAZARDOUS WASTE SERVICE SUMMARY**

Customer Account # \_\_\_\_\_  
Acct. Name TP Hollywood LLC  
Salesperson D. Resnick  
Effective Date 9/22/2017  
Last API \_\_\_\_\_

WM Agreement # 104069

Service Information		Billing Information	
Name <u>TP Hollywood LLC</u>	Contact <u>Steve Schneider</u>	Name _____	Contact _____
Address <u>6024 Johnson St</u>	Telephone # <u>561-944-7505</u>	Address <u>3650 Ring Lane Office</u>	Telephone # _____
City/State <u>Hollywood FL 33024</u>	Fax # _____	City/State/Zip <u>Sanfordville FL</u>	Fax # _____
County/Parish <u>Collier</u>	Email _____	County/Parish <u>32207</u>	Email _____
Customer Comments <u>George at aol.com</u>		PO# _____	

**Service Description & Recurring Rates**

Quantity	Equipment	Material Stream	Frequency		
1	8yd lids	MSW	3x	Base Rate	\$ <u>543.83</u>
				Container Service Plan	\$ <u>yes</u>
				Fuel & Environmental/RCR	\$ <u>yes</u>
				Lock Service	\$
				Gate Service	\$
				Enclosure Service	\$
				Rollout/Pushout Service	\$
				Valet Service	\$
				Franchise Fee	\$ <u>yes</u>
				Container Usage	\$
Current rate for extra pickup (per lift) \$				<b>Total</b>	\$
				Base Rate	\$
				Container Service Plan	\$
				Fuel & Environmental/RCR	\$
				Lock Service	\$
				Gate Service	\$
				Enclosure Service	\$
				Rollout/Pushout Service	\$
				Valet Service	\$
				Franchise Fee	\$
				Container Usage	\$
Current rate for extra pickup (per lift) \$				<b>Total</b>	\$
Customer's waste materials not to exceed an average weight of _____ lbs/yard				<b>Administrative Charge</b>	\$ <u>yes</u>
				<b>Grand Total</b>	\$ <u>920.00</u>

**Initial One Time Service Charges\***

Initial Delivery	\$
Lock (per container)	\$
Setup Charge	\$
Permit Service	\$

**As Needed Services\***  
The above listed Charges are for recurring services only. Charges for all additional services will be at current rates at the time of service. These include but are not limited to: extra pickups, container removal, overages and contamination. Contact Waste Management for a full list of such additional services and current prices.

Fuel Surcharge, Environmental Charge, and Regulatory Cost Recovery ("RCR") Charge apply to all other Charges whether or not listed on this summary; if amounts shown above are estimated, and actual amounts will be calculated at the time of invoicing based on a percentage of the Charges. Information about these charges can be found at [www.wm.com/billhelp](http://www.wm.com/billhelp). State & Local taxes, and/or fees and a Recycle Material Offset, if applicable, will also be added to the Charges. An Administrative Charge per invoice will be assessed and can be removed by enrolling in paperless statements and automated payments.

**Contract term for monthly rate services is for 5 year(s) from the effective date ('Initial Term') and it shall automatically renew thereafter for additional terms of 60 months ('Renewal Term') unless terminated as set forth herein.**

The individual signing this agreement on behalf of customer acknowledges that he/she has read and accepts the terms and conditions of this agreement which accompany this service summary sheet and that he/she has the authority to sign on behalf of the customer.

Stephen H. Schneider Customer Signature  
Stephen Schneider Printed Name  
Managing Member Title  
9/28/2017 Date

Danny Resnick Printed Name  
Waste Management Sales Rep. Title  
9/29/2017 Date

Waste Management Inc. of Florida  
SEE ADDITIONAL TERMS ON FOLLOWING PAGES:

**EXHIBIT D**

**Rent Roll**

*And*  
545

1-Jul-21					
Name of Tenants	APT	Rent	Payment	Date	MO# or CK#
Cyanna Verdicia	1	1100			
Zahire Galvez	2	570			
Apolinar Abroau	4	850			
Kellim Chan	5	550			
Debra Wallace	6	720			
Jennifer Steadham	7	570			
Alfonso Carrero	8	700			
Miguel Coto	9	700			
Jody Bushatz	10	550			
	11	550			
Josepha Perez	12	900			
Demiris Smith	13	600			
Edgar Quispe	14	800			
Horacio Barrantes	15	550			
Martha Collazos	16	520			
Sayuri Caruajal	17	570			
Apolla Quispe	18	650			
Joseph Bethel	19A	700			
Reggie Peoples	19B	550			
John Whitten	20	570			
Gladys Linares	21	600			
Pedro Anchente	22	600			
Francisco Burbona	23	550			
Juan Oliva	24	650			
Benitez	25	600			
Alfonso Carrero	26	550			
Miriam Rosario	27	650			
Catalina Bicudo	28	650			
Raidel A. Primelle	29	650			
Benitez	30	570			
Luis Rivera	31	570			
Alesandro Perez	33	450			
Ronis Discua	34	570			
Felix Rodriguez	35	550			
George Chan	36	600			
Alfonso Carrero	37A	700			
Jorge Chan	37B	550			
Edith Sinados	38A	570			
Giltred Perez	38B	550			
Enrique Martinez	39	900			
Jackie Ebank	40	550			
Alfonso Carrero	41	550			
Alfredo Quincoses	42	570			
Daniel Canales	43	570			
Celia Lambert	44	600			
Natalie Mixture	45	570			
Ricardo Catagini	46	600			
Juan Castillo	47	570			
Placeras D. Osvaldo	48	550			
Jorge Chan	49	550			
	50	550			

**EXHIBIT E**

**List of Property Documents**

1. Existing surveys, elevation certificates, topographical maps, wetlands jurisdictional surveys, and zoning and land use maps or verifications provided by the authority having jurisdiction for the Property, if any.
2. Copies of existing title insurance policies for the Property and/or preliminary title reports issued by Escrow Agent, if any, including copies of all title exceptions identified in the title insurance policies.
3. Real estate and personal property tax bills for the Property for the last two (2) years.
4. Engineering reports and drawings and environmental reports for the Property, including engineered truss drawings, Phase I and/or Phase II environmental audit, and soil testing and related environmental reports, including compaction tests, if any.
5. List of pending litigation relating to the Property, if any.
6. Evidence of tax liens, building code or zoning violations, cease and desist orders, municipal assessments, or orders or notices of any governmental authority having jurisdiction over the Property, whether cured or uncured, if any.
7. List of all development orders and/or building permits obtained for the Property in the past two (2) years, noting any permits which remain open, if any.
8. Market and/or feasibility studies for residential development, if any.
9. Copies of any appraisals relating to the Property.
10. Copies of all agreements affecting the Property, if any.
11. Copies of all current Rent Rolls for the Property, if any.
12. Copies of any Development Plans and Approvals, if any.
13. Copies of any architectural and civil engineering designs and construction documents, if any.
14. Copies of any geotechnical, tree study, or traffic study reports, if any.
15. Copies of any documents related to Development Rights, including, but not limited to, special use permit(s) or variance application(s) and approval(s), if any.
16. Certificates of insurance for all insurance coverage for the Property in effect as of the Effective Date.
17. Any other agreements affecting the Property.

*gud*  
S H S



**EXHIBIT F**

**Permits**

Application for electrical permit (meter trust)

*SHS*  
SHS

INSPECTIONS WILL ONLY BE PERFORMED IF THIS PERMIT CARD IS DISPLAYED IN A CONSPICUOUS LOCATION AT THE FRONT OF THE JOB SITE AND APPROVED PLANS ARE READILY AVAILABLE.

**City of Hollywood, Florida**  
**BUILDING PERMIT**

Date: 6/14/2021

Master Permit No.	E21-100956
Contractor/Owner	D ELECTRICIAN TECHNICAL SERVICES INC
Work Description	OUTLETS,SERVICE,PANELS,ETC
Legal Description	PINE RIDGE ESTATES 24-10 B , TR 11 W 220 BLK 2
Folio No.	514113040080
Address	6028 JOHNSON ST
Job Name	TP HOLLYWOOD LLC

**NOTICE:** In addition to the requirements of this permit, there may be additional restrictions applicable to this property that may be found in the Public Record. Additional permits from other governmental agencies may be required.

**CERTIFICATE OF OCCUPANCY MUST BE SECURED BEFORE THIS BUILDING CAN BE USED FOR ANY PURPOSE**

- To schedule required inspections:
  - Online: [www.hollywoodfl.org/permit](http://www.hollywoodfl.org/permit) You will need the Permit Number or job site address.
  - IVR (Interactive Voice Response): **954-921-3646** You are required to have the Permit Number along with the Three Digit Reference Number shown on the "Inspection Reference Log". Please have the applicable information handy, as you will not be able to schedule inspections without it using the IVR.
- **Warning to Owner:** Your failure to record a Notice of Commencement may result in your paying twice for improvements to your property. A notice of commencement must be recorded and posted on the job site before the first inspection. If you intend to obtain financing, consult with your lender or an attorney before recording your notice of commencement

**CONSTRUCTION REQUIREMENTS:**

**ORDINANCE NO 155.30** All Property Owners are to repair and maintain all broken sidewalks in a public right-of-way abutting their property.

**ORDINANCE NO 100.05** Construction Activity to be conducted no earlier than 7:00 a.m. and no later than 6:00 p.m., Monday thru Friday. Saturday no earlier than 8:00 a.m. and no later than 6:00 p.m. No such work is to be conducted on Sundays.

This Building Permit shall expire and become null and void 180 days after issuance if work has not commenced or if the work is suspended or abandoned for a period of 90 days after the time the work has commenced. F.B.C. Section 105.3.2.1

**BROWARD COUNTY UNIFORM BUILDING PERMIT APPLICATION**

19, 24, 25 & 26 **TS**

Select One Trade:  Building  Electrical  Plumbing  Mechanical  Other

Application Number	Application Date				
Job Address	Unit 19 City Hollywood FL				
Tax Folio No	514113040080	Cloud Z-	BFE	Floor Area	Job Laid #7841 15 <b>TS</b>
Building Use	Construction Type		Occupancy Group		
Present Use	Proposed Use				
Description of Work	REPLACE RUSTED LAMP CENTRAL + UPGRADE Grounding				
<input type="checkbox"/> New <input type="checkbox"/> Addition <input checked="" type="checkbox"/> Repair	APPROVED ELECTRICAL		Revision	Other	
Legal Description	EWEIDLICH				Attachment
Property Owner	TP Hollywood	06/04/2021	Phone 207-379-1978	Email	sr.fournier41@khuo
Owner's Address	18 Whistler Place	City of Hollywood, FL	City	Ponte Vedra Beach FL	32081
Contracting Co	D Electrician Technical Services Inc.		Phone 954-726-0394	Email info@delectrician.com	
Company Address	4064 NE 8th Ave		City Oakland Park	State FL	Zip 33334
Qualifier's Name	Terrence Davis	Owner-Builder	License Number EC13007180		
Architect/Engineer's Name	Project		Event		
Architect/Engineer's Address	City		State	Zip	
Bonding Company	City		State	Zip	
Bonding Company Address	City		State	Zip	
Fee Simple Titleholder's Name (other than owners)	City		State	Zip	
Fee Simple Titleholder's Address (if other than owners)	City		State	Zip	
Mortgage Lender's Name	City		State	Zip	
Mortgage Lender's Address	City		State	Zip	

Application is hereby made to obtain a permit to do the work and installations as indicated. I certify that no work or installation has commenced prior to the issuance of a permit and that all work will be performed to meet the standards of all laws regulating construction in this jurisdiction. I understand that a separate permit must be secured for ELECTRICAL WORK, PLUMBING, SIGNS, WELLS, POOLS, FURNACES, BOILERS, HEATERS, TANKS and AIR CONDITIONERS, etc.

**OWNER'S AFFIDAVIT:** I hereby certify that all the facts and information is accurate and that all work will be done in compliance with all applicable laws regulating construction and zoning.

**WARNING TO OWNER:** YOUR FAILURE TO RECORD A NOTICE OF COMMENCEMENT MAY RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR NOTICE OF COMMENCEMENT.

X Scott R Fournier  
 STATE OF FLORIDA  
 COUNTY OF BROWARD

X Terrence Davis  
 STATE OF FLORIDA  
 COUNTY OF BROWARD

APR 21 2021  
 DIANA C. PROCTOR  
 Notary Public - State of Florida  
 Commission # GG 290847  
 My Commission Expires January 13, 2023  
 Scott R Fournier  
 Diana C Proctor

MAY 21 2021  
 NADINE A. COTTERELL  
 Notary Public - State of Florida  
 Commission # GG 290847  
 My Commission Expires January 13, 2023  
 Terrence Davis  
 NADINE COTTERELL

APPROVED BY: Terrence Davis Permit Officer Issue Date: 5/21/21 Code of Effect: 6th

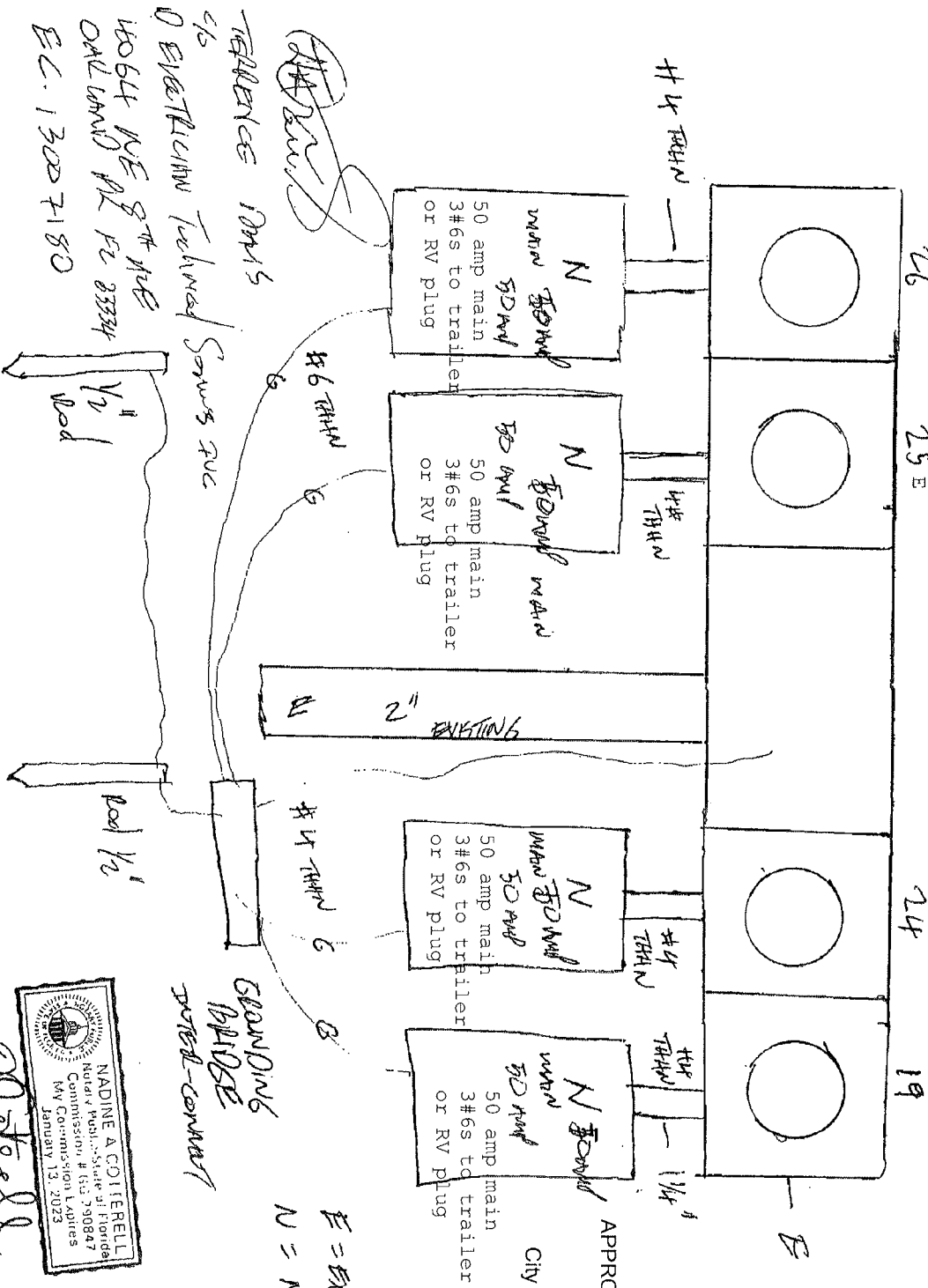
A jurisdiction may use a supplemental page requesting additional information and citing other conditions, please inquire.  
 Note: If any development work as described in this permit is to be performed, a development permit must be obtained and...

## INSPECTION REFERENCE LOG

<b>ELECTRIC - E21-100956 OUTLETS,SERVICE,PANELS,ETC</b>		
<b>FLOOR: 1</b>		
INSPECTION	DATE	RESULT
001 - ELECTRIC SERVICE		
002 - FINAL-ELECTRIC		
<b>APPROVALS</b>		
Broward County Notice of Commencement - 5/25/2021		
<b>COMMENTS</b>		
D electrician Terrace Davis EC13007180 954 726 0394 Replace rusted mains for trailer disconnects Lots 19,24,25,26 50 amp breakers - 6/4/2021 12:55:04 PM		
D electrician Terrace Davis EC13007180 954 726 0394 Replace rusted mains for trailer disconnects Lots 19,24,25,26 50 amp breakers - 6/4/2021 12:55:12 PM		

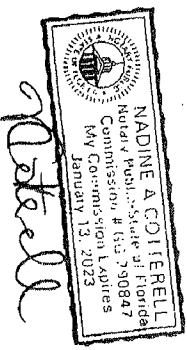
<b>Master Permit No.</b>	E21-100956
<b>Contractor/Owner</b>	D ELECTRICIAN TECHNICAL SERVICES INC
<b>Work Description</b>	OUTLETS,SERVICE,PANELS,ETC
<b>Legal Description</b>	PINE RIDGE ESTATES 24-10 B , TR 11 W 220 BLK 2
<b>Folio No.</b>	514113040080
<b>Address</b>	6028 JOHNSON ST
<b>Job Name</b>	TP HOLLYWOOD LLC

6028 SWHNSON STREET  
 HOLLYWOOD FL 33024  
 26 25E



APPROVED ELECTRICAL  
 EWEIDLICH  
 06/11/2021  
 City of Hollywood, FL

E = EXISTING  
 N = NEW



REFERENCE DRAWING  
 0 ELECTRICAL Technical Services Inc  
 16064 NE 8th Ave  
 OAKLAND FL 33334  
 E.C. 13007180



## **FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT**

**THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT** (this “Amendment”) is entered into as of the 19<sup>th</sup> day of April, 2022 (the “Effective Date”), by and between **TP HOLLYWOOD, LLC**, a Florida limited liability company (“Seller”), having an address at 506 Ocean Front, A, Neptune Beach, Florida 32266, and **PINNACLE 441 PHASE 2, LLC**, a Florida limited liability company (“Purchaser”), whose office address is 9400 South Dadeland Boulevard, Suite 100, Miami, Florida 33156.

### **RECITALS**

WHEREAS, Seller and PC GP HOLDINGS, LLC, a Florida limited liability company (“Assignor”), entered into that certain Purchase and Sale Agreement having an effective date of July 15, 2021 (the “Agreement”);

WHEREAS, Assignor subsequently assigned all of its right, title and interest in, to and under the Agreement to Purchaser; and

WHEREAS, Seller and Purchaser desire to amend the Agreement, as more particularly set forth below.

NOW THEREFORE, in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, Seller and Purchaser hereby agree as follows:

1. **Recitals.** The above recitals are true and correct and incorporated into this Amendment by this reference.

2. **Definitions.** Any capitalized terms not defined in this Amendment shall have the meaning given to such term in the Agreement.

3. **Tax Credit Contingency; Escrow Deposit.** Purchaser hereby waives the Tax Credit Contingency set forth in Section 9(b) of the Agreement. Purchaser hereby acknowledges and agrees that the Escrow Deposit is non-refundable to Purchaser as of the Effective Date, unless the Agreement is terminated as a result of a default by Seller, the failure of the Closing Condition set forth in Section 9(a) of the Agreement, or a termination of the Agreement pursuant to Section 15 of the Agreement. For the avoidance of doubt, the Escrow Deposit totaling \$100,000.00 and shall be credited to the Purchase Price.

4. **Closing.** Section 10 of the Agreement is hereby deleted in its entirety and replaced with the following:

“10. **Closing.** Unless sooner terminated by either Seller or Purchaser pursuant to the provisions of this Agreement and subject to the terms and conditions of this Agreement, Closing shall take place at the offices of the Escrow Agent at 10:00 a.m. Eastern Time, or by mail, or at another location mutually-agreeable to the parties, on September 30, 2022 (the “Closing Date”); provided, however, Purchaser may elect to close earlier, provided that Purchaser shall notify Seller of

the earlier Closing Date at least ten (10) days prior to the new Closing Date.”

5. **Permits.** Seller hereby represents and warrants that all work for which the Permit attached as Exhibit F to the Agreement has been completed. Seller represents and warrants to Purchaser that there are no other Permits as of the Effective Date of this Amendment. Notwithstanding the foregoing, Purchaser acknowledges and agrees that Seller may open additional permits for the Property in the ordinary course of business until Closing (“**New Permits**”); provided, however, that such New Permits, if any, shall be closed out by Seller by Closing.

6. **Full Force and Effect.** Except as specifically modified by this Amendment, all other provisions of the Agreement remain in full force and effect. To the extent of any conflict between the provisions of the Agreement and this Amendment, the provisions of this Amendment shall control.

7. **Authority.** Seller and Purchaser represent and warrant to the other than such party has the full right, power, and lawful authority to enter into, execute, and perform under this Amendment and that such actions do not violate any other agreement, covenant, or restriction placed upon such party. Purchaser further represents and warrants to the Seller that the person signing this Amendment on its behalf has been duly authorized to sign this Amendment.

8. **Governing Law.** This Amendment shall be governed by Florida law.

9. **Binding Effect.** This Amendment shall be binding upon, and shall inure to the benefit of, Seller, Purchaser, and their respective successors or assigns.

10. **Headings.** The headings contained in this Amendment are for convenience of reference only and shall not be construed as limiting or defining in any way the provisions of this Amendment.

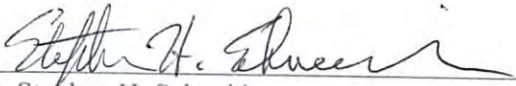
11. **Counterparts.** This Amendment may be executed in counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument. Any signature delivered by facsimile or other forms of electronic transmission, such as a PDF, shall be considered an original signature by the sending party.

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto hereby execute this Amendment as of the Effective Date.

**SELLER:**

**TP HOLLYWOOD, LLC,**  
a Florida limited liability company

By:   
Name: Stephen H. Schneider  
Title: Managing Member  
Date: 4/20/2022

**PURCHASER:**

**PINNACLE 441 PHASE 2, LLC,** a Florida  
limited liability company

By: **PC 441 PHASE 2 LLC,** a Florida limited  
liability company, its authorized member

By:   
Louis Wolfson III, Authorized Signatory

# Attachment D

Via Email

February 3, 2021

David O. Deutch  
Pinnacle 441, LLC  
9044 S. Dadeland Blvd., Suite 100  
Miami FL, 33156

Re: Invitation to Credit Underwriting  
2021 Housing Credit Program  
Pinnacle 441 RFA 2020-202 / 2021-017C

Dear Mr. Deutch:

On December 4, 2020, the Board approved the Review Committee's recommendation for RFA 2020-202 and staff has determined that none of the pending challenges in litigation for RFA 2020-202 will impact the decision to select the above mentioned Application for funding in the RFA. Your Application for the above stated Development met the necessary criteria and obtained the sufficient criteria to be ranked within the tentative funding range for Housing Credits. As such, Florida Housing is extending an invitation to credit underwriting.

Section 42 of the Internal Revenue Code, as amended, requires Florida Housing to make a determination of the amount of housing credits needed for the financial feasibility and viability of the Development throughout the credit period. The credit underwriter will perform this analysis of credit need. In addition, the credit underwriter will: evaluate the past performance of the Development Team, verify and validate information within the Application, perform other credit underwriting duties, and provide its findings and recommendation with a Preliminary Recommendation Letter. Based on this letter, Florida Housing may then issue a preliminary allocation of housing credits.

Pursuant to Rule 67-48, Florida Administrative Code (FAC), you must respond to this invitation to enter credit underwriting within seven (7) calendar days from the date of this letter. If the signed Acknowledgment is not received by **February 10, 2021** this Development will forfeit its opportunity to receive a Housing Credit Allocation.

Upon receipt of the attached Acknowledgment indicating your willingness to enter credit underwriting, Florida Housing will send a copy of your Application to Seltzer Management Group, Inc (the credit underwriter assigned to your Development). The Housing Credit underwriting fee is \$13,063.00 and the Preliminary Recommendation Letter (PRL) fee is \$1,658.00. These fees are due and payable within seven days from the date of this letter. These fees do not include the cost of a market study or, if required, a capital needs assessment report.

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Ron DeSantis, Governor

Board of Directors: Ron Lieberman, Chairman • LaTasha Green-Cobb, Vice Chairman  
Ryan Benson • Dane Eagle • Sandra Einhorn • Bill Gulliford • Dev Motwani

Harold "Trey" Price, Executive Director



February 3, 2021  
Mr. Deutch

In light of impacts due to COVID-19, we are asking payments to be made via wire or ACH if possible. Please contact Seltzer Management Group, Inc. for wiring instructions. If sending a check, please make the check payable and submit directly to:

Seltzer Management Group, Inc.  
17633 Ashley Drive  
Panama City Beach, FL 32413-5118

All credit underwriting information required pursuant to Rule 67-48.0072 (FAC) must be submitted to the credit underwriter by close of business February 24, 2021. Failure to submit the required credit underwriting information or fees by the specified deadlines may result in withdrawal of this opportunity.

Within 14 Calendar Days, *if requested by the Corporation*, the Applicant must submit IRS Form 8821 for all Financial Beneficiaries as defined in Rule Chapter 67-48, F.A.C.

Pursuant to RFA 2020-202, additional information must be submitted to the Corporation by close of business on the date specified in this invitation. The required information and submission deadlines are outlined on Exhibit A to this invitation. Failure to provide the required information by the stated deadline may result in the withdrawal of the opportunity to enter credit underwriting.

The Preliminary Recommendation Letter for this Development will be due to the Corporation no later than 12 weeks from this invitation to credit underwriting. If the deadline cannot be met, the Applicant must request an extension by submitting a written request and payment of the applicable processing fee to the Corporation.

Pursuant to RFA 2020-202, the Development shall set aside a percentage of the ELI Set-Aside units as Link Units for Persons with Special Needs. At least one member of each Link unit's household shall be referred by a Special Needs Household Referral Agency (Referral Agency) with which the owner executes a Link Memorandum of Understanding (MOU) approved by the Corporation. The fully-executed MOU is due to the Corporation no later than nine (9) months from this invitation to credit underwriting. Requirements and procedures for the Link Strategy are outlined in Exhibit E of RFA 2020-202.

Please be advised that the credit underwriter will be contacting you for an additional fee for a market study which is to be conducted at the Developer's expense by disinterested parties. Pursuant to Section 42 of the IRC an acceptable comprehensive market study of the housing needs of low-income individuals in the area to be served by the Development is a requirement to obtain a housing credit allocation. A Carryover Allocation Agreement will not be issued to the Development until Florida Housing is in receipt of an acceptable market study.

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Ron DeSantis, Governor

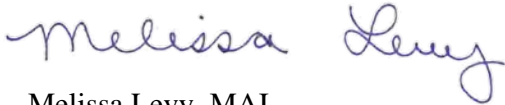
Board of Directors: Ron Lieberman, Chairman • LaTasha Green-Cobb, Vice Chairman  
Ryan Benson • Dane Eagle • Sandra Einhorn • Bill Gulliford • Dev Motwani

Harold "Trey" Price, Executive Director

February 3, 2021  
Mr. Deutch

Kristin Peters will be your lead Program Manager for this Development, and Sofia Edwards will be the backup. Please be sure to address any correspondence to Kristin Peters. If you have any questions, please do not hesitate to call the Housing Credit staff at 850-488-4197.

Sincerely,



Melissa Levy, MAI  
Assistant Director of Multifamily Programs

Enclosure

cc: Marisa G. Button, Director of Multifamily Programs  
Lisa Nickerson, Multifamily Programs Administrator  
Mitch Englert, Multifamily Programs Manager  
Diane Breinholt, Multifamily Programs Credit Underwriting Coordinator  
Sofia Edwards, Multifamily Programs Manager  
Liz Crane, Multifamily Programs Manager  
Kristin Peters, Multifamily Programs Manager  
Freebeau Swindle, Construction Administrator  
Laura Cox, Director of Asset Management and Guarantee  
Kenny Derrickson, Assistant Comptroller  
Elizabeth Thorp, Multifamily Programs Manager  
Janet Peterson, Asset Management Systems Manager  
Susan Parks, Data Reporting Manger  
Yoshieka Frison, Records and Information Manager  
Elaine Roberts, Senior Supportive Housing  
Cindy Highsmith, Seltzer Management Group, Inc.  
Ben Johnson, Seltzer Management Group, Inc.

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Ron DeSantis, Governor

Board of Directors: Ron Lieberman, Chairman • LaTasha Green-Cobb, Vice Chairman  
Ryan Benson • Dane Eagle • Sandra Einhorn • Bill Gulliford • Dev Motwani

Harold "Trey" Price, Executive Director

**INVITATION TO CREDIT UNDERWRITING  
RFA 2020-202 HOUSING CREDIT FINANCING FOR AFFORDABLE HOUSING  
DEVELOPMENTS LOCATED IN BROWARD, DUVAL, HILLSBOROUGH, ORANGE,  
PALM BEACH AND PINELLAS COUNTIES**

**ACKNOWLEDGEMENT**

The undersigned hereby acknowledges and agrees to enter credit underwriting in accordance with the terms and conditions of Florida Housing's subject letter dated February 3, 2021.

Accept: \_\_\_\_\_ Decline: \_\_\_\_\_

\_\_\_\_\_  
Signature

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

Pinnacle 441/2021-017C

\_\_\_\_\_  
Development Name and ID Number

\_\_\_\_\_  
Date

Please upload to the **Procorem Work Center** for this development

Exhibit A

RFA 2020-202 Housing Credit Financing for Affordable Housing Developments Located in  
Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties

Development: **Pinnacle 441**

Application #: **2021-017C**

Date of Invitation to Credit Underwriting: **February 3, 2021**

1. The following must be provided to the Corporation no later than February 10, 2021:
  - a. Respond to the invitation by accessing the development work center through the Procorem secure portal and submit the credit underwriting fee(s) as outlined in Item 4 of Exhibit C of the RFA, pursuant to subparagraph 67-48.0072(4)(a)1, F.A.C.; and
  - b. Verification that the Development qualifies as a USDA-eligible rural address, if applicable.
2. The following must be provided to the Corporation no later than February 24, 2021. Submission of all documents should be provided electronically to the Corporation at one time.
  - a. Provide the name and address of the chief elected official of the local jurisdiction where the proposed Development is located;
  - b. Provide notification of the Applicant's eligibility for acquisition credits per Section 42 of the IRC, if applicable;
  - c. Provide the Applicant's Federal Identification Number and the Employer Identification Number ("EIN") Certificate. If the number has not yet been obtained, the Applicant will be required to provide a copy of the completed, submitted application for that number.
  - d. Provide the completed and executed Florida Housing Finance Corporation Verification of Environmental Safety Phase I Environmental Site Assessment form and, if applicable, the completed and executed Florida Housing Finance Corporation Verification of Environmental Safety Phase II Environmental Site Assessment form (Forms Rev. 11-14). Note: If a Phase II ESA is required, but has not been completed by the stated deadline, contact Corporation staff to request an extension for submission of the Phase II ESA form;
  - e. Demonstrate that electricity and roads are available to the entire proposed Development site as of the date signed by providing the following:
    - (1) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure form (Form Rev. 08-20); or

## Exhibit A

### RFA 2020-202 Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties

- (2) Documentation from the service provider that contains the Development location and is dated within 12 months of the Application Deadline. The documentation may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.
- f. Provide the identity of the remaining members of the Development Team (i.e., inexperienced co-Developer(s), General Contractor, Architect, Attorney, Accountant, and for Elderly ALF only, Service Provider), as outlined below. The team members so identified, and any future replacement thereof, must be acceptable to the Corporation and the Credit Underwriter;
  - (1) Identify any inexperienced co-Developer(s) by providing the name, address, telephone and facsimile numbers, e-mail address, and the relationship of the co-Developer to the Applicant.
  - (2) Identify the General Contractor by providing the completed and executed Florida Housing Finance Corporation General Contractor or Qualifying Agent of General Contractor Certification form\*. Note: provide the prior experience chart, as outlined in the form.
  - (3) Identify the Architect by providing the completed and executed Florida Housing Finance Corporation Architect Certification form\*.
  - (4) Identify the Attorney by providing the completed and executed Florida Housing Finance Corporation Attorney Certification for Housing Credits form\*.
  - (5) Identify the Accountant by providing the completed and executed Florida Housing Finance Corporation Certification of Accountant form\*.
  - (6) Identify the Service Provider by providing the completed and executed Florida Housing Finance Corporation Service Provider or Principal of Service Provider Certification form (for Elderly ALF Developments only)\*.

\* The certification forms (Forms Rev. 07-2019) are available on the RFA Webpage. Note: The use of any prior version of these forms will not be acceptable to meet this requirement.
- g. Provide confirmation that all construction features committed to and proposed by the Applicant shall be located on the Development site;
- h. Confirmation that, if the proposed Development meets the definition of Scattered Sites, all Scattered Sites requirements that were not required to be met in the



## Exhibit A

### RFA 2020-202 Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties

Application will be met, including that all features and amenities committed to and proposed by the Applicant that are not unit-specific shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both. If the Applicant indicates that the proposed Development does not consist of Scattered Sites, but it is determined during credit underwriting that the proposed Development does meet the definition of Scattered Sites, all of the Scattered Sites requirements must have been met as of Application Deadline and, if all Scattered Sites requirements were not in place as of the Application Deadline, the Applicant's funding award will be rescinded;

- i. With the exception of Developments financed with HUD Section 811 or United States Department of Agriculture RD program, and Applicants that select the Elderly ALF Demographic Commitment , Developments with a Housing Assistance Payment contract and/or an Annual Contributions Contract with HUD: The waiting list section of the Tenant Selection Plan shall establish selection preferences or a section for special admissions specifically for individuals or families who are referred by a designated Referral Agency. Within 21 days of the date of the invitation to enter credit underwriting, the Tenant Selection Plan shall be submitted by the owner to the Corporation for review and preliminary approval before sending to HUD. Note: HUD approval may take several months. HUD approval shall be demonstrated to the Corporation prior to the completion of the final credit underwriting report;
- j. The Applicant will submit the fully executed Link MOU for the Corporation's approval, as described in Exhibit E;
- k. Provide notification of the percentage of ownership of the Principals of the Applicant. Upon the Applicant's acceptance of the invitation to enter credit underwriting, the Corporation will return the Principals of the Application and Developer(s) Disclosure Form that was part of the Applicant's uploaded Application. The Applicant will be required to enter the applicable percentages on the form and return the completed form to the Corporation;
- l. Provide confirmation that the proposed equity amount to be paid prior to or simultaneous with the closing of construction financing is at least 15 percent of the total proposed equity to be provided (the 15 percent criteria), subject to the following:
  - (1) If syndicating/selling the Housing Credits, there are two exceptions to the preceding sentence. First, if there is a bridge loan proposal within the equity proposal that provides for bridge loan proceeds that equal at least 15 percent of the amount of total proposed equity to be provided to be made available prior to or simultaneous with closing of construction financing, the 15

## Exhibit A

### RFA 2020-202 Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties

percent criteria will be met. Second, if there is a separate bridge loan proposal from either the equity provider, any entity that is controlled directly or indirectly by the equity provider, or a subsidiary of the equity provider's parent holding company, and the proposal explicitly proposes an amount to be made available prior to or simultaneous with the closing of construction financing that equals at least 15 percent of the total proposed equity to be paid stated in the equity proposal, the 15 percent criteria is met. Bridge loan proposals that are not within the equity proposal, though, must meet the criteria previously stated for debt financing with the exception that evidence of ability to fund does not have to be provided. The Applicant may include the proposed amount of the bridge loan as equity proceeds on the Construction or Rehabilitation Analysis and on the Permanent Analysis (Note: this 15 percent criteria must be reflected in the limited partnership agreement or limited liability company operating agreement); or

- (2) If not syndicating/selling the Housing Credits, proceeds from a bridge loan will not count toward meeting the 15 percent criteria;
- m. If there are existing occupied units as of Application Deadline, provide to the Credit Underwriter a plan for relocation of existing tenants. The plan shall provide information regarding the relocation site; accommodations relevant to the needs of the residents and length of time residents will be displaced; moving and storage of the contents of a resident's dwelling units; as well as the approach to inform and prepare the residents for the rehabilitation activities;
- n. If the Applicant indicated that the proposed Development is the first phase of a multiphase Development, submit to the Corporation an opinion letter by a licensed attorney that the Development meets the definition of a "multiphase project" as defined in the Federal Register. The letter must also include: (a) the name of the declared first phase Development and the Corporation-assigned Application number, (b) the total number of phases and the projected Development name for each phase, (c) the total number of buildings in each phase, (d) the expected completion date for each phase, and (e) any other information as determined by the Corporation and stated in the invitation to enter credit underwriting; and
- o. If the Applicant indicated that the proposed Development is a subsequent phase of a multiphase Development, the Development's status as a subsequent phase will be verified in credit underwriting. If the Development does not qualify and the Applicant's Housing Credit request is based on such contention and, during the credit underwriting process it is determined that the proposed Development does not meet the criteria for such distinction, the Applicant's Competitive Housing Credit award may be rescinded.

Exhibit A

RFA 2020-202 Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties

- p. Provide confirmation that the limited partnership agreement or limited liability operating agreement will comply with the operating deficit reserve requirement outlined in Section Four A.10.c.(4) of the RFA.

# Attachment E

August 3, 2020

LTR 20-041

Pinnacle 441, LLC  
c/o Pinnacle Communities  
9400 S. Dadeland Boulevard, Suite 100  
Miami, FL 33156

Re: Zoning verification for Pinnacle 441 (5141-13-04-0100, 5141-13-04-0110, and 5141-13-04-0090)

To whom it may concern:


The subject property has a Future Land Use designation of Transportation Oriented Corridor (TOC), and is zoned SR7 Central – Johnson Street Mixed-Use District (C-JS). The C-JS zoning district is designed to encourage higher intensity mixed-use transit oriented or transit ready development, which accommodate a diverse mix of commercial, office, and residential uses, serving the region and adjacent neighborhoods. The adjacent properties to west and north are zoned C-JS; adjacent properties to the south are zoned Central – Mixed Use (C-MU); adjacent properties to the east are zoned Open Space (OS).

The property is not subject to an overlay district and is not located in the historic district. Assuming compliance with other applicable land use and zoning regulations, the proposed density of 110 residential units and commercial uses are consistent with the current zoning and land use regulations.

Any modifications to the existing structure or changes of use will require the issuance of Building Permits. The City of Hollywood requires any new construction or change of use to comply with all applicable codes and ordinances including, but not limited to, building occupancy codes, fire department code regulations, applicable zoning and land use laws, landscaping, parking requirements, provisions for applicable sanitary sewer, water, storm drainage and other utilities. A Certificate of Use is required for a New Business, Relocation of an Existing Business, New Owner of Business (Transfer of Ownership), and Rental of Apartment Units.

This letter is informational in nature. It should not be interpreted as either support for or opposition to the referenced development. If you have any additional questions, please contact Deandrea Moise at (954) 921-3471.

Sincerely,



Deandrea Moise  
Planning Administrator



# Attachment F

December 1, 2021

Timothy P. Wheat  
Pinnacle  
9400 S. Dadeland Blvd., #100  
Miami, FL 33156

RE: Pinnacle 441, Phase 2

Dear Mr. Wheat:

Please find attached Resolution R-2021-330 which allocates \$1 million in City resources for the development of Pinnacle 441, Phase 2. Your application to Broward County for \$10 million in American Rescue Plan funds to finance this important development is enthusiastically supported by the Hollywood City Commission and staff.

The City's support is predicated on three important factors:

1. Hollywood has a critical need for quality affordable and workforce housing, particularly on the State Road 7/US Highway 441 corridor with its tremendous economic growth potential. Hollywood recognizes Pinnacle's capability as a best in class affordable housing developer and operator, and endorses Pinnacle's multi-phase approach with the first phase of the Pinnacle 441 development starting construction in 2022.
2. Hollywood has taken significant steps to encourage, through land use, zoning and infrastructure investments, comprehensive redevelopment along the State Road 7/US Highway 441 corridor. These efforts are in concert with Broward County's efforts to see redevelopment along this critical corridor. The City is placing an emphasis on mixed use development, public plazas, art in public places and transit-oriented development. Pinnacle 441, Phase 2 offers all of these.
3. The City has long-standing public safety concerns with respect to the continued operation of the mobile home park currently in place on the Pinnacle 441, Phase 2 site. Closing the park while developing affordable housing with a mixed use and mixed income component provides quality replacement housing and remedies these concerns while creating an important public purpose-driven community.

Thank you for your continued interest in developing in the City and best of luck with your application.

Sincerely,

  
Dr. Wazir A. Ishmael  
City Manager

2600 Hollywood Boulevard  
P.O. Box 229045  
Hollywood, Florida  
33022-9045

[hollywoodfl.org](http://hollywoodfl.org)

RESOLUTION NO. R-2021-330

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, SUPPORTING THE DEVELOPMENT OF PINNACLE 441, PHASE II, A MULTI-FAMILY RENTAL COMMUNITY THAT INCLUDES AFFORDABLE HOUSING ON THE APPROXIMATELY 1.9 ACRE PROPERTY GENERALLY LOCATED AT 6028 JOHNSON STREET, COMPRISED OF FOLIO NUMBER: 514113040080; AUTHORIZING THE DEVELOPER, PINNACLE COMMUNITIES, LLC, TO SUBMIT AN APPLICATION TO BROWARD COUNTY TO SEEK DESIGNATED AMERICAN RESCUE PLAN FUNDS TO HELP FINANCE THE DEVELOPMENT; COMMITTING A \$1,000,000.00 MATCH IF BROWARD COUNTY AWARDS AMERICAN RESCUE PLAN FUNDS TO THIS DEVELOPMENT; AUTHORIZING THE RESPONSIBLE CITY OFFICIALS TO EXECUTE ALL DOCUMENTS NECESSARY TO EFFECTUATE THIS RESOLUTION.

WHEREAS, Broward County has recently issued "Request for Applications American Rescue Plan ("ARP") Funding for \$29 million to New Construction of Multi-Family Affordable Housing Rental Units for Fiscal Year 2022" ("RFA") with a maximum award of \$10 million; and

WHEREAS, the RFA utilizes a point system, with Broward County ARP funding awarded to those projects scoring the most points; and

WHEREAS, projects that have received non-Broward County municipal gap financing will receive five points for each \$1,000,000.00 of provided municipal assistance; and

WHEREAS, Broward County is allowing this municipal gap funding to come from a variety of funding sources, including but not limited to grants, loans, and fee waivers, with the funding sources to be determined at a later date; and

WHEREAS, Pinnacle Communities, LLC ("Pinnacle") has approached the City requesting municipal gap funding in the amount of \$1,000,000.00 for the development of Pinnacle 441 Phase II, a mixed-use, affordable housing development, consisting of no fewer than 100 units on the approximately 1.9 acre property located adjacent to its planned Pinnacle 441 Phase I project on the southwest corner of State Road 7 and Johnson Street; and

WHEREAS, through an affiliate, Pinnacle has control of the site by virtue of a purchase and sale agreement; and

WHEREAS, the City strongly supports the need for quality affordable housing development, particularly along the SR 7 corridor, and supports the redevelopment of this site; and

WHEREAS, to help this development achieve funding from Broward County, the City agrees to commit a total of \$1,000,000.00 in the form of grant, loan and/or fee waivers, contingent upon Broward County ARP funds being awarded for this development as part of the RFA; and

WHEREAS, this Resolution replaces R-2021-206 providing Local Government Areas of Opportunity Funding in the form of a \$640,000.00 loan in order to allow Pinnacle to apply for Federal Tax Credits through the Florida Housing Finance Corporation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA.

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: That the City agrees to commit \$1,000,000.00 in municipal gap funding in the form of a loan, grant and/or fee waivers to Pinnacle Communities, LLC for its Pinnacle 441 Phase II project as set forth herein.

Section 3: That the appropriate City officials are authorized to execute all documents necessary and proper to effectuate the intent of this Resolution.

Section 4: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this 1 day of December, 2021.

ATTEST:

  
PATRICIA A. CERNY, MMC  
CITY CLERK

  
JOSH LEVY, MAYOR

APPROVED AS TO FORM AND LEGAL SUFFICIENCY for the use and reliance of the City of Hollywood, Florida, only.

  
DOUGLAS R. GONZALES  
CITY ATTORNEY

# Attachment G

**PINNACLE 441, LLC  
DEVELOPMENT COST PROFORMA**

<b><u>USES</u></b>	<b><u>PER UNIT COSTS</u></b>	<b><u>TOTAL COSTS</u></b>	<b><u>ELIGIBLE BASIS</u></b>
Acquisition/Land	31,858	3,600,000	0
Demolition	1,004	113,450	0
Accounting	664	75,000	75,000
Appraisal	59	6,650	6,650
Architect Fees - Design/Superv.	4,566	516,000	516,000
Broker Fees	0	0	0
Building Permits	5,779	653,009	653,009
Engineering & Survey Fees	3,770	426,000	426,000
Environmental & Soils	591	66,770	33,385
Finance Fees	5,417	612,150	139,000
Green Certification	265	30,000	30,000
Net Impact Fees	2,649	299,323	299,323
Inspection Fees	433	48,900	48,900
Insurance - Bldrs Risk/GL/Excess	1,673	189,000	189,000
Insurance - Perm	700	79,100	0
Legal Fees	3,540	400,000	0
Market Study	49	5,500	5,500
Property Taxes	1,965	222,000	0
Utility Connection Fees	3,918	442,713	442,713
Tax Credit Fees	5,249	593,179	0
Title Insurance & Recording	1,770	200,000	100,000
Marketing	885	100,000	0
Operating Reserve	3,180	359,382	0
Soft Cost Contingency	1,852	209,260	0
Construction Loan Interest	17,699	2,000,000	983,024
Construction Costs	229,805	25,967,968	24,791,968
Hard Cost Contingency-NORMAL 5%	11,490	1,298,397	1,298,397
Hard Cost Contingency-PRICE ESCALATION 2%	4,596	519,359	519,359
FFE/Amenities	5,335	602,800	400,000
Washers/Dryers	1,200	135,600	0
Developer Fee	50,047	5,655,358	5,655,358
<b>TOTAL USES</b>	<b>402,008</b>	<b>45,426,868</b>	<b>36,612,586</b>

**SOURCES**

TAX CREDIT EQUITY	281,306	31,787,621
1ST MORTGAGE-CONVENTIONAL	81,416	9,200,000
2ND MORTGAGE-BROWARD COUNTY SHIP	885	100,000
3RD MORTGAGE--BROWARD COUNTY	0	0
REIMBURSEMENT OF NLP FORWARD DEPOSIT FEE	1,628	184,000
REIMBURSEMENT OF BOFA EQUITY CLOSING COSTS	767	86,650
DEFERRED DEVELOPER FEE	36,005	4,068,597
<b>TOTAL SOURCES</b>	<b>402,008</b>	<b>45,426,868</b>



# Attachment H



Community Development Banking  
101 East Kennedy Blvd.  
Tampa, FL 33602

Nicole Baldon  
Senior Vice President  
P (704) 737-3023  
Nicole.Baldon@bofa.com

May 31, 2022

David O. Deutch  
Pinnacle 441, LLC  
c/o Pinnacle Communities, LLC  
9400 S. Dadeland Blvd, Suite #100  
Miami, Florida 33156

Re: **Pinnacle 441 Equity LOI**

Dear Mr. Deutch:

This letter expresses the interest of Bank of America, N.A., and, or, its affiliates (“Investor” or the “Bank”) in making an equity investment in an operating company for purposes of developing and owning a low-income housing project (the “Project”). This letter is intended to describe the terms and conditions of Investor’s proposed equity investment.

**1. Project.**

The Project will consist of the new construction of 110 LIHTC units and 3 market-rate units contained in one eight story residential buildings located in Hollywood, FL (the "Property"). The unit mix will be as follows:

UNIT DESCRIPTION						
Description	# BRs	# Baths	LIHTC	Unit	AMI %	No. Units
			Unit?	Classification		
			(Y/N)			
1BR@ 25% AMI	1		Y	LIHTC Restr	25%	2
1BR @60% AMI	1		Y	LIHTC Restr	60%	11
Market	1		N	Market		1
2BR@ 25% AMI	2		Y	LIHTC Restr	25%	7
2BR @60% AMI	2		Y	LIHTC Restr	60%	56
Market	2		N	Market		1
3BR@ 25% AMI	3		Y	LIHTC Restr	25%	3
3BR @60% AMI	3		Y	LIHTC Restr	60%	31
Market	3		N	Market		1

**2. Tax Credits.**

The Project has received a preliminary reservation in 2021 of 9% federal low-income housing tax credits (the “Projected Federal Credits”) in the amount of \$3,381,662 per annum from the Florida Housing Finance Corporation (the “Credit Agency”). A 2022 allocation of credits will replace the 2021 award along with CHIRP. An extension of the placed in service deadline must be obtained at a minimum of June 30, 2024.

**3. Company.**

The Project will be owned and operated by Pinnacle 441, LLC, a Florida Limited Liability Company (the “Company”), PC 441, LLC, a Florida limited liability company as Authorized Member (“Authorized Member”), and Bank of America, N.A., a national banking association as Investor Member and Banc of America CDC Special Holding Company, Inc., a North Carolina corporation, an affiliate of Investor as Special Member. Authorized Member, Investor, and Special Member will enter into an Operating Agreement (the “Company Agreement”). Authorized Member will own a 0.01% interest in the Company; Investor Member will own a 99.99% interest in the Company; and Special Member will own a 0.00% interest (the “Percentage Interests”).

**4. Project Financing.**

Authorized Member contemplates that the Company will obtain the loans set forth below (the “Loans”):

- A. Construction Loan. A construction loan in an estimated amount of \$ 27,800,000 and with a term of 30 month(s) (the “Construction Loan”) will be provided by Bank of America on terms to be approved by Investor.
- B. Permanent Loans. The following permanent loans (the “Permanent Loans”) are expected to be made to the Company:

<b>Loan type</b>	<b>Loan Amount</b>	<b>Interest rate</b>	<b>Loan Term</b>	<b>Amortization Term</b>
<u>First Mortgage Loan</u> (TBD)	\$9,200,000	5.75%	15 years	35years

The terms and conditions of each of the Loans and any other loan to the Company will be subject to Investor’s approval. Such loans will (i) expressly permit the admission of Investor into the Company and the potential transfers of the members interests by Investor and Special Member without consent of the maker of the loan provided that such transfers are permitted under the Operating Agreement, and (ii) will provide Investor with notices of default and cure rights acceptable to Investor. All Permanent Loans will be non-recourse.

Property taxes must reconcile to underwriting used by permanent lender and Seltzer Management.

Commercial income was not included in underwriting. If it is included in full underwriting, it must be supported by (1) a master lease from the partnership to Pinnacle or (2) personal guaranty for the guarantors of such commercial income, both options for the term of the compliance period.

**5. Other Parties.**

A. Developer. Pinnacle Communities, LLC

Guarantor. David O. Deutch, Louis Wolfson III, and Mitchell M. Friedman  
Liquidity and Net Worth Covenants:

Liquidity and Net Worth Covenants TBD during formal underwriting. Post Conversion Covenants TBD. In addition the guaranty will contain a prohibition on transfers of the assets of all parties in excess of 49% without the Bank's prior written consent.

B. Property Manager. Professional Management Inc.

C. Compliance Monitor. Pinnacle Communities, LLC

D. General Contractor. PC Building, LLC, or another general contractor acceptable to Developer and Investor. PC Building, LLC is affiliated with Developer, Guarantor, and Authorized Member. The General Contractor will provide a Guaranteed Maximum Price Contract with 100% Payment and Performance bonding or Letter of Credit equal to 10% of the construction contract in lieu of bonding.

The qualifications and financial condition of each of the foregoing parties must be acceptable to Investor.

**6. Capital Contributions.**

Investor will make a total Capital Contribution equal to \$.94 for each \$1.00 of Federal Tax Credits to which it will be entitled as an Investor. Based on the Projected Credits for the Company this would amount to a total Capital Contribution of 31,787,621 (the "Total Capital Contribution"). The Total Capital Contribution will be paid as follows assuming a July 1, 2022 closing:

<b>Milestone</b>	<b>Conditions to be satisfied prior to payment</b>	<b>% Equity</b>	<b>\$ Equity</b>
<u>Initial Capital Contribution</u>	(i) closing of the Company (ii) closing and initial funding, to the extent contemplated by the closing draw, of all construction financing for the Project (iii) receipt of commitments for all permanent financing on the Project with the interest rate fixed for at least 15 years (iv) evidence of either acquisition of, or a long-term leasehold interest in, the land for the Project (v) evidence the Company has received an allocation from the Credit Agency of 9% credits in an amount equal to the Projected Federal Credits (vi) receipt by the Investor of a tax opinion prepared by special tax counsel for the Company in a form which is acceptable to the Investor (vi) satisfactory completion of Investor's due diligence	25%	7,946,905
<u>50% Completion Capital Contribution</u>	(i) the Bank has received the Bank's Construction Consultant's report evidencing 50% completion of the property  (ii) all prior capital contribution requirements have been completed or waived in writing  This contribution will occur no earlier than 2/1/2023.	10%	3,178,762
<u>95% Completion Capital Contribution</u>	(i) the Bank has received the Bank's Construction Consultant's report evidencing 95% construction completion of the Property (ii) the owner's title search has been updated showing no mechanics lien exceptions (iii) all prior capital contributions and requirements have been completed or waived in writing This contribution is anticipated to occur no earlier than 10/01/2023.	10%	\$3,178,762

<p><u>Conversion and Stabilization Capital Contribution</u></p>	<p>(i) the Project then has achieved at least an average over a period of three consecutive calendar months of a minimum of 1.15 to 1 debt service coverage on the must pay Permanent Loan (which period must include the last day of the most recent calendar month)                  (ii) the Project is then at least 90% physically occupied                  (iii) all tax credit units have been leased to qualified tenants at least one time                  (iv) all Permanent Loans have closed and funded, or will close and fund concurrent with this Conversion and Stabilization Capital Contribution                  (v) permanent certificates of occupancy for each building in the Project.                  (vi) all reserves have funded or will fund concurrent with this payment                  (vii) receipt of an Accountant reviewed draft of the cost certification.</p> <p>This contribution will occur no earlier than 4/01/2024.</p>	<p>52%</p>	<p>\$ 16,529,563</p>
<p><u>Final Capital Contribution</u>                  (The balance of the unpaid Total Capital Contribution)</p>	<p>(i) the Credit Agency has issued a Form 8609 for each building.                  (ii) a final cost certification reviewed by a qualified accountant has been received in a form acceptable to Investor.                  (iii) a copy of the recorded Extended Use Agreement has been received.                  (iv) a copy of the compliance audit of the initial tenant files has been received.                  (v) calculations of final adjusters have been prepared and agreed to.</p> <p>This contribution will occur no earlier than 7/1/2024</p>	<p>3%</p>	<p>\$ 953,629</p>

**7. Authorized Member and Guarantor Obligations.**

A. Completion and Development Deficit Guaranty. Authorized Member and Guarantor will guarantee lien-free completion of the Project in a good and workmanlike manner substantially in accordance with plans and specifications as approved by Investor. Authorized Member and Guarantor will guaranty payment of all development costs, including all costs of achieving such lien-free completion, including all soft costs and construction period interest. If necessary, the Authorized Member will defer developer fee to cover cost overruns provided that the amount of the deferred fee as increased is (except as otherwise provided below ) projected to be payable from the Project’s Operating cash flow no later than the 14<sup>th</sup> year after completion. Further, under this guaranty, Authorized Member and Guarantor will guaranty payment of all operating costs through the later of the date (i) the Project has achieved 90% occupancy for a period of three consecutive calendar months, (ii) the Project is 100% complete, (iii) all tax credit units have been leased to qualified tenants at least one time, and (iv) all



Permanent Loans have closed and funded. Authorized Member may defer payments of Developer fee in order to cover budget shortfalls as long as either (i) the deferred fee (to the extent necessary to be included in basis in order to generate Projected Credits) can reasonably be paid within 15 years. or (ii) the deferred fee is not needed in basis to generate the Projected Credits. Payments made under this guaranty up to \$1,000,000 will be treated as interest free loans (“Development Deficit Loans”) to the Partnership.

- B. Operating Deficit Guaranty. Authorized Member and Guarantor will agree to loan to the Company any amounts required to fund operating deficits arising after the expiration of the Completion and Development Deficit Guaranty up to three (3) months of operating expenses (inclusive of must pay annual debt service and replacement reserves) currently estimated to be \$359,382 (the “Operating Deficit Loan Maximum”). Any amounts so advanced will constitute interest-free loans (“Operating Loans”) repayable only out of future available cash flow or out of available proceeds of a sale or refinancing. The Operating Deficit Guaranty will terminate 36 months after the (i) the expiration of the Completion and Development Deficit Guaranty, In addition, in order for the Operating Deficit Guaranty to terminate, the Project must average a 1.15 to 1.00 debt service coverage ratio for the last 12 months of the 36 months period or any subsequent 12 month period and the Operating Reserve must be replenished to its originally required balance of \$359,382.
- C. Repurchase. Authorized Member and Guarantors will be required to repurchase the Investor’s interest upon certain material events as follows: failure to achieve completion by the placed in service deadline imposed by the Internal Revenue Code or FHFC, which is currently anticipated to be **6-30-24**, failure to achieve stabilization within 24 months of completion, loss of permanent financing commitments and failure to replace said commitments on terms at least as favorable within 90 days, failure to meet the minimum set-aside test, failure to convert the construction loan to permanent loan status before the maturity of the construction loan, failure to satisfy the 10% test, prior to stabilization, an action to foreclose is filed and not vacated in 30 days, a casualty occurs resulting in substantial destruction of more than 50% of the project, the Project is ineligible for 20% or more of the Projected tax credits, the failure to obtain Forms 8609 by the due date for filing of the Company’s tax return, any lender or governmental agency shall fail to approve the Investor as a member of the Company, HUD flags the Project and the flag is not cured within a period of 60 business days (only applicable if there is HUD involvement through subsidy or financing), or the Construction Inspector employed by the Investor concludes that the Project is no longer likely to be placed in service within the time frame required by the Internal Revenue Code or FHFC (**6/30/2024**). Repurchase guaranty terminates and is released after payment of final equity installment. The Authorized Member and Guarantors will repurchase the Investor’s interest in the Company at a price equal to the Investor’s Capital Contributions paid to date, plus the actual out of pocket costs to the Investor (including legal, accounting, and consulting) plus 7%

interest per annum, less any net tax credits received and retained by the Investor and any cash flow previously distributed by the Company to the Investor.

- D. Tax Credit Guaranty and Indemnification. Authorized Member and Guarantors will indemnify Investor for the failure to achieve Projected Federal Credits except if caused by transfer of Investor’s Interest, actions or inactions of the Investor or a change in law, in which case any resulting adjusters would be paid solely from the Project’s Operating Cash Flow and proceeds from a sale or refinancing. Should the actual tax credits be lower than the Projected Federal Credits, Investor’s capital contributions will be adjusted downward by the amount of the difference and any interest or penalties owed by Investor. Subsequent to the payment of Investor Capital Contributions, Authorized Member and/or Guarantors will, within 75 days of the end of each calendar year, pay to Investor an amount on an after tax basis equal to the difference in actual tax credits plus any interest or penalties owed by Investor. This guaranty will run for the 15-year term of the compliance period. Authorized Member and Guarantors indemnify Investor for losses/damages suffered as a result of fraud, willful misconduct or intentional breach of reps and warranties contained in the Operating Agreement by the Authorized Member or its affiliates involved in the Project.
  
- E. Taxable Income Prior to Stabilization. To the extent that the Company generates any taxable income prior to Stabilization, the Authorized Member and Guarantor will be obligated to pay for any tax liability of the Investor Member due to such taxable income. This includes, but is not limited to, any interest income generated from Company assets (such as Guaranteed Investment Contracts) that exceeds the deductible investment expense allocated to the Investor Member.
  
- F. Adjuster Provisions. The Capital Contributions are based upon your projection of total federal Low-Income Housing Tax Credits of \$ 33,816,618 (“Original Projected Credit”) to Investor, which in turn is based upon certain assumptions and projections. The following federal (and, if applicable, state) credits are to be delivered to the Investor assuming July 1, 2022 closing:

Credit	2024	2024-2033	2034
<u>Federal Low Income Housing Tax Credit</u>	<b>\$3,381,662</b>	<b>\$30,434,956</b>	<b>\$0</b>

The actual amount of Low-Income Housing Tax Credits may in fact change after the determination of eligible and qualified basis. Accordingly, the Capital Contribution may be adjusted when (i) final projections of the amount of Low-Income Housing Tax Credits are completed and/or (ii) upon or after actual completion of the project. Upon satisfaction of all conditions and prior to payment of the Final Capital Contribution, the Company Accountant will provide the

Investor with Revised Economic Projections and the Final Credit Amount determined by the Accountants.

- G. Credit Adjuster. To the extent such final projected amount of Low-Income Housing Tax Credits varies from the Original Projected Credits, Investor's capital contribution will be adjusted, upward or downward, as applicable, by \$0.94 per federal credit on such variance in the delivery of actual credits to Original Project Credit (as reflected in cost certifications or Form 8609).
- H. Timing Adjuster. Investor's federal credit capital contribution will be adjusted, upward or downward as applicable, to reflect the later or earlier than projected delivery of federal credits with respect to the first year and, if applicable, the second year, of the credit period, based on a reduction in price of \$0.65 for every federal credit dollar deferred, or an increase based on \$0.65 for every federal credit dollar accelerated.

**8. Allocation of Tax Credits, Depreciation, Profits and Losses.**

The Tax Credits, depreciation, operating profits and losses will be allocated in accordance with the Percentage Interests.

**9. Distribution of Cash Flow.**

- A. Operating Cash Flow. Operating cash flow will be utilized as follows:
  - (i) payment of must pay debt service on the Permanent Loans and other operating expenses;
  - (ii) additions to a funded capital replacement reserve as provided in the Partnership Agreement;
  - (iii) payment of the Asset Management Fee (\$5,000 per year beginning pro rata in 2024 (increasing 3% per year) to the Special Member, which fee will accrue if not paid;
  - (iv) payment of any tax credit adjuster payments due to a change in law;
  - (v) payment of the Deferred Developer Fee;
  - (vi) repayment of any Operating Deficit Loans or Authorized Member Loan Development Deficit Loans, made by the Authorized Member;
  - (vii) payment of any "soft" loans if applicable;
  - (viii) replenishment of the Operating Reserve Account;
  - (ix) the balance 90% to the Authorized Member, first as payment of an incentive management fee (up to the lesser of (i) \$30,000 or (ii) 6% of gross revenues) and then as a distribution, and 10% to the Investor Member.

- B. Sale or Refinancing Proceeds. Distributions of proceeds from a sale or refinancing of the Project will be distributed as follows:
- (i) payment of all outstanding debt in full and other operating expenses;
  - (ii) to the extent reasonably determined necessary by the Authorized Member, additions to a funded capital replacement reserve;
  - (iii) payment of the federal and state “exit” taxes incurred on any negative capital account, if any, of the Investor;
  - (iv) payment of any unpaid, accrued Asset Management Fee;
  - (v) payment of any outstanding tax credit adjusters due to a change in law;
  - (vi) payment of the Deferred Developer Fee;
  - (vii) repayment of any Operating Deficit Loans or Authorized Member Development Loans or Development Deficit Loans, made by the Authorized Member; and
  - (viii) 90% to the Authorized Member and 10% to the Investor.
- C. Developer Fee. Developer will earn a Developer Fee, projected to be approximately \$5,678,281. The timing of the payments toward the Developer Fee is subject to the terms of the Construction Loan, which will be subject to approval by Investor. In the event that the amount of the Final Capital Contribution is insufficient to pay the remaining balance of the Developer Fee, such unpaid balance will be deferred as provided in the Operating Agreement and will be paid out of Operating Cash Flow and Sale or Refinancing Proceeds as provided above, provided that the amount of the unpaid balance must be paid within 15 years after 100% completion of the Project, if it was necessary to be included within the Accountant’s Eligible Basis calculation to support the Forecasted Tax Credit.

**10. Property Manager.**

Professional Management Inc. will be the property manager and provide compliance management. The Property Manager will earn a fee equal to a maximum of 5.0% of the Project’s gross collected rents. If the Property Manager is an affiliate or related entity of the Authorized Member, then the Property Manager may be terminated as Property Manager in the event of the removal of the Authorized Member from the Company.

**11. Depreciation.**

For the purposes of the pricing contained in this Letter of Intent, we have assumed the Company will depreciate its residential rental property over a 30 year recovery period, Site Work over 15 year period, and Personal Property over 5 year period.

**12. Replacement Reserves.**

\$300 per unit annually, or greater if required by any Project lender, will be funded as an operating expense into a reserve account. Funding of the Replacement Reserve will commence at Permanent Loan Conversion.

**13. Operating Reserve.**

\$359,382 (three month reserve) or greater if required by any Project lender, will be funded upon Permanent Loan Conversion into a dual control Operating Reserve account to be used for potential operating deficits. These funds may be used to fund operating deficits during the three year Operating Deficit Guaranty period identified in 7 B above and prior to Guarantors funding under such guaranty, but will be required to be replenished prior to release of the Operating Deficit Guaranty. Upon expiration of the Compliance Period, any funds remaining in the Operating Reserve may be released and distributed through the cash flow waterfall set forth in Section 9 of this Letter of Intent, subject to any necessary third party and FHFC consents.

**14. Investor Review.**

As set forth in the Operating Agreement, Investor will have the right to inspect the Project during and after construction and to review construction loan disbursement requests and other financial and operations matters of the Project and the Company.

**15. Reporting.**

The Company will be required to prepare quarterly and annual reports in form and substance satisfactory to Investor as set forth in the Company Agreement.

**16. Additional Company Agreement Terms.**

The Company Agreement will provide for customary covenants, rights to approve major Company matters, representations and warranties, defaults, (including the right to remove the Authorized Member for bankruptcy, fraud, violations of representations and warranties and other removal rights that are typically held by Investors in low-income housing tax credit transactions), remedies, and indemnities (including Environmental Indemnity) to be more fully described in the Company Agreement. The Company will carry insurance acceptable to Investor.

**17. Transfer of Investor Interest.**

Investor will have the right to transfer its interest in the Company with notice to the Authorized Members at no expense to Authorized Members, and to have the transferee admitted as a substitute Member: (i) to any affiliate of Investor, (ii) to any other person or entity provided that the net worth of the proposed transferee will be acceptable to Authorized Members in their reasonable discretion, or (iii) to a Company or limited liability company in which the Investor is the Authorized Member or managing member.

**18. Transfer of Authorized Member Interest.**

Authorized Members will not sell, transfer, assign, pledge or encumber any portion of its interest in the Company without the prior written consent of Investor.

**19. Bank Accounts.**

All bank accounts of the Company will be maintained with Investor.

**20. Conditions to Closing.**

Investor's investment in the Company in accordance with this letter is subject to the satisfaction of the following conditions precedent on or before the Closing Date, which will occur on or before July 1, 2022 (the "Closing Date").

- A. Due Diligence. Investor's satisfactory due diligence review, in its sole and absolute discretion, of all matters pertaining to the Company, the Authorized Member, the Guarantor, the Developer and the Project including, without limitation:
- (1) the construction budget, the scope of work, the construction schedule, all required permits, the construction contract, and all other construction and development matters;
  - (2) title, survey, zoning, engineering and environmental matters;
  - (3) any ground lease which must have a minimum term of at least 65 years;
  - (4) market studies, appraisals, and all other matters regarding project feasibility;
  - (5) all aspects of the project's capital structure: the terms of all loans, grants, tax increment financing and equity contributions;
  - (6) debt service coverages, reserves, rental subsidies, income, expenses, and all other assumptions underlying the Projections;
  - (7) tax matters;
  - (8) government benefits, government consents, government requirements and all other regulatory aspects of the Project;
  - (9) all formation documents and government filings of the Company, the Authorized Member, the Guarantor and the Developer; and
  - (10) the financial condition of the Authorized Member, Guarantor and the Developer.
- B. Negotiation of Satisfactory Documentation. The negotiation of a final Company Agreement and related documents (collectively the "Project Documents") that are satisfactory to Investor, and Authorized Member. Investor's attorney will prepare



and send to Authorized Member and its attorney the form of the Project Documents. The form of the Operating Agreement and ancillary documents shall be substantially similar to Amaryllis Park Place II, LLC.

- C. Opinions. Investor's receipt of a corporate opinion rendered by counsel to Authorized Member satisfactory to Investor, in form and substance acceptable to Investor.
- D. Consents. Receipt of all necessary consents of governmental authorities and lenders.
- E. Title Insurance. Receipt of a title insurance policy in an amount and in a form acceptable to Investor, provided the amount of such title insurance must be at least equal to the aggregate of the Total Capital Contribution plus all Permanent Loans. The policy must include a "Non-Imputation" endorsement, if commercially available.
- F. Miscellaneous. Receipt of other items or information reasonably required by Investor.

**21. Transaction Expenses.**

The Investor is responsible for all of the Investor's transaction expenses including its legal, market analysis, and accounting fees up to \$86,650. The Authorized Member is responsible for all such costs to the extent they exceed \$86,650. Investor's expenses will be paid in the form of capital contribution from the Investor, which is separate from and in addition to the Capital Contribution in paragraph 6. If the Company fails to close due to Authorized Member's actions, the Authorized Member will be responsible for reimbursing the Investor for all of the Investor's transaction expenses.

**22. Termination.**

If the transaction contemplated by this letter fails to close by the Closing Date, as extended by the parties, this letter will be null and void and of no further force and effect, and, neither party will have any claim or demand whatsoever against the other party in connection with this letter, its execution or termination, except the Investor's transaction expenses identified above, if applicable.

**23. Option to Purchase/Right of First Refusal.**

Starting in the first calendar year after the end of the tax credit period, the Authorized Member or its affiliate shall have the option for a period of 2 years to purchase the Company's interest in the Project or the interest of the Investor for an amount equal to the greater of (a) fair market value as determined by an MAI Appraiser or (b) outstanding debt plus taxes payable as a result of the sale plus any amounts owed to the Investor Member (price to purchase Investor interest equal to greater of (a) proceeds distributable to Investor under Section 9.B. if Project were sold for appraised FMV or (b) taxes payable by Investor as result of sale of Investor interest plus amounts owed to Investor)

Further, at any time after the end of the 15 year Compliance Period for a period of 2 years, the Authorized Member or its affiliate shall have an option to purchase the Company's interest in the Project or the interests of the Investor Member, at the discretion of the Authorized Member, for an amount equal to the greater of (a) fair market value as determined by an MAI Appraiser or (b) outstanding debt plus taxes payable as a result of the sale plus any amounts owed to the Investor Members (price to purchase Investor interest same as above).

**24. Put Option.**

At any time after the expiration of the tax credit period, Investor may require that the Authorized Members purchase Investor's Interest and Special Member's Interest subject to all then existing liens and encumbrances to title for an amount equal to \$100 (the "Put Option").

**25. Tax Disclosure.**

Notwithstanding anything to the contrary contained in the Operating Agreement or any other agreement between the parties hereto, or in any offering materials pertaining to the Project, Investor and each officer, employee, representative or agent of Investor may disclose to any and all persons, without limitation of any kind, (i) the tax treatment and tax structure of the Company and any of the Company's transactions or activities, and (ii) all materials of any kind (including opinions and tax analysis) that are provided to Investor regarding its investment in the Company and/or such transactions or activities of the Company. This authorization as to tax disclosure is effective retroactively to the commencement of any discussions between the parties hereto or any of their agents or representatives.

**26. Material Adverse Change.**

Bank of America 's obligations hereunder shall terminate if, prior to closing, Bank of America determines, in its sole judgment, that there shall exist any conditions regarding the Property, or the operations, business, assets, liabilities or condition (financial or otherwise, including credit rating) of the Company or Guarantor or there shall have occurred a material adverse change in, or there shall exist any material adverse conditions in, the market for syndicated bank facilities or the financial, banking, credit or debt capital markets generally, that could be expected to cause the potential Investment to go into default or prevent any guarantor from performing its obligations under any guaranty or to materially and adversely affect the value or marketability of the Investment or the Property.

**27. Expiration.**

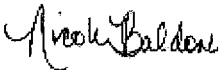
This Letter of Intent will expire at 5:00 p.m. on that date which is five (5) business days from the date hereof unless you execute this Letter Of Intent and return it to us prior to that time, which may be by facsimile transmission. This letter is not intended as a commitment or offer by Investor to invest in the Company or the Project, but is intended only to summarize for discussion purposes the equity investment it is considering at this

time. Investor must obtain the approval of its Investment Committee with respect to any such investment. After receipt of your signature on this Letter Of Intent and after you provide any additional information that may be required, we will proceed with the necessary due diligence to process your request for Investment Committee Approval; provided, however that in any event, if this investment is not closed within 210 days from the date of hereof, this Letter Of Intent will expire.

Pinnacle 441, LLC acknowledges and agrees that: (i) the transaction contemplated by this Summary of Terms and Conditions is an arm's length, commercial transaction between Pinnacle 441, LLC and the Bank in which the Bank is acting solely as a principal and for its own interest; (ii) the Bank is not acting as a municipal advisor or financial advisor to Pinnacle 441, LLC; (iii) the Bank has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to Pinnacle 441, LLC. with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Bank has provided other services or is currently providing other services to Pinnacle 441, LLC on other matters); (iv) the only obligations the Bank has to Pinnacle 441, LLC with respect to the transaction contemplated hereby expressly are set forth in this Summary of Terms and Conditions; and (v) the Bank is not recommending that Pinnacle 441, LLC take an action with respect to the transaction contemplated by this Summary of Terms and Conditions, and before taking any action with respect to the contemplated transaction, Pinnacle 441, LLC should discuss the information contained herein with its own legal, accounting, tax, financial and other advisors, as it deems appropriate. If Pinnacle 441, LLC would like a municipal advisor in this transaction that has legal fiduciary duties to Pinnacle 441, LLC is free to engage a municipal advisor to serve in that capacity. This Summary of Terms and Conditions is provided Pinnacle 441, LLC pursuant to and in reliance upon the bank exemption/RFP exemption/IRMA exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 *et seq.*

Please indicate your agreement and acceptance of the foregoing by signing the enclosed copy of this letter and returning it to the undersigned. We look forward to working with you on this transaction.

BANK OF AMERICA, N.A.



By: \_\_\_\_\_  
Nicole Baldon  
Senior Vice President

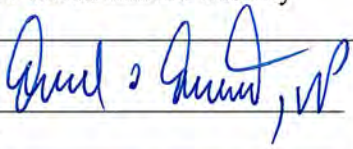
CC: Sylvia Monsivais, Credit Officer  
Thomas Cleveland, Underwriter

Agreed and Accepted:

Pinnacle 441

         **Pinnacle 441, LLC, a Florida limited liability company** \_\_\_\_\_

By: PC 441, LLC, a Florida limited liability company \_\_\_\_\_

Name: \_\_\_\_\_  
David O. Deutch  \_\_\_\_\_

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

Date: \_\_\_\_\_ 5-31-22 \_\_\_\_\_

# Attachment I



July 25, 2022

Mr. David O. Deutch  
Pinnacle Communities, LLC  
9400 S. Dadeland Blvd., Ste. 100  
Miami, FL 33156

**Subject: Commitment to provide first mortgage permanent financing for Pinnacle 441, an affordable housing development to be located in Hollywood, Broward County, Florida.**

Dear Mr. Deutch:

Neighborhood Lending Partners of Florida, Inc. ("Lender") is pleased to offer a firm commitment for a first mortgage permanent loan (the "Permanent Loan") for the purpose of constructing a 113-unit apartment complex to be known as Pinnacle 441 ("Property" or "Project"). The Property will provide a total of 12 units (10.60%) set aside for residents earning 25% or less of the Area Median Income ("AMI"), 98 units (86.70%) set aside for residents earning 60% or less of the AMI, 3 units (2.70%) set aside for market rate residents. Such real property being more fully described in Exhibit "A" attached hereto, subject to the two (2) pending right of way dedications in favor of the Florida Department of Transportation ("FDOT") and the City of Hollywood, which will be recorded during construction.

**BORROWER:** Pinnacle 441, LLC

**PROJECT NAME/  
LOCATION:** Pinnacle 441, a multifamily development to be located at the SW Corner of N. State Road 7 and Johnson Street, Hollywood, Broward County, Florida 33020.

**KEY PRINCIPAL(S):** Louis Wolfson III, Mitchell M. Friedman, and David O. Deutch individually will be the Key Principals and will execute a Key Principal Agreement.

**AMOUNT OF  
PERMANENT LOAN:** A maximum of \$9,200,000, not to exceed 80% of the stabilized, rent restricted appraised value of the Project.

**INTEREST RATE ON  
PERMANENT LOAN:** Borrower has the option of choosing only one of the following Interest Rate Options:

(a) **Interest Rate Set at Closing:** The interest rate will be determined five business days prior to the closing of the Permanent Loan



("Closing Date"). The interest rate will be fixed for sixteen (16) years at the 10-year Treasury plus 250 basis points with a floor of 5.00% to the higher of a trailing three-month average of the 10-Year U.S. Treasury or the actual 10-Year U.S. Treasury Security ("Index") as of the end of the prior business day as published by a source as determined by Lender, plus 250 basis points, rounded to the higher one-eighth of one percent with a floor of 5.00%.

- (b) **Forward Rate Lock:** Borrower may request a commitment to fix the interest rate on a specific date (the "Rate Lock Date") in advance of the Closing Date. Such request must be made by the Borrower in writing no later than 9:30 A.M. Eastern Time ("Rate Lock Request"), (i) no more than 2 days in advance of such date that is the date of the construction loan closing and (ii) at least 2 business days in advance of such date that is 60 business days prior to the Closing Date. Lender will notify Borrower in writing by 11:30 A.M., Eastern Time, on the day of timely receipt of the Rate Lock Request (the "Rate Lock Notification"), of its fixed interest rate (the "Fixed Interest Rate") on the Loan.

As of the date of this Commitment, the Permanent Loan Rate is 250 basis points over the 10-Year U.S. Treasury Index, with a floor of 5.00%. **If the 10-Year U.S. Treasury index increases prior to locking the rate, the Loan amount will need to be sized to yield a 1.15x DSCR (as such term is hereafter defined).**

If Borrower elects to accept the Fixed Interest Rate, provided in the Rate Lock Notification, it shall execute the Rate Lock Notification by 2:30 p.m., Eastern Time, on the date it receives the Rate Lock Notification and deliver the Forward Rate Lock Deposit Fee and Delivery Assurance Fee prior to 5:00 p.m., Eastern Time, the business day following the Forward Rate Lock Election Date.

The date of Borrower's execution of the Rate Lock Notification shall be the "Forward Rate Lock Election Date." Lender's Fixed Interest Rate shall remain in effect until the earlier of the closing date or 30 months from the Rate Lock Date (the "Forward Interest Rate Lock Term"). Lender's Fixed Interest Rate shall remain in effect until the earlier of the Closing Date or the expiration of the Forward Interest Rate Lock Term. An extension to the Forward Interest Rate Lock Term will be available upon Borrower's request. One 6-month extension to the Forward Interest Rate Lock Term will be available upon Borrower's request. The extension fee for this option will be 0.25% of the Permanent Loan amount.

**FORWARD RATE  
LOCK DEPOSIT:**

If Borrower elects the Forward Rate Lock provided above, Borrower agrees to pay Lender a refundable forward rate lock deposit fee (the "Forward Rate Lock Deposit Fee") in an amount equal to two percent (2%) of the Loan Amount. This Forward Rate Lock Deposit Fee will be delivered to Lender in cash or by wire transfer of federal funds. In the event the Loan does not close as a result of the actions or inactions of the Borrower and for reasons other than the default of the Lender, the Forward Rate Lock Deposit Fee will be drawn upon and retained by

Lender. In the event the Permanent Loan does close, the Forward Rate Lock Deposit Fee will be refunded to the Borrower.

**DELIVERY  
ASSURANCE FEE:**

In addition to the Forward Rate Lock Deposit Fee, Lender shall require the Borrower to pay to Lender by 5:00 p.m., Eastern Time, on the business day following the Forward Rate Lock Election Date a refundable delivery assurance fee in an amount equal to two percent (2%) of the Loan Amount (the "Delivery Assurance Fee"). The Delivery Assurance Fee shall be held by Lender for Lender's benefit and paid to Lender.

The Delivery Assurance Fee shall be refundable to the Borrower if the Loan closes in accordance with the requirements of this Commitment or if the Loan fails to close due to an act of God, including flood, fire, lightening or earthquake, or any explosion, act of a public enemy, war, revolution, riot, governmental restraint, embargo or other cause which is not within the control of the Borrower.

**OPTION TO PROVIDE  
DELIVERY  
ASSURANCE NOTE:**

The two percent (2%) Delivery Assurance Fee may be payable by Borrower in cash or by delivery to the Lender of a non-recourse, non-interest bearing note (the "Non-Recourse Delivery Assurance Note"), in the amount of the Delivery Assurance Fee, evidencing Borrower's obligation and agreement to pay the Delivery Assurance Fee, together with a mortgage, deed of trust or deed to secure debt (the "Delivery Assurance Security Instrument") conveying to Lender a security interest in the Property to secure Borrower's obligation under the Non-Recourse Delivery Assurance Note. If Borrower elects to deliver the Non-Recourse Delivery Assurance Note in lieu of a cash payment, the Borrower shall deliver the Non-Recourse Delivery Assurance Note and Delivery Assurance Security Instrument to Lender together with any other documents required by Lender, by 5:00 p.m., Eastern Time, on the business day following the Forward Rate Lock Election Date.

The Non-Recourse Delivery Assurance Note shall be due and payable by the Borrower on the earlier of: (a) the date on which all conditions of this Commitment shall have been satisfied (subject to Lender's right to waive any conditions of this Commitment); or (b) the Loan Closing date. Notwithstanding the foregoing, if the Delivery Assurance Fee is to be refunded pursuant to the provisions described above, the Non-Recourse Delivery Assurance Note shall be cancelled by return of the original Non-Recourse Delivery Assurance Note to the Borrower. The Non-Recourse Delivery Assurance Note, Delivery Assurance Security Instrument and any other documents requested by Lender must be in forms provided by and acceptable to Lender. Lender agrees that the Delivery Assurance Security Instrument shall be subordinate to all other security instruments securing the Construction Loan and any other construction and acquisition financing for the Project.

**LOAN FEES:**

The Borrower will pay the following Loan fees:

1.	Lender Loan Application fee	\$	7,500
2.	Permanent Loan Origination fee (1.00%):	\$	92,000
3.	Loan processing fee	\$	<u>3,000</u>
	Total Fees	\$	102,500

The Borrower has paid the Lender's non-refundable loan application fee prior to acceptance of this commitment. The Borrower will pay the Permanent Loan Origination Fee, and the Loan Processing Fee at the time of the closing of the construction loan ("Construction Loan Closing"). The Borrower has paid the Lender a \$5,000 Legal Fee Deposit prior to acceptance of this commitment.

**TERM OF PERMANENT LOAN:**

All principal and accrued interest will be due and payable on the date ("Maturity Date") sixteen (16) years after the Closing Date (the "Permanent Loan Term").

**REPAYMENT:**

Upon the closing of the Permanent Loan and until the Maturity Date, Borrower will make monthly payments of principal and interest on the Loan. Borrower's monthly payments will be set at an amount that would fully amortize the Permanent Loan in equal monthly payments of principal and interest over a thirty five-year (35) amortization period beginning on the date of the Loan Closing Date.

**PREPAYMENT:**

During the Permanent Loan Term and upon giving Lender sixty (60) days prior written notice, Borrower may prepay the entire unpaid principal balance of the Note (no partial prepayments are permitted) on the business day before a scheduled monthly payment date by paying, in addition to the entire unpaid principal balance, accrued interest and any other sums due Lender at the time of prepayment. A prepayment premium ("Prepayment Premium") equal to the following shall apply:

Fannie Mae Yield Maintenance Formula during a 10-year Yield Maintenance Period (or 1% of the outstanding balance, whichever is greater). If the prepayment is made after the expiration of the Yield Maintenance Period, there shall be 1% of the outstanding balance prepayment premium until the end of the term. If the loan is paid off within 90 days of Loan Maturity Date, no prepayment premium will be due.

**SECURITY:**

The Loan will be secured by:

- 1) First priority lien on the Borrower's fee simple interest in the Land (the "Mortgage").
- 2) A first lien assignment of all leases, rents, and other income or profits of the Property.
- 3) A UCC filing on all of the Borrower's tangible and intangible personal property located upon or in any way related to the

Property, including all furniture, fixtures, appliances, and equipment owned by Borrower.

- 4) Such other collateral assignments as shall be deemed reasonable or necessary by Lender's counsel.

**CROSS-DEFAULT:** The Loan Documents will contain provisions whereby each loan made to Borrower by Lender shall be cross-defaulted with each other loan made to Borrower by Lender, whether the loan is now in existence or may come into existence in the future.

**BANKRUPTCY:** If bankruptcy proceedings are filed voluntarily by or involuntarily against Borrower prior to the Closing Date (and if an involuntary filing, which is not dismissed within ninety (90) days of said filing), then this Commitment shall be null and void and Lender shall neither be obligated to fund the Permanent Loan nor be in any way obligated further under this Commitment.

**ASSIGNMENT:** This Commitment shall not be assigned by Borrower without the prior written consent and discretion of the Lender. Any attempt to otherwise assign this Commitment shall render this Commitment immediately null and void and Lender shall have no further obligation hereunder.

**RELIANCE:** The Borrower or related party may not rely on or represent to any other party that it may rely on Lender's review, opinion, approval or acceptance of any document, data or information used by Lender in connection with extending this Commitment including, but not limited to, and by way of example:

- a) Appraisal
- b) Survey and matters of title
- c) Zoning and other regulatory matters
- d) Utilities
- e) Financial information, including statements and projections
- f) Soil and environmental testing.

It being the understanding, agreement, and intent of all the parties that such review, opinion, approval or acceptance is solely for Lender's benefit and for no other party.

Whenever Lender utilizes legal counsel in connection with this Commitment or the Loan, it is agreed and understood by all parties that such counsel represents Lender only and no other party, notwithstanding that Borrower shall pay the fees incurred for said counsel.

**OTHER INDEBTEDNESS:** There is to be no indebtedness senior in right of payment to the Loan provided by Lender.

**CLOSING REQUIREMENTS:** Lender has no obligation to close the Permanent Loan until the Property meets the following requirements:

A minimum occupancy rate of 90% with 75% of the required leased units occupied with lease terms of at least one year and occupancy for a minimum of 90 days.

The Property's Net Operating Income must provide a minimum Debt Service Coverage Ratio ("DSCR") of 1.15x for a period of three (3) consecutive months. The DSCR for the Premises shall be defined as the Net Operating Income ("NOI") of the Premises divided by the debt service payment on the Permanent Loan and all other must pay debt service on other loans for the Premises that are permitted by this agreement (including full amortization under such loans, if applicable). The Net Operating Income of the Premises shall be defined as the effective gross income of the Premises, less the operating expenses of the Premises. The effective gross income of the Premises shall be (a) actual rental payments under leases of the apartment units with occupancy not to exceed 95% PLUS (b) actual other operating income generated from the operation of the Premises. The operating expenses of the premises shall be calculated at the greater of (1) actual operating expenses, inclusive of reserve requirements imposed on the Premises by the Loan Documents, and, on annualized basis all projected expenditures, including those of a seasonal nature that might reasonably be expected to be incurred on an unequal basis during the full annual period of operating, or (2) \$843,362 annually, inclusive of replacement reserves as shown in the Current Proforma.

**GENERAL  
REQUIREMENTS:**

Lender shall have no obligation to fund under this Commitment unless each and every one of the following requirements shall have been fulfilled to Lender's satisfaction:

1. Evidence of tax credit equity in the amount of \$31,787,621. In the event the tax credit equity is adjusted downward from this figure based on actual costs incurred, the variance will be offset by further deferral of developer's fees.
2. Operating Deficit Reserve ("ODR") of \$353,931 will be required by tax credit equity provider.

If the minimum amount of financing or minimum capital contributions stated above are not met, the variance will be offset by further deferral of developer's fees and/or replaced with other subordinate financing or Borrower equity as determined at the closing of the Permanent Loan.

Such other customary closing terms and conditions that may be required by Lender and/or its counsel.

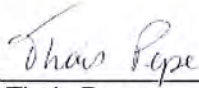
**ACCEPTANCE:**

If this Commitment is acceptable to you, please sign in the appropriate space below on the enclosed duplicate hereof and return the same to us at our address set forth hereon. If such acceptance is not received by us by July 30, 2022, this Commitment shall be of no further force or effect. This Commitment will be in full force until thirty (30) months after the Construction Loan Closing with the option to extend for six (6) months, for an extension fee equal to 0.25% of the amount of the Permanent Loan, and then this Commitment shall be of no further force or effect.

Sincerely,

Neighborhood Lending Partners of Florida, Inc.

By:



Thais Pepe  
Senior Vice President/Senior Lender

ACCEPTED AND AGREED TO THIS 25<sup>th</sup> DAY OF July, 2022

**BORROWER'S SIGNATURE BLOCK**

By: Pinnacle 441, LLC, a Florida limited liability company

By: PC 441, LLC, a Florida limited liability company, its Authorized Member

By:   
David O. Deutch, Vice President



**Exhibit "A"**

**NEIGHBORHOOD LENDING PARTNERS OF FLORIDA, INC.**

**BORROWER:** Pinnacle 441, LLC  
9400 S. Dadeland Blvd., Suite 100  
Miami, Florida 33156

**PROJECT:** PINNACLE 441  
SW Corner of N. State Road 7 and Johnson Street  
Hollywood, Broward County, Florida 33020

**LEGAL DESCRIPTION:**

**Final determination of the subject property's legal description will be based on the title work provided prior to closing, subject to the two (2) pending right of way dedications in favor of the Florida Department of Transportation ("FDOT") and the City of Hollywood, which will be recorded during construction.**

## Exhibit "B"

### ACKNOWLEDGMENT AND AGREEMENT OF KEY PRINCIPAL TO PERSONAL LIABILITY FOR EXCEPTIONS TO NON-RECOURSE LIABILITY

Key Principal, who has an economic interest in Borrower or who will otherwise obtain a material financial benefit from the Loan, hereby absolutely, unconditionally and irrevocably agrees to pay to Lender, or its assigns, on demand, all amounts for which Borrower is personally liable under Paragraph 9 ("Limits on Personal Liability") of the Fannie Mae Multifamily Note to which this Acknowledgment will be attached (the "**Note**") (a reprint of said Paragraph 9 is provided at the end of this Exhibit). The obligations of Key Principal shall survive any foreclosure proceeding, any foreclosure sale, any delivery of any deed in lieu of foreclosure, and any release of record of the Security Instrument. Lender may pursue its remedies against Key Principal without first exhausting its remedies against the Borrower or the Mortgaged Property. All capitalized terms used but not defined in this Acknowledgment shall have the meanings given to such terms in the Security Instrument. As used in this Acknowledgment, the term "Key Principal" (each if more than one) shall mean only those individuals or entities that execute this Acknowledgment.

The obligations of Key Principal shall be performed without demand by Lender and shall be unconditional irrespective of the genuineness, validity, or enforceability of the Note, or any other Loan Document, and without regard to any other circumstance that might otherwise constitute a legal or equitable discharge of a surety or a guarantor. Key Principal hereby waives the benefit of all principles or provisions of law, which are or might be in conflict with the terms of this Acknowledgment, and agrees that Key Principal's obligations shall not be affected by any circumstances that might otherwise constitute a legal or equitable discharge of a surety or a guarantor. Key Principal hereby waives the benefits of any right of discharge and all other rights under any and all statutes or other laws relating to guarantors or sureties, to the fullest extent permitted by law, diligence in collecting the Indebtedness, presentment, demand for payment, protest, all notices with respect to the Note including this Acknowledgment, which may be required by statute, rule of law or otherwise to preserve Lender's rights against Key Principal under this Acknowledgment, including notice of acceptance, notice of any amendment of the Loan Documents, notice of the occurrence of any default or Event of Default, notice of intent to accelerate, notice of acceleration, notice of dishonor, notice of foreclosure, notice of protest, notice of the incurring by Borrower of any obligation or indebtedness and all rights to require Lender to (a) proceed against Borrower, (b) proceed against any general partner of Borrower, (c) proceed against or exhaust any collateral held by Lender to secure the repayment of the Indebtedness, or (d) if Borrower is a partnership, pursue any other remedy it may have against Borrower, or any general partner of Borrower.

At any time without notice to Key Principal, and without affecting the liability of Key Principal hereunder, (a) the time for payment of the principal of or interest on the Indebtedness may be extended or the Indebtedness may be renewed in whole or in part; (b) the time for Borrower's performance of or compliance with any covenant or agreement contained in the Note, or any other Loan Document, whether presently existing or hereinafter entered into, may be extended or such performance or compliance may be waived; (c) the maturity of the Indebtedness may be accelerated as provided in the Note or any other Loan Document; (d) the Note or any other Loan Document may be modified or amended by Lender and Borrower in any respect, including an increase in the principal amount; and (e) any security for the Indebtedness may be modified, exchanged, surrendered or otherwise dealt with or additional security may be pledged or mortgaged for the Indebtedness.

**(The following is a reprint of Paragraph 9 of the FNMA Multifamily Note)**

**9. Limits on Personal Liability.**

(a) Except as otherwise provided in this Paragraph 9, Borrower shall have no personal liability under this Note, the Security Instrument or any other Loan Document for the repayment of the Indebtedness or for the performance of any other obligations of Borrower under the Loan Documents, and Lender's only recourse for the satisfaction of the Indebtedness and the performance of such obligations shall be Lender's exercise of its rights and remedies with respect to the Mortgaged Property and any other collateral held by Lender as security for the Indebtedness. This limitation on Borrower's liability shall not limit or impair Lender's enforcement of its rights against any guarantor of the Indebtedness or any guarantor of any obligations of Borrower.

(b) Borrower shall be personally liable to Lender for the repayment of a portion of the Indebtedness equal to any loss or damage suffered by Lender as a result of (1) failure of Borrower to pay to Lender upon demand after an Event of Default, all Rents to which Lender is entitled under Section 3(a) of the Security Instrument and the amount of all security deposits collected by Borrower from tenants then in residence; (2) failure of Borrower to apply all insurance proceeds and condemnation proceeds as required by the Security Instrument; (3) failure of Borrower to comply with Section 14(d) or (e) of the Security Instrument relating to the delivery of books and records, statements, schedules and reports; (4) fraud or written material misrepresentation by Borrower, Key Principal or any officer, director, partner, member or employee of Borrower in connection with the application for or creation of the Indebtedness or any request for any action or consent by Lender; or (5) failure to apply Rents, first, to the payment of reasonable operating expenses (other than Property management fees that are not currently payable pursuant to the terms of an Assignment of Management Agreement or any other agreement with Lender executed in connection with the Loan) and then to amounts ("**Debt Service Amounts**") payable under this Note, the Security Instrument or any other Loan Document (except that Borrower will not be personally liable (i) to the extent that Borrower lacks the legal right to direct the disbursement of such sums because of a bankruptcy, receivership or similar judicial proceeding, or (ii) with respect to Rents that are distributed in any calendar year if Borrower has paid all operating expenses and Debt Service Amounts for that calendar year).

(c) Borrower shall become personally liable to Lender for the repayment of all of the Indebtedness upon the occurrence of any of the following Events of Default: (1) Borrower's acquisition of any property or operation of any business not permitted by Section 33 of the Security Instrument; or (2) a Transfer that is an Event of Default under Section 21 of the Security Instrument.

(d) To the extent that Borrower has personal liability under this Paragraph 9, Lender may exercise its rights against Borrower personally without regard to whether Lender has exercised any rights against the Mortgaged Property or any other security, or pursued any rights against any guarantor, or pursued any other rights available to Lender under this Note, the Security Instrument, any other Loan Document or applicable law.

For purposes of this Paragraph 9, the term "**Mortgaged Property**" shall not include any funds that (1) have been applied by Borrower as required or permitted by the Security Instrument prior to the occurrence of an Event of Default, or (2) Borrower was unable to apply as required or permitted by the Security Instrument because of a bankruptcy, receivership, or similar judicial proceeding.

(The remainder of this page has been intentionally left blank.)

## **NEIGHBORHOOD LENDING PARTNERS OF FLORIDA, INC.**

This document is not an attachment to a specific commitment letter; however, it does identify and describe Neighborhood Lending Partners of Florida, Inc., usual and customary closing terms and conditions for a transaction that will include funding/equity from the sale of Low-Income Housing Tax Credits ("Low-Income Housing Tax Credits"). Please review this document in its entirety and acknowledge receipt of same in the space provided on the last page of this document.

### **CONDITIONS OF FUNDING FIRST MORTGAGE LOAN**

The conditions contained herein, together with any additional conditions and/or terms included in a Commitment Letter from Neighborhood Lending Partners of Florida, Inc., ("Lender"), regarding a Loan contemplated from Lender (the "Loan") shall constitute the Lender's requirements for funding the Loan. The terms and conditions may not be altered or amended unless agreed to in writing by Borrower, Guarantors and Key Principals, and Lender, and all terms and conditions on the Commitment Letter and this document must be accepted in their entirety. Capitalized terms not otherwise defined herein shall have the meanings as defined in the Commitment Letter.

Borrower's acceptance of the Commitment Letter shall constitute Borrower's unconditional agreement that all expenses incurred in connection with the Loan shall be paid by Borrower, including without limitation, documentary stamp taxes, intangible taxes, recording costs, appraisal fees, title insurance premiums, hazard insurance premiums, survey costs, architect's fees, engineer's fees, and attorney's fees of Lender's attorney. Borrower shall also pay all other out-of-pocket expenses as are normally and reasonably incurred in connection with the processing and/or consummation of a Loan of the kind contemplated herein. Lender's attorney's fees must be paid by Borrower even if the closing does not take place.

The following requirements and supporting documentation in form and content acceptable to Lender and its legal counsel shall be required:

#### **1. CONDITIONS PRECEDENT**

The Commitment Letter is conditioned upon the receipt, review and approval by Lender and its counsel, or covenants in the Loan Documents, as applicable, of the following:

- A. Satisfactory review by Lender's counsel of the Borrower's application regarding qualification by Borrower of the Project for entitlement for Low-Income Housing Tax Credits administered by the Florida Housing Finance Corporation ("FHFC") and review of the FHFC's allocation for the Borrower to sell Low-Income Housing Tax Credits for the Project.
- B. Verification by Lender's counsel that the Low-Income Housing Tax Credits would be available to Lender in the event of foreclosure of the Project by Lender or deed in lieu of foreclosure.
- C. The Loan Documents shall contain a covenant that Borrower shall provide to Lender within fifteen (15) days after receipt, copies of the verification of annual compliance under the Low Income Housing Tax Credit program as reviewed and monitored by the FHFC. Failure to comply with this provision, after notice from Lender, will be an event of default in the Loan Documents evidencing and securing the Loan.

- D. Prior to or simultaneous with the closing of the Construction Loan contemplated by the Commitment Letter, satisfactory evidence shall be provided that the equity contribution, as required by the Borrower's partnership agreement are available for the funding of the Project.
- E. That in the event of foreclosure or deed in lieu of foreclosure by Lender of the Project, the use restriction of any land use restrictions placed on the Project as a result of the qualification of the Project in any program for subsidized housing or tax credits authorized by the Florida Housing Finance Agency Act (Chapter 420, Part V, Florida Statutes) will be terminated in a manner acceptable to lender.

## **2. DOCUMENTATION OF TAX CREDIT ALLOCATION**

Borrower shall provide the Lender the Tax Credit Allocation Letter relative to the LIHTC allocation, indicating a total annual allocation acceptable to Lender prior to the Construction Loan closing. Lender further reserves the right to review and approve the final/accepted equity placement offering.

## **3. LOAN DOCUMENTS:**

Borrower shall execute all security and credit instruments and other documents that Lender may deem necessary for Lender's protection. All documents evidencing and/or related to the Loan shall be prepared by Lender and shall be reviewed by and acceptable to Lender's attorney. The Loan Documents will include without limitation a promissory note, a first mortgage on the Property, a security agreement, an assignment of all income, leases, and rents of the Property and financing statements. Specifically, the following documents shall be executed and delivered to Lender at closing, in form and content satisfactory to Lender:

- A. Promissory Note, executed by Borrower, payable to Lender, in the amount of the Loan.
- B. Mortgage and Security Agreement in favor of Lender conveying a valid first lien on the Property.
- C. UCC Financing Statements, to be recorded with the Clerk of Circuit Court for the County in which the Property is located and the Florida Secretary of State, which statements shall cover all fixtures and personalty affixed, or to be affixed, to the Property.
- D. Environmental Indemnity Agreement.
- E. Collateral Assignment of Rents, Leases, Profits and Contracts including a collateral assignment of licenses and permits.
- G. Affidavit regarding ownership, possession, no liens, etc.
- H. Loan Agreement, signed by Borrower, Guarantor and Lender.
- I. Settlement Statement signed by Borrower and Lender.
- J. Owner's Affidavit.
- K. Flood Insurance Information and Insurance Acknowledgment Form.



- L. An opinion letter executed by legal counsel for the Borrower as of the closing date, stating that:
- 1) Borrower's general partner or managing member (if applicable) and Guarantor(s) have the unrestricted right and due authority to execute all of the documents required in connection with the Loan and all necessary authorizations, consents, approvals, and waivers required as conditions precedent to the Loan Closing and execution of the Loan Documents have been obtained and delivered to Lender.
  - 2) Upon due execution the Loan Documents will be valid and binding obligation of the Borrower and Guarantor(s) and will be enforceable against Borrower and Guarantor(s) in accordance with their terms subject to equitable principals and the standard creditors exception.
  - 3) The Loan is not usurious and does not violate any laws and regulations applicable to Borrower.
  - 4) Borrower has the necessary power and authority to conduct its business as now being conducted and contemplated following the construction of the Property.
  - 5) Such additional matters as Lender's counsel may reasonably require.
- M. Such additional documents as Lender or its counsel may require to fulfill the terms and conditions of the Commitment Letter and these General Conditions and to ensure that Lender has a valid first lien on the Property in the amount of the Loan.

#### **4. TITLE INSURANCE:**

The agent and underwriter issuing title insurance (the "Title Company") shall be acceptable to Lender. A mortgage title insurance commitment (binder) with coverages acceptable to Lender on American Land Title Association's standard loan policy form in the amount of the Loan showing the requirements for insuring the Mortgage to be a valid first lien on the Property, free and clear of all defects and encumbrances, except such as Lender and its counsel shall approve.

There shall not be an exception for parties in possession, except tenants, matters of survey, mechanic's or materialmen's liens, or taxes and assessments that are due and payable. Copies of all instruments listed as exceptions from the coverage of the policy shall be attached to the title commitment and shall be subject to approval by Lender and its counsel.

Subsequent to the Loan Closing and recordation of the recordable Loan Documents, a mortgagee title policy shall be issued pursuant to the title commitment.

In connection with funding construction draws, the Lender will require title updates showing that the Property is free and clear of any liens, the cost of such interim searches and updates to be borne by Borrower.

## **5. SURVEYS:**

Three original, sealed surveys of the Property prepared in accordance with the minimum detail requirements of Chapter 5J-17 of the Florida Administrative Code, by a registered land surveyor reflecting the complete legal description of the Property and no conditions unsatisfactory to Lender, Lender's counsel, or the Title Company, and dated not more than two (2) months prior to the Loan Closing. The survey shall be certified to the Borrower, Lender, and the Title Company to be a true representation of:

- A. The location of the perimeter of the Property and the total area to the nearest one/one hundredth of an acre of the Property.
- B. All easements and rights-of-way including all easements and rights-of-way shown as exceptions in the title commitment.
- C. Any established building lines, and setback restrictions of record.
- D. Lines of the streets and rights-of-way abutting the Property and width thereof.
- E. Encroachments and the extent thereof on the Property.
- F. The improvements and the relation of the improvements by distances to the perimeter of the Property, the established building lines and the setback lines.
- G. If the Property is described as being on a filed map or plat, a legend relating the survey to said map or plat.
- H. Certification as to the flood zone in which any part of the Property is located.
- I. A certification that the Property does not serve any adjoining property for drainage, ingress or egress or any other purpose except as shown on the survey.

## **6. APPRAISAL:**

An appraisal report has been provided, prepared for the benefit of the Lender by an appraiser acceptable to Lender, of the Property and improvements, as constructed, in form and amount satisfactory to Lender, indicating that the Loan will not exceed eighty percent (80%) of the as completed rent restricted appraised value of the Project. If Lender is required by policy or regulation to obtain a new or updated appraisal on the Property during the term of the Loan, Borrower shall reimburse Lender for any amount Lender incurs for appraisal expense.

## **7. INSURANCE POLICIES:**

Original insurance policies, as listed below, and a paid receipt for one year's premium must be provided to Lender prior to the Loan Closing.

- A. Hazard Insurance, in an amount not less than the Loan amount, with a "New York Standard" or "Union" mortgagee clause naming Lender, as Mortgagee/additional insured and loss payee.
- B. Flood Insurance. Borrower must satisfactorily show that any of the vertical improvement at the Project is not in a flood zone or, if it is, a flood insurance policy,

or a completed flood insurance application with a paid receipt for one year's premium must be provided to Lender prior to the Loan Closing. Flood insurance coverage shall be in an amount equal to the lesser of the Loan amount or the maximum limit available per building, naming Lender, its successors and/or assigns as Mortgagee/additional insured or loss payee.

Evidence of insurance (i.e. Certificate of Insurance, which shall be an ACORD form 27) should be sent to Lender, 3615 West Spruce Street, Tampa, Florida 33607 for the benefit of Lender, its successors and/or assigns, and showing that Lender shall have thirty (30) days prior notice of cancellation.

C. Public Liability Insurance with minimum limits as follows:

\$1,000,000, Bodily injury, one occurrence

\$1,000,000, Property damage, one occurrence

This insurance shall not be prejudiced, nor coverage to the Lender invalidated:

- 1) by any act or neglect of the owner of any building, if the insured is not the owner thereof, or by any act or neglect of any occupant (other than the insured) of any building, when such act or neglect of the owner or occupancy is not within the control of the insured; or
- 2) by failure of the insured to comply with any warranty or condition contained in any endorsement attached to this policy with regard to any portion of the Property over which the insured has no control.

**8. UTILITIES EVIDENCE:**

Borrower guarantees and will submit written evidence to Lender from the appropriate agencies and companies that all utility services necessary for the actual or intended use of the improvements are available, connected and operational at the Property including water, storm and sanitary sewers, gas, electric, and telephone facilities as needed.

**9. ZONING EVIDENCE:**

Borrower guarantees and will submit written evidence to Lender from the appropriate zoning authority that the Property is zoned to allow the current or intended use of the Property, and is consistent with the current land use designation.

**10. USE OF PROCEEDS:**

The Loan proceeds will be used to pay off the Construction Loan.

**11. RESERVES FOR REPLACEMENT:**

An escrow account for reserves for replacements shall be maintained by the Borrower in a depository account with the Lender and shall be established by the payment of a monthly payment equivalent to \$300.00 per unit per year beginning the first (1<sup>st</sup>) month of the Permanent Loan Term, when the Loan amortization begins. Reserve funds may be drawn on to fund non-routine repairs or replacements. The engineer selected by Lender will verify the adequacy of the reserve requirement

(\$300 per unit per year). If the amount is deemed inadequate, the monthly payment will be adjusted accordingly at the time of the Loan Closing. The Lender shall further require a property-needs inspection at the end of the fifth year of the Permanent Loan Term, and every five (5) years thereafter, with adjustments to the escrow reserve requirements, as appropriate. The Borrower shall bear the cost of the property-needs inspection.

## **12. ESCROW ACCOUNTS:**

After Conversion the Borrower will be required to establish an escrow account with Lender for payment of insurance and taxes on the Property. The account will be funded by the initial payment of a reserve representing two months (two-twelfths) of the annual expense of insurance costs and taxes on the Property and shall be funded thereafter by a monthly payment representing one month (one-twelfth) of the annual expense.

This amount will be prorated based on the Loan Closing date to insure that Lender has adequate funds to pay said insurance and taxes when due.

## **13. DEBT SERVICE COVERAGE RATIO**

To maintain a Debt Service Coverage Ratio of at least 1.0 : 1.0 at all times for the term of the Loan. The failure to meet this requirement shall not in and of itself constitute a default or an event of default but shall initiate a requirement whereby the Borrower shall deposit all available cash flow from the Premises remaining after payment of debt service and operating expenses into the Lender's escrow reserve account until such escrow is sufficient to provide a Debt Service Coverage Ratio of no less than 1.0 : 1.0. Lender acknowledges that neither Borrower nor any member of Borrower is obligated to deposit any of their own funds into the escrow reserve account and that all such payments into the escrow account shall only come from any available cash flow from the Premises, if any. This escrow will be used to pay any delinquent principal and accrued interest on the Loan. Failure to establish such escrow reserve shall constitute an Event of Default under this Loan Documents in accordance with the preceding provisions of this paragraph 13. Any such escrow reserve concerning the Premises may be established from existing reserves for the Premises (including the Operating Deficit Reserve established under Borrower's Operating Agreement), but shall be in addition to the reserve that is required by the Replacement Reserve and Security Agreement of dated as of the Loan Closing date. The escrow reserve concerning the Debt Service Coverage Ratio will be released upon evidence, as provided by financial statements in form and substance satisfactory to Lender, that the Debt Service Coverage Ratio of the Premises is at least 1.0 : 1.0. The escrow reserve account may be utilized as required by Borrower to meet its Debt Service Coverage Ratio requirements under the Loan following its establishment, and based upon the achievement of the requirements of this paragraph, any remaining balance will be fully released at the end of the year following its establishment. The Debt Service Coverage for the Premises shall be defined as and calculated as follows: the Net Operating Income of the Premises divided by the debt service payments on the Loan. The Net Operating Income for the Premises shall be defined as the effective gross income of the Premises, less the operating expenses of the Premises. The effective gross income of the Premises shall be (a) actual rental payments under leases of apartment units PLUS (b) actual other operating income generated from the operation of the Premises together with amounts held in reserve accounts and escrows, which shall be verifiable and approved by Lender. The operating expenses of the Premises shall be the actual operating expenses, inclusive of reserve requirements imposed on the Premises by the Loan Documents. The determination of the Debt Service Coverage Ratio of the Premises will be based on audited Borrower financial statements, approved by the Lender.

**14. ADDITIONAL MORTGAGES:**

Additional mortgages or other encumbrance of the Property, exclusive of any mortgage loans contemplated in the Commitment Letter, will not be permitted without the express written consent of Lender, except for the Broward County Loan of \$100,000.

**15. DOCUMENTATION OF ADDITIONAL MORTGAGES AND/OR ENCUMBRANCES ON THE PROPERTY**

Borrower shall provide the Lender with documentation relative to any additional commitments to provide loans and/or other forms of funding for the financing of the subject Project prior to the Loan Closing.

**16. BORROWER'S CORPORATE/PARTNERSHIP DOCUMENTS:**

Lender shall have received and approved copies of Borrower's and Borrower's general partner (if applicable), and Guarantor's final corporate/partnership documents, including without limitation all partnership agreements, certificates and articles of incorporation, bylaws, permits, and licenses, and all partnership resolutions and authorizations. No material change in ownership structure will be permitted without the prior written approval of Lender.

**17. REPORTS AND FINANCIAL STATEMENTS:**

Borrower shall submit for Lender approval signed, audited financial statements and tax returns on an annual basis to be submitted within one hundred twenty (120) days of the fiscal year end, beginning the year in which the property receives its Certificate of Occupancy. On a quarterly basis beginning at the time that any tenant occupies a unit until the Loan is paid in full, Borrower shall furnish Lender operating statements and rent rolls for the Property, shall permit inspection of the Property at all reasonable times, and shall provide documentation, reports, and information establishing that the apartment unit rental requirements under the Loan Documents are being satisfied.

Key Principals shall submit for Lender signed, financial statements and tax returns on an annual basis, to be submitted within thirty (30) days of the anniversary date of the financial statement submitted previously. Tax returns shall be submitted within thirty (30) days of the date of filing, including extensions.

A non-compliance fee will be charged, and the Loan declared in default if financial statement(s) are not received within the time frames previously addressed after the applicable notice to cure period. The fee charged will be a monthly fee equal to five percent (5%) of the Loan payment, until the time the financial statement(s) have been received in order to compensate Lender for the additional expenses of monitoring the Project and Borrower's financial condition.

**18. UNIT RENTAL COVENANTS:**

The Loan Documents will require Borrower to at all times during the Loan term provide rental rates for the rent restricted apartment units to tenants in accordance with the unit rental covenants set forth in the Extend Use Agreement (the "Extended Use Agreement") to be entered into between Borrower and Florida Housing Finance Corporation.

The Loan Documents will also provide that the Borrower submit annual documentation to Lender that the Property meets or exceeds the affordability standards established in accordance with unit rental covenants set forth in the Extend Use Agreement.

**19. INTENTIONALLY OMITTED**

**20. INTENTIONALLY OMITTED**

**21. INTENTIONALLY OMITTED**

**22. ENVIRONMENTAL REPORT/INDEMNITY AGREEMENT:**

Lender shall receive, prior to the Loan Closing, (if it has not heretofore received the same) a current (within six (6) months) environmental report, relating to the Property, by an environmental company satisfactory to the Lender and the results of the environmental report shall meet the reasonable requirements of the Lender, in general accordance with ASTM E-1527-13, or the then current ASTM standard. Lender shall also receive an Indemnity Agreement wherein Borrower and Guarantor shall agree to indemnify Lender from any losses, costs or expenses that arise by virtue of toxic and hazardous substances being on, under or adjoining the Property.

**23. SUBORDINATION OF DEBT (if applicable)**

The Borrower must provide executed recordable subordination agreements from any and all secondary financing sources, for debt extended for the financing of the Project, prior to the Loan closing.

**24. SUBORDINATION OF REGULATORY COVENANTS:**

Any regulatory or other restrictions, whether relating to tenant rent and income levels or otherwise, imposed by the U.S. Department of Housing and Urban Development and/or by the county government in which the property is located (other than impact fee covenant waiver), or any other party upon Borrower shall be subordinated to the Mortgage by instrument satisfactory to Lender, subject to the applicable requirements of Section 42 of the Internal Revenue Code.

**25. SALE OR TRANSFER:**

The Loan Documents will provide that Lender may accelerate the Loan upon any sale, conveyance, assignment, or other transfer of the Property or any portion thereof or interest therein. The Loan Documents also will provide that Lender may accelerate the Loan upon certain changes in the ownership structure of the Borrower, including beneficial interest, or change of Borrower's general partner, or shareholders of general partner without the prior written consent of Lender. After Equity Investor has made all low income housing tax credit capital contributions payable to Borrower under the limited partnership agreement of Borrower, equity investor may transfer all of its partnership interest in borrower to a nationally recognized entity regularly engaged in the direct investment in or syndication of Tax Credits, if (i) such transfer is in connection with the direct investment in or syndication of the Tax Credits, and (ii) such transferee does not have the immediate or conditional right to exercise operational, managerial and financial control of Borrower and the Project. Any such transfer shall not require any approval or consent from Lender, but shall require prior written notice to Lender from Borrower or Equity Investor. The transferee must meet all of Lender's know your customer requirements.

**26. LEASES:**

Upon request by Lender, Borrower shall furnish copies of all existing and proposed lease forms that shall be in a form and content acceptable to Lender. Borrower shall not collect rent for more than two (2) months in advance of any scheduled lease payments.

**27. LATE CHARGE/DEFAULT INTEREST:**

The Loan Documents will provide that a late charge of five percent (5%) of any unpaid amount may be collected by Lender if any such amount remains unpaid for ten (10) or more calendar days following the due date of such amount and that, upon a default under the Loan Documents, interest shall accrue at the highest interest rate allowed by applicable law if such default continues for thirty (30) or more calendar days following the date performance was due.

Any money judgment rendered in connection with a suit to enforce the Loan Documents shall accrue interest at the rate that is the lower of the highest interest rate allowed by law or three percent (3%) over the statutorily-set judgment rate of interest.

**28. BROKERAGE:**

Lender shall not be required to pay any brokerage fee or commission arising from this transaction, and Borrower agrees to defend, indemnify, and hold Lender harmless from and against any such claims.

**29. LITIGATION:**

In the event the Commitment Letter or the Loan Documents evidencing the Loan become the subject of litigation or dispute between the Borrower and Lender, the party prevailing shall be entitled to recover and receive from the other party the reasonable attorney's fees and costs (including those for any appeal) incurred by the prevailing party.

**30. SURVIVAL OF TERMS:**

The terms and conditions of the Commitment Letter and these General Conditions that bind and obligate Borrower and Guarantor(s) shall survive the closing of the Loan unless expressly modified or terminated by a document executed on or before the Loan Closing.

A failure to comply with such terms and conditions shall constitute an event of default under the Note, Mortgage and the Loan Agreement executed at the Loan Closing. Lender's obligations under the Commitment Letter shall not survive the Loan Closing unless expressly provided for in a document executed at the Loan Closing.

**31. LICENSES & PERMITS:**

Copies of current occupational licenses, operating permits and all other licenses, and permits which are required by the appropriate governmental authorities for the intended use of the Property.

**32. PEST/TERMITE INSPECTION:**

If applicable, a clear pest inspection report shall be furnished to Lender prior to the Loan Closing.

**33. TENANT LEASES:**

Lease terms shall be no less than 12 months. For purposes of this paragraph, leases shall mean binding agreements for the rental of units in the Project entered into between Borrower and bona fide third-party lessees, for which a deposit of at least \$100.00, except for Section 8 tenants, has been deposited with Borrower. All tenant leases shall be on a form approved by the Lender. Lender shall have received and approved a certification that the Property complies with Lender's affordability requirements. Leasable space and the number of rentable units may not change without the prior written approval of Lender.



**34. TAXES AND ASSESSMENTS:**

At Loan Closing, Borrower shall provide evidence satisfactory to Lender that all installments of special taxes or assessments, service charges, water and sewer charges, private maintenance charges, and other prior lien charges by whatever name called, whether due on the date of the Loan Closing or payable thereafter, and all installments of general real estate taxes due and payable have been paid in full on or before the date of the Loan Closing.

**35. INTEREST CALCULATION:**

Interest will be based on 360/actual day year accrual and shall be rounded to the nearest cent.

**36. INDEMNIFICATIONS AND HOLD HARMLESS:**

Execution of an indemnity and hold harmless agreement wherein the Borrower agrees to indemnify and hold Lender harmless from any claim or cause of action, loss, cost, or expenses, including attorney's fees, asserted against Lender or incurred by Lender due to the failure of the subject Property or any business operated thereon to comply with the requirements of the Americans With Disabilities Act of 1990.

**37. NO LEGAL PROCEEDINGS:**

No legal proceedings that may adversely affect Borrower, the Property, the Project, or any real or personal property that will secure the Loan or any of the transactions mentioned or contemplated by this letter shall be threatened or commenced.

**38. NO MATERIAL CHANGE:**

There shall be no material adverse change in the condition or value of the Property or the Project or the financial condition or credit of Borrower or any Guarantor. All aspects of the transaction shall be as represented to Lender without material, adverse change at the time of each Loan Closing.

**39. APPROVALS:**

Borrower shall furnish and Lender shall be entitled to approve all information and documents (whether or not specified in this letter) which may be requested by Lender related to the Property, the Project, or any real or personal property which will serve as security for the Loan or to any of the transactions mentioned or contemplated by this commitment letter. Without limiting the foregoing, Lender shall have reviewed and approved the following, in addition to other documents or items mentioned in this letter:

- A. Evidence that the Project has received tax credit allocation;
- B. A copy of the regulatory agreement between Borrower and Florida Housing Finance Corporation with respect to the Project, to the extent available;
- C. The form(s) of the tenant lease(s);
- D. Copy of general contractor final lien waiver;
- E. Evidence of proper completion of the Project; and
- F. The rent roll of the apartment units.

**40. PROPERTY MANAGEMENT:**

There shall be no material adverse change in the anticipated quality of management as demonstrated by Borrower's assembled management team on other properties owned and managed by Borrower without the prior written consent of Lender.

Lender reserves the right to require that Borrower enter into a contract for professional management services for the Project providing for the maintenance and repair of the Project, the collection of rents, the payment of expenses and such other matters as Lender may require, including provisions for cancellation by the Borrower upon sixty (60) days notice.

In such event, the property manager shall consent to an assignment of the management agreement to Lender upon terms acceptable to Lender, including provisions that the management agreement will not be amended or terminated without Lender's written consent subject to the rights of the Investor Limited Partner in the Borrower's Partnership Agreement.

**41. INTENTIONALLY OMITTED**

ACCEPTED AND AGREED TO THIS 25<sup>th</sup> DAY OF July, 2022

BORROWER'S SIGNATURE BLOCK

By: Pinnacle 441, LLC, a Florida limited liability company

By: PC 441, LLC, a Florida limited liability company, its Authorized Member

By:   
David O. Deutch, Vice President

# Attachment J



**Housing Finance Division**

110 Northeast 3<sup>rd</sup> Street, Suite 300 • Fort Lauderdale, Florida 33301 • 954-357-4900 • FAX 954-357-8221

June 21, 2022

David O. Deutch, Vice President  
of Authorized Member  
Pinnacle 441, LLC  
c/o Pinnacle Communities, LLC  
9400 South Dadeland Blvd., Suite 100  
Miami, Florida 33156

**Re: Term Sheet for \$100,000 Loan (the "Loan") to finance the development and construction of "Pinnacle 441" (the "Project") located in the City of Hollywood, Broward County, Florida (the "City")**

Dear Mr. Deutch:

Broward County (the "Lender") offers to make a Loan to Pinnacle 441, LLC, a Florida limited liability company (the "Borrower"), the authorized member of which is PC 441, LLC, upon the following terms and conditions:

1. Purpose: The purpose of the Loan is to fund the development of a 113 unit multifamily rental housing complex (with 110 total affordable units), approximately 6,500 square feet of commercial space and related amenities, containing two (2) SHIP-assisted units. This Loan constitutes the "Local Government Contribution" reflected in Borrower's application (Application #2021-017C) to Florida Housing Finance Corporation for 9% Housing Tax Credits under RFA 2020-202. However, Lender has opted to provide a Loan in lieu of a grant as stated in the application and has also identified the source of the Loan as SHIP funds received by Broward County.

2. Loan Amount: One Hundred Thousand Dollars (\$100,000). The source of the Loan proceeds to be advanced by the Lender to the Borrower are Broward County SHIP program funds ("SHIP funds").

3. Interest Rate: Zero percent (0%) interest rate, throughout the term of the Loan.

4. Loan Term: The Loan is non-amortizing with a maturity date on the 30<sup>th</sup> anniversary of the issuance of a Certificate of Occupancy for the Project, with the entire principal balance due at maturity. However, the Note shall contain a provision for forgiveness at the end of the loan term, at the County's sole discretion, provided Borrower has substantially

5. complied with the terms and conditions of the Declaration of Restrictive Covenants throughout the term.

6. General Conditions: The Borrower must certify to the Lender that it has closed on Borrower's other sources of financing for the Project, including the tax credit equity being contributed to the Borrower by its investor member. It is the intention of the Lender to close this Loan after the admission of the Borrower's investor member and closing of the first mortgage loan from Bank of America, N.A. (which is anticipated to close on or around June 30, 2022), and after the Board of County Commissioners approves the final version of the Loan documents at its August 25, 2022 meeting. Closing on the Loan shall be immediately thereafter.

7. Special Conditions: The Borrower anticipates entering into a Loan Agreement, Mortgage, Promissory Note and related documents with the Lender at closing of the County loan as set forth above. Funds will be available during construction under the terms and conditions set forth in the Loan Agreement.

8. Subordination: Lender shall consent to the subordination of its Loan to the first mortgage loan.

If you accept these terms, please execute a copy hereof and deliver the same to the Lender's office.

Very truly yours,

By: 

Name: RALPH STONE

Title: DIRECTOR

ACCEPTED:

PINNACLE 441, LLC  
a Florida limited liability company  
by PC 441, its authorized member

By: 

Name: David O. Deutch

Title: Vice President

Date: 6/22/22

# Attachment K

**PINNACLE 441 PHASE 2  
DEVELOPMENT COST PROFORMA**

<b>USES</b>	<b><u>PER UNIT</u></b>	<b><u>TOTAL</u></b>
Acquisition Land	35,000	3,500,000
Demolition & Relocation	4,150	415,000
Accounting	750	75,000
Appraisal	65	6,500
Architect Fees - Design	4,600	460,000
Architect Fees - Supervision	600	60,000
Broker Fee	350	35,000
Building Permits	6,000	600,000
Engineering Fees	3,000	300,000
Survey Fees	500	50,000
Environmental	250	25,000
Soils	150	15,000
Green Certification	300	30,000
Impact Fees	2,614	261,400
Inspection Fees	489	48,900
PCA Fee	36	3,600
Builder's Risk, GL/Excess & Completed Ops	1,800	179,974
Insurance-Perm	900	90,000
Legal Fees-Borrower	3,500	350,000
Market Study	55	5,500
Marketing/Advertising	1,000	100,000
Property Taxes	2,140	214,000
Operating Deficit Reserve	2,986	298,624
Utility Connection Fees	3,969	396,900
Tax Credit Fees	3,343	334,340
Title Insurance/Recording	1,500	150,000
Bond Issuance Costs	7,777	777,660
Soft Cost Contingency	2,045	204,487
Construction Loan Interest	15,147	1,514,747
Construction Costs	224,968	22,496,759
Hard Cost Contingency	11,248	1,124,838
FFE	2,500	250,000
Washers/Dryers	1,200	120,000
Developer Fee	55,041	5,504,080
<b>Total Uses</b>	<b><u>399,973</u></b>	<b><u>39,997,309</u></b>
 <b><u>SOURCES</u></b>		
TAX CREDIT EQUITY	169,131	16,913,109
TAX EXEMPT BONDS	220,000	22,000,000
BOND REDEMPTION	(140,000)	(14,000,000)
SECOND MORTGAGE - BROWARD ARP	100,000	10,000,000
THIRD MORTGAGE - CITY OF HOLLYWOOD	10,000	1,000,000
BROWARD COUNTY LOAN	1,000	100,000
DEFERRED DEVELOPER FEE	39,842	3,984,200
<b>TOTAL SOURCES</b>	<b><u>399,973</u></b>	<b><u>39,997,309</u></b>



# Attachment L

Community Capital



November 23, 2021

Mr. David Deutch  
Pinnacle 441 PHASE 2, LLC  
c/o Pinnacle Communities, LLC  
9400 South Dadeland Blvd., Suite 100  
Miami, FL 33156

Re: Acquisition of LIHTC interest in Pinnacle 441, Phase 2 (the "Project")

Dear Mr. Deutch:

Citibank, N.A., ("Citi" or "Buyer") may be interested in purchasing a 99.99% interest in the Project ("Purchase") based on preliminary analysis. Based on the projections provided by Pinnacle Communities, LLC ("Pinnacle"), Buyer currently estimates that \$14,738,526 in federal low income housing tax credits ("LIHTC") generated by the Project (which is 99.99% of \$14,740,000 projected LIHTC) could result in gross proceeds for the financing of the Project in the amount of \$13,706,829. The estimated gross proceeds are equivalent to \$0.930 for each \$1.00 of LIHTC allocated to the Project. The annual anticipated tax credit allocation is \$1,474,000.

#### Structure

- Company Name. The Project will be owned by Pinnacle 441 PHASE 2, LLC a Florida limited liability company (the "Company").
- Investor and Special Limited Partner/Member. Citibank, N.A. may purchase a 99.99% membership interest in the Company upon satisfactory completion of the conditions contained in a mutually agreed upon LOI. A Citi affiliate would be the SLP in the Company with certain restricted management rights.

#### Tax Credits and Capital Contributions

- Equity Pay-In:
  - 20% (\$2,741,366) At Admission and closing of the construction financing
  - 50% (\$6,853,414) At 95% Construction Completion
  - 30% (\$4,112,049) At Stabilization and 8609Note: \$9,594,780 (70%) of equity will be funded prior to construction completion.

Buyer shall not pay, or be liable for, any fees or provide any other financial or other substantive benefit to a developer unless all such fees or benefits are fully and completely disclosed in an executed Letter of Intent ("LOI"), if one is entered into subsequent to this letter.

This letter is not intended to be, and shall not constitute a commitment to lend, syndicate a financing, underwrite or purchase securities or LIHTC associated with the Project, commit capital, or provide or arrange any portion of the financing for the Project. Such obligations would arise only under separate written agreements acceptable to Citi in its sole discretion. Furthermore, any such commitments would be subject to, among other things, (a) the satisfactory completion of Citi's customary due diligence review; (b) approval by Citi internal committees; (c) the receipt of any necessary governmental, contractual and regulatory consents or approvals in connection with the Project and the related financings; (d) the negotiation and documentation of the financings, including the terms and conditions of the financing, in form and substance

satisfactory to Citi and its counsel; and (e) there not having occurred any disruption of or change in financial, banking or capital market conditions that, in Citi's judgment, could make it inadvisable or impractical to proceed with the Purchase. Neither Citi nor any of its affiliates shall have any liability (whether direct or indirect, or in contract, tort or otherwise) to Pinnacle, the Project or any other person, claiming through Pinnacle or the Project, as the case may be, for or in connection with the delivery of this letter.

In connection with the proposed Purchase, Citi will be acting solely as a principal and not as your agent, advisor or fiduciary. Citi has not assumed a fiduciary responsibility with respect to the proposed Purchase, and nothing in this letter or in any prior relationship between Pinnacle and Citi will be deemed to create an advisory, fiduciary or agency relationship between us in respect of the Project or the proposed Purchase. Pinnacle should consider carefully whether it would like to engage an independent advisor to represent or otherwise advise it in connection with the Project, if it has not already done so.

If there are any questions regarding these estimated numbers or pay-in schedule, please contact the undersigned.

Sincerely,


CITIBANK, N.A.

  
Zineb Morabet  
Authorized Signatory

Agreed and Accepted this Day:

By: Pinnacle 441 PHASE 2, LLC

By: PC 441 PHASE 2, LLC, a Florida limited liability company, its Authorized Member

By:   
David O. Deutch, Manager

Date: 11/23/21

# Attachment M



Community Capital

November 24, 2021

Pinnacle 441 PHASE 2, LLC  
c/o Pinnacle Communities, LLC  
9400 S. Dadeland Blvd., Suite 100  
Miami FL 33156  
ATTN: David O. Deutch,

Re: Letter of Interest  
Pinnacle 441, Phase 2, Hollywood, FL

Dear Mr. Deutch:

Citibank, N.A. ("CITI") understands that Pinnacle 441 PHASE 2, LLC ("Pinnacle 441, Phase 2") intends to submit an application to Broward County for an allocation of American Rescue Funds in conjunction with a tax-exempt loan to fund the construction of a 110-unit affordable multifamily housing property in Hollywood, FL (the "Project"). CITI may be interested in arranging a tax-exempt construction to permanent loan (see attached Term Sheet, "Exhibit A").

This letter is not intended to be, and shall not constitute, a commitment to lend, syndicate a financing, underwrite or purchase securities, commit capital, or provide or arrange any portion of the financing for the Project. Such obligations would arise only under separate written agreements acceptable to CITI in its sole discretion. Furthermore, any such commitments would be subject to, among other things, (a) the satisfactory completion of CITI's customary due diligence review; (b) approval by CITI internal committees; (c) the receipt of any necessary governmental, contractual and regulatory consents or approvals in connection with the Project and the related financing; (d) the negotiation and documentation of the financing referred to above, including the terms and conditions of the financing, in form and substance satisfactory to CITI and its counsel; and (e) there not having occurred any disruption of or change in financial, banking or capital market conditions that, in CITI's judgment, could make it inadvisable or impractical to proceed with any portion of the financing of the Project.

Neither CITI nor any of its affiliates shall have any liability (whether direct or indirect, or in contract, tort or otherwise) to Pinnacle 441, Phase 2, the Project or any other person claiming through Pinnacle 441, Phase 2 or the Project, as the case may be, for or in connection with the delivery of this letter.

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

Very truly yours,  
CITIBANK, N.A.

Catherine Lee  
Authorized Signatory





**EXHIBIT A  
TERM SHEET**

**Multifamily Rental Developments with Rent Restrictions  
New Construction and/or Substantial Rehabilitation and/or Term Mortgages  
Tax-Exempt “Back-to-Back” Loan Structure**

**Pinnacle 441, Phase 2**

**November 24, 2021**

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

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

This Term Sheet is an integral part of, and establishes terms, conditions and requirements of, the letter dated November 24, 2021 to which it is annexed.

**PRELIMINARY LOAN TERMS**

**Transaction**

**Summary:**

CITIBANK, N.A. (“CITI”) proposes to arrange a tax-exempt construction/permanent loan to the Housing Finance Authority of Broward County (the “Governmental Lender”). The proceeds of the Loan to Governmental Lender shall fund an interim construction loan converting into a permanent mortgage loan (“Tax-exempt Loan”) by Governmental Lender to the Borrower for the Property described below. If required by Governmental Lender, a fiscal agent (“Fiscal Agent”) will be appointed and will be responsible for following the terms of the Tax-exempt Loan documents and administering funds held under the Construction Funding Agreement.

The Tax-Exempt Loan will have two distinct phases: (1) Construction Phase - an initial phase during which funds will be fully advanced to Governmental Lender and loaned to Borrower (directly or through a Fiscal Agent, at Governmental Lender’s discretion) on a “draw-down” basis. Payments on the Tax-Exempt Loan during the Interim Phase will be interest only. (2) Permanent Phase - a subsequent phase when, upon completion of construction and achievement of stabilized operations, no additional funds will be available to Borrower. Payments during the Permanent Phase will include principal reduction payments as well as interest.

**Property:**

A to-be-constructed multifamily project containing 110 units located in Hollywood, FL. The property is commonly referred to as “Pinnacle 441, Phase 2” (“Property”).

**Set-Asides:**

90.91% of the units are reserved for individuals or families whose income is no greater than 60% of Area Median Income (“AMI”) and 9.09% of the units are unrestricted at market rate.

- Applicant:** Pinnacle 441 PHASE 2, LLC
- Borrower:** Pinnacle 441 PHASE 2, LLC. Borrower entity, its constituent entities and its operating agreement must be acceptable to CITI in all respects.
- LIHTC Investor/  
Syndicator:** If applicable, the Low Income Housing Tax Credit ("LIHTC") Investor / Syndicator, the upper tier investor(s) and the terms and conditions of the partnership agreement must be acceptable to CITI in all respects including, particularly, the timing of and conditions to funding capital contributions. The timing of the funding of capital contributions into the Transaction must follow a schedule that will allow for a minimum of 50% of the Equity being contributed by completion of construction.
- Guarantor(s):** David O. Deutch, Mitchell M. Friedman, Louis Wolfson III and/or other individuals or corporate entities acceptable to CITI in all respects. The Guarantor(s)' financial condition(s) must be acceptable to CITI in all respects.
- Subordinate Debt:** If applicable, the sources of subordinate debt and the subordinate loan documents must be acceptable to CITI in all respects. All subordinate debt must fund prior to Tax-Exempt Loan funding unless CITI approves other arrangements. Subordinate Debt will be subject to CITI's Subordination Agreement which in addition to other provisions, requires that Subordinate Debt only be paid from 75% of available cash flow as defined in the Loan Documents.
- Loan Security:** First lien on land and any improvements, UCC filings for fixtures; assignment of all leases and rents; and, a first priority collateral assignment of all contracts, management agreements, and other agreements and all permits relating to the Property. Ground leases, if applicable, must be subordinate to CITI's lien position unless the fee is owned by a government agency to ensure long-term affordability. All income and rent restrictions will be subordinate to the CITI security instrument.
- Construction Phase  
Recourse Guarantees:** Prior to Conversion of the Tax-Exempt Loan to the Permanent Phase (described below) and during the Construction Phase (described below), the Tax-Exempt Loan will be fully recourse to the Borrower and to the Guarantor(s) and Completion and Repayment Guarantees are required from the Borrower and the Guarantor(s).
- Guarantees,  
Permanent Phase:** None, except for industry standard carve outs ("Carve Outs"). Carve Outs include guarantees against fraud, misrepresentation, bankruptcy and environmental issues.
- Indemnity for  
Loss of Tax Exclusion** In connection with having the Tax-Exempt Loan structured as a drawdown loan, the Guarantor will be required to indemnify CITI and Governmental Lender for any losses resulting from any of the undrawn amounts of the Tax-Exempt Loan being deemed taxable.
- Environmental  
Indemnity:** Borrower and Guarantor(s) will be liable for CITI's standard environmental indemnity.
- Closing:** Closing is subject to full satisfaction of CITI's standard due diligence, underwriting and credit approval processes, and the execution and delivery of all required loan documents, delivery of opinions, payment of fees and other customary requirements.
- Closing Date (est.):** To be determined.



## **CONSTRUCTION PHASE**

### **Construction Phase**

**Loan Amount:** An amount, currently estimated to be up to \$22,000,000 but in any event, an amount not to exceed 80% of costs budgeted for the Construction Phase.

**Term:** 30 months, plus one 6-month extension. Fees for the extension are indicated below under "Permanent Phase Interest Rate."

### **Construction Phase**

**Interest Rate:** A variable rate equal to 30-Day Compounded average SOFR as published on the Fed's website<sup>1</sup> (which shall have a floor of 0.39%) plus a spread of 2.86% ("Construction Phase Interest Rate"). Rate adjusts monthly. Currently, 30-Day Compounded SOFR is trading at approximately 0.05%, which is below the floor, thus the current indicative rate is 3.25%.

**Interest Reserve:** Calculated at the Construction Phase Interest Rate noted above, plus a cushion acceptable to CITI at time of final Credit approval. Currently, CITI is underwriting with a cushion of 0.75%. The Interest Reserve will be sized based on an analysis of the projected draw schedule for the Tax-Exempt Loan during the Construction Phase.

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

### **Tax-exempt Loan in Balance:**

The Tax-exempt Loan must remain "in balance" during the Construction Phase. "In balance" means that (1) the funds available during the Construction Phase (from the Tax-exempt Loan and all other debt and equity sources) are sufficient to complete the construction or rehabilitation of the Property and all other expenses reasonably expected to be necessary to achieve the conditions for conversion of the Tax-exempt Loan to the Permanent Phase; and (2) the sources available at Conversion are sufficient to pay down the Construction Phase Loan Amount to the Permanent Phase Loan Amount, along with any other funding requirements for Conversion.

**Amortization:** None. Payments on the Tax-exempt Loan during the Construction Phase will be interest only.

### **Prepayment and Yield Maintenance:**

Voluntary prepayment of Tax-exempt Loan principal amounts during the Construction Phase, including those as a result of a Borrower default, may be made without prepayment fee or penalty unless the Construction Phase Loan Amount is reduced to less than ninety percent (90%) of the Permanent Phase Loan Amount (as defined below).

If the prepayment reduces the Tax-exempt Loan amount to an amount less than ninety percent (90%) of the Permanent Phase Loan Amount, the Borrower shall pay the greater of: (i) 1% of the amount of the Tax-exempt Loan prepaid below 90% of the Permanent Phase Loan Amount; or (ii) CITI's standard yield maintenance amount on the amount of the Tax-exempt Loan prepaid below 90% of the Permanent Phase Loan Amount.

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<sup>1</sup> 1-month Term SOFR will be utilized once it is made available and accepted.

<https://apps.newyorkfed.org/markets/autorates/sofr-avg-ind>

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

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

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

**Budget and  
Contingencies:**

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

**General Contractor and  
Contract Requirements:**

The general contractor and the construction contract must be acceptable to CITI. CITI will require payment and performance bonds equal to 100% of the construction contract amount. Surety issuing bonds must have an A.M. Best rating of "A/VIII" or better and must be acceptable to CITI in all other respects. In lieu of bonds, CITI will accept a letter of credit ("LC") equal to 10% of the hard cost budget 15% for debt/equity deals. LC provider must be rated "BBB" or better.

**Retainage:**

Construction contract will provide for a minimum retainage of 10% of each construction pay application until "substantial completion" (as defined in the Loan documents), unless there are other requirements under State law or unless other arrangements have been approved by CITI. Retainage percentage amounts can be revised, but only down to a minimum of 10% until 50% completion and then 0% retention withheld thereafter. No release of retainage is permitted for achieving 50% completion. All retained amounts will be released upon final, lien-free completion of construction, as approved by CITI.

**PERMANENT PHASE**

**Permanent Phase  
Loan Amount:**

The estimated Permanent Phase Loan Amount is currently estimated to be in the maximum amount of \$10,200,000 or such other loan amount supported by CITI's underwriting of the Property at the time of Conversion in accordance with CITI's underwriting requirements including those listed below.

**Maturity Date:** Anticipated nominal maturity date of 30 years following Conversion, subject to any Governmental Lender restrictions.

**Mandatory Prepayment / Term:** At the end of the 18<sup>th</sup> year following the Closing Date, mandatory prepayment of the Tax-exempt Loan will be required in full.

**Amortization:** 35 years.

**Lock-out Period:** From the Conversion Date until the 10<sup>th</sup> anniversary of the Conversion Date.

**Yield Maintenance Period:** From Closing until 6 months prior to the end of 18<sup>th</sup> year following Closing.

**Permanent Phase Interest Rate:** Fixed rate equal to 4.50%. Pricing is based on current market conditions and is subject to change. The rate will be committed at the time of closing of the Construction Phase financing.

If the Conversion to the Permanent Phase does not occur on or before month 30 following Closing, 0.05% will be added to the above quoted rate for each 6 month period past the initial 30 month period in which Conversion occurs.

**Conversion to Permanent Phase Requirements:**

Conversion requirements include completion of construction and 90% physical occupancy of Project for three consecutive calendar months. CITI will review the Property's net operating income to determine the maximum Permanent Phase Loan Amount based on the Debt Service Coverage and Loan-to-Value noted below. For purposes of this Term Sheet, the term "Construction Phase" means the period from the Closing Date through the day prior to the Conversion Date and the term "Permanent Phase" means the period from the Conversion Date (inclusive) through the maturity date (or earlier termination) of the Project's permanent financing.

**Debt Service Coverage:** A minimum of 1.15 to 1.00.

**Loan-to-Value:** 90% of market value, based on restricted rents and inclusive of value of permanent below market financing (if applicable), assuming project rents on 80% or more of the units are discounted to a level at least 10% below market. Otherwise, 85%.

**Other Conversion Requirements:** As may be required by Governmental Lender and/or permanent Governmental Note Holder.

**Replacement Reserve:** Upon Conversion, Borrower will be required to fund a Replacement Reserve for each of the first five years following Conversion in a minimum amount of \$250/unit/year for new construction projects or, for renovation projects, in an amount determined by a Physical Needs Assessment acceptable to CITI, but in a minimum amount of \$300/unit/year. For each successive five year period thereafter until Permanent Loan maturity, the Replacement Reserve level will be determined by a new Physical Needs Assessment acceptable to CITI.

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

**OTHER**

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

**Property Tax Abatements, Incentives:** All documentation related to any tax abatement or tax incentives must be acceptable to CITI in all respects.

**Developer Fee:** Any developer fee paid prior to conversion to the Permanent Phase shall be pre-approved by CITI in its sole discretion.

**FEES & EXPENSES**

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

**Origination Fee:** A non-refundable Origination Fee equal to 1.00% of the Construction Phase Loan Amount and 1.00% of the Permanent Phase Loan Amount, together the ("Origination Fee") shall be earned in full by CITI upon the closing of the Tax-Exempt Loan, and is due and payable at that time. The Origination Fee will be applied towards CITI's costs of providing this financing.

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

Fees of CITI's counsel for work associated with Conversion of the Tax-Exempt Loan to the Permanent Phase are to be determined.

**Course of Construction Inspections (est):** \$TBD/monthly report.

**Construction Term Extension Fee:** See Permanent Phase Interest Rate

**Conversion Fee and Expenses:** A Conversion fee equal to \$10,000 will be charged by CITI. Other expenses, including insurance review, site inspection and loan servicer set-up fees are estimated to be \$7,500.

**Rate Lock:** No earlier than 5 business days prior to Closing. Rate lock must occur on or before one hundred fifty (150) days following the date of the Preliminary Application.

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

**Term Sheet Expiration Date:** December 8, 2021, unless attached to a signed Preliminary Application letter received by CITI on or before December 8, 2021 along with the Application Fee, in which case 150 days following the date of the Preliminary Application.

The undersigned hereby accepts the foregoing letter and agrees to be bound by the terms, requirements and conditions set forth herein.

**BORROWER:** Pinnacle 441 PHASE 2, LLC

By: PC 441 PHASE 2, LLC, its Authorized Member

Signature: 

Name: David O. Deutch

Title: Manager

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

Any terms set forth herein are intended for discussion purposes only and are subject to the final terms as set forth in separate definitive written agreements. This Term Sheet is not a commitment to lend, syndicate a financing, underwrite or purchase securities, or commit capital nor does it obligate us to enter into such a commitment, nor are we acting as a fiduciary to you. By accepting this presentation, subject to applicable law or regulation, you agree to keep confidential the existence of and proposed terms for any transaction contemplated hereby (a "Transaction").

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

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

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

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

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

# Attachment N



RESOLUTION NO. R-2021-330

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, SUPPORTING THE DEVELOPMENT OF PINNACLE 441, PHASE II, A MULTI-FAMILY RENTAL COMMUNITY THAT INCLUDES AFFORDABLE HOUSING ON THE APPROXIMATELY 1.9 ACRE PROPERTY GENERALLY LOCATED AT 6028 JOHNSON STREET, COMPRISED OF FOLIO NUMBER: 514113040080; AUTHORIZING THE DEVELOPER, PINNACLE COMMUNITIES, LLC, TO SUBMIT AN APPLICATION TO BROWARD COUNTY TO SEEK DESIGNATED AMERICAN RESCUE PLAN FUNDS TO HELP FINANCE THE DEVELOPMENT; COMMITTING A \$1,000,000.00 MATCH IF BROWARD COUNTY AWARDS AMERICAN RESCUE PLAN FUNDS TO THIS DEVELOPMENT; AUTHORIZING THE RESPONSIBLE CITY OFFICIALS TO EXECUTE ALL DOCUMENTS NECESSARY TO EFFECTUATE THIS RESOLUTION.

WHEREAS, Broward County has recently issued "Request for Applications American Rescue Plan ("ARP") Funding for \$29 million to New Construction of Multi-Family Affordable Housing Rental Units for Fiscal Year 2022" ("RFA") with a maximum award of \$10 million; and

WHEREAS, the RFA utilizes a point system, with Broward County ARP funding awarded to those projects scoring the most points; and

WHEREAS, projects that have received non-Broward County municipal gap financing will receive five points for each \$1,000,000.00 of provided municipal assistance; and

WHEREAS, Broward County is allowing this municipal gap funding to come from a variety of funding sources, including but not limited to grants, loans, and fee waivers, with the funding sources to be determined at a later date; and

WHEREAS, Pinnacle Communities, LLC ("Pinnacle") has approached the City requesting municipal gap funding in the amount of \$1,000,000.00 for the development of Pinnacle 441 Phase II, a mixed-use, affordable housing development, consisting of no fewer than 100 units on the approximately 1.9 acre property located adjacent to its planned Pinnacle 441 Phase I project on the southwest corner of State Road 7 and Johnson Street; and

WHEREAS, through an affiliate, Pinnacle has control of the site by virtue of a purchase and sale agreement; and

WHEREAS, the City strongly supports the need for quality affordable housing development, particularly along the SR 7 corridor, and supports the redevelopment of this site; and

WHEREAS, to help this development achieve funding from Broward County, the City agrees to commit a total of \$1,000,000.00 in the form of grant, loan and/or fee waivers, contingent upon Broward County ARP funds being awarded for this development as part of the RFA; and

WHEREAS, this Resolution replaces R-2021-206 providing Local Government Areas of Opportunity Funding in the form of a \$640,000.00 loan in order to allow Pinnacle to apply for Federal Tax Credits through the Florida Housing Finance Corporation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA.

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: That the City agrees to commit \$1,000,000.00 in municipal gap funding in the form of a loan, grant and/or fee waivers to Pinnacle Communities, LLC for its Pinnacle 441 Phase II project as set forth herein.

Section 3: That the appropriate City officials are authorized to execute all documents necessary and proper to effectuate the intent of this Resolution.

Section 4: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this 1 day of December, 2021.

ATTEST:

  
PATRICIA A. CERNY, MMC  
CITY CLERK

  
JOSH LEVY, MAYOR

APPROVED AS TO FORM AND LEGAL SUFFICIENCY for the use and reliance of the City of Hollywood, Florida, only.

  
DOUGLAS R. GONZALES  
CITY ATTORNEY

**FLORIDA HOUSING FINANCE CORPORATION  
LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION – GRANT FORM**

Name of Development: Pinnacle 441 Phase 2  
~~On Johnson Street, approximately 500 feet west of the intersection of Johnson Street and N. State Road 7 (US 441), Hollywood (a.k.a. 6028 Johnson Street)~~

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

The City/County of Broward County commits \$ 100,000.00 as a grant to the Applicant for its use solely for assisting the proposed Development referenced above. The City/County does not expect to be repaid or reimbursed by the Applicant, or any other entity, provided the funds are expended solely for the Development referenced above. No consideration or promise of consideration has been given with respect to the grant. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this grant must be effective as of the Application Deadline for the applicable RFA, and is provided specifically with respect to the proposed Development.

Broward County Housing Finance Authority

The source of the grant is: \_\_\_\_\_  
(e.g., SHIP, HOME, CDBG)

**CERTIFICATION**

I certify that the foregoing information is true and correct and that this commitment is effective at least through the date required in the applicable RFA.

Bertha Henry  
Signature \_\_\_\_\_ 9/29/21 \_\_\_\_\_ Print or Type Name  
County Administrator  
\_\_\_\_\_  
Print or Type Title

NOTE TO LOCAL GOVERNMENT OFFICIAL: Additional information is set forth in the applicable Request for Application under which the Applicant is applying for funding for the above referenced Development.

This certification must be signed by the chief appointed official (staff) responsible for such approvals, Mayor, City Manager, County Manager/Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons named above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. To be considered for points, the amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

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

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



# Attachment O

**FLORIDA HOUSING FINANCE CORPORATION  
LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION – GRANT FORM**

Name of Development: Pinnacle 441 Phase 2  
~~On Johnson Street, approximately 500 feet west of the intersection of Johnson Street and N. State Road 7 (US 441), Hollywood (a.k.a. 6028 Johnson Street)~~

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

The City/County of Broward County commits \$ 100,000.00 as a grant to the Applicant for its use solely for assisting the proposed Development referenced above. The City/County does not expect to be repaid or reimbursed by the Applicant, or any other entity, provided the funds are expended solely for the Development referenced above. No consideration or promise of consideration has been given with respect to the grant. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this grant must be effective as of the Application Deadline for the applicable RFA, and is provided specifically with respect to the proposed Development.

Broward County Housing Finance Authority

The source of the grant is: \_\_\_\_\_  
(e.g., SHIP, HOME, CDBG)

**CERTIFICATION**

I certify that the foregoing information is true and correct and that this commitment is effective at least through the date required in the applicable RFA.

Bertha Henry  
Signature \_\_\_\_\_ Print or Type Name \_\_\_\_\_  
County Administrator  
\_\_\_\_\_  
Print or Type Title

NOTE TO LOCAL GOVERNMENT OFFICIAL: Additional information is set forth in the applicable Request for Application under which the Applicant is applying for funding for the above referenced Development.

This certification must be signed by the chief appointed official (staff) responsible for such approvals, Mayor, City Manager, County Manager/Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons named above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. To be considered for points, the amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

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

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



# Attachment P

Resolution No. 2022-014

A meeting of the Housing Finance Authority of Broward County, Florida was held at 5:30 P.M. on August 17, 2022, at the offices of the Housing Finance Authority of Broward County, Florida, 110 Northeast Third Street, Suite 201, in the City of Fort Lauderdale, Florida.

Present: Daniel D. Reynolds, Scott Ehrlich, John G. Primeau, Donna Jarrett-Mays,

Colleen LaPlant, Milette Manos

Absent: Ruth T. Cyrus, Jose Lopez

\* \* \* \* \*

Thereupon, the following resolution was considered:

**A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (THE “HOUSING FINANCE AUTHORITY”) DECLARING ITS OFFICIAL INTENT TO ISSUE MULTIFAMILY HOUSING REVENUE BONDS AND/OR NOTES (THE “BONDS”) OF THE HOUSING FINANCE AUTHORITY TO FINANCE ALL OR A PORTION OF THE COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN MULTIFAMILY HOUSING FACILITIES (PINNACLE 441 PHASE 2) LOCATED WITHIN BROWARD COUNTY, FLORIDA, AND OTHER RELATED PURPOSES; APPROVING THE ISSUANCE OF THE BONDS, SUBJECT TO CERTAIN FURTHER FINDINGS AND CONDITIONS; AUTHORIZING THE HOUSING FINANCE AUTHORITY TO PUBLISH NOTICE OF AND HOLD A PUBLIC HEARING PURSUANT TO THE TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA); AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”), is empowered under (i) the laws of the State of Florida, including the Florida Housing Finance Authority law, Sections 159.601 through 159.623, Florida Statutes (the “Act”), and (ii) Ordinance 79-41 enacted by the Board of County



Commissioners (the “Board”) of Broward County, Florida (the “County”) on June 20, 1979, as amended, to issue multifamily housing revenue bonds and/or notes;

**WHEREAS**, the Housing Finance Authority is authorized under the Act to issue its revenue bonds and/or notes for the purpose of paying the costs of a “qualifying housing development” within the meaning of the Act, which includes the acquisition, construction, and equipping of multifamily housing developments;

**WHEREAS**, the Housing Finance Authority has been requested by Pinnacle Communities, LLC and Pinnacle 441 PHASE 2, LLC, or an entity related to such limited liability companies and/or limited liability limited partnership (collectively, the “Developer”), to declare its official intent with respect to the issuance of its multifamily housing revenue bonds and/or notes in one or more series pursuant to the Act, in the expected maximum principal amount of \$22,000,000 (the “Bonds”), to finance the costs of the acquisition, construction, and equipping of a multifamily housing project known as “Pinnacle 441 Phase 2,” consisting of approximately 100 units, located in Hollywood, Florida, and to be owned by Pinnacle 441 PHASE 2, LLC, its assigns or a related party (collectively, the “Project”); and

**WHEREAS**, such declaration is required pursuant to certain federal income tax regulations in order for the Developer to be able to reimburse itself from proceeds of the Bonds for capital expenditures it may make with respect to the Project prior to the issuance of the Bonds.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Finance Authority, as follows:

SECTION 1. Declaration of Findings. The Housing Finance Authority hereby finds, determines and declares the matters hereinabove set forth.

SECTION 2. Intent to Issue. The Housing Finance Authority hereby declares its official intent to issue, pursuant to the Act, multifamily housing revenue bonds and/or notes, in one or more series, of the Housing Finance Authority in the expected maximum principal amount of \$22,000,000. The Housing Finance Authority retains the right to determine, in its sole discretion, whether sufficient bond allocation is available for the purpose of the tax-exempt financing of the Project. The issuance of the Bonds is further subject to the conditions set forth in Section 3, Section 4 and Section 5 below.

SECTION 3. Prior Conditions. Prior to the issuance of the Bonds, the Developer and the Housing Finance Authority must satisfy all requirements of the Act with respect to the issuance of the Bonds, including, but not limited to, the approval of the Project as a “qualifying housing development” under the Act, and all other requirements in order for the interest on the Bonds, when and if issued, to be excluded from the gross income of the owners thereof for federal income tax purposes.

SECTION 4. Public Hearing Authorized. The staff of the Housing Finance Authority is authorized to publish the notice of the Tax Equity and Fiscal Responsibility Act (“TEFRA”) Hearing (as defined below) in *The Sun Sentinel*, and to conduct the public hearing required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), prior to the issuance of the Bonds (the “TEFRA Hearing”).

SECTION 5. County Approval. Additionally, prior to the issuance of the Bonds, the Bonds must be approved by the Board in accordance with, and for purposes of, Section 147(f) of the Code.

SECTION 6. Declaration of Official Intent. This Resolution constitutes official intent under Treasury Regulations Section 1.150-2 and any amendments thereto, for reimbursement from bond proceeds of temporary advances made by the Developer for purposes of the Project prior to the issuance of the Bonds.

SECTION 7. Scope of Approval. It is expressly stated and agreed that the adoption of this Resolution is not a guaranty, express or implied, that the Housing Finance Authority shall approve the closing and issue the Bonds, or any portion thereof, for the Project. By the presentation of this Resolution to the members of the Housing Finance Authority for consideration, the Developer agrees to hold the Housing Finance Authority and its past, present and future members, officers, staff, attorneys, financial advisors and employees harmless from any liability or claim based upon the refusal or failure of the Housing Finance Authority to close the transaction and issue the Bonds, or any other cause of action arising from the adoption of this Resolution, the processing of the financing for the Project, or the issuance of (or decision not to issue) the Bonds.

SECTION 8. Resolution Effective. This Resolution shall take effect immediately upon its passage.

[Remainder of page intentionally left blank]

Upon motion of John G. Primeau, seconded by Scott Ehrlich, the foregoing Resolution was adopted by the following vote:

Ayes: 6

Noes: 0

Approved on August 2, 2022 as to form and legal sufficiency by:

Nabors, Giblin & Nickerson, P.A., Bond Counsel

STATE OF FLORIDA     )  
                                  ) SS:  
COUNTY OF BROWARD )

I, Scott Ehrlich, Secretary of the Housing Finance Authority of Broward County, Florida, do hereby certify that the foregoing is an accurate copy of the resolution of the Housing Finance Authority adopted at a meeting held on August 17, 2022, as set forth in the official minutes of the Housing Finance Authority, relating to the multifamily housing revenue bonds and/or notes for the financing of Pinnacle 441 Phase 2.

**I DO HEREBY FURTHER CERTIFY** that said meeting was duly called and held in accordance with Chapter 286, Florida Statutes.

**WITNESS** my hand and the corporate seal of said Housing Finance Authority, this 17<sup>th</sup> day of August, 2022.

**HOUSING FINANCE AUTHORITY OF  
BROWARD COUNTY, FLORIDA**

By:   
Scott Ehrlich, Secretary



# Attachment Q



**Housing Finance Division**

110 Northeast 3<sup>rd</sup> Street, Suite 300 • Fort Lauderdale, Florida 33301 • 954-357-4900 • FAX 954-357-8221

March 17, 2022

Timothy P. Wheat  
Pinnacle 441 Phase 2, LLC  
9400 S. Dadeland Blvd., Suite 100  
Miami, Florida 33156

**Subject: ARP Funding for \$29MM to New Construction (“New Construction”)  
Award Notification – Pinnacle 441 Phase 2**

Congratulations! On February 22, 2022, the Broward County Board of County Commissioners (BOCC) approved the funding allocation for two (7) New Construction projects. Your organization was awarded **\$10,000,000** for construction costs for the Pinnacle 441 Phase 2 project in Hollywood. As stated in the Request for Applications, the Applicant must provide the Housing Finance Division (“HFD”) with executed commitments outlining the terms of all senior and subordinate funding sources identified within Appendix A of the RFA, to HFD within (6) months of the project award being approved by the BOCC. **Funding award will be rescinded if financing has not closed by December 31, 2023.**

Prior to April 1, 2022, please provide the HFD with written communication regarding:

- The status of the Hollywood award, including the anticipated firm commitment date.
- Updated Appendix A, B and C identifying any changes subsequent to the submission of the Application.
- Description of any known matters which could delay the production of executed commitments beyond August 22, 2022.
- Note the original Appendix C projected a December 12, 2022, Construction/Permanent loan closing date. HFA transaction calls must start 4 – 5 months prior to the closing date. Please identify the anticipated commencement date of HFA calls.

Glenn Amoruso, Project Manager, will be working with the County Attorney's office to finalize the agreement. Should you have any questions, please feel free to call or email Mr. Amoruso at 954-357-6679 or Angela Chin at 954-357-4919 or [achin@broward.org](mailto:achin@broward.org). Thanks again for your participation in the Affordable Housing Fund Program.

Sincerely,

A handwritten signature in blue ink, appearing to read "R Stone".

Ralph Stone, Director  
Housing Finance Division (HFD)

cc: Suzanne R. Fejes, Assistant Director, HFD  
Annika E. Ashton, Deputy County Attorney, Office of the County Attorney  
Alicia C. Lobeiras, Assistant County Attorney, Office of the County Attorney  
Norman Howard, Manager, HFD  
Angela M. Chin, AICP, PMP, Project Manager, HFD  
Glenn Amoruso, FRA-RA, Project Manager, HFD



# Attachment R



Environmental Protection and Growth Management Department

**ENVIRONMENTAL ENGINEERING AND PERMITTING DIVISION**

1 North University Drive, Mailbox 201, Plantation, Florida 33324 • 954-519-1483 • FAX 954-519-1412

**STANDARD OPERATING PROCEDURE FOR DEWATERING  
(Revision 3, Effective December 1, 2009)**

**INTRODUCTION**

As required by Broward County Code (Code), any person(s) wishing to conduct dewatering activities at or within a one-quarter-mile radius of a contaminated<sup>1</sup> site must notify and receive approval from the Broward County Environmental Protection and Growth Management Department (Department) prior to implementation. The County's notification requirements for these dewatering activities are outlined in Section 27-355(4) of the Code, which states:

"Prior to any persons conducting dewatering operations at or within a one-quarter-mile radius of a contaminated site, written notification shall be given to [the Department] and shall include, at a minimum:

- Justification for the need for dewatering;
- Water treatment and disposal plans;
- Effect of the dewatering and disposal procedures on the contaminant plume;
- Monitoring program; and
- Where required and authorized by Chapter 471, F.S. [Florida Statutes] or Chapter 492, F.S., applicable portions of dewatering plans shall be signed and sealed by a registered professional engineer or a registered professional geologist."

Approval of such activities is required by Section 27-353(i) of the Code, which states:

"Dewatering operations at or within a one-quarter-mile radius of a contaminated site shall not be conducted without [Department] approval."

**APPLICABILITY**

This Standard Operating Procedure (SOP) and the requirements detailed herein are applicable to dewatering operations within Broward County. "Dewatering" refers to any technique that is employed to lower groundwater level. These requirements apply solely to reviews that are conducted by Broward County Cleanup and Waste Regulation (CWR) Staff for the purpose of ensuring that dewatering operations at or within one-quarter mile of contaminated sites will not result in the exacerbation, migration, or improper treatment of contamination. Please note that additional requirements for dewatering have been established by other agencies and may be established by other Sections within the Department.

**Tank Upgrade Exemption**

Dewatering operations conducted to facilitate underground storage tank upgrades and replacements necessary to meet the Performance Standards for Category-A and Category-B Storage Tanks of Section 27-307(b), Broward County Code, and Section 62-761.510, Florida Administrative Code (F.A.C.), are exempt from the CWR Section Dewatering Plan review and approval process. To qualify for this exemption, a **Notice of Intent to Dewater** must be provided to CWR Section staff at least five (5) business days prior to dewatering. The Notice of Intent to Dewater must agree to the following conditions:

1. Dewatering duration must not exceed a total of three (3) calendar days (72 hours). If intermittent dewatering

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<sup>1</sup> "Contaminant" is defined in Section 27-352, Broward County Code

is performed, this duration is to be considered to be the sum of all actual pumping periods, however clarification should be provided in the Notice of Intent to Dewatering with respect to the overall period that dewatering will be performed;

2. Sheetpile must be installed to a depth not less than 8 feet below the bottom of wellpoint screens;
3. Effluent must be monitored to ensure compliance with turbidity standards, as applicable; and
4. If conducted within a tank farm area known to be contaminated, dewatering effluent must be properly treated and monitored to comply with water quality standards or applicable Cleanup Target Levels of Chapter 62-777, Florida Administrative Code, prior to discharge. Treatment system specifications, laboratory analytics, field notes, and other relevant documentation should be maintained by the party responsible for performing the dewatering.

Any exceptions to conditional items 1 and 2 of this exemption will require the Department's approval of a Dewatering Plan submitted per this SOP. If contamination is encountered during the tank upgrade which has not been previously reported to the Department, dewatering must cease and the Department must be notified in accordance with the requirements of Code Section 27-355.

## PROCEDURE

**A flow chart which demonstrates this SOP is depicted in Exhibit I, attached.** Please note that Exhibit I does not address the tank upgrade exemption as detailed in the previous section.

### I. Need for CWR Section Approval of Dewatering Operations

- A. For sites located beyond one-quarter mile of a contaminated site in Broward County, the Department does not include a "No Dewatering Permitted" clause in construction plan approvals. Dewatering may proceed at such sites; however, it is recommended that CWR Section staff be notified for confirmation.
- B. In instances where dewatering is proposed within a contaminated area (i.e., where it is known that groundwater contains contaminants above applicable standards) but where no other contaminated sites are located within one-quarter mile, a Dewatering Plan must be submitted to the CWR Section of the Department for review and approval prior to implementation of dewatering activities; however, the Dewatering Plan should only contain the following:
  1. The contaminated site information outlined in Section II.A. of this SOP for the dewatering location,
  2. The information outlined in Section II.B. of this SOP, and
  3. Proper certification as required by Section II.E. of this SOP.A Dewatering Report to document the dewatering is also required by Section IV of this SOP.
- C. For sites that are located within one-quarter mile of a contaminated site, a Dewatering Plan in accordance with Section II of this SOP must be submitted to the CWR Section of the Department for review and approval prior to implementation of dewatering activities. Dewatering will not be approved under any conditions for operations that may create a drawdown greater than 0.1 foot at a contaminant plume boundary. The Dewatering Plan must meet the requirements established in Section II of this SOP.

### II. Dewatering Plan Requirements

- A. **Contaminated locations at and/or within one-quarter mile of the proposed dewatering project must be identified.** At the time of this writing, the Broward County contaminated sites database and corresponding interactive map are available on the internet at <http://www.broward.org/environment/contaminatedsites/Pages/Default.aspx>.

The following items should be included in the Dewatering Plan:

1. Site Number and address for each contaminated site,

2. Contaminant type for each contaminated site,
3. Most recent contaminant plume maps for all groundwater-contaminated sites located within a quarter-mile radius from the proposed dewatering location (if available),
4. Tables of the most recent groundwater analytical data for the nearest groundwater-contaminated site (if available), and
5. A map, drawn to scale, that depicts the particular dewatering location on the site (designation of the site boundaries in general is not adequate) and the locations of identified contaminant plumes.

If contaminant plume maps and data are not available through hardcopy file review with the Department, the Florida Department of Environmental Protection, or the OCULUS petroleum document website (at the time of this writing, located at <https://depedms.dep.state.fl.us/Oculus/servlet/login>), then document this fact in the Dewatering Plan and assume that the contaminant plume is confined to the property boundary of the particular contaminated site.

**B. The following information must be provided regarding the scope of the proposed dewatering activities:**

1. Purpose of dewatering (i.e., an explanation of why dewatering is necessary),
2. Dewatering technique (i.e., wellpoint, deep well, open hole, etc.),
3. Anticipated dewatering flow rate,
4. Total dewatering duration,
5. Method of effluent discharge,
6. Controls (i.e., settling tank, turbidity curtain, etc.) and a monitoring program employed to ensure that effluent will comply with applicable water quality standards, including turbidity.
7. If conducted in a contaminated area, engineering specifications for dewatering effluent treatment (i.e. air-stripper, carbon filtration, etc.) and details for an analytical monitoring program to ensure that effluent will meet water quality standards established by Section 27-195, Broward County Code. Please note that Certification by a Florida-registered Professional Engineer, specifically, is required for treatment specifications by Section II.E. of this SOP.
8. A description of any proposed controls, including engineering specifications for sheetpile or recharge system. Certification by a Florida-registered Professional Engineer is required for applicable sheetpile specifications by Section II.E. of this SOP.

**C. Dewatering plans must contain a technical justification that is adequate to demonstrate the proposed scope of dewatering (as required in Section II.B.) will not affect contaminant plumes.** There are two (2) acceptable methods for providing this technical justification:

**1. Manual estimations of the dewatering radius of influence by utilizing SFWMD data or approved aquifer test data to calculate Sichardt's equation.** As a "first pass" of technical justification, Sichardt's equation may be used to determine the radius of influence associated with the dewatering project as discussed in Section II.C.1.b. of this SOP. Details of Sichardt's equation, including an example calculation, are also included as **Exhibit III** to this SOP. The calculation must utilize 1) data from South Florida Management Water District's (SFWMD) Technical Publication 92-05 entitled "A Three Dimensional Finite Difference Groundwater Flow Model of the Surficial Aquifer System, Broward County, Florida" (1992), or 2) data provided by an aquifer test conducted in accordance with Section II.C.1.a. of this SOP.

- a. Aquifer test performance and data collection must be consistent with the following guidance: Freeze and Cherry (1979), Fetter (1980), Kruseman and Derrider (1990), or Driscoll (1986). CWR Staff will use AQTESOLV (for Windows) to verify aquifer parameters that are generated from hand calculations and/or computer modeling analysis of aquifer tests. Aquifer Test Data may be collected in one of three (3) ways:
  - (1) Historical aquifer test data from the CWR Section's in-house database may be obtained by contacting David Vanlandingham, P.E., at (954) 519-1478 or [dvanlandingham@broward.org](mailto:dvanlandingham@broward.org). The information contained in the CWR Aquifer Test database has been reviewed by CWR Section staff

- for quality assurance.
- (2) Other historical aquifer test data may be submitted if the test was performed within one-quarter mile of the proposed dewatering location and:
    - (a) Groundwater elevations were measured in at least three (3) observation wells (not including the test well) with varying distances from the recovery well,
    - (b) Data is collected from the beginning of the test until near steady-state conditions are achieved, and
    - (c) Unconfined aquifer conditions and partially penetrating wells were considered in analysis of the aquifer test data<sup>2</sup>.
  - (3) Perform an aquifer test at the proposed dewatering location. Notification must be provided using Exhibit II and written approval must be obtained from CWR staff prior to implementation of the aquifer test. Approvals may be granted through email or facsimile. The test data will be acceptable if the conditions of Section II.C.1.a.(2) are met; in addition,
    - (a) observation wells are to be installed in a line between the dewatering locations and the nearest identified contaminant plume<sup>3</sup>, and
    - (b) one of the observation wells is located at the edge of the proposed dewatered area.
- b. Utilizing Sichardt's equation, a manual (hand) calculation may be performed to determine the projected radius of influence associated with the proposed dewatering activity and the flow rate necessary to produce the required drawdown. This calculation is detailed in Exhibit III accompanying this SOP.
- (1) If the estimated value of radius of influence is less than the distance to the edge of the nearest contaminant plume, the Dewatering Plan may be approved (an example approval letter is provided in Exhibit IV).
  - (2) **If the estimated radius of influence is greater than the distance to the edge of the nearest contaminant plume, then groundwater modeling is required pursuant to Section II.C.2. of this SOP.** The dewatering scope of work may also be revised or hydraulic controls (for instance, sheetpile or artificial groundwater mounding via recharge trenches or wells) may be proposed; however, any hydraulic controls proposed must still be justified through the use of computer modeling in accordance with Section II.C.2. of this SOP, as manual calculations which consider hydraulic controls are not available<sup>4</sup>.
2. **Groundwater modeling within a three-dimensional computer model utilizing SFWMD data or approved aquifer test data.** The model framework must utilize 1) data from South Florida Water Management District's (SFWMD) Technical Publication 92-05 entitled, "A Three Dimensional Finite Difference Groundwater Flow Model of the Surficial Aquifer System, Broward County, Florida" (1992), or 2) aquifer test data obtained in accordance with in Section II.C.1.a. of this SOP.

All models, regardless of the software used to construct them, are to be properly documented. The Division will use Visual MODFLOW Pro to verify all modeling analyses. Any Dewatering Plan that includes computer modeling must also contain the following information, as applicable:

- a. A compact disc with a copy of all model data including all necessary input, support, and output files.
- b. Map file used as base coverage in .dxf or .bmp format.

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<sup>2</sup> If these conditions are not met, the test data may be reanalyzed by the applicant via a method that will consider unconfined aquifer and partially penetrating well scenarios.

<sup>3</sup> These observation points may also be used to meet the requirements of groundwater monitoring, as outlined in Section II.D. of this SOP.

<sup>4</sup> The manual calculation method cannot be used for sites where artificial groundwater mounding is proposed as a hydraulic control. Artificial groundwater mounding as a means of hydraulic control may only be justified through computer modeling as outlined in Section II.C.2. of this SOP.

- c. Model domain including the number of columns, rows, and layers. Grid spacing must also be documented for areas of the model with increased cell resolution.
- d. Model extent including X-axis, Y-axis, and Z-axis minimum and maximum. Also include coordinates (Lat/Lon, UTM, State Plane) if the model extent are referenced to specific geographic locations. The model should cover a sufficient area as to allow for a true representation of ground water flow during dewatering without undue influence from boundary conditions.
- e. Model units for length, time, conductivity, pumping rate, mass, and concentration as applicable.
- f. Surface elevation and bottom elevation of all layers. If layer elevation is not a constant, then submit a spreadsheet containing x, y, z data in either .txt or .xls format or as a Surfer<sup>®</sup> .grd file.
- g. Conductivity values of all layers including Kx, Ky, and Kz. If conductivity data vary within a layer then submit a file in .txt, .xls, or .shp format. Also include all data interpolation information as applicable. If layer elevation is not a constant, then submit a spreadsheet containing x, y, z data in either .txt or .xls format or as a Surfer<sup>®</sup> .grd file.
- h. Specific Storage (Ss) and Specific Yield (Sy) values of all layers. If Ss and/or Sy data vary within a layer, then submit a file in .txt, .xls, or .shp format. Also include all data interpolation information as applicable.
- i. Porosity and effective porosity values of all layers. If porosity and/or effective porosity data vary within a layer, then submit a file in .txt, .xls, or .shp format. Also include all data interpolation information as applicable.
- j. Pumping well specifications including exact map coordinates, screened interval, pump rate, and pumping duration.
- k. Head observation well specifications including exact map coordinates, screened interval, observation point elevation, and all water table elevation measurements.
- l. Concentration well specifications including exact map coordinates, screened interval, contaminant being monitored, observation point elevation, and all concentration measurements.
- m. The type (constant head, rivers, general head, drains, walls, etc.) and model-grid location for all boundary conditions including an explanation of their selection and description of their input parameters. Boundary conditions should be defined as to not artificially influence ground water flow in the dewatering area or nearby contaminated sites.
- n. Acknowledgment that the model ignores recharge to maintain a conservative estimate of dewatering influence.
- o. Particle tracking information including number of particles, initial particle locations, and release times if applicable. All particles are to be tracked in the forward direction.
- p. If Zone Budget is used to estimate a dewatering flow rate, then the number and model-grid location of zones and output information must be included, as applicable. The type of model run (Steady State Flow or Transient Flow) must also be specified. The Division recommends running the model using only documented boundary conditions under Steady State Flow to determine initial heads. Transient Flow should be used for the duration of proposed dewatering.
- q. The time steps utilized during Transient Flow model runs.
- r. Figures showing model output as both Head Equipotentials and Drawdown at the end of the proposed dewatering period for each modeled layer.
- s. A figure identifying the 0.1-foot and 0.01-foot drawdown contours at the end of dewatering.

**D. The Dewatering Plan must propose a groundwater monitoring program subject to the following:**

1. Should a manual estimation of the radius of influence performed in accordance with Section II.C.1. of this SOP indicate that the radius of influence is less than the distance to the nearest contaminant plume, no monitoring program is required (an example approval letter is provided in Exhibit IV).
2. Should modeling performed in accordance with Section II.C.2. of this SOP indicate that the closest groundwater contaminant plume is outside of the 0.01-foot drawdown contour, no monitoring program is required (an example approval letter is provided in Exhibit IV).
3. Should modeling performed in accordance with Section II.C.2. of this SOP indicate the closest groundwater contaminant plume lies between the 0.01-foot and 0.1-foot drawdown contours, a monitoring program is



required (Exhibit IV will be modified by the Division to reflect specific requirements). The monitoring program must include:

- a. A table of groundwater elevation data collected from a minimum of three observation points, placed on a line between the dewatering location and the nearest contaminant plume. Data shall be collected:
    - (1) Prior to initiating dewatering activities to establish baseline elevations. Locations that are tidally influenced may require more than one baseline monitoring event.
    - (2) Daily during the first week of dewatering activities, and weekly thereafter until dewatering operations cease. The applicant should make every effort to collect data at the same time of day to reduce the influence of daily fluctuations.
  - b. A map, drawn to scale, detailing the observation point locations relative to the dewatering project, and
  - c. A map, drawn to scale, including water table elevations from observation points and an indication of ground water flow direction.
4. Should a manual estimation of the radius of influence performed in accordance with Section II.C.1. of this SOP indicate that the radius of influence is greater than the distance to the nearest contaminant plume, or should modeling performed in accordance with Sections II.C.2. of this SOP indicate that the closest contaminated plume lies within the 0.1-foot drawdown contour, dewatering will **not** be approved by the Division. The Dewatering Plan may be revised or hydraulic controls (i.e., sheetpile cofferdam or artificial groundwater mounding via recharge) must be proposed and justified. If, in this event, hydraulic controls are proposed, computer modeling must be performed in accordance with Section II.C.2. of this SOP, as manual calculations that consider hydraulic controls are not available<sup>5</sup>.

**E. All applicable portions of Dewatering Plans must be certified by a registered Professional Engineer or a registered Professional Geologist, as provided in Chapter 471, F.S., or Chapter 492, F.S.**

**F. The Dewatering Plan must contain the contact information for the entity that is assuming responsibility for the specified conditions of the Department's approval. The company name, a representative name, address, and phone number should be included, as applicable.**

**G. There is no review fee or "application" for the Dewatering Approval.** Simply submit one (1) certified original of the Dewatering Plan to the Department, to the attention of David Vanlandingham, P.E., at this letterhead address.

**III. CWR staff shall have a period of ten (10) business days to review Dewatering Plans submitted pursuant to this SOP and to provide comment and/or approval.**

**IV. A Dewatering Report must be submitted within thirty (30) days of completion of approved dewatering activities to document actual flow rates and field monitoring data, including any monitoring conducted pursuant to Sections II.B.6., II.B.7, and II.D. of this SOP.**

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<sup>5</sup> The manual calculation method cannot be used for sites where artificial groundwater mounding is proposed as a hydraulic control. Artificial groundwater mounding as a means of hydraulic control may only be justified through computer modeling as outlined in Section II.C.2. of this SOP.



### References

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**EXHIBIT I: Decision Flow Chart for SOP**

