



AGENDA

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY REGULAR BOARD MEETING

Tuesday, January 27, 2009
5:30 P.M.

NORTH MIAMI CITY HALL - COUNCIL CHAMBERS
776 N.E. 125TH STREET, SECOND FLOOR

- I. CALL TO ORDER – Pledge of Allegiance; Roll Call
- II. APPROVAL OF MINUTES – None
- III. ITEMS FOR REVIEW AND/OR ACTION



AFFORDABLE HOUSING EFFORTS

- **NEW HOUSING CONSTRUCTION**

TAB 1

Proposed modification to the development agreement between the CRA and the Urban Residential Development Group regarding payment of development fees (Attachment)

- **HOME BUYER PURCHASE ASSISTANCE**
- **SINGLE FAMILY HOME REHABILITATION**
- **AFFORDABLE RENTAL HOUSING**
- **OTHER**



COMMERCIAL & ECONOMIC DEVELOPMENT PROGRAMS

- **COMMERCIAL GRANTS**
- **OTHER**



CAPITAL IMPROVEMENTS & INFRASTRUCTURE



ADMINISTRATIVE & OTHER

COMMUNITY OUTREACH

IV. REPORTS

- A. Board Member Reports
Chair Kevin A. Burns

Member Michael R. Blynn
Member Jacques Despinosse
Member Scott Galvin
Member Marie Erlande Steril

- B. CRA Attorney
- C. Executive Director
- D. Next Regular Board Meeting – Tuesday, February 10, 2009 at 5:30 p.m. at City Council Chambers

Next Advisory Committee Meeting – Monday, February 2, 2009 at 6:00 p.m. at City Council Chambers

V. ADJOURNMENT

Note: Two or more members of the City Council/CRA Board of Commissioners and/or other elected or appointed public officials may be present at this meeting. If any person decides to appeal any decision made with respect to any matter considered at this public meeting or hearing, he/she will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. If you desire auxiliary services to assist in viewing or hearing the meetings, or reading meeting agendas and minutes, please contact the Office of the CRA Secretary at (305) 895-9817.

NMCRA board agenda for 012709 tecsr 012009



AGENDA ITEM I

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Kevin A. Burns, Chair
Michael R. Blynn
Jacques Despinosse
Scott Galvin
Marie Erlande Steril

Executive Director
Tony E. Crapp, Sr.

CRA Attorney
Steven W. Zelkowitz

Date: January 21, 2009
To: Honorable Chairman and Members
CRA Board of Commissioners
Chairman and Members
CRA Advisory Board
From: Tony E. Crapp, Sr.
Executive Director
Subject: Proposed modification to the development agreement between the CRA and the Urban Residential Development Group regarding payment of development fees

It is requested that the CRAAC and the CRA Board consider the above referenced subject during the respective upcoming meetings on January 26, 2009 and January 27 2009 based on the information provided below and the request that has been made by the Urban Residential Development Group (URDG).

Pursuant to the prior discussion that was held during the CRAAC meeting on January 5, 2009 the Urban Residential Development Group has submitted a schedule (copy attached) delineating a summary of all salaries, benefits, overhead expenses, and direct Pioneer Gardens third party costs incurred by the housing enterprise since its inception as per Section 9.4 of the Munisport Development Agreement dated November 26, 2002. The attached schedule has been submitted for review and consideration relative to URDG's request that the CRA modify the development agreement for the Pioneer Gardens affordable housing project to permit an advance of up to approximately \$1.0 million from the funding available to the CRA for the payment of the developer fees for the Pioneer Gardens development.

Background

Pursuant to the delegation by the City of North Miami of the obligations relative to section 9.4 of the Munisport Agreement to the North Miami CRA, the housing enterprise created by the developers of Biscayne Landing is the designated affordable housing developer/partner of the CRA in the opportunity to generate a number of "affordable housing units" in the balance of the City of North Miami equal to the number of housing units constructed in the Biscayne Landing development (up to 5,999 units). As defined in the Amended and Restated Munisport

Helping Build North Miami's Tomorrow!

615 NE 124th Street
North Miami, FL 33161
P: 305.899.0272
F: 305.899.9376

www.NorthMiamiCRA.org



AGENDA ITEM I

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Kevin A. Burns, Chair
Michael R. Blynn
Jacques Despinosse
Scott Galvin
Marie Erlande Steril

Executive Director
Tony E. Crapp, Sr.

CRA Attorney
Steven W. Zelkowitz

Agreement dated June 27, 2008, affordable housing units mean (i) residential units constructed (or rehabilitated and renovated) upon land provided by the City and/or the CRA, (ii) residential "for sale" units constructed (or rehabilitated and renovated) on land provided by the City and/or CRA, (iii) existing residential units and/or single family homes located in the City which are rehabilitated and renovated through grants, subsidies and other programs funded by the City, CRA and/or other governmental entities and/or housing authorities, and (iv) mixed-use properties constructed on land provided by the City and/or the CRA.

To date the CRA is implementing the following affordable housing programs with the assistance of the housing enterprise currently known as Urban Residential Development Group (f/k/a North Miami Housing): First-Time Homebuyer Subsidy Loan Program, Single Family Home Rehabilitation Program, Pioneer Gardens at North Miami new housing construction, and Bel House Apartments lease/purchase and rehabilitation. Through these various affordable housing programs the CRA is reimbursing expenses, providing funding advances, and providing compensation to URDG through the developer fee and other terms as are specified in the development/program agreements.

The obligation of the Biscayne Landing developer to provide funding and other support for the operations of the housing enterprise is specified in section 9.4 of the Munisport Agreement. In the original Munisport Agreement dated November 26, 2002 the developer had the following obligations relative to the housing enterprise:

- Act as an advisor to the Housing Enterprise and have representation on its Board of Directors,
- Provide all necessary administrative and overhead support to the Housing Enterprise, and
- Provide the initial capital reasonably required by the Housing Enterprise to establish its operations

Pursuant to an amendment to the Munisport Agreement dated October 26, 2004 section 9.4 was amended to replace the clause "provide all necessary administrative and overhead support to the housing enterprise" with the following: "provide all necessary administrative and overhead services to the housing enterprise".

Due to the down-turn in the U.S. economy over the past several months URDG has advised the CRA that continued funding from the developer will be extremely problematic after January 2009. As the result, URDG is requesting that the CRA consider making a modification to the develop

*Helping Build
North Miami's
Tomorrow!*

615 NE 124th Street
North Miami, FL 33161
P: 305.899.0272
F: 305.899.9376

www.NorthMiamiCRA.org



AGENDA ITEM I

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Kevin A. Burns, Chair
Michael R. Blynn
Jacques Despinosse
Scott Galvin
Marie Erlande Steril

Executive Director
Tony E. Crapp, Sr.

CRA Attorney
Steven W. Zelkowitz

agreement for the Pioneer Gardens project so that anticipated developer fees can be advanced by the CRA to the housing enterprise for the maintenance of its operations and functionality as the CRA's affordable housing developer/partner. The CRA has secured a Line of Credit from Region's Bank in the amount of \$10,758,300 of which \$4,120,128 is budgeted for the payment of developer fees.

To facilitate the consideration of this matter by the CRAAC attached please find (1) a copy of section 9.4 from the most recently amended and restated Munisport Agreement dated June 27, 2008, (2) a copy of the Affidavit of Lost Promissory Note and the replacement Promissory Note provided by the developer to secure its obligations under Section 9.4 of the Munisport Agreement, and (3) a copy of section 7.1 from the amended Pioneer Gardens development agreement dated March 6, 2008 which reflects the current terms for the payment of the 15% developer fee.

NMCRA board memo re URDG funding support for 012709 tccsr 012009

*Helping Build
North Miami's
Tomorrow!*

615 NE 124th Street
North Miami, FL 33161
P: 305.899.0272
F: 305.899.9376

www.NorthMiamiCRA.org

This instrument prepared by,
and after recording return to:

Name: Kimberly LeCompte, Esq.
Address: Greenberg Traurig, P.A.
1221 Brickell Avenue
Miami, Florida 33131

(Space reserved for Clerk of
Court)

AMENDED AND RESTATED MUNISPORT AGREEMENT

THIS AMENDED AND RESTATED MUNISPORT AGREEMENT (the "Agreement") is made and entered into as of the 27th day of June, 2008, between the CITY OF NORTH MIAMI, FLORIDA, a Florida municipal corporation (the "City") BISCAYNE LANDING, LLC, a Florida limited liability company, as successor in interest to PRESERVE PARTNERS, LTD., a Florida limited partnership through a series of assignments (the "Developer") and URBAN RESIDENTIAL DEVELOPMENT GROUP, LTD., a Florida limited partnership, formerly known as NORTH MIAMI HOUSING, LTD. ("Housing Enterprise").

Recitals

A. The City and Developer previously entered into that certain Munisport Agreement (the "Original Agreement") dated November 26th, 2002 and recorded December 16, 2002 in Official Records Book 20876, Page 4370, as amended by (i) that certain Amendment to Munisport Agreement dated October 26th, 2004 and recorded November 12, 2004 in Official Records Book 22817, Page 292, (ii) that certain Amendment to Munisport Agreement and Ground Lease dated June 10th, 2005 and recorded June 28, 2005 in Official Records Book 23521, Page 1, (iii) that certain Amendment to Munisport Agreement dated October 24th, 2006 and recorded October 31, 2006 in Official Records Book 25058, Page 3567, and (iv) that certain Amendment to Munisport Agreement and Ground Lease dated October 25th, 2006 and recorded November 27, 2006 in Official Records Book 25125, Page 1906, as re-recorded on December 26, 2006 in Official Records Book 25221, Page 1850 (collectively, the "Amendments"), all in the Public Records of Miami-Dade County, Florida.

B. Parties desire to consolidate the Original Agreement

The City or the CRA may, at the City's or CRA's option, commencing not earlier than October 29, 2009, which is five (5) years following the date the Original Lease was executed and delivered, elect to require the Developer to construct a new library in lieu of the renovation and expansion of the City's existing library, conditioned upon the following: (i) the execution and delivery of the Original Lease by Developer and the City, which the parties acknowledge has been satisfied, (ii) the City or the CRA shall have made a site available to the Developer for construction of the new library, (iii) the City or the CRA, as applicable, and the Developer shall have entered into a development agreement for construction by Developer of the City library and/or expansion of the existing City library, and (iv) Developer's bonafide costs payable to unaffiliated third parties and Developer's direct project personnel to complete the construction of the new library shall not exceed a total of Ten Million and No/100 Dollars (\$10,000,000). The City and/or CRA shall own the real property upon which the library is constructed, and the City and/or CRA shall own and operate the library upon the completion of construction.

9.4 Affordable Housing. Provided that the conditions precedent set forth below are satisfied, Developer agrees to develop at least the same number of Affordable Housing Units within the City as residential units developed upon the Preserve Parcel by Developer.

(i) Establishment of Housing Enterprise. Developer has established the Housing Enterprise, which is forty nine percent (49%) minority owned (and Developer shall use its best efforts to have at least thirty (30%) of the forty nine percent (49%) of the minority owners of the Housing Enterprise be minority residents of the City or business owners within the City), which Housing Enterprise is an affiliate of the Developer, for the purpose of (i) developing new rental and "for sale" Affordable Housing Units within the City, (ii) completing the renovation and rehabilitation of existing residential units and converting the same into Affordable Housing Units, (iii) providing management

services with respect to the residential units constructed upon the Preserve Parcel, and (iv) assisting the CRA in the creation and implementation of subsidy programs for the renovation of existing residential units and single family homes within the City. The Developer shall (i) act as an advisor to the Housing Enterprise and shall have representation on its board of directors, (ii) provide all necessary administrative and overhead services to the Housing Enterprise, and (iii) provide the initial capital reasonably required by the Housing Enterprise to establish its operations. The CRA, to the extent permitted by law, shall utilize the Housing Enterprise to develop all of the Affordable Housing Units within the boundaries of the CRA, and the Housing Enterprise shall develop all of the Affordable Housing Units within the City but outside of the boundaries of the CRA to the extent requested by the City, all in accordance with the terms of this Section 9.4. The Developer's obligations to provide Affordable Housing under this Section 9.4 shall survive the termination of this Agreement for a period of fifteen (15) years.

- (ii) Conditions Precedent. The City agrees that the following shall be conditions precedent to Developer's obligations to develop Affordable Housing Units (on an Affordable Housing project by Affordable Housing project basis) within the City: (1) the City shall be responsible for making the land and/or existing residential units available to the Housing Enterprise with appropriate zoning to permit the development, and/or rehabilitation and conversion of, Affordable Housing Units, and (2) tax credit programs, subsidies, grants and/or other similar governmental programs or CRA programs are made available to the Housing Enterprise in amounts sufficient for the Housing Enterprise to receive a developer's fee equal to fifteen percent (15%) of the costs to complete the Affordable Housing Units (or such lower

amount to the extent required by the applicable requirements of the agency (other than requirements adopted in the discretion of the City and/or CRA) providing the grant, provided such fee is sufficient to pay the Developer's reasonable overhead costs for the applicable project), with all project costs being funded through the subsidies and available mortgage financing (taking into account the rental rates and/or sales prices established by the City as provided below), which mortgage financing must be non-recourse to the Developer and the Housing Enterprise and any affiliate of either of the foregoing. The Developer, through the Housing Enterprise, shall use its good faith and diligent efforts to attempt to obtain such subsidies from third party sources other than the City. The City and/or CRA shall be entitled to establish the rental rates and/or sales prices for the Affordable Housing Units.

(iii)

Two Million Dollar Note; Letter of Credit. To secure the Developer's obligations under this Section 9.4, Developer has delivered to the City a non-interest bearing promissory note in the principal amount of \$2,000,000 executed by certain individual beneficial owners of the Developer (the "**Two Million Dollar Note**"). In the event the Developer (a) fails to comply with any of its obligations under this Section 9.4 to develop Affordable Housing units, on a project by project basis, the City shall be entitled, if such default continues for ninety (90) days following Developer's receipt of written notice from the City, to enforce the Two Million Dollar Note as its sole and exclusive remedy, or (b) fails to comply with any of its other obligations under this Section 9.4, the City shall be entitled, if such default continues for ninety (90) days following Developer's receipt of written notice from the City, to enforce the Two Million Dollar Note as its sole and exclusive remedy, in such amount

equal to the City's actual damages (excluding any punitive damages resulting from such default), as certified by the City Manager; provided, however, that in the event of a default under this subpart (b) that cannot reasonably be quantified in a liquidated amount, the Two Million Dollar Note can only be enforced in an amount equal to \$100,000 per default; provided, further, that the City shall not have the right to terminate this Agreement or the Lease, or pursue any other remedy against Developer or otherwise, as a result of any such failure or any other failure of the Developer, the Housing Enterprise or any other party under Section 9.4 or any other provision of this Agreement relating to the Affordable Housing Units. In the event (a) the entire Two Million Dollar Note is enforced, as set forth in subpart (a) of the preceding sentence, the Developer shall be required to deliver to the City, at Developer's option, either (x) a letter of credit in the amount of Two Million and No/100 Dollars (\$2,000,000) or (y) a new Two Million Dollar Note, or (b) a portion of the Two Million Dollar Note is enforced, as set forth in subpart (b) of the preceding sentence, the Developer shall be required to deliver to the City, at the Developer's option, either (x) a letter of credit in an amount equal to the portion drawn upon, or (y) a new note (on the same terms and conditions set forth in the Two Million Dollar Note) in an amount equal to the portion of the Two Million Dollar Note enforced, in either event, within thirty (30) days following the date the City has notified Developer that payment under the initial Two Million Dollar Note was due. The City agrees that any proceeds it receives under a letter of credit (or any replacement thereof) shall be used by the City exclusively for the development of Affordable Housing. In the event Developer fails to make payment on the Two Million Dollar Note within ten (10) days following the date payment is due, and/or issue a new

promissory note or letter of credit, the City's sole and exclusive remedy under this Agreement and the Lease shall be to seek specific performance and all other available remedies against the guarantors under the personal guarantees and the makers of the Two Million Dollar Note, as applicable, and the City shall not have the right to terminate this Agreement or the Lease or to pursue any remedy against Developer or otherwise, as a result of such failure. At such time as the Developer, through the Housing Enterprise or otherwise, has delivered an equal number of Affordable Housing Units as the number of residential units actually developed upon the Preserve Parcel when the entire Project is complete, the City shall release the letter(s) of credit to the Developer, return the original Two Million Dollar Note (or additional notes provided) marked paid to the makers thereunder and the personal guaranties shall be terminated and returned to the guarantors thereunder.

Notwithstanding anything to the contrary contained in this Section 9.4(iii), no Leasehold Mortgagee, Qualified Subsidiary, Institutional Lender, Qualified Developer or other Permitted Assignee (as such terms are defined in the Lease) or any other successor in interest to the Developer who is not an affiliate of Biscayne Landing, LLC, shall have the right to provide a Two Million Dollar Note in lieu of providing the Letter of Credit.

- (iv) Affordable Housing Units. For purposes of this paragraph, "Affordable Housing Units" shall mean (i) residential rental units constructed (or rehabilitated and renovated) upon land provided by the City and/or the CRA with the rental rates established by the City and/or CRA, (ii) residential "for sale" units constructed (or rehabilitated and renovated) on land provided by the City and/or the CRA with the sales price established by the City

and/or CRA, (iii) existing residential units and/or single family homes located in the City which are rehabilitated and renovated through grants, subsidies and other programs funded by the City, CRA and/or other governmental entities and/or housing authorities, and (iv) mixed use properties constructed on land provided by the City and/or the CRA.

- 9.5 Five Hundred Thousand Dollar Advance. Notwithstanding anything to the contrary set forth in Sections 9.2 and/or 9.3 of this Agreement, Developer has advanced or hereby agrees to advance up to \$500,000 or such increased amount agreed to in writing by the Developer and the city, in the aggregate following the date hereof for the completion of plans and other pre-development work necessary for the City to obtain the land use, zoning and other governmental approvals under Sections 9.2(iv) and 9.3(ii) of this Agreement; provided that (i) the foregoing shall in no event require Developer to fund or otherwise incur an aggregate amount in excess of Ten Million and No/100 Dollars (\$10,000,000) pursuant to Sections 9.2 and 9.3 of the Agreement prior to October 29, 2009, which is the fifth anniversary of the Lease, and (ii) Developer shall not be required to advance any amount in connection with the City library pursuant to this Section 9.5 until the NGB Training Facility has been completed in full, as evidenced by the City's or the CRA's, as applicable, written waiver of any further obligations with respect thereto. Developer and City hereby agree that any amounts funded by the Developer to satisfy any of the conditions set forth in Sections 9.2 or 9.3 (as supplemented by this Section 9.5) that are in accordance with written instructions from the City or the CRA, as applicable, and/or the Agreement shall be credited against the Developer's respective funding obligations under each of such Sections.
- 9.6 Ten Million Dollar Loan Commitment. Certain principals of Developer (the "**Principals**") have previously extended a loan commitment to the City and/or CRA in the aggregate amount of \$10,000,000 (the "**Loan Commitment**") to be used by the City and/or CRA, subject to the satisfaction of certain conditions precedent set forth in the Loan Commitment, to finance the cost of

AFFIDAVIT OF LOST PROMISSORY NOTE

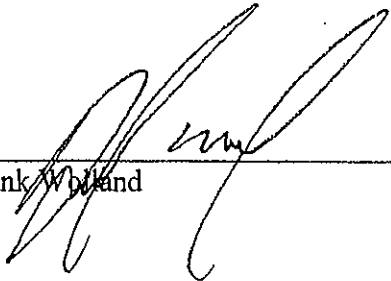
STATE OF FLORIDA)
) SS.:
COUNTY OF MIAMI-DADE)

BEFORE ME, the undersigned authority, personally appeared **FRANK WOLLAND**, (the "Affiant") who being first duly sworn, deposes and states as follows:

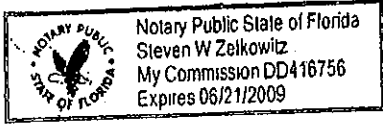
- 1) Affiant is the Clerk of the City of North Miami (the "City").
- 2) Reference is made to that certain Munisport Agreement, dated November 26, 2002, between Preserve Partners, Ltd., a Florida limited partnership, as predecessor in interest to Biscayne Landing, LLC (the "Developer") and the City as amended (the "Agreement").
- 3) Pursuant to Section 9.4 (iii) of the Agreement, in order to secure the Developer's obligations under Section 9.4 of the Agreement, Michael J. Swerdlow, Brian Street and James J. Cohen executed and delivered that certain Promissory Note dated as of October 26, 2004, in the original principal amount of \$2,000,000 (the Note).
- 4) That the original Note was believed to be in the care, custody and control of Affiant.
- 5) That the original Note was not where it was assumed to be, and a diligent search to locate the original Note was undertaken without results.
- 6) That if the original Note shall ever come into the possession or custody of Affiant, Affiant will promptly, and without further consideration, surrender the original Note to Developer.
- 7) Affiant has not transferred, assigned or conveyed the Note to any person or entity, other than the assignment to Developer.
- 8) Affiant acknowledges that Developer is relying on this Affidavit in connection with the delivery of a replacement Promissory Note to the City.

FURTHER AFFIANT SAYETH NAUGHT.

Frank Wolland



The foregoing instrument was sworn and subscribed to before me this 13th day of May, 2008 by Frank Wolland. He is (check one) [] personally known to me or [] has produced _____ as identification



A handwritten signature in black ink, appearing to read "Steven W. Zelkowitz".

Notary Public
Name of Notary Printed:
Steven W. Zelkowitz
(NOTARY SEAL)

My Commission Expires:

My Commission Number is:

PROMISSORY NOTE

Dated: As of October 26, 2004

FOR VALUE RECEIVED the undersigned, Brian Street, an individual, and James J. Cohen, an individual (hereinafter collectively referred to as "**Maker**" or "**Makers**"), promise to pay to the order of CITY OF NORTH MIAMI, FLORIDA, a Florida municipal corporation (hereinafter referred to as alternatively "**Payee**" or "**City**"), at 776 N.E. 125th Street, North Miami, Florida 33161, or such other place as the holder hereof may from time to time designate in writing, the principal sum of Two Million and No/100 (\$2,000,000.00) Dollars, pursuant to the terms set forth herein, to be paid in lawful money of the United States of America, which shall be legal tender in payment of all debts and dues, public and private, at the time of payment. All initial capitalized terms used but not defined in this Note, shall have the meanings given to such terms in the Agreement (as hereinafter defined).

WHEREAS, each Maker is, among others, a beneficial owner of Biscayne Landing, LLC, a Florida limited liability company (hereinafter referred to as "**Developer**"); and

WHEREAS, Preserve Partners, Ltd., a Florida limited partnership, as predecessor in interest to Developer, entered into that certain Munisport Agreement with City dated November 26, 2002, recorded in Official Records Book 20876, at Page 4370, of the Public Records of Miami-Dade County, Florida, as amended by that certain Amendment to Munisport Agreement dated as of October 26, 2004, recorded in Official Records Book 22817, at Page 292, of the Public Records of Miami-Dade County, Florida (hereinafter collectively referred to as the "**Agreement**"); and

WHEREAS, pursuant to Section 9.4(iii) of the Agreement, in order to secure the Developer's obligations under Section 9.4 of the Agreement and in lieu of the Letter of Credit, the Maker has agreed to execute and deliver this Note to City.

NOW THEREFORE, in consideration of the execution and delivery of this Note and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

There shall be no interest due with respect to this Note.

In the event (a) the Developer fails to comply with any of its obligations under Section 9.4 of the Agreement to develop Affordable Housing units, on a project by project basis, the entire unpaid principal balance shall be due and payable, or (b) the Developer fails to comply with any of its other obligations under Section 9.4 of the Agreement, the portion of the principal balance equal to the City's actual damages (excluding any consequential or punitive damages resulting from such default) shall be due and payable; provided, however, that in the event of a default under this subpart (b) that cannot reasonably be quantified in a liquidated amount, the portion of the principal balance due and payable shall be limited to \$100,000.00. Any of such payments referenced in the preceding sentence are due in full within ten (10) days following receipt by Maker of notice from City, provided in the manner set forth in Section 17.8 of the Agreement, containing a writing certified by the City Manager of the City identifying with

particularity the nature of the failure and certifying (i) that Developer has failed to comply with any of its obligations under Section 9.4 of the Agreement, (ii) the amount due under this Note, (iii) that City is entitled to collect under this Note pursuant to the provisions of Section 9.4 of the Agreement, and (iv) that such failure has continued for a period of ninety (90) days following receipt by Developer of written notice from City indicating that such failure has occurred (hereinafter referred to as "**Maturity Date**").

The writing certified by the City Manager of the City shall be conclusive that the amount set forth therein is due and Maker shall raise no defenses other than defenses which would be available to a banking institution under Florida law if it had issued an unconditional letter of credit that the funds could be drawn upon by presenting a certification by the City Manager. Under no circumstances shall any disputes or defenses by Maker delay the immediate payment of the amounts certified as due and in the event the Maker fails to make immediate payment, the parties stipulate and agree that the City will be irreparably harmed in meeting its affordable housing objectives, that money damages will not suffice and that the City is entitled to receive immediate relief in the form of payment of the sum of such amount specified in the certified writing through emergency injunctive relief, specific performance, or other remedies sought by the City and further stipulate that no bond or other security shall be required of the City.

The Makers further agree that, upon certification by the City Manager as set forth above, each of the Makers shall execute a new promissory note or provide the City with a replacement letter of credit pursuant to the terms set forth in Section 9.4 of the Agreement, which may be drawn upon in the event of any additional default by the Developer in meeting its obligations under Section 9.4 of the Agreement and upon each additional certification by the City Manager an additional promissory note shall be executed by each of the Makers or a replacement letter of credit shall be provided.

This promissory note shall be an obligation of the heirs and estates of each of the Makers.

If this Note shall not be paid on the Maturity Date, it may be placed in the hands of an attorney at law for collection, and in that event, each Maker, jointly and severally, hereby agrees to pay the holder hereof in addition to the sums above stated, a reasonable sum as an attorney's fee, which shall include reasonable attorney's fees at the trial level and on appeal, together with all reasonable costs incurred. After the Maturity Date, the principal amount due under this Note shall bear interest at the lesser of (a) twelve (12%) percent per annum, or (b) the highest rate permitted by Florida law. As to this Note and any instruments securing the indebtedness, each Maker, severally waives valuation and appraisal, presentment, protest and demand, notice of protest, demand and dishonor and nonpayment of this Note, and expressly agree that the Maturity Date of this Note, or any payment hereunder, may be extended from time to time without in any way affecting the liability of the Maker.

The joint and several obligations of the undersigned shall be absolute and unconditional and shall remain in full force and effect until the entire principal, interest, penalties, premiums on this Note shall have been paid and, until such payment has been made, shall not be discharged, affected, modified or impaired upon the happening from time to time of any event, including, without limitation, any of the following, whether or not with notice to or the consent of any of the undersigned: (a) the waiver, compromise, indulgence, settlement, release, termination,

modification or amendment (including, without limitation, any extension or postponement of the time for payment or performance or renewal or refinancing) of any or all of the obligations, covenants or agreements of any of the undersigned under this Note; (b) the failure to give notice to any or all of the undersigned of the occurrence of a default under the terms and provisions of this Note, except notices required under the Agreement or this Note; (c) the release, substitution or exchange by the holder of this Note of any security held by it for the payment of any amount due pursuant to this Note (whether with or without consideration) or the acceptance by the holder of this Note of any additional security for such payments or the availability or claimed availability of any other security, collateral or source of repayment; (d) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting any or all of the undersigned or any other person or entity who, or any of whose property, shall at the time in question be obligated in respect of the debt evidenced by this Note or any part thereof; (e) any failure, omission, delay or neglect by the Payee in enforcing, asserting or exercising any right, power or remedy under this Note or at law or in equity; (f) the release of any person primarily or secondarily liable for all or any part of the debt evidenced by this Note; (g) any non-perfection or other impairment of any security; (h) any assignment or transfer by the Payee of all or any interest in this Note; (i) the invalidity or unenforceability of any term or provision in this Note; or (j) to the extent permitted by law, any event or action that would, in the absence of this clause, result in the release or discharge of any or all of the undersigned from the performance or observance of any obligation, covenant or agreement contained in this Note or (k) the death of any Maker. Without limiting the foregoing, it is the intention of the parties that any modification, limitation, or discharge of the obligations of any of the undersigned arising out of or by virtue of any bankruptcy, reorganization or similar proceeding for relief of debtors under Federal or state law shall not affect, modify, limit or discharge the liability of any other co-maker in any manner whatsoever, and this Note shall remain and continue in full force and effect and shall be enforceable against such co-maker to the same extent and with the same force and effect as if any such proceedings had not been instituted; and all other co-makers shall be jointly and severally liable to the Payee under this Note for the full amount payable hereunder irrespective of any modification, limitation, or discharge of the liability of any co-maker that may result from any such proceeding.

Nothing herein contained, nor in any instrument or transaction related hereto, shall be construed or so operate as to require the Maker, or any person liable for the payment of the loan made pursuant to this Note, to pay interest in an amount or at a rate greater than the highest rate permissible under applicable law. Should any interest or other charges paid by the Maker, or any parties liable for the payment of the loan made pursuant to this Note, result in the computation or earning of interest in excess of the highest rate permissible under applicable law, then any and all such excess shall be and the same is hereby waived by the holder hereof, and all such excess shall be automatically credited against and in reduction of the principal balance, and any portion of said excess which exceeds the principal balance shall be paid by the holder hereof to the Maker and any parties liable for the payment of the loan made pursuant to this Note, it being the intent of the parties hereto that under no circumstances shall the Maker, or any parties liable for the payment of the loan hereunder, be required to pay interest in excess of the highest rate permissible under applicable law.

No set-off, counterclaim, reduction or diminution of any obligation, or any defense of any kind or nature, which any of the undersigned has or may have against any Maker shall affect, modify or impair its obligations hereunder.

No delay or failure on the part of the holder of this Note in the exercise of any power, right or remedy hereunder, or under any other instrument executed in connection herewith or at law or in equity shall operate as a waiver thereof, nor shall a single or partial exercise of any power or right preclude other or further exercise thereof or the exercise of any other power, right or remedy.

Each Maker and all others who are, or may become liable for the payment hereof, expressly agree that the Payee shall not be required first to institute any suit or to exhaust its remedies against any one or all of the Maker or any other person or party to become liable hereunder in order to enforce the payment of this Note; and expressly agree that, notwithstanding the occurrence of any of the foregoing (except the express written release by the Payee of any such person), the Maker and each of them shall be and remain, directly and primarily, jointly and severally liable for all sums due under this Note.

This Note is to be construed according to the laws of the State of Florida and the United States of America. Each of the makers consents to the jurisdiction of the courts of the State of Florida located in Miami-Dade County, Florida and consents to venue in Miami-Dade County, Florida.

EXCEPT AS PROHIBITED BY LAW, NEITHER CITY NOR MAKER SHALL SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING OR COUNTERCLAIM BASED UPON, OR ARISING OUT OF THIS NOTE OR THE RELATIONSHIP BETWEEN CITY AND MAKER. IF THE SUBJECT MATTER OF ANY SUCH LAWSUIT IS ONE IN WHICH THE WAIVER OF A JURY TRIAL IS PROHIBITED, NEITHER CITY NOR MAKER SHALL PRESENT AS A COUNTERCLAIM IN SUCH LAWSUIT, ANY CLAIM ARISING OUT OF THIS NOTE. FURTHERMORE, NEITHER CITY NOR MAKER SHALL SEEK TO CONSOLIDATE ANY SUCH ACTION IN WHICH A JURY HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE WAIVED.



Brian Street, individually

James H. Cohen, individually

THIS PROMISSORY NOTE REPLACES AND SUPERSEDES IN ITS ENTIRETY THAT CERTAIN PROMISSORY NOTE WHICH WAS DELIVERED TO THE CITY ON OR AROUND OCTOBER 26, 2004 AND WAS THEREAFTER LOST BY THE CITY, AS EVIDENCED BY THAT CERTAIN LOST NOTE AFFIDAVIT EXECUTED BY THE CITY AND DELIVERED TO THE MAKERS. THE CITY HAS ACKNOWLEDGED AND AGREED THAT IT WILL ACCEPT THIS PROMISSORY NOTE FROM BRIAN STREET AND JAMES COHEN AND THAT MICHAEL SWERDLOW, A MAKER UNDER THE ORIGINAL PROMISSORY NOTE, IS NO LONGER REQUIRED TO BE A MAKER UNDER THE PROMISSORY NOTE.

AMENDED AND RESTATED DEVELOPMENT AGREEMENT

Pioneer Gardens

THIS AMENDED AND RESTATED DEVELOPMENT AGREEMENT (Agreement) is made and entered into as of this 6th day of March, 2008, by and between URBAN RESIDENTIAL DEVELOPMENT GROUP, LTD., a Florida limited partnership, f/k/a North Miami Housing, Ltd., a Florida limited partnership (the Developer) and the NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY, a body public and corporate of the State of Florida (the CRA). This Amended and Restated Development Agreement amends and restates that certain Development Agreement between the Developer and CRA dated as of October 17, 2006.

WITNESSETH:

WHEREAS, the CRA is the owner of that certain parcel of real property more particularly described on Exhibit "A" attached hereto (the Property); and

WHEREAS, the Property was conveyed by the City of North Miami (the City) to the CRA pursuant to that certain Quit-Claim Deed dated January 24, 2006, and recorded January 27, 2006, in Official Records Book 24185, Page 539, of the Public Records of Miami-Dade County, Florida, which conveyance by the City to CRA was made in accordance with, and subject to, the terms and provisions of that certain Interlocal Agreement between the City and CRA dated January 24, 2006; and

WHEREAS, the City and Biscayne Landing, LLC, a Florida limited liability company, as successor in interest to Preserve Partners, Ltd., a Florida limited partnership through a series of assignments, are parties to that certain Munisport Agreement dated November 26th, 2002 and recorded December 16, 2002 in Official Records Book 20876, Page 4370, as amended by (i) that certain Amendment to Munisport Agreement dated October 26th, 2004 and recorded November 12, 2004 in Official Records Book 22817, Page 292, (ii) that certain Amendment to Munisport Agreement and Ground Lease dated June 10th, 2005 and recorded June 28, 2005 in Official Records Book 23521, Page 1, (iii) that certain Amendment to Munisport Agreement dated October 24th, 2006 and recorded October 31, 2006 in Official Records Book 25058, Page 3567, and (iv) that certain Amendment to Munisport Agreement and Ground Lease dated October 25th, 2006 and recorded November 27, 2006 in Official Records Book 25125, Page 1906, as re-recorded on December 26, 2006 in Official Records Book 25221, Page 1850, all in the Public Records of Miami-Dade County, Florida (collectively, the Munisport Agreement); and

WHEREAS, pursuant to that certain Interlocal Agreement between the City and the CRA dated January 24, 2006, the City delegated to the CRA all of the City's rights, obligations and responsibilities set forth in Section 9.4 of the Munisport Agreement including, but not limited to, all necessary land acquisitions, payment of development fees, subsidies, approvals, permits, selection of qualified home buyers and all other matters regarding the construction and/or rehabilitation of the Affordable Housing Units as defined in and required by Section 9.4 of the Munisport Agreement; and

reasonable times during normal business hours. The Developer shall be entitled to retain such copies of the books and records as the Developer deems appropriate.

6.2 Developer's books and records shall be maintained or caused to be maintained in accordance with Generally Accepted Accounting Principles in a consistent manner, together with the pertinent documentation and data to provide reasonable audit trails for a period of seven (7) years following Final Completion. The foregoing obligation shall expressly survive the expiration or earlier termination of this Agreement.

Section 7. Compensation and Reimbursement of the Developer; Project Expenses.

7.1 Development Fee. The Developer shall be entitled to a development fee (the **Development Fee**) for services rendered by the Developer under and pursuant to the terms hereof in an amount equal to fifteen percent (15%) of the those actual costs incurred and paid by the Developer in connection with the performance of the Work (including professional services, engineering and design services as well as the construction work) in accordance with this Agreement, excluding only those items set forth below:

- (a) The CRA Project Expenses.
- (b) All costs reimbursed by the CRA/City to the Developer for services performed and costs incurred or paid by the Developer prior to the date of this Agreement with respect to the original proposal for the development of the Property commonly known as "Ruck's J" and specifically identified as such on the Pre-Development Budget.
- (c) All cost overruns required to be funded by Developer under Section 7.5 of this Agreement.
- (d) Developer's overhead and home office costs generally consisting of salaries and benefits of the Developer's personnel associated with the Developer's home office (e.g., partners, directors, officers, managers, general office personnel, purchasing, secretarial, estimating and accounting departments and clerical staff) and not personnel directly assigned to the Project and all other costs (including, but not limited to, telephone, copying, fax and computer charges), services and related expenses required to maintain and operate the Developer's home offices and not any offices located at the Project.
- (e) Federal, state, municipal, sales, use, income, franchise and other taxes, as applicable to the Project, all with respect to services performed or materials furnished for the Work.
- (f) Legal and accounting fees and expenses incurred in preparing and negotiating this Agreement.
- (g) Costs due to the negligence of the Developer, any of its contractors, consultants or suppliers employed by the Developer or anyone directly or indirectly employed by any of them, or for whose acts any of them may be liable, including but not limited to the correction of defective work, disposal of materials and equipment wrongfully supplied, or

making good any damage to property but only to the extent such costs exceed the Development Budget, it being understood that Developer may reallocate cost items in the Development Budget to avoid cost overruns.

(h) Governmental fees and assessments for the Work including impact fees, connection fees and building permit fees as well as fees and assessments for other governmental permits, licenses, and inspections.

(i) The use of capital including, but not limited to, financing fees, points, interest, appraisal fees, documentary stamp taxes, intangible taxes, recording fees, title insurance and closing costs.

(j) Any costs associated with compliance of the SBE Program pursuant to the Resolution.

Subject to the requirements and limitations set forth in this Section 7.1, the Development Fee shall be paid by the CRA to the Developer on an installment basis commencing on the closing of the Construction Loan; it being understood and agreed that the first installment of the Development Fee shall include the portion of the Development Fee attributable to the period prior to the closing of the Construction Loan. Simultaneously with the Developer's request to the lender for a disbursement, but not more often than monthly, the Developer shall submit a written request to the CRA for the portion of the Development Fee attributable to the requested Construction Loan disbursement. Such request to the CRA shall show a breakdown of (i) the actual portion of the Work completed and the amount of the Development Fee due, (ii) the share of the Development Budget allocated to that portion of the Work, (iii) such supporting evidence as may be reasonably requested by the CRA, and (iv) if required by the CRA, copies of payment vouchers, vendors' invoices, payrolls and other data substantiating actual expenditures, as well as a partial or final, as applicable, waivers of lien from each contractor, subcontractor, material man, or vendor up through the previous disbursement of funds for those who have filed a Notice to Owner. The Developer's request for an installment of the Development Fee shall constitute a representation to the CRA that (x) the Work has progressed to the point indicated and (y) the quality of the Work is in substantial accordance with the Construction Documents. Provided that the Developer submits all required documentation as required herein and the lender approves the Construction Loan disbursement, CRA shall tender the installment of the Development Fee to the Developer within thirty (30) calendar days of receipt of the written request or sooner if practicable less the retainage required below and minus amounts, if any, for which CRA has withheld funds pursuant to its rights under this Section 7.1 and Section 7.5 of this Agreement.

The Developer agrees that fifty percent (50%) of the amount due for the Development Fee as set forth in each request shall be retained by CRA until fifty percent (50%) of the Work has been completed (as determined on a cost basis pursuant to the Development Budget at which time the amount of the retainage shall be reduced to twenty-five percent (25%) of the amount due for the Development Fee as set forth in the applicable request at which time the CRA shall disburse any portion of the Development Fee previously retained (i.e., any portion of the previously retained fifty percent [50%]); provided the CRA shall not be obligated to reduce the retainage to twenty-five percent (25%) or release any of the previously held retainage if the

CRA, in its good faith judgment, determines that the portion of the Development Fee then remaining unpaid (including the previously held retainage) will not be sufficient to cover the cost of the remaining Work and/or cost overruns for which Developer is responsible under Section 7.5 of this Agreement, in which event the retainage shall be reduced when such cost overrun deficiency is eliminated.

Upon achieving Substantial Completion of the Work, (1) the amount of the retainage (including the previously held retainage) shall be reduced to ten percent (10%) of the amount due for the Development Fee as set forth in the applicable request and (2) the amount of retainage previously withheld in excess of ten percent (10%) shall be paid to Developer within fifteen (15) days following Substantial Completion of the Work; provided the CRA shall not be obligated to reduce the retainage to ten percent (10%) or release any of the previously held retainage if the CRA, in its good faith judgment, determines that the portion of the Development Fee then remaining unpaid (including the previously held retainage) will not be sufficient to cover the cost of the remaining Work and/or cost overruns for which Developer is responsible under Section 7.5 of this Agreement, in which event the retainage shall be reduced when such cost overrun deficiency is eliminated.

Within thirty (30) days after Final Completion or as soon thereafter as possible, the Developer shall submit a final request for any unpaid portion and all retainage of the Development Fee. The final request shall not be made until the Developer delivers to the CRA copies of releases of all liens and claims signed by all contractors, materialmen, suppliers, and vendors and an affidavit that so far as the Developer has knowledge or information, the releases include and cover all Work for which a lien or claim could be filed. In addition, and as a condition precedent to CRA's obligations to pay the final installment of the Development Fee and release all retainage, the Developer shall execute and deliver to the CRA (A) Contractor's final affidavit and final waiver of liens and (B) the written consent of Developer's surety to the extent required under the Bond(s); provided, however, that releases will not be required with respect to any lien which has been transferred to bond. Within thirty (30) days following the CRA's approval of the final request, the CRA shall pay the Developer the amount of the Development Fee due under such final request less any portions thereof necessary to pay any unpaid cost overruns which are the Developer's responsibility hereunder under Section 7.5 of this Agreement.

Any provision hereof to the contrary notwithstanding, CRA shall not be obligated to make any payment to the Developer of any portion of the Development Fee if any one or more of the following conditions exists:

(a) the Developer is in default of any of its obligations under any of this Agreement, the Contraction Contract or the Construction Loan; provided, however, upon the cure of such default, the CRA shall promptly bring the Development Fee current subject to the retainage provisions in effect at the time; and/or

(b) any part of such payment is attributable to Work which is defective or not performed in accordance with the Construction Documents and has not yet been corrected (provided that the portion of the Development Fee withheld cannot exceed the amount

attributable to the defective work and such withheld payment shall be made following the correction of such defective Work); and/or

(c) if CRA, in its good faith and reasonable judgment, determines that the portion of the Development Fee then remaining unpaid will not be sufficient to cover any cost overruns for which Developer is responsible under Section 7.5 of this Agreement, whereupon no additional installments of the Development Fee will be due the Developer hereunder unless and until the Developer performs, or causes to be performed, a sufficient portion of the Work so that such portion of the Development Fee then remaining unpaid is not necessary for the payment of any cost overruns for which Developer is responsible under Section 7.5 of this Agreement in connection with the completion of the Work.

7.2 Developer's Expenses and Project Overhead. The Developer shall also be entitled to be reimbursed from the Construction Loan for all expenses (including, without limitation, direct Project overhead expenses) incurred by Developer in accordance with the Pre-Development Budget and/or Development Budget, including, without limitation, costs and expenses which were incurred by the Developer prior to the execution and delivery of this Agreement. For purposes of this paragraph, "Project overhead expenses" shall not include general administrative costs incident to the operation of Developer's home office, including, without limitation, home office utilities, rent, telecopier and photocopier expenses. All equipment and personnel assigned to the Project by Developer, either on or off-site, will be included in the Pre-Development Budget and Development Budget as an expense of the Project.

7.3 Limitation. It is understood that the Development Fee paid by the CRA to the Developer under this Section 7 is intended as full compensation to Developer for developing the Project and performing its obligations under this Agreement. Any net proceeds from the sale of Units which exceed the amount required to fully repay the Construction Loan, fund the Development Fee (to the extent not funded under the Construction Loan or the Line of Credit) and fund all other costs of the Project pursuant to the Pre-Development Budget and/or Development Budget (to the extent not funded under the Construction Loan) shall be paid to the CRA.

7.4 Project Expenses. The expense of any third party independent contractor retained by the CRA or by the Developer on behalf of the CRA and in accordance with the Pre-Development Budget and/or Development Budget or otherwise approved of by the CRA shall be an expense of the Project.

7.5 Cost Overruns. Following the date the Development Budget has been approved by all of the parties to this Agreement and the Construction Contract which is consistent with the Development Budget has been fully executed, the Developer shall be responsible for all costs of the Work, including, but not limited to, labor and materials, in excess of the aggregate amount set forth in the Development Budget, but excluding (a) costs and expenses incurred by the CRA in connection with the performance of the CRA's obligations under this Agreement or the administration of this Agreement by the CRA, including, without limitation, the CRA Project Expenses and any deductibles under the insurance coverages to be provided by the CRA, (b) costs and expenses incurred as a result of a change in the Construction Documents required by Governmental Authorities or the CRA but not including any other Permitted Changes, (c) costs

URDG / NMH

	2004	2005	2006	2007	2008 Thru Sep	Totals 2004 Thru Sep-08
SALARIES AND EMPLOYEE BENEFITS						
Salaries	96,000.00	96,000.00	125,345.18	118,061.85	104,883.20	540,290.23
Swerdlow/Boca Personnel	96,000.00					96,000.00
FICA	1,836.00					1,836.00
FUTA	56.00					56.00
State Unemployment	189.00					189.00
Dental Insurance	107.15	42.74		4,633.35		4,783.24
Vision Insurance		(24.20)				(24.20)
Life Insurance	328.32	201.60				529.92
Long Term Disability Insurance	103.84	64.90				168.74
Short Term Disability Ins	52.56	32.85				85.41
Professional Development	2,065.00					2,065.00
ADP Fees	7,697.55	5,420.81	11,225.26	5,005.36	4,000.64	33,349.62
Total Salaries and Benefits	204,435.42	101,738.70	136,570.44	127,700.56	108,883.84	679,328.96
					January 2006 to December 2008	January 2006 to December 2008
Pioneer Gardens Development Expenses (Y)						
Aerial Photos					1,541.04	1,541.04
Permits					32,461.80	32,461.80
Permit Processing					24,993.75	24,993.75
Civil Engineering					19,410.00	19,410.00
Land Planning & Consulting					78,410.50	78,410.50
Fees & Permits					260.00	260.00
Building Architectural services					218,340.75	218,340.75
Environmental supervision					97,750.00	97,750.00
Zoning & impact studies					4,850.00	4,850.00
Legal Services					949,506.00	949,506.00
Legal Financing					32,078.85	32,078.85
Loan Processing Fees					1,500.00	1,500.00
Appraisal Fees					4,000.00	4,000.00
Advertising - RFP's & RFQ's					8,447.38	8,447.38
Utility Company fees					4,694.48	4,694.48
Condo Mgmt budget expenses					3,562.50	3,562.50
Construction Project Management					114,488.48	114,488.48
Maintenance existing conditions - repairs					5,875.00	5,875.00
Survey & As builts					4,368.75	4,368.75
Platting services					12,070.82	12,070.82
Printing plans & Blueprints					10,584.24	10,584.24
Project Management					377,583.33	377,583.33
Investigate 48" FM					8,330.00	8,330.00
Environmental Engineering					18,032.00	18,032.00
Geotechnical Engineering					14,233.00	14,233.00
Site Demolition Design Plans					20,527.50	20,527.50
Building & Site Demolition					982,431.37	982,431.37
Landscape Architect					17,700.58	17,700.58
Offsite 16" FM design & permitting					22,511.56	22,511.56
Total Pioneer Gardens Project Costs @ 12-31-0	0.00	0.00	0.00	0.00	3,090,543.68	3,090,543.68
OPERATING EXPENSES						
Bank Charges & Wire Fees	409.12	142.82			431.76	983.70
Rent	27,635.00	18,741.58	10,000.00	18,000.00	8,000.00	82,376.58
Overnight/Messenger Service	287.00	150.00	408.03	300.00	328.22	1,473.25
Office Expense & Supplies	930.88	13,000.00	19,200.00	6,372.48	2,400.00	41,903.36
Management Fees	130,000.00	132,000.00	110,000.00	90,000.00	40,000.00	502,000.00
Operating Exp Allocation	24,000.00					24,000.00
Prof Fees - Misc. Consulting				20,000.00	25,000.00	45,000.00
Prof Fees - other	2,775.00		25,000.00		112,500.00	140,275.00
Prof Fees - Accounting		700.00	10,271.00	2,004.00	1,330.00	14,305.00
Prof Fees - Architectural			356.36			356.36
Auto Expenses	440.00					440.00
Dues and Subscriptions	9.95			150.00	150.00	309.95
Travel & Entertainment	885.86				3,869.34	4,755.20
Business Meals	631.22	680.00	1,975.01	(1,793.69)	89.15	1,581.69
Advertising/Marketing	91.85		5,827.38	5,000.00	5,000.00	15,919.23
Licenses & Permits	205.00	2,340.00	19.90	543.85	21.51	3,130.26
Tax Penalties	290.10					290.10
Contributions - Charitable			500.00	540.00		1,040.00
Network Support			380.00	(380.00)		0.00
Utilities - Telephone - Cellular					133.75	133.75
Interest - Interco. Loans			990.00			990.00
Seminars & Education			600.00		1,050.00	1,650.00
Miscellaneous		193.22				193.22
Total Expenses	188,590.98	167,947.62	185,527.68	140,736.64	200,303.73	883,106.65
	\$ 393,026.40	\$ 269,686.32	\$ 322,098.12	\$ 268,437.20	\$ 3,399,731.25	\$ 4,652,979.29
Less funds provided by the NMCRA for Pioneer Gardens						(1,015,587.99)
Total						\$ 3,637,391.30

(Y) Pioneer Gardens costs are for period January 2006 to December 2008 - subject to year end 2008 adjustments |
 This report does not include any expenses for Bel House Apartments which have been funded by the NMCRA