

February 1, 2017

Mr. David Brandt  
Housing Finance Authority of Palm Beach County  
100 Australian Avenue, Suite 410  
West Palm Beach, FL 33406

Dear Mr. Brandt:

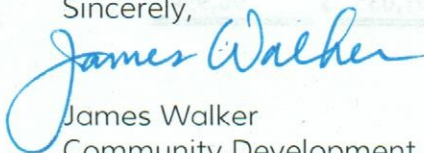
The Florida Community Loan Fund ("FCLF") has issued commitment letters to Neighborhood Renaissance, Inc. for financing two projects in Palm Beach County, namely for a 36 unit rental apartment project known as Mango Cove and for an 8 unit for-sale live-work townhome project in Lake Worth. Since we presented these loans to your Board in December, we wanted to provide you with a brief update on our progress with the hope that you would continue to be interested being a lending partner in one or both transactions.

There has been no change to the Lake Worth Artists Lofts project but the borrower has approached us to seek a larger construction loan on the Mango Cove project due to increases in the costs associated with the project. We expect the new loan request to be between \$3.7M and \$3.8M, up from the initial request of \$3.0M (please note that this is primarily due to a very significant and unexpected fee being imposed on the project that could not have been foreseen by the borrower). Our initial review indicates that the project will be able to support the anticipated larger term loan which will take out the construction loan at the completion of the construction phase. We are still very interested in having the HFAPBC participate with us as a lender for the construction loan. As soon as we have reviewed and approved the loan internally, I will share the updated information with you.

Because the Borrower would like to finalize the construction loan as soon as possible, I would appreciate obtaining a better understanding of what additional information you will need in order to obtain final approval from your Board in March. We are prepared to work with you to prepare whatever documentation or additional information your Board needs to make that final decision so that, if approved, you will then be authorized to close on the loans. For example we can draft loan documents and a proposed participation agreement for their review if that is desired.

We appreciate the opportunity to explore participating with you on these two projects in Palm Beach County. Please let us know if you have any further questions.

Sincerely,



James Walker  
Community Development Lending Officer  
561-414-3933