

THADC

TAMPA HOUSING AUTHORITY DEVELOPMENT CORP.

A non-profit Entity of The Housing Authority of the City of Tampa

Board of Directors Meeting

July 18, 2018



Meeting Agenda

Tampa Housing Authority Development Corp.

July 18, 2018

I. *CALL TO ORDER*

II. *MINUTES FROM THE PREVIOUS MEETINGS*

- *February 21, 2018*

III. *NEW BUSINESS*

- *Presentation of Resolution No: 2018-0022-THADC*

TO APPROVE THE FORMATION OF AND THE LIMITED PARTNERSHIP AGREEMENT OF WRDG T3B, LP; TO APPROVE THE FORMATION OF AND THE OPERATING AGREEMENT OF THA T3B, LLC; TO APPROVE THE SUBMISSION OF CERTAIN FINANCING APPLICATIONS AND THE PURCHASE CONTRACT IN CONNECTION WITH THE DEVELOPMENT OF PARCEL T3B;

IV. *ADJOURNMENT*

**Minutes
of the Regular Meeting
of the Board of Directors
of the Tampa Housing Authority Development Corporation**

February 21, 2018

I. CALL TO ORDER

President Johnson-Velez called the meeting of the Tampa Housing Authority Development Corporation Board of Directors to order at 9:39am. Other Directors in attendance were, Rubin E. Padgett, James Cloar, Bemetra Simmons, Billi Johnson-Griffin, and legal counsel, Ricardo Gilmore. Director Dr. Hazel Harvey was not in attendance.

II. APPROVAL OF MINUTES

A motion to approve the Minutes from the February 21, 2018 meeting **and to acknowledge the placement of the wrong minutes in the February's meeting** was made by Director Johnson-Griffin and seconded by Director Cloar:

| | |
|--------------------------|---------|
| Director Padgett | Present |
| Director Cloar | Yes |
| Director Johnson-Velez | Yes |
| Director Simmons | Yes |
| Director Johnson-Griffin | Yes |

A motion to approve the Minutes from the November 15, 2017 meeting was made by Director Johnson-Griffin and seconded by Director Padgett:

| | |
|--------------------------|---------|
| Director Padgett | Yes |
| Director Cloar | Present |
| Director Johnson-Velez | Yes |
| Director Simmons | Present |
| Director Johnson-Griffin | Yes |

III. NEW BUSINESS

A motion to approve the following Resolution as presented by Leroy Moore, COO, was made by Director Cloar and seconded by Director Simmons.

- *Resolution No. 2018-0022-THADC*

TO APPROVE THE FORMATION OF AND THE LIMITED PARTNERSHIP AGREEMENT OF WRDG T3B, LP; TO APPROVE THE FORMATION OF AND THE OPERATING AGREEMENT OF THA T3B, LLC; TO APPROVE THE SUBMISSION OF CERTAIN FINANCING APPLICATIONS AND THE PURCHASE CONTRACT IN CONNECTION WITH THE DEVELOPMENT OF PARCEL T3B;

| | |
|--------------------------|-----|
| Director Padgett | Yes |
| Director Cloar | Yes |
| Director Johnson-Velez | Yes |
| Director Wacksman | Yes |
| Director Simmons | Yes |
| Director Johnson-Griffin | Yes |

III. ADJOURNMENT

There being no further business to come before this Board, President Johnson-Velez adjourned the meeting at 9:41am.

Approved this 21st day of February, 2018.

President

Secretary

TAMPA HOUSING AUTHORITY DEVELOPMENT CORP.

RESOLUTION FY2018-0023 THADC

TO AUTHORIZE THE PRESEIDNT OF TAMPA HOUSING AUTHORITY DEVLOPMENT CORPORATION (THADC) TO ENTER INTO A PROPERTY MANAGEMENT AGREEMENT WITH JMG REALTY, INC (MANAGER) FOR THE RENASSIANCE AT WEST RIVER

WHEREAS, in connection with the West River Redevelopment, THA and Bank of America CDC has partnered in the development of a 160 unit new construction elderly apartment building to be developed on lot T1 within the West River Master Plan;

WHEREAS, Bank of America CDC is the Managing Member of the development entity created to develop the project and has selected the firm of JMG Realty, Inc., as the initial Manager for The Renaissance at West River;

WHEREAS, JMG Realty, Inc., has relevant and recent experience managing THA assets at Encore for the past several years and have consistently produced great results at leasing-up and continued management of the properties to the satisfaction of the development partnership; and,

WHEREAS, THADC/Bank of America CDC and JMG Realty, Inc., have reached agreement on the terms of the contract as set forth in the attached Property Management Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Tampa Housing Authority Development Corporation hereby authorizes its President to execute, in substantial form, the Property Management Agreement for The Renaissance at West River with JMG Realty, Inc.

CERTIFICATE OF COMPLIANCE

This is to certify that the Corporation's Board of Directors has approved and adopted these **Resolutions numbered: 2018-0023 THADC**, dated July 18, 2018.

Jerome D. Ryans, Secretary

Susi Johnson-Velez, Chairperson

M E M O R A N D U M

Date: July 11, 2018
To: Board of Directors
Through: Jerome D. Ryans, President/CEO
From: Leroy Moore, Senior Vice-President/COO
Subject: **Resolution 2018-0023**

**TO AUTHORIZE THE PRESEIDNT OF TAMPA HOUSING AUTHORITY
DEVLOPMENT CORPORATION (THADC) TO ENTER INTO A PROPERTY
MANAGEMENT AGREEMENT WITH JMG REALTY, INC (MANAGER) FOR THE
RENAISSANCE AT WEST RIVER**

This Resolution is necessary to authorize the President of Tampa Housing Authority Development Corporation (THADC) to enter into a Property Management Agreement with JMG Realty, Inc. for The Renaissance at West River.

If you have any questions ahead of the scheduled Board Meeting please don't hesitate to call Leroy Moore, at 813/341-9101 ext. 3690.

PROPERTY MANAGEMENT AGREEMENT FOR THE RENAISSANCE
AT WEST RIVER

THIS PROPERTY MANAGEMENT AGREEMENT (the “Agreement”) is made as of July 18, 2018 between **West River Phase 1A, LP (“Owner”)**, whose address is c/o the Housing Authority of the City of Tampa, Florida (the “Authority”) 5301 W. Cypress Street, Tampa FL 33607 and **JMG Realty, Inc. (“Manager”)**, whose address is 5605 Glenridge Drive, Suite 1010, Atlanta, GA 30342.

WHEREAS, Owner owns a fee simple interest in certain property described in Exhibit A to this Agreement, the improvements and fixtures thereon, and all appurtenances thereto (said property, improvements, fixtures and appurtenances and any personal property of Owner on said property or in such improvements being herein called the "Property").

WHEREAS, Owner desires to engage Manager to manage, rent and operate the Property, and Manager desires to accept such engagement.

NOW, THEREFORE, in consideration of the mutual covenants, premises and conditions herein set forth, Ten and no/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 Definitions. This section contains definitions of certain terms used in this Agreement, as set forth below:

- | | |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. Maximum Legal Expenses: | \$1,000 per eviction (see <u>Section 3.2(C)</u> below) |
| B. Maximum Lease Term: | One (1) year (see section 3.2 for renewal clause) |
| C. Minimum Fidelity Bond Amount: | \$500,000 (see <u>Section 3.2(I)</u> below) |
| D. Maximum Contract Amount: | \$2,000 unless approved in current Budget (see <u>Section 3.3</u> below) |
| E. Maximum Manager's Withdrawal: | \$2,500 unless approved in current Budget (see <u>Section 3.5</u> below) |
| F. Maximum Monthly Expenses: | (i) With respect to any single item or series of like items, the greater of (a) \$2,000 or (b) twenty percent (20%) over and above the amount allocated to such item or series of items for the month in question in the most recent approved Budget, and (ii) with respect to aggregate expenditures for all items during such month, \$5,000 |
| G. Minimum Working Capital: | \$10,000; in no event to exceed five percent (5%) of monthly gross budget expenses |

H. Management Fee: 4.0% of Gross Rental Receipts, excluding reimbursements for utility costs, insurance proceeds, and interest income; or a monthly minimum fee of \$3,800.00 per month, whichever is greater. Management fees begin on the Commencement Date as defined below. The minimum fee of \$3,800.00 per month shall not apply after the Property reaches Stabilization. Stabilization shall be defined as the first day of the month following three (3) consecutive months in which all 160 units are on-line and of the Net Rent Revenue equals or exceeds 95% of Total Rent Revenue as reported on the Operating Statement – Detail reports provided pursuant to Section 4.2.
+\$1.75 per unit per month accounting fee
+\$3.00 per unit per month compliance fee

I. Commencement Date: At beginning of pre-leasing as authorized by Owner in writing

J. Stated Termination Date: One Year from Commencement Date

K. Manager's Key Person(s): Bonnie Smetzer
Office Telephone: 321-728-1810
Emergency Telephone: 321-536-7289

L. Owner's Key Person(s): Leonard Burke
Office Telephone:
813-341-9101 x 2351

ARTICLE 2 - ENGAGEMENT OF MANAGER

2.1 Engagement. Owner engages Manager to manage, rent and operate the Property on the terms and conditions contained in this Agreement, and Manager agrees to perform such services on such terms and conditions.

2.2 Status of Manager; Limitation on Authority. Manager shall act under this Agreement as an independent contractor and not as Owner's employee. Manager shall not have the right, power or authority to enter into agreements or incur liability on behalf of Owner except as expressly set forth herein. Any action taken by Manager that is not expressly permitted by this Agreement shall not bind Owner.

ARTICLE 3 - DUTIES OF MANAGER

3.1 Standard of Performance. Manager will perform its duties in a diligent, careful and professional manner with the objective of maximizing all potential revenues to Owner and of minimizing expenses and losses to Owner. The services of the Manager are to be of a scope and quality not less than those generally performed by first class, professional managers of properties similar in type and quality, and located in the same market area as the Property. The Manager will make available to the Owner the full benefit of the judgment, experience and advice of the members of the Manager's organization. Manager will at all times act in good faith, in a commercially reasonable manner and in a fiduciary capacity with respect to the proper protection of and accounting for Owner's assets.

3.2 Specific Duties of Manager. Without limiting the obligations of Manager under other provisions of this Agreement, Manager will have the following specific duties:

A. Orientation. Manager has or shall receive and take custody of certain books and records for the Property, the personal property on such Property belonging to the Owner, and the originals or copies of the Property Documents (as defined in Section 3.2(D)). Within thirty (30) days after the date of this Agreement, Manager will furnish Owner a complete list of all books, records and personal property regarding the Property and any Property Documents then known to Manager.

B. Leasing. Manager shall be the exclusive agent for leasing apartment units at the Property and for extending or renewing any leases at the Property as the need may arise during the term of this Agreement. Manager will lease all of the dwelling units on the property (the "RAD Units") upon the terms set forth in the leasing guidelines attached hereto as Exhibit B, as the same may be revised from time to time by Owner (the "Leasing Guidelines"). Manager is hereby authorized to execute, deliver and renew leases, in the form attached hereto as Exhibit C, subject to HUD approval, if required, and which may be modified only with the Owner's prior written consent, on behalf of Owner in accordance with the Leasing Guidelines. To the extent there are any inconsistencies between the provisions in the Agreement (excluding Exhibit B) and the Leasing Guidelines, the provisions in the Leasing Guidelines shall control). Manager shall also perform lease administration duties to include, without limitation, maintaining a high level of communication with the various tenants and monitoring leases as to renewal, termination and other relevant rights of tenants and Owner thereunder. Without Owner's prior written consent, Manager will not enter into any lease for a term exceeding the Maximum Lease Term set forth in Article 1. Manager agrees that there shall be no discrimination against, or segregation of, any person, or group of persons, on account of race, color, creed, religion, sex, age, familia, handicap or national origin in the lease or the transfer, use, occupancy or enjoyment of the Property, and Manager shall not permit any discrimination or segregation with respect to the selection, location, limits per HUD guidelines, use, or occupancy of tenants of space within the Property; however, if the Property is eligible to receive low income housing tax credits, applicable federal and state regulations shall govern. The fees specified in Article 5 shall be Manager's sole compensation for Manager's assistance with leasing or leasing services, and Manager shall not be entitled to any leasing commissions.

C. Collection of Moneys; Enforcement of Rights. Manager will use commercially reasonable efforts to collect all rent and other payments due from tenants in the Property and any other sums due Owner regarding the Property, which sums shall be handled as described in Section 3.5 and Section 3.6 hereof. Manager will promptly and diligently enforce Owner's rights under any tenant leases affecting the Property, including without limitation taking the following actions where appropriate: (i) terminating tenancies; (ii) signing and serving such notices as are deemed necessary by Manager; (iii) instituting and prosecuting actions, and evicting tenants; (iv) recovering rents and other sums due by legal proceedings; and, (v) settling, compromising and releasing such actions or suits or reinstating such tenancies. Manager may select counsel for all litigation affecting or arising out of the operation of the Property subject to the approval of Owner. The legal expenses, filing fees and costs of court incurred by Manager in connection with the enforcement by Manager of Owner's rights under such tenant leases shall be reimbursed by Owner to Manager; provided, however, all legal expenses relating to any single tenant or tenant dispute shall not, without the prior written consent of Owner, exceed the Maximum Legal Expenses indicated in Article 1.

D. Property Documents. Manager shall comply with the obligations of Owner under any mortgages and deeds of trust (to the extent such obligations of Owner relate to the Property, are within the scope of Manager's duties under this Agreement and Owner provides sufficient funds to comply), leases, easements, restrictions, service contracts and other agreements now or hereafter affecting the Property or any portion thereof (the "Property Documents"); provided, however, Manager shall have no obligation, to pay out of proceeds from the Property sums from time to time due from the Owner under the Property Documents unless notified to the contrary by Owner in writing, and, provided, further, nothing herein contained shall be construed to obligate Manager to advance its own funds to pay such obligations.

E. Maintenance. Provided Owner provides sufficient funds, Manager will maintain and repair the Property as required by the Property Documents applicable thereto, and in accordance with

standards acceptable to Owner, which standards may be conditioned upon submission of such maintenance and repairs to a competitive bidding process, except to the extent the same has been provided in the Budget (as described in Section 4.3) and except as to emergency repairs undertaken pursuant to Section 4.5(C). In addition to complying with such other instructions that Owner may hereafter provide concerning Manager's duties to maintain and repair the Property, Manager shall (i) supervise its employees and any third parties engaged to provide upkeep or repairs to the Property, (ii) require that all contracts with third parties providing labor, services or materials for the maintenance or repair of the Property, and all subcontracts for such items, contain provisions protecting Owner, in accordance with local procedures, against mechanics' and materialmen's or similar liens against the Property, and for contracts over \$10,000, require ten percent (10%) retainage under such contracts until at least thirty (30) days after completion of the work, (iii) inspect all work performed in connection with the upkeep or repair of the Property, and (iv) review all invoices and/or draw requests submitted in connection with any such work and submit the same to Owner for its approval in time to take advantage of any discounts available for prompt payment.

F. Services. Manager will make arrangements for all utilities, services, equipment and supplies necessary or desirable for the management, operation, maintenance and servicing of the Property. All utility contracts shall be in the name of Owner, with all notices to be addressed to Owner, in care of Manager, at Manager's address.

G. Taxes. Manager will promptly send to Owner upon receipt all notices regarding taxes and similar assessments and recommend from time to time the advisability of contesting either the validity or the amount of the taxes on the Property. Owner shall pay all such taxes unless Owner requests Manager to pay such taxes, in which case Manager shall pay such taxes; provided, however, nothing herein contained shall be construed to obligate Manager to advance its own funds to pay such obligations.

H. Insurance.

(1) Owner's Property and Liability Insurance. Owner shall carry and is responsible for the obtainment of:

(i) property damage insurance, or builder's risk insurance where applicable, to cover physical loss;

(ii) Comprehensive General Liability covering the Property and its operations, written on a "per location" and "per occurrence" basis with minimum limits of \$2,000,000.00 combined single limits per occurrence for bodily injury, including death, and property damage liability.

(iii) Umbrella Liability Coverage with minimum limits of \$20,000,000.00.

All insurance policies described in this section shall be in a form and with an insurance company satisfactory to Owner, shall include Manager as an additional insured thereunder and shall provide thirty (30) days prior written notice to Owner of cancellation or material modification of the coverage. Manager shall use its best efforts at all times to comply with all the warranties, terms and conditions of such policies with respect to the operation of the Property. Manager shall be responsible for the timely filing and administration of all claims under such policies, subject to the prior written approval of Owner. Owner's insurance shall be primary as to all claims other than "Manager's Indemnity Obligations" (as defined below) with no right of subrogation.

(2) Manager's Insurance. Manager shall maintain the following insurance covering Manager's operations hereunder during the entire term of this Agreement:

(i) Worker's Compensation Insurance on Manager's employees to the extent required by applicable laws of the state in which the Property is located and Employer's Liability Insurance with limits of \$500,000.00; and Manager does hereby waive all rights of subrogation arising out of such insurance, and shall cause Manager's underwriter to also waive such rights of subrogation;

(ii) Comprehensive Automobile Insurance for all owned, hired and non-owned vehicles, with minimum limits of \$1,000,000.00 combined single limits per occurrence for bodily injury and property damage liability; and

All insurance policies described in this section shall be in a form and with an insurance company satisfactory to Owner and shall provide thirty (30) days prior written notice to Owner of cancellation or material modification of the coverage. All such policies (except for the Worker's Compensation for Manager's dedicated employees located on-site at the Property) shall be at Manager's sole cost and expense and shall include Owner as an additional insured. Certificates of Insurance shall be provided to Owner by Manager evidencing policies for the insurance coverage set forth herein and renewals of such policies.

I. Fidelity Bonds. Manager and all personnel of Manager who handle or who are responsible for handling Owner's moneys shall be bonded under a fidelity bond or similar bond or insurance acceptable to Owner. Such bonding shall provide coverage, at a minimum, in the amount specified as the Minimum Fidelity Bond Amount in Section 1.1(C) above, which Owner and Manager estimate is at least equal to two (2) months of the estimated scheduled gross receipts from the Property as determined by Manager and approved by Owner. The bond may at Manager's option have a deductible clause approved by Owner, but Manager will pay any loss within the deductible amount, which shall not be an operating expense reimbursable to Manager. The cost of the fidelity bond required by this section shall not be an operating expense reimbursable to Manager.

J. Compliance with Laws. Subject to the limitations contained in this Agreement, Manager will take such action as may be necessary to comply with any and all laws applicable to the Property and Manager's employees and with all orders regarding the Property issued by the Board of Fire Underwriters or other similar bodies.

K. Capital Improvements, Rehabilitation and Repairs. Manager shall not undertake or make any single or a series of related expenditures for capital improvements or repairs relating to the Property in excess of \$2,500.00 without the prior written consent of Owner, unless approved in the current Budget, provided, however, that if in the reasonable opinion of Manager emergency repairs are necessary to prevent additional damage to the Property or to maintain services for tenants, Manager may incur such expenses in excess of \$2,500.00 and shall notify Owner of such emergency repairs as soon as possible.

L. Employees. In addition to the requirement of Section 3.2 Q, Manager will investigate, hire, train, pay, supervise and discharge the personnel necessary to maintain and operate the Property including, without limitation, if required by Owner, an on-site property manager. Such personnel shall in every instance be agents or employees of Manager and not of Owner, but Owner shall have the right to approve the compensation of Manager's personnel to the extent to which Manager shall claim reimbursement hereunder. Owner shall have no right to supervise or direct such agents or employees; however, upon the request of Owner, Manager agrees to immediately remove any of Manager's employees or agents performing services under this Agreement and replace such person as soon as practicable. The cost of Worker's Compensation Insurance for Manager's full or part time employees dedicated to the Property shall be an operating expense reimbursable to Manager. Manager assumes all responsibility for timely compliance with all applicable laws regarding such employment laws, including, but not limited to, FLSA, OSHA, federal withholding tax laws, FICA, and federal and state unemployment insurance laws, and, if any violations of such laws occur, any resulting costs, fines or penalties shall be paid by Manager without reimbursement by Owner.

Manager's personnel are not employees of Owner, and are not eligible to participate in any of the employee benefit or similar programs of Owner or its affiliates. Manager shall inform all of its personnel providing services pursuant for this Agreement that they will not be considered employees of Owner or its affiliates for any purpose, and that neither Owner nor its affiliates shall be liable to any of them as an employer for any claims or causes of action arising out of or relating to their assignment. In no event shall Owner incur any liability under this Agreement with respect to such employees or any laws which apply to their employment, and Manager shall and does indemnify and hold Owner, its partners, officers, agents and employees harmless from and against any and all claims of such employees, including without limitation, costs and attorney's fees. The indemnity contained in this Section 3.2(L) shall survive termination of this Agreement.

M. Notices. To the extent such are actually known or should have been known by a prudent Manager, Manager will promptly notify Owner of any of the following in any way relating to the Property: notice of any claim of violation of federal, state or local Fair Housing laws or any other governmental or legal requirement; any notice of any claim of liability; any summons or other legal process; any damage; any actual or alleged personal injury or property damage; any default or alleged default by landlord or tenant under any lease (excluding eviction proceedings); and, any other material information. Manager will fully cooperate with Owner in all legal and arbitration proceedings relating to the Property.

N. Advertising/Fair Housing. Manager will advertise units in the Property through the use of renting signs, plans, circulars and other forms of advertising, all of which shall be subject to Owner's approval. Manager will ensure that all advertising of the Property is in compliance with Fair Housing laws. Manager will ensure that a HUD Fair Housing poster is on display in the leasing office of the Property. All advertising expenses will be an operating expense of the advertised Property under the Budget. Neither Manager nor any of its affiliates shall issue or sponsor any advertising or publicity that states or implies that Owner recommends, prefers or endorses Manager or its services. Manager will ensure that all employees who are involved with the leasing, advertising or management of Property receive Fair Housing training at least once per year. Management will provide Owner proof of Fair Housing training not more than thirty (30) days after the training has been completed. In no event shall Manager issue any materials incorporating the name or logo of Bank of America Corporation or any of its affiliates (other than Owner) without the express prior written consent of Owner.

O. Other Services. Manager will perform all services normally performed in managing properties similar to the Property or as may be reasonably requested by Owner, whether or not specifically enumerated herein, specifically including, without limitation, the performance of any services normally provided in the locality of the Property to tenants of like properties.

P. Visits. In the event Manager is not to maintain an office at the Property, Manager will physically visit and inspect such Property at least weekly. Such visits may be in connection with other duties of Manager enumerated elsewhere in this Agreement.

Q. Manager Training and Certifications. Manager agrees that one or more members of its full time on-site staff members of the Property shall obtain one or more of the following certifications, training and memberships within 90 days of lease up, such that all of the following shall have been undertaken by one or more of such full time on-site staff members of the Property:

- (i) tax credit certification;
- (ii) fair housing training;
- (iii) National Association of Housing and Redevelopment Officials ("NAHRO") membership; and

- (iv) Section 8 Housing Choice Voucher training/certification from a qualified HUD trainer.
- (v) CAM and/or ARM designation.

Upon obtaining such certificates or memberships or completing such training, such staff members shall maintain such in good standing. At such time as any such staff member is no longer on site on a full time basis or has failed to maintain such certifications in good standing, Manager shall have one (1) year to either replace the staff member with a qualifying staff member or arrange for an existing full time onsite staff member to obtain such certificates or training.

Manager shall provide documentation to the Owner that any supervisory employee at the Property has completed or will complete, within ninety (90) days after the beginning of lease-up, training to include, but not limited to the following areas: operating and understanding separate software for rent receivables, tax credit eligibility, UPCS standards, the Authority's Admission and Occupancy policies, and Section 42 rules and regulations for determining income eligibility.

R. Tax Credit Regulatory Compliance. The Property receives the benefit of certain financing and, as a condition of such financing, is required to be operated in a manner which will qualify the Property to receive low-incoming housing tax credits under Section 42 of the Internal Revenue Code, as amended. The Property is therefore subject to certain operational requirements, restrictions and regulations governing properties that receive low-income housing tax credits (the "Tax Credit Regulations"). Owner will provide Manager with the specific compliance requirements as required by the Owner's financing and regulatory documents in accordance with the Tax Credit Regulations. Manager will use commercially reasonable efforts to cause the Property to be operated in accordance with all Tax Credit Regulations.

3.3 Contracts. Manager may enter into contracts as the agent of and on behalf of Owner in the ordinary course of the management of the Property for the acquisition of utility, maintenance and other services and for the furnishing of services to tenants of the Property; provided that the expense to be incurred under any such contract is set forth in the most recent Budget (as defined in Section 4.3) approved by Owner, whether payable in installments or a lump sum. Manager must obtain at least three (3) competitive bids before entering into any contract in an amount in excess of the Maximum Contract Amount, except for utilities and other services for which only one supplier is available. Manager shall forward to Owner copies of all competitive bids obtained in accordance with this paragraph, along with Manager's recommendation based on cost, quality, estimated completion date, and reputation of the vendor. All service contracts must contain a provision permitting Owner to terminate them, with or without cause, and without penalty or premium, on thirty (30) days notice or sooner if Owner sells or transfers the Property. Manager shall not hold itself out as having the authority to approve any contract or agreement without the prior approval of Owner except as provided above.

3.4 Use of Property. Manager will not permit the use of the Property for any purpose which might impair any policy of insurance on the Property or which might render any loss insured thereunder uncollectible or which would be in violation of any applicable law. Manager will operate and maintain the Property according to the highest standards set forth in Section 3.1 above and those normal and customary for similar properties. Manager will use its best efforts to secure compliance by tenants with their respective leases.

3.5 Trust Account. Manager will deposit all funds collected relating to the Property (except for security deposits, which are to be handled as hereinafter provided) in a separate trust account styled: Operating Account, (with the address of the account holder being in care of Manager, at Manager's address). Manager shall maintain separate books of account for the separate Property, and shall not commingle any funds collected relating to the Property with funds collected relating to another property

or with any other funds. All sums collected and held by Manager relating to the Property and all sums placed in the Trust Account will be held in trust for Owner. If permitted by applicable law, upon the election of Owner, Owner may become a signatory on the Trust Account and, if permitted by law and if Owner so elects, Owner's signature shall be required on all checks or withdrawals in excess of the Maximum Manager's Withdrawal. In any event, Owner's prior written consent shall be required on all checks or withdrawals from the Trust Account in excess of the Maximum Manager's Withdrawal, excluding withdrawals for the payment of utility bills and the Management Fee. Manager will remit any amounts over and above the Minimum Working Capital needs stated in Section 1.1(G) to Owner on the fifteenth (15th) day of the following month. Manager may draw on the Trust Account only to pay (i) operating expenses permitted by Section 4.4, (ii) the Management Fee described in Section 5.1, and (iii) amounts payable to Owner. Unless prohibited by applicable law, Owner may draw upon the Trust Account after written notification without the signature or approval of Manager. Notwithstanding the aforementioned, in no event shall Owner draw upon the Trust Account, thereby depleting reserves as set forth which makes it necessary for Manager to withhold any or all authorized payments due.

3.6 Security Deposits. All security deposits collected by Manager shall be segregated from other funds received in connection with the Property and from all other funds, and, if required by applicable law, deposited in a trust account styled: Security Deposits Account, and otherwise handled pursuant to the provisions of Section 3.5 above. If applicable law does not require such treatment, the security deposits shall be handled in accordance with the instructions of Owner. If Manager does not receive from Owner instructions concerning the handling of security deposits (provided that such security deposits are not required to be deposited in a trust account), Manager shall in that case remit all security deposits directly to Owner immediately upon receipt by Manager and in such event, Manager shall have no liability to Owner or tenants for any such security deposits. Manager shall maintain accurate records of all security deposits held by Owner, including the amount of each security deposit, the party from whom each security deposit is collected, and the date(s) upon which Manager collected each security deposit and remitted same to Owner. Manager shall keep an accurate record of all refunds and retention of Security Deposits made by Manager.

3.7 Affiliates. Manager will not retain any affiliate of Manager to perform any service for the Property without the prior written consent of Owner; provided that painters, plumbers, carpenters, maintenance personnel, etc. on Manager's staff may attend to emergencies on the Property. In any event, any such services provided by Manager's affiliates must be furnished at a fair, reasonable and competitive cost.

3.8 Indemnity. Manager hereby indemnifies and agrees to hold harmless Owner and its partners, members, directors, officers, shareholders, employees, agents and representatives and their respective successors, heirs, legal representatives and assigns (collectively, the "Owner Indemnities", which term shall not be construed to include Manager) against any claims, losses and expenses (including, but not limited to, reasonable attorneys' fees and expenses) which may be made against or incurred by any one or more of the Owner Indemnities arising out of (i) any failure by any one or more of Manager, its directors, officers, shareholders, employees, agents and representatives to perform promptly any material obligation under this Agreement or any Property Documents, provided such failure is not caused by (a) events beyond the reasonable control of Manager, (b) Manager following a directive of Owner, or (c) Owner's failure, after written request of Manager, to furnish any funds necessary in addition to those in the Trust Account and those available from collections from the Property to enable Manager to perform such obligation; (ii) any acts of Manager beyond the scope of Manager's authority; and (iii) any omission, negligence or misconduct of Manager ("Manager's Indemnity Obligations").

To the extent allowable by applicable laws, Owner hereby indemnifies and agrees to hold harmless Manager and its directors, officers, shareholders, employees, agents and representatives (collectively, the "Manager Indemnities", which term shall not be construed to include Owner) against any claims, losses and expenses (including, but not limited to, reasonable attorneys' fees and expenses) which may be made against or incurred by Manager Indemnities arising out of (i) Manager's performance of its obligations and duties hereunder, (ii) Manager following a directive of Owner, and (iii) any failure

by any of the Owner to perform promptly any material obligation under this Agreement, provided such failure is not caused by events beyond the reasonable control of the Owner. Notwithstanding anything herein that might be interpreted to the contrary, nothing in this Agreement shall be construed to limit, restrict or eliminate any sovereign immunity rights that Owner may be entitled to pursuant to Section 768.28, as may be amended, if applicable. The foregoing indemnities of Manager and Owner shall survive any expiration or termination of this Agreement as to any such claims arising before expiration or termination of this Agreement.

3.9 Life Safety Requirements and Emergency Procedures. Within thirty (30) days after the Commencement Date, but no later than the date of submission of the Budget, Manager will submit and implement Manager's emergency policies (the "Plan") as defined in the Emergencies section of Manager's Operations Policy Manual. Additionally, Manager shall stipulate any and all occurrences under the Plan to Owner in the Monthly Reports provided by Manager to Owner pursuant to Section 4.2 of this Agreement. Manager will thereafter maintain, inspect and monitor life safety requirements and emergency evacuation procedures, taking into consideration all federal, state, local and municipal laws, ordinances, regulations, codes and orders (collectively, "Legal Requirements").

3.10 Legal Requirements. Manager is not responsible for the compliance of the Property with land use or zoning statutes, laws, regulations, ordinances or other similar legal requirements, except (i) to notify Owner promptly of any complaints, warnings, notices or summons received by it relating to such matters, (ii) to maintain compliance with Federal Fair Housing Laws, and (iii) to maintain the Property in its present state or compliance with such legal requirements. Manager acknowledges that certain provisions of the Americans with Disabilities Act of 1990 (which, together with all other state, federal and local laws, rules and regulations governing or promoting public access to disabled or handicapped persons to property, is herein referred to as the "ADA") are or may be applicable to the Property. Notwithstanding the foregoing provisions of this section, Manager shall take no action or implement any procedure at or upon the Property that operates to exclude or deny access to persons with a disability, as that term is defined in the ADA. In the event Manager hereafter manages or oversees the alteration, renovation, rehabilitation or construction of improvements (including tenant improvements) at or upon the Property, Manager shall be responsible for and take all appropriate steps to ensure that such alterations, renovations and improvements are completed in compliance with the ADA. If requested by Owner, Manager shall inspect and review the Property and the improvements thereon, take physical measurements of doorways, entrances, hallways, curb cuts, the height of facilities, etc., and shall take such other measurements and perform such other inspections as requested by Owner, so that Owner may from time to time assess the Property's compliance with the ADA, and prioritize and implement any remedial actions necessary at the Property.

Manager is responsible for maintaining the compliance requirements as they pertain to the restrictive covenants, restrictive agreements and other such regulatory documents as applicable to the project financing as affordable housing, inclusive of but not limited to: resident income qualification and documentation thereof, rent restrictions, resident services log, and lease form and addenda. Manager shall review all applicable regulatory documents prior to initiating operations of the Property.

3.11 Confidential Information. Except as required by any law or court order, including any subpoena, Manager will not disclose or permit the disclosure of any Confidential Information (as defined below) to anyone other than Owner or Owner's counsel, or persons designated by Owner or Owner's counsel. Manager shall notify Owner of any court order or subpoena requiring disclosure of Confidential Information, and shall appeal or challenge such order or subpoena prior to disclosure only in accordance with such directions as Owner may issue, and shall cooperate with Owner's appeal or challenge of any orders or subpoena requiring disclosure of Confidential Information. Upon the termination of this Agreement, all information in Manager's possession relating hereto shall be immediately turned over to Owner. Manager will take reasonable measures to avoid any unintentional or inadvertent disclosure of any Confidential Information to any unauthorized person by any of its employees, agents or representatives. As used in this Agreement, the term "Confidential Information" shall mean any information acquired by Manager in carrying out its duties under this Agreement and that had not become

public information prior to its disclosure in violation of this section, including, but not limited to, information regarding Owner, or its business, the Property, individual tenants or any matter pertaining thereto. The provisions of this Section 3.11 shall survive the termination or expiration of this Agreement.

ARTICLE 4 - ACCOUNTING, RECORDS, REPORTS

4.1 Records. Manager shall maintain a comprehensive and separate system of office records, books, accounts, correspondence, contracts and documents for the Property, which shall belong to Owner. Owner and others designated by Owner shall at all times have access to such records, books, accounts, correspondence, contracts and documents, and to all vouchers, files and all other material pertaining to the Property and this Agreement, all of which Manager agrees to keep safe, available and separate from any records not having to do with the Property. Owner shall have the right to conduct a review and/or audit of such records, books, accounts, correspondence, contracts and documents at its own expense, and Manager agrees that Owner and Owner's auditors will have full and complete access to and cooperation from Manager's officers, staff and other employees in connection with any such review and/or audit.

4.2 Monthly Reports. On or before the fifteenth (15th) day of each calendar month during the term of this Agreement, Manager shall deliver to Owner the following statements for the previous calendar month, pertaining to the Property, prepared on an accrual basis:

- Balance Sheet;
- Operating Statement - Summary;
- Operating Statement - Detail;
- General Ledger;
- Source and Use Statement;
- Cash Flow Report;
- Delinquency Report;
- Marketing report;
- Rent Roll;
- Budget Variance Report;
- Market Survey (updated quarterly)
- Occupancy
- Tenant Account Receivables
- Any other statements for the Property reasonably requested by Owner or required by Owner's lenders.

Such monthly statements shall be in a form satisfactory to Owner and shall be accompanied by copies of all bank statements and bank reconciliations, Manager's cash disbursements journal or check register, Manager's records concerning security deposits, and the payroll list showing the occupation of and wages paid to all employees hired by Manager for the purpose of performing its duties under this Agreement.

4.3 Budgets. If applicable, within sixty (60) days after the date of this Agreement and on or before October 31st of each year during the term of this Agreement, Manager shall deliver to Owner an itemized statement for the Property (a "Budget") of the estimated receipts and disbursements for (a) as to the first Budget submitted on or before October 31st, the remainder of the current calendar year, and (b) as to the first Budget submitted after October 31st and all subsequent Budgets, the next calendar year. In the event of a material change in the operating expenses incurred in connection with or income generated by the Property, Manager shall promptly submit to Owner a revised and updated Budget reflecting such material changes. The Budget shall be in the form acceptable to Owner and break down estimated receipts and disbursements on a month by month basis. Owner will approve or disapprove the Budget within a reasonable time after the receipt of same, and Manager will make any changes in the Budget requested by Owner.

4.4 Payment of Expenses. Notwithstanding any contrary provision of this Agreement, Manager shall be obligated to make payments required under this Agreement only to the extent of funds derived from the Property in which connection the payment is required, or provided by Owner. Manager shall give Owner prompt notice of any expenses for the payment of which Manager does not have sufficient funds from collections and the Trust Account. Owner shall pay or reimburse Manager for all expenses properly incurred by Manager under this Agreement and approved by Owner to the extent Owner's approval is required by this Agreement, except expenses for:

- A. Office equipment and supplies other than those located at the Property and used exclusively for such Property;
- B. Any overhead expense of Manager incurred in its general offices;
- C. Expenses for accounting, bookkeeping, reporting, and electronic data processing services;
- D. Compensation of executive and supervisory, or home-office support personnel of Manager;
- E. Compensation and expenses applicable to time spent on matters other than the Property;
- F. Compensation and expenses applicable to any personnel for activities with regard to the sale of the Property; and
- G. Compensation of any personnel other than on-site staff as budgeted.

Notwithstanding the provisions of this section, Owner shall reimburse Manager for those items set forth in Exhibit E, attached hereto, and Manager's personnel costs to the extent and only to the extent that such costs are directly attributable to personnel who are fully dedicated to the operation of the Property, or are otherwise allocable to the Property on a shared basis with other properties not subject to this Agreement.

4.5 Expenditure Authorization.

A. General Prohibition. Approval of a Budget by Owner shall not constitute authorization for Manager to expend any money except as set forth herein. Except as specifically authorized by Owner herein, Manager will obtain Owner's specific written authorization before making any expenditure of Owner's funds.

B. Expenses Per Budget. To the extent set forth in the most recent Budget approved by Owner and to the extent funds are available, and if requested in writing by Owner, Manager will make all payments for debt service on mortgages secured by the Property and for taxes and other assessments. In addition, to the extent set forth in the most recent Budget approved by Owner and without further consent of Owner, Manager will pay all utilities and other expenses incurred in the ordinary course of managing the Property. Such payments shall not exceed in any single month the Maximum Monthly Expenses set forth above in Article 1 (whether as to any single item or series of like items, or whether in the aggregate). Manager must obtain Owner's prior specific written authorization before making any expenditure that does not satisfy the requirements hereof, except that Manager may also pay, without first obtaining Owner's consent, any expense that exceeds the Maximum Monthly Expenses for any single item or series of like items, or that causes the aggregate of all expenses for a month to exceed the Maximum Monthly Expenses solely as a result of the carrying forward of such expense from a previous month due to the late receipt of a billing for such expense, which expense, if it had been accounted for during the month incurred would not have exceeded the Maximum Monthly Expenses for such month. In no instance shall Manager be obligated for late charges or fees assessed for utilities or mortgage payments due if funds are not available from Property operations.

C. Emergencies. Notwithstanding the foregoing, if emergency action is necessary to prevent damage to the Property or danger to persons, Manager may incur such expenses as are reasonably necessary without the prior written approval of Owner to protect the Property or persons. Any such expenditure shall be incurred only in concert with prompt telephonic notification by Manager to Owner.

ARTICLE 5 - COMPENSATION

5.1 Compensation for Management Services. Owner will pay Manager as compensation for its services hereunder the amount (the "Management Fee") indicated in Article 1 hereof. The term "Gross Rental Receipts" as used in this Agreement means all rents actually collected in cash by Owner or by Manager from tenants of the Property in any month, but excluding (i) any income from investment of cash, (ii) security deposits, (iii) payments for physical installations or finish-out work, (iv) payments in the nature of indemnification or compensation for loss, damage or liability sustained, (v) receipts and other income from or on account of other concessions, (vi) all purchase discounts, (vii) any sums which, under normal accounting practice, are attributable to capital, and (viii) all other receipts of whatever kind and nature. Such Management Fee is intended to compensate the Manager for (i) its general and overhead expenses, (ii) all compensation and expenses of personnel employed by Manager, which are not reimbursable as expenses under Section 4.4, and (iii) all other expenses incurred by Manager which are not reimbursable under Section 4.4. Manager will not be entitled to any leasing commissions, sales commissions or similar fees unless the parties execute a separate agreement engaging Manager to perform sales services.

5.2 Payment of Manager's Compensation. The amount of compensation due to Manager for the current calendar month shall be reflected in the monthly reports required to be submitted to Owner under Section 4.2. Manager may withdraw such amounts from the Trust Accounts in the current calendar month or, if the funds in the Trust Accounts are not sufficient to pay such sum, Owner will pay same out of its own funds. If Owner objects to the amount of such compensation shown in any such report within fifteen (15) days after receipt of the report, Manager shall reimburse the Trust Account any disputed amount. Any amount which Owner may dispute shall not be payable until the dispute has been resolved. Owner may from time to time require an audit of Manager's computation of the Management Fee, and the parties shall promptly make adjustment for any variances shown by the audit. The cost of such audit shall be borne by Owner unless it reflects an overcharge of Manager's fee in excess of five percent (5%) for any year, in which case the cost of the audit shall be borne by Manager and Manager shall refund the overpayment with interest from the date of the overpayment at the lesser of five percent (5%) per annum in excess of the prime rate as established by Bank of America, N.A. in effect from time to time or the maximum lawful rate.

ARTICLE 6 - TERM

6.1 Term. This Agreement shall commence on the Commencement Date, and unless sooner terminated as set forth below, shall continue until the Stated Termination Date. After the initial term, the term of this Agreement shall be deemed renewed and extended, automatically, for successive calendar months, unless either party gives the other party at least 30 days prior written notice of its election not to renew at the expiration of the renewal period specified in the notice. Notwithstanding the automatic extension provision set forth herein, the full term of this Agreement, including initial term and any extensions, shall not exceed five (5) years from date of execution.

6.2 Sale of Property. Upon the consummation of any sale or other disposition of the Property by Owner or upon destruction or condemnation of the Property, this Agreement shall automatically terminate as to the Property.

6.3 Termination without Cause. Except as provided in Section 6.2, this Agreement may be terminated by either party with or without cause, by giving thirty (30) days written notice of intent to terminate to the other party.

6.4 Termination For Cause. Owner may terminate this Agreement at any time, effective immediately upon notice to Manager, if (i) Manager defaults in its obligations under this Agreement; (ii) there is a significant decline in tenant occupancy of, or collections from, the Property; (iii) Manager causes or suffers to be caused waste to the Property; (iv) there is a merger or consolidation of Manager with or into another entity; (v) there is a transfer of all or substantially all of the assets of Manager; (vi) Manager suffers a transfer involving fifty percent (50%) or more of any class of its voting securities (vii) the Manager becomes insolvent (generally unable to pay its debts as they become due) or is the subject of a

bankruptcy, conservatorship, receivership or similar proceeding, or makes a general assignment for the benefit of its creditors; or (viii) a determination by Owner that any representation or warranty made to Owner by Manager in this Agreement or otherwise is or was, when it was made, untrue or materially misleading. Manager may terminate this agreement upon fifteen (15) days prior written notice if Owner fails to provide sufficient funds to meet Owner's obligations under this Agreement. Notwithstanding the foregoing, this Agreement may also be terminated by Owner, if Manager defaults in the performance or observance of any covenant or condition to be performed or observed by Manager under the Regulatory and Operating Agreement between Owner and the Hillsborough County Housing Finance Agency. (a copy of which agreement has been provided to the Manager), and such default continues for a period of 30 days after written notice of default from Owner. Furthermore, this Agreement may be terminated in accordance with Article XI of the Owner's partnership agreement.

6.5 Other Agreement. If Owner has engaged Manager to act in a separate capacity as Owner's independent contractor or agent with respect to the Property (for example, as real estate broker) pursuant to a separate agreement, or if an affiliate of Owner has engaged Manager to act in any capacity with respect to any property owned by such affiliate, then any default by Manager under any such separate agreement shall be a default hereunder, entitling Owner to terminate this Agreement for cause in accordance with the terms hereof.

6.6 Fees and Reimbursable Expenses. Termination of this Agreement shall not affect Manager's right to receive all fees and reimbursable expenses for the period accrued as of the day of termination. Owner reserves the right to set off from such fees any damages caused by Manager.

ARTICLE 7 - REPRESENTATIONS AND WARRANTIES OF MANAGER

To induce Owner to enter into this Agreement, Manager makes the following representations and warranties, which shall survive the execution and termination of this Agreement:

7.1 Organization. Manager is duly organized, validly existing and in good standing under the laws of the state of Manager's incorporation, and is qualified to do business in the state where the Property is located. Manager has all power and authority required to execute, deliver and perform this Agreement.

7.2 Manner of Performance. Manager has sufficient staff and other resources to carry out its duties under this Agreement in a prompt, efficient and diligent manner. Manager's Key Person(s) designated in Section 1.1(K) hereof shall be the primary person responsible for performing the duties of Manager hereunder during the term hereof.

7.3 Authorization. The execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of Manager.

7.4 Validity. This Agreement constitutes a legal, valid and binding agreement of the Manager enforceable against Manager in accordance with its terms except as limited by bankruptcy, insolvency, receivership and similar laws of general application.

7.5 Licenses. Manager has or will timely obtain, at its expense, all licenses and permits necessary to perform its obligations under this Agreement and shall pay all taxes, fees or charges imposed on the business engaged in by Manager hereunder.

7.6 Conflicts of Interest. Manager represents that it has no real or apparent conflict of interest pertaining to this Agreement, and warrants that Manager and its employees will not:

A. act on behalf of Owner or otherwise under this Agreement in any matter in which Manager, its key employees, subcontractors, or a related entity has a business or financial interest or other conflict of interest with Owner, unless expressly waived by Owner in writing;

B. accept or solicit for itself or others favors, gifts, or other items of monetary value from any individual or entity whom Manager, Manager's Key Person or subcontractor, knows is seeking official action from Owner in connection with this Agreement or the Property or has interests which may be substantially affected by the performance or nonperformance of their duties to Owner;

C. improperly use or allow the use of the Property, or other property over which Manager, its key employees, subcontractors, or a related entity has supervision or control by reason of this Agreement, for the personal benefit of any individual or entity other than Owner or the tenants or other lawful occupants of the Property; or

D. make any unauthorized promise or commitment on behalf of Owner.

ARTICLE 8 - MISCELLANEOUS

8.1 Owner's Rights. Nothing in this Agreement shall be deemed to limit Owner's right to do anything regarding the Property which an Owner of the Property would otherwise be entitled to do, including, but not limited to, the right to enter upon the Property, to inspect the Property, to perform any repair or maintenance thereof, and to do anything required of Manager hereunder if Manager fails to do so in a timely manner.

8.2 Nature of Relationship. Manager shall be responsible for all of its employees, the supervision of all persons performing services regarding the Property, and for determining the manner of performance of all services for which Manager is responsible hereunder. Manager is an independent contractor and not an agent or employee of Owner. Nothing in this Agreement shall be construed to create a partnership or joint venture between Owner and Manager.

8.3 Attorneys' Fees. If either party hereto shall institute any action or proceeding against the other party hereto relating to this Agreement, the successful party in such action or proceeding shall be entitled to recover from the unsuccessful party all fees and expenses incurred in connection therewith, including, without limitation, court costs, reasonable attorneys' fees and related expenses.

8.4 No Third Party Beneficiaries. No provision of this Agreement shall inure to the benefit of any third party.

8.5 Notices. Except as provided in Section 4.5(C) as to emergencies, all notices and communications required hereunder shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, addressed to the applicable party at the address set forth for such party at the beginning of this Agreement, or to such address as either party may from time to time specify by notice to the other. Notices shall be effective on the date of delivery or, if delivery is not accepted, on the earlier of the date that delivery is refused or five (5) days after the date the notice is mailed.

8.6 Amendments. This Agreement may not be amended except by further agreement in writing executed by each party to be bound thereby.

8.7 Exhibits. All exhibits to this Agreement are intended to be attached to this Agreement and, whether or not so attached, are incorporated herein by reference as if set forth in full.

8.8 Laws. The term "laws" as used in this Agreement means an applicable constitutional provision, statutes, ordinances, codes and rules and regulations of any governmental body having jurisdiction over the Property or the parties to this Agreement.

8.9 No Implied Waivers. No failure or delay by Owner in exercising any right or remedy under this Agreement and no course of dealing between Owner and Manager shall operate as a waiver of any such right or remedy nor shall any single or partial exercise of any right or remedy by Owner under this Agreement preclude any other or further exercise of such right or remedy. The rights and remedies

available to Owner are cumulative and not exclusive of any other rights and remedies provided by law or equity.

8.10 Severability. Whenever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under all applicable laws. However, if any provision of this Agreement is invalid under any applicable law, such provision shall be ineffective only to the extent of such invalidity without invalidating the remaining provisions of this Agreement.

8.11 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state in which the Property is located, and the laws of the United States applicable to transactions in said state.

8.12 Benefit and Assignment. This Agreement shall be binding upon Owner and Manager and their respective successors and assigns and shall inure to the benefit of Owner, its successors and assigns. Manager may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of Owner and Owner's investor limited partner, which may be withheld without cause in Owner's and Owner's investor limited partner's sole discretion.

8.13 Financial Responsibility. Manager shall, promptly upon Owner's request, furnish its financial statements as prepared by or for Manager in the ordinary course of its business for the purpose of determining Manager's ability to perform its duties hereunder. Furthermore, Manager shall notify Owner immediately in the event there is a material adverse change in the business or financial condition since the last submission of financial statements to Owner.

8.14 Dispute Resolution. In the event of any dispute arising out of or relating to this Agreement that the parties are unable to resolve, the parties will in good faith attempt to resolve such dispute using mediation. Any controversy or claim between or among the parties hereto not resolved through mediation shall be determined by binding arbitration in accordance with the Federal Arbitration Act (or if not applicable, the applicable state law), and the Rules of Practice and Procedure for the Arbitration of Commercial Disputes of Judicial Arbitration and Mediation Services, Inc./Endispute, Inc. ("J.A.M.S./Endispute"). If J.A.M.S./Endispute is unable or legally precluded from administering the arbitration, then the American Arbitration Association will serve.

If either party commences legal or arbitral proceedings to enforce the provisions of this Agreement, the prevailing party, as determined by the court or arbitrators, shall be entitled to recover from the other, reasonable costs incurred in connection with such enforcement, including but not limited to, attorneys' fees, expenses and costs of investigation and litigation/arbitration.

8.15 Time is of the Essence. Time is of the essence in each provision of this Agreement.

8.16 Headings. The captions and headings in this Agreement are for convenience only and shall not affect the construction of any provision of this Agreement.

8.17 Counterparts. This Agreement may be executed in any number of counterparts and each shall be considered an original and together they shall constitute one Agreement.

8.18 Entire Agreement. This Agreement sets forth the entire agreement and understanding between the parties regarding the subject matter herein and supersedes all prior agreements and understandings.

[SIGNATURES APPEARING ON FOLLOWING PAGE]

Executed, sealed and delivered as of the Commencement Date stated above.

MANAGER:

JMG REALTY, INC.,
a Georgia corporation

By: _____
Tim Brock, President

OWNER:

WEST RIVER PHASE 1A, LP,
a Florida limited partnership

By: THA West River Phase 1A, LLC, a Florida
limited liability company, its General Partner

By: Tampa Housing Authority Development
Corp., a Florida not for profit
corporation, its Manager

By: _____
Jerome D. Ryans, President

EXHIBIT A
(The Property)

LEGAL DESCRIPTION FOR LOT 1. THE RENAISSANCE AT WEST RIVER

A PART OF BLOCK 2, PHILIP COLLINS ADDITION TO WEST TAMPA, AS SHOWN IN PLAT BOOK 1, PAGE 60 AND BLOCK 3, D.F. JACKS ADDITION TO WEST TAMPA, AS SHOWN IN PLAT BOOK 1, PAGE 74, HILLSBOROUGH COUNTY RECORDS INCLUDING THE ALLEY BETWEEN THE BLOCKS 2 AND 3 AS VACATED PER ORDINANCE NO. 3515A, IN OR BOOK 1266, PAGE 229, RESERVING A 14 FOOT CITY OF TAMPA UTILITY EASEMENT THEREIN AND THE SOUTH 24.00 FEET OF WEST UNION STREET AS VACATED PER ORDINANCE NO. 3515A, IN OR BOOK 1266, PAGE 229, RESERVING A 60 FOOT CITY OF TAMPA UTILITY EASEMENT THEREIN, LYING IN THE CITY OF TAMPA, BEING A PART OF THE NW 1/4 OF THE SE 1/4 OF SECTION 14, TOWNSHIP 29 SOUTH, RANGE 18 EAST, HILLSBOROUGH COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 12, OF SAID BLOCK 2, PHILIP COLLINS ADDITION TO WEST TAMPA, AT THE NORTHEAST CORNER OF WEST MAIN STREET AND NORTH ROME AVENUE, BOTH 60 FOOT RIGHT OF WAYS; THENCE NORTH 00°52'13" EAST, ALONG THE EAST RIGHT OF WAY OF NORTH ROME AVENUE, A DISTANCE OF 233.84 FEET; THENCE SOUTH 89°09'18" EAST, ALONG A LINE PARALLEL WITH AND 24.00 FEET NORTH OF THE NORTH LINE OF SAID BLOCK 3, D.F. JACKS ADDITION TO WEST TAMPA, A DISTANCE OF 615.08 FEET TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF NORTH OREGON AVENUE; THENCE SOUTH 00°50'58" WEST, ALONG SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 24.00 FEET TO THE NORTHEAST CORNER OF SAID BLOCK 3, D.F. JACKS ADDITION TO WEST TAMPA; THENCE DEPARTING SAID WEST RIGHT-OF-WAY LINE, SOUTH 41°54'10" WEST, A DISTANCE OF 278.29 FEET TO A POINT ON THE SOUTH LINE OF SAID BLOCK 2, PHILIP COLLINS ADDITION TO WEST TAMPA, ALSO BEING THE NORTH RIGHT OF WAY OF WEST MAIN STREET; THENCE NORTH 89°09'16" WEST, ALONG SAID NORTH RIGHT OF WAY OF WEST MAIN STREET, A DISTANCE OF 432.40 FEET TO THE POINT OF BEGINNING.

CONTAINING 2.862 ACRES (124,666 SQUARE FEET), MORE OR LESS.

LEGAL DESCRIPTION FOR TRACT 1. THE RENAISSANCE AT WEST RIVER

A PART OF BLOCK 2, PHILIP COLLINS ADDITION TO WEST TAMPA, AS SHOWN IN PLAT BOOK 1, PAGE 60 AND BLOCK 3, D.F. JACKS ADDITION TO WEST TAMPA, AS SHOWN IN PLAT BOOK 1, PAGE 74, HILLSBOROUGH COUNTY RECORDS INCLUDING THE ALLEY BETWEEN THE BLOCKS 2 AND 3 AS VACATED PER ORDINANCE NO. 3515A, IN OR BOOK 1266, PAGE 229, RESERVING A 14 FOOT CITY OF TAMPA UTILITY EASEMENT THEREIN, LYING IN THE CITY OF TAMPA, BEING A PART OF THE NW 1/4 OF THE SE 1/4 OF SECTION 14, TOWNSHIP 29 SOUTH, RANGE 18 EAST, HILLSBOROUGH COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF LOT 12, OF SAID BLOCK 2, PHILIP COLLINS ADDITION TO WEST TAMPA, AT THE NORTHEAST CORNER OF WEST MAIN STREET AND NORTH ROME AVENUE, BOTH 60 FOOT RIGHT OF WAYS; THENCE SOUTH 89°09'16" EAST, ALONG SAID NORTH RIGHT OF WAY OF WEST MAIN STREET, A DISTANCE OF 432.40 FEET FOR A POINT OF BEGINNING; THENCE DEPARTING SAID NORTH RIGHT-OF-WAY LINE, NORTH 41°54'10" EAST, A DISTANCE OF 278.29 FEET TO THE NORTHEAST CORNER OF SAID BLOCK 3, D.F. JACKS

ADDITION TO WEST TAMPA; THENCE SOUTH 00°50'58" WEST, ALONG THE WEST RIGHT-OF-WAY LINE OF NORTH OREGON AVENUE, A DISTANCE OF 209.85 FEET TO THE SOUTHEAST CORNER OF SAID BLOCK 2, PHILIP COLLINS ADDITION TO WEST TAMPA, ALSO BEING THE NORTH RIGHT OF WAY OF WEST MAIN STREET; THENCE NORTH 89°09'16" WEST, ALONG SAID NORTH RIGHT OF WAY OF WEST MAIN STREET, A DISTANCE OF 182.77 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.440 ACRES (19,177 SQUARE FEET), MORE OR LESS.

EXHIBIT B
(Leasing Guidelines)

RAD UNITS

1. Definitions.

As used in this Exhibit B:

- (a) “Applicable Requirements” shall mean (i) all applicable RAD requirements, guidance, statutes and regulations, as amended from time to time; and (ii) all applicable federal, state, and local statutory, regulatory, and executive order requirements, as amended from time to time.
- (b) “Authority” shall mean the Housing Authority of the City of Tampa, Florida, a public body corporate and politic organized and existing under the Housing Authorities Law of the State of Florida, and its successors and assigns.
- (c) “Designated Housing Plan” shall mean the Authority’s Designated Housing Plan approved by HUD, designating the RAD Units as elderly only, meaning that the RAD Units shall be occupied by a person who is at least 62 years of age and such person’s family as determined in accordance with the Applicable Requirements.
- (d) “HUD” shall mean the United States Department of Housing and Urban Development, or any successor.
- (e) “Management Plan” shall mean the plan prepared by Manager and approved by Owner in accordance attached hereto as Exhibit D.
- (f) “Project Documents” shall mean the Housing Assistance Payment Contract, the RAD Use Agreement, and all other documents entered into by Owner in connection with the Property.
- (g) “RAD” shall mean the Rental Assistance Demonstration program as set forth in the Consolidated and Further Continuing Appropriations Act of 2012 (Pub. L. 112-55, signed November 18, 2011, as amended or revised from time to time or any successor legislation, and all applicable program requirements and guidance, including without limitation, Notice PIH02012-32, as amended and revised from time to time or any successor or additional statutes, regulations or guidance.
- (h) “RAD Units” has the meaning as set forth in Section 3.2(B) of the Agreement.

2. Manager Compliance

Manager shall operate and maintain the RAD Units in compliance with the Applicable Requirements, the Project Documents, and the Designated Housing Plan. Manager is responsible to Owner for the management of the Property in accordance with the foregoing (and, in the event that

Manager believes that a conflict or potential conflict exists among the foregoing authorities, Manager shall consult with Owner regarding the resolution thereof).

Manager will comply with the terms and conditions of the Management Plan in its operation of the RAD Units. Manager will continually review the Management Plan for the purpose of keeping Owner advised of necessary or desirable changes.

3. Leasing of RAD Units/Selection of Tenants

In addition to any and all Applicable Requirements, Manager will offer for rent and rent the RAD Units in accordance with the following requirements:

- (a) Manager will take all applications on appropriate forms from applicants for admission to the Property. All administrative functions in connection with determining housing eligibility will be performed by Manager in accordance with the Owner's and the Authority's existing policies and procedures, including application intake, applicant interview and screening, verification procedures, determination of eligibility for admission to units in the Property, qualification for preference, record maintenance, and waiting list maintenance. Manager shall select applicants for admission to the RAD Units using screening criteria that are consistent with the Applicable Requirements. Applicant screening procedures will include verification of credit references and criminal background checks for all applicants, in accordance with procedures set forth in the Management Plan. The Manager will also comply with procedures set forth in the Management Plan for informal review of application rejections for all applicants, including procedures for review of eligibility or suitability determinations or denial of preferences for applicants to the RAD Unit, consisting of a written statement of the reason(s) for rejection and an opportunity to meet with a person, or persons, designated by the Manager other than the person who made the initial determination.
 - (i) Provided the Authority provides Manager access to the Authority's waiting list management system, and the utilization of said system is reasonably determined by the Manager to be practically effective, Manager shall use the Authority's waiting list management system for managing the development's site-based waiting list.
- (b) Manager will prepare all dwelling leases, on forms approved by Owner, and will execute the same in Manager's name, identified thereon as Manager for Owner. Leases executed with respect to the RAD Units will be on forms approved by Owner and the Authority, subject to HUD approval if required. It will be the responsibility of Manager to revise the leases for the RAD Units as required by changes in the Applicable Requirements, and to obtain Owner's and Authority's approval prior to implementing any amended lease.
- (c) Manager will collect, deposit, and disburse security deposits, if required, in accordance with the terms of each resident's lease. Security deposit amounts will be in accordance with applicable guidelines of Owner. Security deposits will be deposited by Manager, separate from all other accounts and funds, with a bank or other financial institution whose deposits are insured by the Federal Deposit Insurance Corporation, or any successor agency thereto created by law. The account ("Security Deposit Account") will be carried in Manager's name and designated of record as "The Renaissance at West River - Security Deposit Trust Account."

- (d) A joint inspection of each dwelling unit will be conducted by Manager and the new resident prior to move-in, and a checklist of the unit's condition will be signed by Manager and the resident upon occupancy. Prior to a planned move-out, a joint inspection of the unit will be conducted by Manager and the resident. Where required repairs exceed normal wear and tear, Manager will resolve appropriate charges with the resident. Annual inspections of occupied units will be conducted in order to ascertain the adequacy of care of the units by the resident and any necessary repairs. With respect to the RAD Units, such inspections shall comply with all Applicable Requirements. Manager shall certify that service requests are issued for each identified defect identified during the annual inspections.
- (e) As residents are accepted for occupancy, Manager will conduct an orientation session with each family, including dialogue with the family regarding its interests and expectations regarding community life, on-site. The residents' responsibilities relating to the lease, rules and regulations and property policies will be discussed. Instructions will be provided to the residents for steps they must take in contribution to the maintenance of the unit. A listing of those who will be occupying each apartment will be kept, and residents who add occupants to a unit in the course of the lease without Manager's approval will be subject to eviction.
- (f) Manager will conduct all recertifications of income required in respect of occupants in any of the low income or tax credit units on the Property, and will in all respects itself maintain, and shall require its employees and others with access to such information to maintain the confidentiality of all such information furnished to it in this connection or in any other where Manager receives confidential information, as required by applicable law.
- (g) Owner will establish a resident grievance procedure available to the occupants of all of the dwelling units in the Property. The grievance procedures shall be in compliance with the Applicable Requirements. Such procedures shall provide for informal discussion and settlement of grievances by the Manager and hearing before a hearing officer appointed in accordance with procedures prescribed in the Management Plan.
- (h) Manager will permit the Authority or its representatives to have access to the Property for the purpose of inspection, subject to reasonable notice and accommodation of ongoing management responsibilities in the case of inspections requiring availability of management staff and subject to required notice to residents in the case of unit inspections.

4. Collection of Rents and Other Receipts

Manager will collect when due all rents and charges due from residents for Owner's account arising from occupancy of units in the Property pursuant to Section 3.2 C of this Agreement. No collection or eviction efforts shall be undertaken that are in violation of the Applicable Requirements.

5. Maintenance and Repair

- (a) Manager shall cause the Property to be maintained in a good, safe and sanitary condition and in a rentable and tenantable state of repair, all in accordance with the Applicable Requirements and the Project Documents.

- (b) Manager and its employees shall at all times comply with the federal Drug Free Workplace Act of 1988 and HUD's implementing regulations thereunder.
- (c) Manager shall report promptly to Owner and the Authority any litigation involving the Manager or the Property.

6. Records, Reports, Access and Audit

In addition to any requirements specified in the Management Plan or other provisions of this Agreement, Manager shall have the following responsibilities:

- (a) Manager shall establish and maintain a comprehensive systems of records, books and accounts which may include computerized systems, in a manner conforming to the directives of the Authority and otherwise satisfactory to HUD and Owner. Manager agrees to grant a right of access to the Authority, HUD, any agency providing funds to the Authority, the Comptroller General of the United States, and any of their authorized representatives, with respect to any books, documents, papers, or other records pertinent to this Agreement in order to make audits, examinations, excerpts, and transcripts.
- (b) The Authority, HUD, any agency providing funds to the Authority, the Comptroller General of the United States, or any of their duly authorized representatives, shall have the right to perform any audit of Manager's finances and records related to its performance under this Agreement, including without limitation, the financial arrangement Manager may delegate to discharge any part of its obligations under this Agreement.
- (c) Manager shall cause an annual financial report to be prepared for each fiscal year ending during the term of this Agreement by a certified public accountant elected by Owner and acceptable to HUD and the Authority, based upon the preparers' examination of the books and records of Owner and Manager. The report shall be prepared in accordance with the directives of the Authority, shall be certified by the preparer, and shall be submitted to the Owner and the Authority within sixty (60) days after the end of the fiscal year, for Owner's further certification and submission to the Authority. Compensation for the preparer's services shall be paid out of the Property operating account as an expense of the Property.
- (d) Manager shall prepare a report, in form satisfactory to the Authority and HUD, including financial statements of income and expense and comparing actual and budgeted figures for receipts and disbursements. Manager shall submit each report to Owner and the Authority fifteen (15) days after the end of the month or quarter (as required by Owner and the Authority).

7. Term of Agreement

Notwithstanding anything contained herein to the contrary, the Authority shall have the right to require Owner to terminate this Agreement for cause: (1) on ten (10) business days advance written notice to Owner and Manager.

8. Conflicts

In the event of any conflict or inconsistency between any requirement contained in this Agreement, the Project Documents, the Tax Credit Regulations, and the Applicable Requirements, the Applicable Requirements shall in all instances be controlling.

9. Notices

All notices delivered to the Authority under this Agreement shall be delivered to the following address:

Housing Authority of the City of Tampa, Florida
5301 West Cypress Street
Tampa, Florida 33607
Attention: President/CEO

10. HUD Provisions

- (a) HUD has the right to terminate this Agreement for failure to comply with the provisions of the management certification, or other good cause, thirty (30) days after HUD has mailed Owner a written notice of its desire to terminate this Agreement.
- (b) In the event of a default under any mortgage, note or regulatory agreement in connection with the Property, HUD has the right to terminate this Agreement immediately upon HUD's issuance of a notice of termination to Owner and Agent.
- (c) If HUD exercises this right of termination, Owner agrees to promptly make arrangements for providing management that is satisfactory to HUD.
- (d) If there is a conflict between this Agreement and HUD's rights and requirements, HUD's rights & requirements will prevail.
- (e) If this Agreement is terminated, the Agent will give to Owner all of the Property's cash, trust accounts investments, and records within thirty (30) days of the date this Agreement is terminated.

EXHIBIT C
(Form of Leases)
Lease Agreement for RAD Units

EXHIBIT D
(Management Plan)

EXHIBIT E
(Property Expenses)

The following expenses are considered an expense of the Property, but are billed through Manager. These items are NOT considered corporate overhead of Manager.

- Computer Software and Web Hosting – The purchase, lease and renewal of required software and web hosting for the site level including the property management software and web hosting. Each site computer is required to have software licenses for all software used. Site computers use Microsoft Office and the Operating software license is also required (Windows XP, Windows 2000, etc.) Additional software required may include Apartment Forms master and other software reasonable necessary to operate the Property. The property management software used shall be MRI and OneSite.
- Computer Hardware- Computer Hardware and peripheral equipment at the site level.
- Supplies – Any supplies ordered on behalf of the property such as checks, envelopes, labels, etc.
- Payroll – On-site employee salaries and benefits would be paid by the property.
- Payroll Processing – The payroll processing fees charged by ADP, or other similar service, for processing the site level payroll. This is charged per payroll processed. Similar size property has averaged \$38 to \$45 per payroll processed; Manager processes payroll 2 times per month.
- Payroll ADP processing method for site level employees: Manager utilizes the ADP biometric swipe system. The cost for the swipe which works through the computer system will be an expense of the property.
- Payroll Taxes – All payroll related taxes related to on-site payroll.
- Employee Related Benefits – Health, life, dental, vision, disability, worker’s compensation and other employee benefit related insurance for on-site employees are charged to the Property. The on-site employees would be on Manager’s worker’s compensation policy, but the worker’s compensation premiums for the site level employees are an expense of the Property, including any deductible incurred for a claim.
- Pre-Employee Background Checks and Drug Testing for Site.
- Owner is required to fund a payroll escrow in the amount of one payroll period.
- Monthly Computer support for site level computers in the amount of \$200 per month.
- Postage to mail payments for property services and invoices are charged through Manager’s inter-company.
- The Resident Connect program is an optional program for Manager’s properties. The cost is \$7 per unit annually, paid in monthly installments. Participation in this program offers contract savings and income generating opportunities for the properties that participate in the program.

EXHIBIT F
(PHA Plan)