

## DUE DILIGENCE QUESTIONNAIRE

It is expected that the property owned by the Landowner will be included within the boundaries of a Community Development Authority or Special Tax District, Tax Allocation District or Tax Increment Financing District (“District”). Under Federal and State securities laws, the Landowner is required to disclose all material facts to potential purchasers of the Bonds. For this reason, it is extremely important that each of the following questions be answered completely and accurately.

### LANDOWNER / DEVELOPER

#### LEGAL/ORGANIZATIONAL STRUCTURE INFORMATION

- Legal Name of Landowner/Developer.
  
- Legal Name of all affiliated entities of the Landowner/Developer.
  
- Describe Legal Structure.
  - LLC, Partnership, Corporation, etc
  - Members, partners, or shareholders of Landowner and percentage interests in Landowner
  
- Has The Landowner contracted with another party (“Development Manager”) to develop the Property? If so, please provide the following information regarding the Development Manager:
  - Legal Name of Development Manager
  - Legal Structure of Development Manager – LLC, Partnership, Corporation, etc.
  - Members, partners, or shareholders of Landowner and percentage interests in Landowner

#### DEVELOPMENT EXPERIENCE

- Please provide a bio on the Landowner / Developer and key principals?
- How long as the Landowner/Developer been developing real estate?
- How many units since inception has the Landowner/Developer developed?
- List of Projects – developed or in process. Please use the following form.

| Project Name | Project Type | # of Units /<br>SF | Location | Year Completed/Status |
|--------------|--------------|--------------------|----------|-----------------------|
|--------------|--------------|--------------------|----------|-----------------------|



THE DEVELOPMENT

GENERAL

- # of Gross Acres
- # of Developable Acres
- Location of Development
  - City, County, State
  - Major cross-streets
  - Proximity to major highways/transportation arteries
  - Name of area or sub-market
  - What is the general development plan?
    - Who will be responsible for installing the master infrastructure?
    - Who will be responsible for installing the infrastructure for the internal pods?
    - Who will be responsible for vertical construction?

DEVELOPMENT PLAN / STATUS

Residential Product Mix

- Please complete the following re: the product type

| Product Type | Lot Size | # of Units | Expected Lot Price | Expected Home Price |
|--------------|----------|------------|--------------------|---------------------|
|--------------|----------|------------|--------------------|---------------------|

Commercial Product Mix

| Product Type | Lot Size (acres or SF) | # of SF (Vertical) | Expected Price Of Developed Land | Expected Lease Rate |
|--------------|------------------------|--------------------|----------------------------------|---------------------|
|--------------|------------------------|--------------------|----------------------------------|---------------------|

- Please complete the following re: the project status

| Event                          | Status | Expected Start Date | Expected Completion Date |
|--------------------------------|--------|---------------------|--------------------------|
| Zoning                         |        |                     |                          |
| Permitting                     |        |                     |                          |
| Platting                       |        |                     |                          |
| Installation of Infrastructure |        |                     |                          |
| Sale contracts                 |        |                     |                          |
| Vertical Construction          |        |                     |                          |

- Have you entered into contracts with any builders or other parties to purchase lots or land?
- If YES, provide names of purchaser, lot/land prices, # of lots or acres, deposit required and delivery schedule.
- Please complete the following re: expected absorption. NOTE: Units closed with homeowners or SF absorbed.

| Unit Type | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|-----------|------|------|------|------|------|------|
|           |      |      |      |      |      |      |

FINANCE PLAN

- When was land purchased?

- Land purchase price?
- Development budget:
  - Soft costs
  - Development Costs
  - Other
- Moneys spent to date:
  - Soft Costs
  - Development Costs
  - Other
- Description of any bank, land, mezzanine, equity or other financing arrangements:
  - Provider / Note Holder
  - Structure of Facility
  - Rate
  - Closing Date
  - Maturity Date
  - Security

REQUIRED APPROVALS

**Zoning**

- Date received / Expected date for zoning/development rights for the Development?
- Provide the zoning/development rights for the Development?
- Describe in detail the development order, if any?
- Describe development conditions/proffers / agreements / triggers for the Development?
- Describe any offsite improvements that are required by the Developer?
- Is the Development a part of a DRI? If so, provide information re: development conditions.

**Permitting**

- Provide permitting information re: the Development.

| Project               | Agency | Permit Status | Expected Receipt Date |
|-----------------------|--------|---------------|-----------------------|
| Stormwater Management |        |               |                       |
| Wetlands              |        |               |                       |
| Water                 |        |               |                       |
| Sewer                 |        |               |                       |

Roadways  
Other

ENVIRONMENTAL

- Has there been a Phase I and/or Phase II performed? If so, please provide.
- Any outstanding environmental issues outstanding?

SCHOOLS

Children within the Development will be expected to attend what school.

- Elementary School Name and proximity to the Development
- Middle School Name and proximity to the Development
- High School Name and proximity to the Development

UTILITIES

- Water and Sewer provider
- Electrical Service provider?
- Are there any unresolved utility provision issues? Any supply problems?

PROPERTY TAXES / HOA FEES / ASSESSMENTS

- Ad valorem tax rate in city/county
- Expected HOA Fees, if any
- Any other assessments expected to be levied aside from District Special Taxes /Assessments

COMPETITIVE PROJECTS

| Project Name | # of Units / SF | Proximity to Subject Development | Developer | Date Started | Completed / Expected Completion Date | Price Points | # of units remaining |
|--------------|-----------------|----------------------------------|-----------|--------------|--------------------------------------|--------------|----------------------|
|--------------|-----------------|----------------------------------|-----------|--------------|--------------------------------------|--------------|----------------------|

## LEGAL

- Has the Developer or Landowner, or entity owning an interest in the Developer or Landowner, or any affiliate of the Developer or Landowner:
  - Been charged or convicted of a felony or misdemeanor \_\_\_ YES \_\_\_ NO
  - Been delinquent or in default on any loans, lines of credit or other obligation related to the Development or other projects? \_\_\_ YES \_\_\_ NO. If YES, provide information.
  - Filed for bankruptcy or been declared bankrupt? \_\_\_ YES \_\_\_ NO. If YES, specify date and location of court where bankruptcy action took place.
  - Been the party to any lawsuit or claim regarding the Development or Property? \_\_\_ YES \_\_\_ NO. Is there any other material litigation, threatened or actual, not related to the Property?  
\_\_\_ YES \_\_\_ NO. If YES, please attach a copy of the complaint, or if unavailable, please list the court in which the action is pending and the case number, or if the claim or action has not yet been filed please attach all documents summarizing the claim or action
  
- Are there any other foreseeable circumstances not described above that could prevent or significantly delay the proposed development of the Property? \_\_\_ YES \_\_\_ NO. If YES, please explain.

## LIST OF DOCUMENTS

Please provide a copy of the following documents:

1. Documents indicating legal structure including: partnership agreements, operating agreements, articles of incorporation or organization and bylaws, or other such relevant documents.
2. Any agreements with merchant builders or others to option or purchase any land or lots within the Development.

3. Any agreements with any land bank or seller regarding delivery of land or land financing.
4. Environmental studies or reports.
5. Most recent tax bill.
6. Most recent title report.
7. Any notes, loan or security agreements concerning the property.
8. Any development or joint venture agreements.
9. Document which grants zoning authority to develop the Development.
10. Site plan approval document and Site plan map.
11. Any marketing materials to be provided to prospective purchasers.
12. Any Appraisal prepared.
13. Developer financials.
14. Project ProForma.



PLEASE RETURN THE COMPLETED  
FORM AND ATTACHMENTS TO:

The undersigned hereby certifies that the foregoing information is true and correct as of  
the date set forth below.

\_\_\_\_\_,  
Landowner

Dated: \_\_\_\_\_, 2003

By: \_\_\_\_\_  
Its: