

DOUGLAS GARDENS IV, LTD.

December 18, 2023

VIA ELECTRONIC MAIL ONLY (mcepero@broward.org and rstone@broward.org)Broward County Administrator Governmental
Center 115 South Andrews Avenue, Room 409
Fort Lauderdale, Florida 33301Director of Housing Finance Division
110 NE 3rd Street, Suite 300
Fort Lauderdale, Florida 33301

Re: Transfer of Ownership Interests of Archipelago Housing, LLC, a Delaware limited liability company (“Archipelago”) in MHP DOUGLAS SLP, LLC, a Florida limited liability company (the “Special Limited Partner”); Transfer of Ownership Interests of Archipelago in MHP Developers, LLC, a Delaware limited liability company (“Developers”); Transfer of Ownership Interests of Kenneth P. Lee (“K. Lee”) and Michael C. Lee (“M. Lee”) in MHP Developers X, LLC, a Delaware limited liability company (“Developers X”); Release of K. Lee from Guarantee/Indemnity Agreements

Dear Ms. Cepero and Mr. Stone:

This letter is being sent in connection with that certain loan in the original principal sum of up to \$14,000,000 by Broward County (the “County”) to Douglas Gardens IV, LTD., a Florida limited partnership (the “Borrower”). Borrower hereby respectfully requests the consent of the County to (i) the transfer by Archipelago of its ownership interests in the Special Limited Partner to W. Patrick McDowell 2001 Trust (the “Trust”), pursuant to Section 7.1 of that certain Leasehold Mortgage and Security Agreement and Assignment of Leases, Rents and Profits (Douglas Gardens – Senior Health and Living) by Douglas Gardens IV, LTD., a Florida limited Partnership (the “Borrower”) in favor of the County (the “Mortgage”); (ii) the transfer by Archipelago of its ownership interests in Developers to the Trust, pursuant to Section 7.1 of the Mortgage; and (iii) the transfer by K. Lee and M. Lee of their ownership interests in Developers X to the Trust, pursuant to Section 7.1 of the Mortgage (collectively, the “Proposed Transfers”).

Finally, Borrower further hereby respectfully requests that the County release K. Lee from the following documents and the obligations described therein (collectively, the “Proposed Releases”):

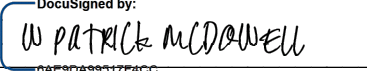
- (a) that certain Completion Guaranty (Douglas Gardens – Senior Health and Living) executed as of February 15, 2023, by the Borrower, Developers, Developers X, the Trust, Douglas Gardens Senior Housing, Inc. (“DGSH”), K. Lee, and W. Patrick McDowell (“WPM”);
- (b) that certain Agreement of Environmental Indemnification (Douglas Gardens – Senior Health and Living) executed as of February 15, 2023, by the Borrower, Developers, Developers X, the Trust, DGSH, K. Lee, and WPM;
- (c) that certain Guaranty of Payment (Recourse Obligation) Douglas Gardens – Senior Health and Living executed as of February 15, 2023, by the Borrower, Developers, Developers X, the Trust, DGSH, K. Lee, and WPM;
- (d) that certain Guaranty of Payment - Developer Douglas Gardens – Senior Health and Living executed as of February 15, 2023, by the Borrower, Developers, Developers X, the Trust, DGSH, K. Lee, and WPM; and
- (e) that certain Absolute and Unconditional Guaranty of Operating Deficits (Douglas Gardens – Senior Health and Living) made as of February 15, 2023, by the Borrower, Developers, Developers X, the Trust, DGSH, K. Lee, and WPM.

Please acknowledge the County's consent to the Proposed Transfers and agreement to the Proposed Releases at earliest convenience. If you need any additional information concerning the matters set forth above, please do not hesitate to contact Lloyd Burman, Corporate Counsel of McDowell Housing Partners, LLC, via electronic mail at lburman@mcdhousing.com.

Sincerely,

Douglas Gardens IV, LTD., a Florida limited partnership

By: MHP Douglas SLP, LLC, a Florida limited liability company, its special limited partner

By: 
W. Patrick McDowell
Chief Executive Officer

Cc: Broward County Attorney's Office, Attention: Annika Ashton, Esq. (via electronic mail only: aashton@broward.org); First Housing Development Corporation of Florida, Attention: Edward Busansky (via electronic mail only: ebusansky@firshousingfl.com); Nelson Mullins Riley & Scarborough LLP, Attention: Roman Petra, Esq. (via electronic mail only: Roman.Petra@nelsonmullin.com)