

August 18, 2009

Community Maritime Park Associates, Inc.
Judge Lacey Collier, Chairman
% Mr. Edward Spears, Executive Director

VIA EMAIL

Re: New Markets Tax Credit Reservation

Dear Chairman Collier and Trustees of Community Maritime Park Associates,

We are pleased to inform you that CAPITAL TRUST AGENCY COMMUNITY DEVELOPMENT ENTITY, LLC (the "Allocatee") has conditionally approved the request of Community Maritime Park Associates, Inc. (the "CMPA") for a set-a-side of up to \$35 million in New Markets Tax Credits as provided in more detail below. The Allocatee's obligations in connection with the set-aside are subject to the terms and conditions set forth below:

- 1) **AMOUNT:** Up to \$35,000,000 in gross value of New Markets Tax Credits (NMTCs) shall be reserved (the "Credit"), for a qualified equity investment to be made into an affiliate of the Allocatee prior to the expiration of the Reservation Period (the "QEP"). The Allocatee will use its best efforts, including contracting outside professionals, to obtain added participating Allocatees for the purpose of increasing up to \$35 million in additional tax credits to benefit the Project. The Allocatee understands "but for" additional tax credits being applied to this Project, important leasehold improvements, specifically the construction of a maritime museum as a key component of the Project, may not be achieved. Additionally, it is the intent of the Allocatee to apply for on behalf of the CMPA an allocation of state tax credits, if available, for use in this project. The CMPA agrees to use its resources to assist the Allocatee in applying and obtaining state tax credits that may be available. Upon successfully obtaining state tax credit allocations, additional fees and costs incurred for these added tax credits may be owed, but paid contingent on a successful closing of the transaction.
- 2) **PURPOSE:** To provide financing for the Maritime Park Project (the "Project") between the 200 and 400 blocks of Main Street, Census Tract number 12033000100, in downtown Pensacola, Fl. The Project shall include, but not be limited to, infrastructure, open space recreation areas, multi- purpose stadiums, parking facilities, site work, piers and bulkheads, locations for commercial enterprises, and a maritime museum operated by a special purpose organization delegated by the University of West Florida.
- 3) **RESERVATION PERIOD:** Said NMTCs shall be reserved until December 1, 2009, after which date the reservation shall automatically expire. Notwithstanding

the foregoing, this reservation shall expire upon the earliest to occur of the following events:

- a. Failure of CMPA to execute and deliver this reservation letter to Allocatee on or before August 31, 2009;
- b. Failure of CMPA to cause delivery to Allocatee on or before September 18, 2009 of all information reasonably necessary for Allocatee to determine that CMPA will qualify as a Qualified Active Low Income Community Business ("QALICB");

4) **FEES:**

- a. **Reservation Fee:** A non-refundable reservation fee of \$10,000 is payable upon execution of this reservation letter.
- b. **Closing Fee:** The closing fee will be equal to 5% of the amount of the Credit specified in paragraph 1. The fee will be payable at closing.
- c. **Ongoing compliance audit and management fees:** In each of the first through the seventh year following closing of the transaction, an amount per year equal to \$35,000.
- d. **Legal Fees:** Whether or not the proposed transaction closes, CMPA shall pay all reasonable and necessary fees, expenses, and disbursements of the Allocatee's legal counsel and other professionals retained by Allocatee to prepare this proposed transaction (the "Expenses"). It is anticipated that these amounts will be disbursed at closing. In the event this transaction does not close, CMPA shall reimburse Allocatee for the Expenses within 10 business days of receiving a request for reimbursement, provided however, that the maximum obligation of CMPA shall not exceed \$40,000. An itemization of the Expenses shall be provided to CMPA upon request.

5) **CONDITIONS PRECEDENT TO CLOSING:**

- a. Allocatee's Governing Board final approval of the project to be financed.
- b. Execution and delivery of all documents and agreements as Allocatee and Allocatee's counsel may reasonably require.
- c. Any and all fees incurred (whether the obligation of CMPA hereunder or otherwise) in connection with the QEI or the investment in the QALICB (the "QLICI") shall be paid by the QALICB at closing.

- 6) **ASSIGNMENT:** This NMTC reservation is not assignable and may only be modified in writing, signed by the parties hereto.

- 7) **ADDITIONAL CREDITS:** The Allocatee will seek to obtain \$35 million of additional tax credits from other Allocatees to benefit the Project for an aggregate of \$70 million in tax credit allocations. CMPA understands that if additional tax credits cannot be secured for the Project, the amount of tax credits committed by the Allocatee may not be sufficient to complete the planned improvements without obtaining additional sources of financing for the Project. Additionally, it is the intent of the Allocatee to apply for an allocation of Florida state tax credits for use in this Project.

In recognition of the effort and expense that will be incurred by the parties in connection with evaluating CMPA and the transaction, each party hereby agrees that from the date of execution of this Letter by the Allocatee and acceptance by CMPA, each of CMPA and Allocatee will negotiate exclusively and in good faith with the other concerning use of the Credit for the Project, until the expiration of the reservation period described above. Neither party will, during such period, engage in discussion or negotiations concerning the aforementioned matters with any other party except those delegated by CMPA or the Allocatee.

This letter is not a commitment to grant an allocation of NMTCs nor a commitment to specific terms or conditions, and should not be construed as such. Allocatee will undertake its reasonable best efforts to close the transaction on a schedule mutually agreed to by CMPA and the Allocatee. Closing will be subject to completion of the Allocatee's due diligence review and final approval by the Allocatee's governing board.

Explicit with this letter is a condition that the executive director of the Allocatee, as the representative of the Allocatee, shall be given authorization to cancel this reservation if he does not concur with the submittal of documents, including Project completion schedules, made available prior to closing.

Please indicate your acceptance of the provisions hereof, by signing where indicated below, and returning same to the undersigned along with the amount of the reservation fee. This set-aside shall expire and shall be null and void if it has not been accepted and delivered to Allocatee as aforesaid **on or prior to 5:00 PM Central time on Monday, August 31, 2009.**

Very truly yours,

A handwritten signature in black ink that reads "Ed Gray III" followed by a stylized initial or mark.

Ed Gray III
Executive Director
Capital Trust Agency Community Development Entity, LLC

Reservation Agreement between the Allocatee and the CMPA dated August 18, 2009.

The above terms and conditions are hereby accepted on _____, 2009.

By: _____
Lacey Collier, Chairman of the CMPA

Attested to: _____

Print name of Attesting Party