

June 19, 2018

Mr. Lee R. Feldman  
City Manager, City of Fort Lauderdale  
100 N. Andrews Avenue  
Fort Lauderdale, FL 33301

Re: Letter of intent for development of affordable housing

Mr. Feldman:

Thank you for providing the Housing Authority of the City of Fort Lauderdale (the "Authority") with the opportunity to continue providing affordable housing opportunities in the City of Fort Lauderdale (the "City"). The Authority desires to acquire from the City a certain parcel of land located at 1801 SW 1<sup>st</sup> Avenue (the "Property"). The Authority intends to develop a new 125 unit affordable housing development plus related amenities on the Property (the "Project") as more particularly described on the attached preliminary site plan and conceptual elevation pursuant to the following terms:

1. Transfer of Land. The City will transfer fee simple title of the Property to the Authority free and clear of all encumbrances for one dollar (\$1.00). The parties will negotiate in good faith a Purchase and Sale Agreement. The parties agree that such agreement will be used to evidence site control in a response to a Request for Applications ("RFA") by the Florida Housing Finance Corporation ("FHFC") for an allocation of low income housing tax credits. The agreement must comply in all respects with FHFC provisions for evidencing site control such as specific performance.
2. Loan. The City will make a loan in conjunction with the financial closing of the Project. The loan will be used to finance a portion of the costs for the construction of the Project and to evidence a qualified Local Government Area of Opportunity Funding in the application to FHFC. The loan will be non-recourse and non-amortizing loan with a 35-year term and shall be secured by a subordinate mortgage on the Project. All principal and interest, if any, shall be payable at maturity of the loan. The loan may be prepaid in part or in full at any time without penalty.
3. Site Control. The Authority or an entity organized by the Authority will develop, own and operate the Project (the "Owner"). The Owner requires the transfer of the Property in order to show site control when it submits an application to FHFC for funding for the Project.
4. Closing Conditions. The Owner shall enter into a loan agreement, note, mortgage and related documents with and/or on behalf of the City at the financial closing for the Project. No loan proceeds shall be provided to the Owner until definitive loan documentation with the City is executed.

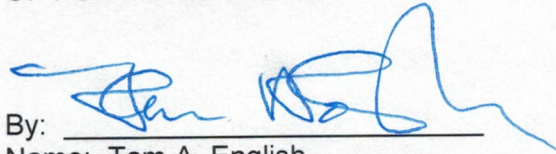


5. Financial Closing. When the Authority is satisfied that all sources of funding required to successfully develop the Project have been secured and committed, it will notify the City of its intent to proceed to the financial closing. The financial closing will primarily be evidenced by the execution of all financing documents for the development of the Project.

This letter of intent is not intended to bind the parties, but rather to set forth the general assumptions for approval by the City Board of Commissioners and the Authority's Board of Commissioners so the proper documentation that is to follow may accurately represent the intent of both parties.

Very truly yours,

HOUSING AUTHORITY OF THE CITY  
OF FORT LAUDERDALE

By: 

Name: Tam A. English  
Title: Executive Director