



March 3, 2021

613 NW 3rd Ave, LLC
613 NW 3rd Avenue
Fort Lauderdale, FL 33311
Attn: Nicholas Rojo

Re: Proposed FHA Mortgage Loan (the "Loan") to be secured by Six13, containing 142 units, located at 613 NW 3rd Avenue, Fort Lauderdale, FL 33311 (the "Project")

Below is a summary of the key terms and conditions of this letter (the "Engagement") which includes the definitions of certain terms used in this Engagement.

Loan Features	
Target Loan Amount:	\$33,096,200.00 (based on the Target Interest Rate)
Target Interest Rate:	2.30% (including Loan servicing and Ginnie Mae guaranty fees, but excluding the annual FHA Mortgage Insurance Premium). The Target Interest Rate is indicative of what the interest rate on the Loan would be if it were to rate lock at the time the Engagement was issued.
Prepayment terms:	To be determined at Rate Lock
Loan Amortization and Term:	Up to 35 years
Maximum Loan-to-Value:	85%,
Minimum DSCR:	1.1765x

FHA Program Features	
FHA Insurance Program:	Section 223(f) of the National Housing Act
Recourse:	The Loan will be non-recourse, subject to FHA standard non-recourse carve outs.
Prepayment Options:	To be determined based upon final interest rate, market conditions and mutual agreement at time of rate lock.
Assumability:	The Loan is assumable, subject to Lender and FHA approval.

Fees	
Upon Engagement:	Processing Fee: \$5,000, for Lender's out of pockets expenses
	Third Party Reports Deposit: \$25,000 estimated for the initial reports (Environmental, appraisal, zoning, and physical needs)
At FHA Application Submission	FHA Application Fee: 0.20% of the Loan Amount, non-refundable after submitted by Lender to FHA
Prior to Rate Lock	Good Faith Deposit 0.50% of the Loan Amount, refundable following Closing
At Closing/Endorsement	Initial MIP: 0.25% of the Loan Amount (and 0.25% of the Loan Amount payable annually in monthly installments beginning with the first principal and interest payment on the Loan.
	GNMA Fee: \$6,900, estimated based on Target Loan Amount (\$500 for the first \$1,500,000 of the amount of the Loan, and thereafter an additional \$200 per million or part thereof)
	FHA Inspection Fee: \$1,500, estimated, final amount to be based on cost of repairs (if repairs and improvements are less than \$100,000 in the aggregate, \$1,500; more than \$100,000 but \$3,000 or less per unit or per bed, as applicable, \$30/unit or bed; and more than \$3,000/unit or bed, the greater of 1% of the cost of repairs or \$30/unit or bed)
	Lender Financing Fee: 0.25% of the Loan Amount
	Lender Legal Fee: \$20,000, estimated and subject to increase as provided herein

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Dear Mr. Burns,

NorthMarq Finance, L.L.C. ("we" or "Lender") is willing to process, structure, finance, close and service an FHA application for Mortgage Insurance on a loan (the "Loan"), as described herein to TBD Borrowing Entity ("Borrower" or "You") subject to the following terms.

A. Security. The Loan will be secured by a first mortgage lien and security interest on the Project, to be insured by the Federal Housing Administration ("FHA") of the U.S Department of Housing and Urban Development ("HUD") (the "Mortgage Insurance"). At closing, Borrower shall deposit with Lender funds sufficient to establish any necessary escrow requirements.

B. Borrower. Borrower will be the party identified above and must be a single asset-single purpose entity, in form and structure satisfactory to Lender and HUD. Borrower authorizes Lender to obtain any credit reports or any financial information that Lender deems necessary in connection with this Application.

C. Loan Amount. The total principal amount of the Loan ("Loan Amount") will be determined by Lender based on final underwriting, the FHA Firm Commitment, and the actual Interest Rate at rate lock, and may differ from the Target Loan Amount.

D. Issuance of FHA Firm Commitment and Lender's Financing Commitment. If an FHA Firm Commitment is issued on terms acceptable to Borrower and Lender, Lender's Financing Commitment will be issued, which will include an interest rate and prepayment lockout and prepayment premium provisions, consistent with the then-prevailing market conditions

E. Interest Rate. The interest rate on the Loan ("Interest Rate") will be a fixed rate of interest for the entire Loan term, and will be determined after HUD's and Lender's issuance of their respective commitments and Borrower's acceptance both. The Interest Rate may be locked ("Rate Lock") and the Loan funded through the issuance, sale and delivery of a GNMA security with an investor whose terms and conditions are acceptable to the Borrower. **BORROWER UNDERSTANDS THAT INTEREST RATES AND PREPAYMENT LOCKOUT AND PREPAYMENT PREMIUM PROVISIONS FLUCTUATE OR CHANGE PERIODICALLY BASED UPON MARKET CONDITIONS AND OTHER FACTORS; THAT AT RATE LOCK, THE INTEREST RATE MAY DIFFER FROM THE TARGET INTEREST RATE.**

F. Closing. "Closing" means the date of final endorsement of the note evidencing the Loan, for Mortgage Insurance by FHA.

G. Lender Fees and Charges. Borrower will pay all fees described in this Engagement and all other costs incurred in connection with the Loan, regardless of whether the Loan closes. The FHA Application Fee is non-refundable once the loan application and the FHA Application Fee are submitted by Lender to FHA. If Lender's expenses and third party reports exceed the amounts deposited by the Borrower, then the Borrower shall promptly reimburse such expenses upon request by Lender. Any part of the Third Party Reports Deposit, Processing Fee, or Lender Legal Fee that remain after all expenses incurred by Lender in connection with the proposed Loan have been paid shall be returned to Borrower at Closing, or upon termination of this Engagement.

H. Termination. If Borrower fails to timely cooperate with Lender in connection with the FHA Application, then Lender may terminate this Engagement.

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I. Miscellaneous.

1. Venue. By executing this Engagement letter, Borrower expressly agrees that any action hereunder shall only be brought in the federal or local courts in the State of Florida, and that the rights and obligations of the parties with respect to this Engagement shall be determined in accordance with the laws of the State of Florida, including any applicable federal law.

2. **WAIVER OF JURY TRIAL** THE PARTIES HERETO, ON BEHALF OF THEMSELVES AND THEIR RESPECTIVE AFFILIATES AND ASSIGNS, HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY MATTERS ARISING OUT OF OR IN CONNECTION WITH THIS ENGAGEMENT, ANY COMMITMENT LETTER ISSUED IN ACCORDANCE WITH THE TERMS HEREOF, OR THE LOAN.

3. Prevailing Party Entitled to Reimbursement of Expenses: In the event any party or parties brings any legal action hereunder then the prevailing party or parties in such proceeding shall be entitled to reimbursement from the non-prevailing party or parties of all fees, costs and expenses (including, without limitation, the reasonable expenses of its attorneys) in bringing or defending against such action.

4. You represent and warrant that you have not entered into any agreement with any finder or broker, other than as may be identified herein ("Broker"), in connection with this Engagement or the Loan. You agree to indemnify, defend and hold us harmless from and against any and all claims, demands and liability for brokerage commissions, assignment fees, finder's fees or other compensation which may be asserted against us by Broker or any other person or entity relating to this Engagement or from our making of the Loan.

5. Borrower acknowledges that Lender is an affiliate of NorthMarq Capital, LLC (the "Affiliate"), and that certain fees payable to Lender pursuant to this Commitment may be shared with the Affiliate. Lender and Affiliate are separate and distinct organizations, and Borrower acknowledges that any written or oral communications by Affiliate are not binding on Lender. Borrower further acknowledges that the Affiliate does not represent or advise the Borrower, and that Borrower is relying on its own advice and counsel in all aspects of the Loan.

6. EQUAL CREDIT OPPORTUNITY ACT NOTICE. THE FEDERAL EQUAL CREDIT OPPORTUNITY ACT PROHIBITS CREDITORS FROM DISCRIMINATING AGAINST CREDIT BORROWERS ON THE BASIS OF RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, MARITAL STATUS, AGE (PROVIDED THE BORROWER HAS THE CAPACITY TO ENTER INTO A BINDING CONTRACT); BECAUSE ALL OR PART OF THE BORROWER'S INCOME DERIVES FROM ANY PUBLIC ASSISTANCE PROGRAM; OR BECAUSE THE BORROWER HAS IN GOOD FAITH EXERCISED ANY RIGHT UNDER THE CONSUMER CREDIT PROTECTION ACT. THE FEDERAL AGENCY THAT ADMINISTERS COMPLIANCE WITH THIS LAW CONCERNING THIS CREDITOR IS THE FEDERAL TRADE COMMISSION, EQUAL CREDIT OPPORTUNITY, WASHINGTON, D.C. 20580.

7. DISCLOSURE NOTICE. IF YOUR APPLICATION FOR BUSINESS CREDIT IS DENIED, YOU HAVE THE RIGHT TO A WRITTEN STATEMENT OF THE SPECIFIC REASONS FOR THE DENIAL. TO OBTAIN THE STATEMENT, PLEASE CONTACT NORTHMARQ CAPITAL FINANCE, L.L.C., 601 13th STREET NW, SUITE 500 NORTH, WASHINGTON D.C. 20005 ATTENTION; JAY DONALDSON, WITHIN 60 DAYS FROM THE DATE YOU ARE NOTIFIED OF OUR DECISION. WE WILL SEND YOU A WRITTEN STATEMENT OF REASONS FOR THE DENIAL WITHIN 30 DAYS OF RECEIVING YOUR REQUEST FOR THE STATEMENT.

SIGNATURES ON SEPARATE PAGE

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If the foregoing terms and conditions are satisfactory, please execute and return the enclosed copy of this Engagement along with the Processing Fee, and initial the bottom of each page. The offer of Engagement set forth herein shall terminate if not accepted by you within 30 days of issuance.

We look forward to working with you.

Sincerely,

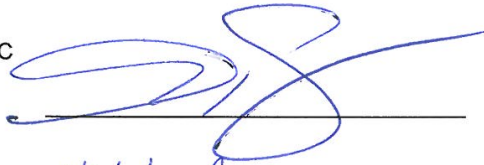
NORTHMARQ FINANCE, L.L.C.

David E. Schmidt
FHA Production Manager
Vice President

Accepted and Agreed to this _____

613 NW 3rd Ave, LLC

By:



Name:

Nicholas Peto

Its:

member

Enclosure: Please refer to Exhibit A, attached hereto and incorporated herein, for any special conditions applicable to this transaction. Additionally, Lender's wiring instructions for any fees or deposits due pursuant to the terms of this Loan Application are attached.

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EXHIBIT A

Caveats and Stipulations:

- Stated 0.25% MIP subject to confirmation that the existing NGBS green certification is acceptable to HUD guidelines.

***Please note that where there is disagreement, terms and conditions outlined in Exhibit A shall supersede terms of the Engagement Letter**

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WIRING INSTRUCTIONS

US Bank National Association
601 Second Avenue South
Minneapolis, Minnesota 55402

For Deposit in the account of:
ABA Number:
Account Number:
Beneficiary:
Reference:

NorthMarq Finance, L.L.C.
091 000 022
1 047 9155 3399
NorthMarq Finance, LLC
Loan Name & Loan Number (when applicable)

With Notification to Mike Bond (952) 837-8752

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