



Blue Sky Communities
5300 West Cypress Street
Suite 200
Tampa, Florida 33607

February 16, 2022

LETTER OF INTENT

Dennis Weber, Real Estate Coordinator
City of St. Petersburg, Real Estate & Property Management
Municipal Services Center, One – 4th Street North-9th Floor
St. Petersburg, Florida 33701

Re: CITY OF ST. PETERSBURG NOTICE OF INTENT TO DISPOSE OF CITY-OWNED REAL ESTATE (“Notice”) described as 2.18 Acres mol, with Parcel ID 25-31-16-88981-001-0020, generally located at 2100 18th Avenue South, St. Petersburg, Florida 33712, Pinellas County, Florida, known as the (“Property”)

Mr. Weber:

In response to the Notice outlined above, we are very excited to present this Letter of Intent (“LOI”) which shall outline the general terms and conditions pursuant to which Blue Sky Communities, LLC, a Florida Limited Liability Company (“Buyer”), would be willing to purchase the Property as-is from City of St. Petersburg (“Seller”) utilizing 4% Federal Low Income Housing Credits, FHFC SAIL funds and/or City of St. Petersburg ARPA Funds (“the Funding”).

The Funding is awarded annually by the Florida Housing Finance Corporation (“FHFC”). Blue Sky has extensive experience applying for and winning the Funding in St. Petersburg, in Pinellas County and throughout the state of Florida. To that end, we have determined that the Property is an excellent candidate for winning Funding in the upcoming 2022 FHFC application cycle and providing desperately needed affordable housing for the local residents.

The need for affordable housing in the City of St. Petersburg is immediate and it is important. While there is the potential for more units on this site that is a process that will take longer and may not ultimately be successful. For that reason we are proposing the maximum number of units that would not require additional approvals.

This Letter of Intent is non-binding, preliminary in nature and reflects only the major points to be included in a formal purchase and sale agreement (the “Agreement”). Upon execution by all parties of this LOI, Blue Sky will immediately prepare the Agreement for review and execution.



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- CONTEMPLATED IMPROVEMENTS: 67 affordable apartments, average of 60% AMI, together with amenities and parking.
- PURCHASE PRICE: \$1,000,000.
- DEPOSITS:
 - First Deposit: \$25,000, due upon execution of the Agreement.
 - Second Deposit: \$75,000, due upon city approval of affordable housing density bonus, which would allow the Contemplated Improvements.
 - First Deposit is Refundable until payment of the Second Deposit, then all deposits are non-refundable.
- DUE DILIGENCE PERIOD
 - 60 days.
- CLOSING:
 - Closing Date shall be one year from FHFC approval of the Funding and receipt of invitation to credit underwriting ("Funding Approval"). Funding Approval is anticipated to occur not later than April 1, 2023. If Buyer does not obtain Funding Approval by May 1, 2023, Buyer has the option to extend the Closing date for one year in order to apply for FHFC SAIL funds a second time ("Closing Extension Option").
- OTHER: Buyer expects to work in a cooperative manner with the City and other stakeholders on development issues including but not limited to:
 - Demographic focus
 - Minority hiring
 - Architectural style
 - Construction quality
 - Energy efficiency
 - Resident programs
 - Tangerine redevelopment



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- Community engagement
- City financial participation

This letter of intent expires on April 16, 2022, or later date in the event that Seller's process extends beyond this date.

Thank you very much for this opportunity and we look forward to working with you on this transaction.

Sincerely,

Scott Macdonald
Executive VP

[SELLER ACKNOWLEDGEMENT ON FOLLOWING SHEET]



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SELLER

AGREED TO AND ACCEPTED this _____ day of _____, 2022.

Selling Entity: City of St. Petersburg _____

Signature: _____

Print: _____
Name and Title