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July 12, 2001

Mr. David Draper  
FLORIDA PUBLIC SERVICE COMMISSION  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

**RE: Docket Nos. 010920-TX and 010921-TS**

Dear Mr. Draper:

Pursuant to our conversation and discussion with Pete Lester of your office, please find enclosed the start up balance sheet for HTG Services, LLC. Also enclosed are the Combined Financial Statements for the the months ending March 31, 2001 for Clinton Communities, LLC and Housing Trust Group of Florida, LLC.

Clinton Communities, Housing Trust Group of Florida and HTG Services, LLC are affiliated companies doing business as part of the Housing Trust Group. It is our intent that HTG Services, LLC be the main provider of telecommunication services for properties developed and operated by Clinton Communities, LLC and Housing Trust Group of Florida, LLC. You will notice that the principles are the same in all three companies.

I trust this is sufficient financial information for your needs to continue to process our applications. However, please contact me at (305) 860-8188 should you require any additional information.

Yours sincerely,

- APP \_\_\_\_\_ Kenneth G. Cassel
- CAF \_\_\_\_\_ Vice President
- CMP \_\_\_\_\_ Chief Operating Officer
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_ Enclosures
- LEG   I
- OPC \_\_\_\_\_
- PAI \_\_\_\_\_ KC/cs
- RGO \_\_\_\_\_
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DOCUMENT NUMBER-DATE

HOUSING TRUST GROUP

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FPSC-COMMISSION CLERK

**HTG SERVICES L.L.C.**

Balance sheet as of June 30, 2001

*ASSETS*

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<b>TOTAL ASSETS</b>	<b>-</b>
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*LIABILITIES*

<i>A/P Housing Trust Financial Group</i>	<i>500.00</i>
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Total Liabilities	500.00

*EQUITY*

Retained earnings	(500.00)
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Total Equity	(500.00)

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<b>TOTAL LIABILITIES AND EQUITY</b>	<b>-</b>
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**Clinton Communities, L.L.C. and Housing Trust Group of Florida, L.L.C.**  
**Combined Statements of Financial Position**  
**As of March 31, 2001**

**ASSETS**

Cash, included deposits under letter- of-credit agreements	\$	715,725
Pre-development costs		1,236,512
Furniture & fixture, net of accumulated depreciation of \$1,620		8,529
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>1,960,766</u></b>

**LIABILITIES & CAPITAL**

<b>Current liabilities</b>		
Accounts payable & other	\$	32,939
Due to affiliated companies		1,393,942
Note payable Lend Lease		2,344,398
<b>Total liabilities</b>		<b><u>3,771,279</u></b>
<b>Capital</b>		
Capital account		(1,380,596)
Loss in current period		(429,917)
<b>Total capital</b>		<b><u>(1,810,513)</u></b>
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>\$</b>	<b><u>1,960,766</u></b>

**Clinton Communities, L.L.C. and Housing Trust Group of Florida, L.L.C.**  
Combined statements of operations  
For the quarter ended March 31, 2001

<b>REVENUES</b>	
Interest income	\$ 399
Total revenues	<u>399</u>
<b>EXPENSES</b>	
General & administrative	121,005
Consulting & outside services	76,270
Payroll wages & taxes	228,785
Interest expense	3,035
Legal expense	<u>1,221</u>
Total expenses	<u>430,316</u>
<b>NET LOSS</b>	\$ <u><b>(429,917)</b></u>

**COMBINED FINANCIAL STATEMENTS**

**Clinton Communities, L.L.C. and Housing Trust Group of Florida, L.L.C.**

**Notes to financial statements**

For the quarter ended March 31, 2001

**1. Basis of presentation**

The Combined Financial Statements reflect the combined balance sheets and statements of operations for Clinton Communities, L.L.C. and Housing Trust Group of Florida, L.L.C. Both Florida limited liability companies were formed in 2000 for the purpose of developing affordable housing, tax credit rental communities in the State of Florida. The Companies are owned 50% by JAG Ventures, Ltd., a Florida limited partnership controlled by Stewart Marcus, and 50% by Randy Rieger.

**2. Operations**

The Companies have commence construction of two affordable housing communities and have been awarded tax credits on four more communities expected to commence construction before the end of the third quarter of 2001. These communities include the following:

<u>Project</u>	<u>Florida County</u>	<u>Number of units</u>	<u>Projected developer fees</u>	<u>Anticipated completion</u>
<u>Under construction:</u>				
Grande Pointe	Orlando	276	\$900,000	Early 2002
Marina Bay	Palm Beach	192	600,000	Early 2002
<u>Not yet started:</u>				
Emerald Palms	Broward	318	2,131,000	2002
Colony Park	Palm Beach	130	1,958,000	2002
Venice	Broward	150	1,306,000	2002
Westlake	Palm Beach	<u>288</u>	<u>2,356,000</u>	2002
		<u>1,354</u>	<u>\$9,251,000</u>	

Projected developer fees are to be received partially at time of completion of construction and the balance after the projects have reached a specified occupancy.

**3. Due to affiliated companies/Note payable Lend Lease**

Working capital during the start-up stage for these Companies has either been supplied by the owners through affiliated companies or through a line-on-credit with the Companies' main lender Lend Lease. Under the line-of-credit agreement, the Companies are obligated to give the Lender the first right of refusal on the syndication of tax credits for all projects to be developed by the Companies during the term of the agreement, excluding the first two projects.